



SunLine Transit Agency/
 SunLine Services Group
 March 25, 2026
 12:00 p.m.

**Joint Regular Meeting of the SunLine Transit Agency &
 SunLine Services Group Board of Directors
 Regular Board of Directors Meeting**

**Board Room
 32-505 Harry Oliver Trail
 Thousand Palms, CA 92276**

NOTICE TO THE PUBLIC

All items appearing on the agenda are subject to action by the Board of Directors. Staff recommendations are subject to action by the Board of Directors.

In compliance with the Brown Act, agenda materials distributed to the Board 72 hours or less prior to the meeting, which are public records relating to open-session agenda items, will be available for inspection by members of the public prior to or at the meeting at SunLine Transit Agency's Administration Building, 32505 Harry Oliver Trail, Thousand Palms, CA 92276, and on the Agency's website, www.sunline.org.

Upon request, SunLine will provide written agenda materials in appropriate alternative formats to individuals with disabilities. In addition, SunLine will arrange for disability-related modifications or accommodations, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please contact the Clerk of the Board at (760) 343-3456 or send a written request by emailing clerkoftheboard@sunline.org, including your name, mailing address, telephone number and brief description of the requested materials, preferred alternative format, and/or auxiliary aid or service at least three (3) days before the meeting.

Public comments may be received either in person or via email.

In Person: Anyone wishing to speak in person during the public comment period or on a particular item is required to fill out a Request to Speak Form. In order to be recognized, a Request to Speak Form must be submitted to the Clerk of the Board prior to the start of the public comment period or before the agenda item on which comment is to be provided is taken up by the Board. Comments are limited to a total of three (3) minutes per speaker. The Board and Committee Chairs have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and ensures the orderly conduct of the meeting.

In Writing via Email: Written comment may be submitted by emailing clerkoftheboard@sunline.org. To comment by email, submit comments no later than 5:00 PM the day before the meeting. Email comments should include the commenter's name, the agenda item being commented on (if applicable), and comment. Any correspondence received before the deadline will be forwarded to the Board of Directors for consideration

ITEM

RECOMMENDATION

before action is taken on the matter. Upon request, one (1) hard copy of the written comments will be available for public viewing. Written comments will be retained for the official records. Written comments will not be read aloud at Board or Committee meetings.

The Board has the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

ITEM

RECOMMENDATION

1. CALL TO ORDER

Note: All items appearing on the agenda are subject to action by the Board. Staff recommendations are subject to change by the Board.

2. FLAG SALUTE

3. ROLL CALL

4. FINALIZATION OF AGENDA

5. PUBLIC COMMENTS

RECEIVE COMMENTS

NON AGENDA ITEMS

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person's comments are limited to a maximum of three (3) minutes.

6. PRESENTATIONS

a) 2026 SunLine Rodeo Recap Video

7. BOARD MEMBER COMMENTS

RECEIVE COMMENTS

8. CONSENT CALENDAR

All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Board Member requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.

ITEM

RECOMMENDATION

- 8a) Acceptance of Checks \$1,000 and Over Report for January 2026 (PAGE 8-13)
- 8b) Acceptance of Credit Card Statements for January 2026 (PAGE 14-26)
- 8c) Acceptance of Monthly Budget Variance Report for January 2026 (PAGE 27-32)
- 8d) Acceptance of Contracts Signed between \$25,000 and \$250,000 for January 2026 (PAGE 33-35)
- 8e) Acceptance of Union & Non-Union Pension Investment Asset Summary for January 2026 (PAGE 36-48)
- 8f) Acceptance of Ridership Report for January 2026 (PAGE 49-53)
- 8g) Acceptance of SunDial Operational Notes for January 2026 (PAGE 54-57)
- 8h) Acceptance of Metrics for January 2026 (PAGE 58-75)
- 8i) Acceptance of Board Member Attendance Report for February 2026 (PAGE 76-78)
- 8j) Approval of Joint Board Meeting Minutes of February 25, 2026 (PAGE 79-83)
- 8k) Acceptance of SSG/SRA Checks \$1,000 and Over Report for January 2026 (PAGE 84-86)
- 8l) Acceptance of SSG Monthly Budget Variance Report for January 2026 (PAGE 87-90)
- 8m) Acceptance of Taxi Trip Data Report – January 2026 (PAGE 91-93)

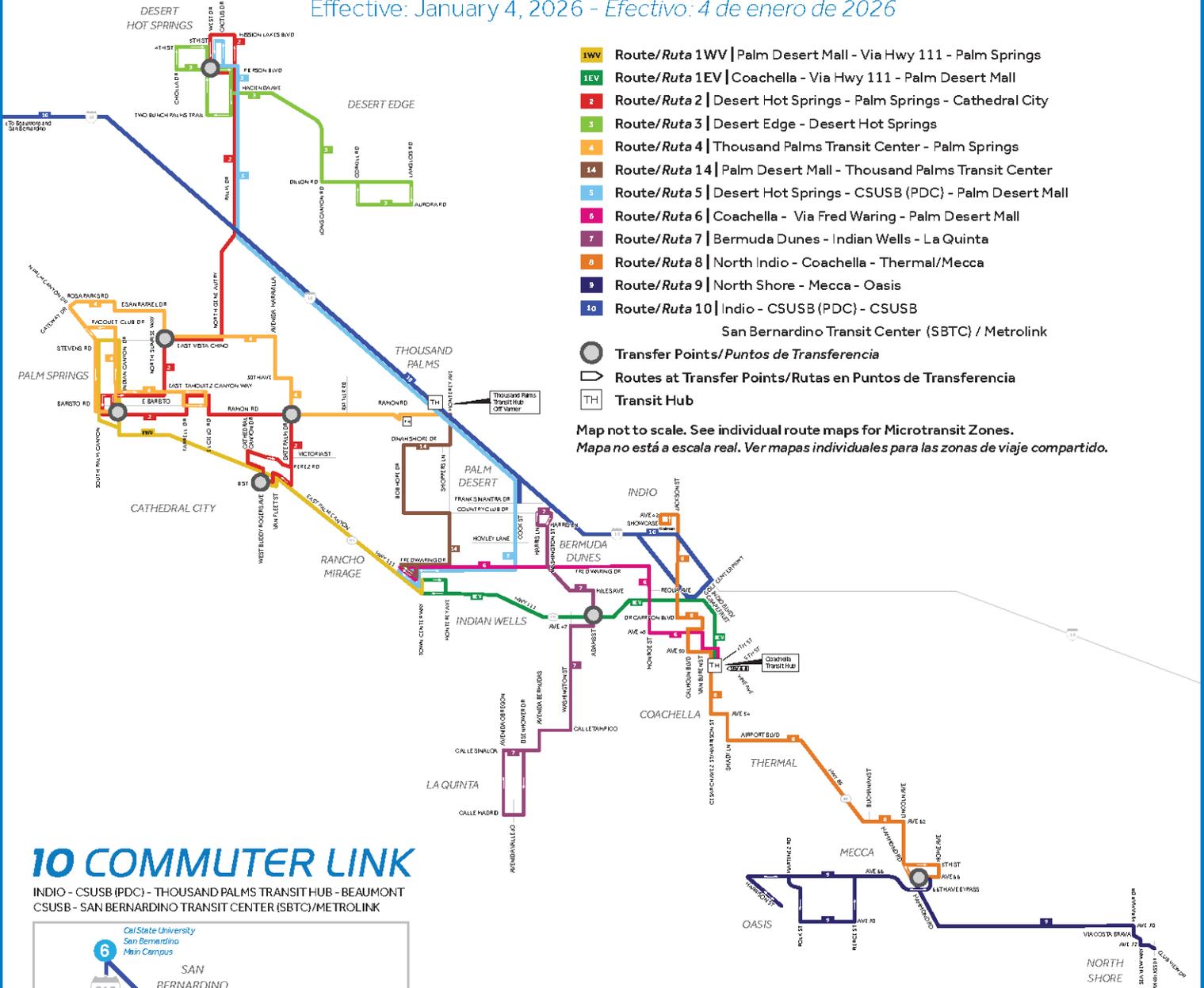
- 9. **FISCAL YEARS 2022-2024 TRANSPORTATION DEVELOPMENT ACT TRIENNIAL PERFORMANCE AUDIT** (RECEIVE & FILE
(PAGE 94-155)
(John Peña, Chair of Finance/Audit Committee/
Committee of the Whole;
Staff: Luis Garcia, Chief Financial Officer)

- 10. **APPROVE RESOLUTION NO. 0818 AMENDING SUNLINE TRANSIT AGENCY’S CONFLICT OF INTEREST CODE** (APPROVE
(PAGE 156-163)
(Nancy Ross, Chair of Board Operations Committee/Committee of the Whole;
Staff: Vanessa Ordorica, Clerk of the Board)

<u>ITEM</u>	<u>RECOMMENDATION</u>
<p>11. APPROVE RESOLUTION NO. 0101 ADOPTING THE SUNLINE SERVICES GROUP'S CONFLICT OF INTEREST CODE (Nancy Ross, Chair of Board Operations Committee/Committee of the Whole; Staff: Vanessa Ordorica, Clerk of the Board)</p>	<p>APPROVE (PAGE 164-170)</p>
<p>12. APPROVE REVISED DRUG AND ALCOHOL POLICY B-010394 (Nancy Ross, Chair of Board Operations Committee/Committee of the Whole; Staff: Bryan Valenzuela, Chief Safety Officer)</p>	<p>APPROVE (PAGE 171-214)</p>
<p>13. CEO/GENERAL MANAGER'S REPORT</p>	
<p>14. CLOSED SESSION</p>	
<p>a) <u>CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION</u> Pursuant to Government Code §§ 54956.95 and 54956.9(d)(1) Karla Garcia v. SunLine Transit Agency, PERMA Claim # 24-181915 & PRISM 20230003852</p>	
<p>b) <u>PUBLIC EMPLOYEE PERFORMANCE EVALUATION</u> Pursuant to Government Code section 54957(b) Position: Chief Executive Officer/General Manager</p>	
<p>15. RECONVENE TO OPEN SESSION AND REPORT OUT FROM CLOSED SESSION</p>	
<p>16. NEXT MEETING DATE</p> <p>April 22, 2026 at 12 p.m. Board Room 32-505 Harry Oliver Trail Thousand Palms, CA 92276</p>	
<p>17. ADJOURN</p>	

SYSTEM MAP - MAPA DEL SISTEMA

Effective: January 4, 2026 - Efectivo: 4 de enero de 2026



- 1WV** Route/Ruta 1WV | Palm Desert Mall - Via Hwy 111 - Palm Springs
- 1EV** Route/Ruta 1EV | Coachella - Via Hwy 111 - Palm Desert Mall
- 2** Route/Ruta 2 | Desert Hot Springs - Palm Springs - Cathedral City
- 3** Route/Ruta 3 | Desert Edge - Desert Hot Springs
- 4** Route/Ruta 4 | Thousand Palms Transit Center - Palm Springs
- 14** Route/Ruta 14 | Palm Desert Mall - Thousand Palms Transit Center
- 5** Route/Ruta 5 | Desert Hot Springs - CSUSB (PDC) - Palm Desert Mall
- 6** Route/Ruta 6 | Coachella - Via Fred Waring - Palm Desert Mall
- 7** Route/Ruta 7 | Bermuda Dunes - Indian Wells - La Quinta
- 8** Route/Ruta 8 | North Indio - Coachella - Thermal/Mecca
- 9** Route/Ruta 9 | North Shore - Mecca - Oasis
- 10** Route/Ruta 10 | Indio - CSUSB (PDC) - CSUSB

San Bernardino Transit Center (SBTC) / Metrolink

● Transfer Points/Puntos de Transferencia

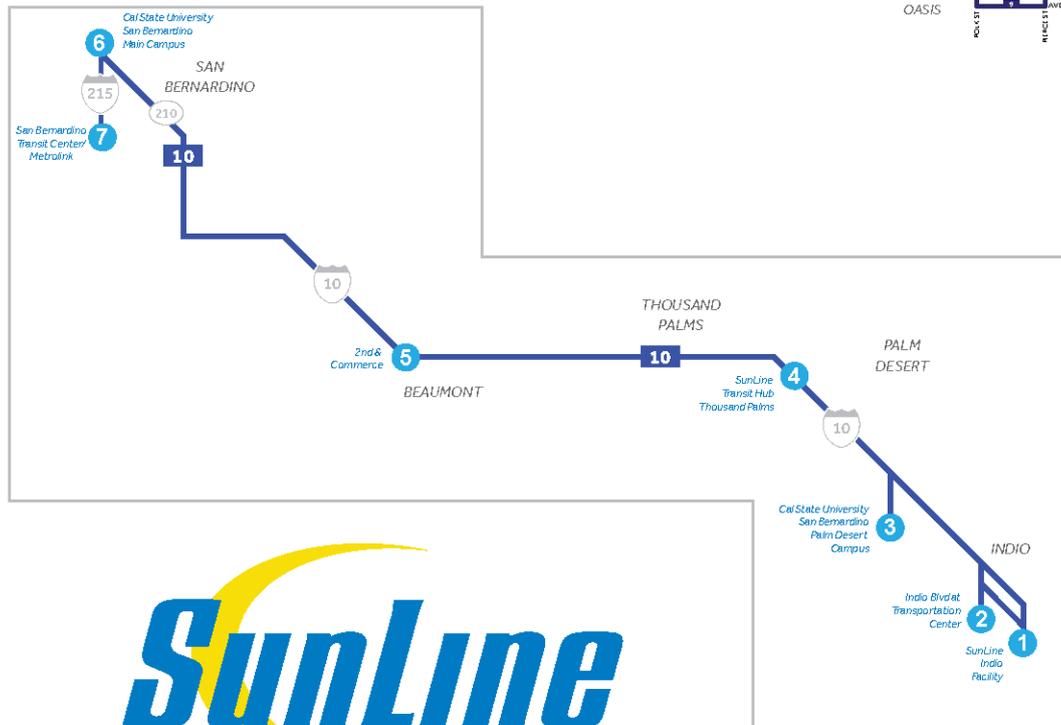
◁ Routes at Transfer Points/Rutas en Puntos de Transferencia

TH Transit Hub

Map not to scale. See individual route maps for Microtransit Zones.
 Mapa no está a escala real. Ver mapas individuales para las zonas de viaje compartido.

10 COMMUTER LINK

INDIO - CSUSB (PDC) - THOUSAND PALMS TRANSIT HUB - BEAUMONT
 CSUSB - SAN BERNARDINO TRANSIT CENTER (SBTC)/METROLINK



760.343.3451 | SunLine.org



SunLine Transit Agency

ACRONYMS LIST OF TRANSPORTATION TERMS

Last Updated: 02/18/2025

#		CTA	California Transit Association
5307	FTA Section 5307: Urbanized Area Formula Grants	CTC	California Transportation Commission
5310	FTA Section 5310: Enhanced Mobility of Seniors & Individuals with Disabilities	CTSA	Consolidated Transportation Services Agency
		D	
5311	FTA Section 5311: Formula Grants for Rural Areas	DBE	Disadvantaged Business Enterprise
5339	FTA Section 5339: Bus and Bus Facilities Formula Grants	DC	Direct Current
		DRS	Demand Response Service
A		DOT	Department of Transportation
A&E	Architect and Engineering	DPSS	Department of Public Social Services
AC	Alternating Current	E	
ATU	Amalgamated Transit Union	EA	Environmental Assessment
ADA	Americans with Disabilities Act	EAM	Enterprise Asset Management
AHSC	Affordable Housing and Sustainable Communities	EEO	Equal Employment Opportunity
APC	Automated Passenger Counting	EIR	Environmental Impact Report
APTA	American Public Transit Association	EPA	Environmental Protection Agency
ATP	Active Transportation Program	ERMA	Employee Risk Management Authority
AVL	Automated Vehicle Location System	ERP	Enterprise Resource Planning
AFC	Automatic Fare Collection	ETO	Earned Time Off
AVA	Automatic Voice Announcement	EFP	Electronic Fare Payment
AV	Autonomous Vehicle	EV	Electric Vehicle
		F	
B		FCEB/FCB	Fuel Cell Electric Bus
BAFO	Best and Final Offer	FFY	Federal Fiscal Year
Bar	Metric Unit of Pressure (100 kPa)	FHWA	Federal Highway Administration
BEB	Battery Electric Bus	FMCSA	Federal Motor Carrier Safety Administration
BRT	Bus Rapid Transit	FTA	Federal Transit Administration
BUILD	Better Utilizing Investments to Leverage Development	FTE	Full-Time Equivalent
C		FTIP	Federal Transportation Improvement Program
CAD	Computer-Aided Dispatch	FM/LM	First Mile/Last Mile
CalACT	California Association for Coordinated Transportation	FY	Fiscal Year
CalOES	California Office of Emergency Services	G, H, I, J, & K	
CalSTA	California State Transportation Agency	GTFS	General Transit Feed Specifications
Caltrans	California Department of Transportation	GTFS-RT	General Transit Feed Specifications Realtime
Cap-and-Trade	California's Cap-and-Trade Program	GFI	Gen-fare Industries Farebox
CARB	California Air Resources Board	GGE	Gallons of Gas Equivalent
CBA	Collective Bargaining Agreement	GHG	Greenhouse Gas
CEC	California Energy Commission	GPS	Global Positioning System
CEQA	California Environmental Quality Act	GTFS	General Transit Feed Specification
CFR	Code of Federal Regulations	H2	Hydrogen
CI	Carbon Intensity	HOV	High-Occupancy Vehicle
CIG	Capital Investment Grants Program	ICT	Innovative Clean Transit
CIP	Capital Improvement Program	ITS	Intelligent Transport System
CMAQ	Congestion Mitigation and Air Quality Improvement Program	IFB	Invitation for Bid
CNG	Compressed Natural Gas	IJA	Infrastructure Investment and Jobs Act
CO	Change Order	ITS	Intelligent Transportation Systems
CO2	Carbon Dioxide	JPA	Joint Powers Authority
CVAG	Coachella Valley Association-Government	Kg	Kilogram
CTAA	Community Transportation Association of America	kPa	Kilopascal (1,000 Pa)
COA	Comprehensive Operational Analysis	KPI	Key Performance Indicator
COLA	Cost of Living Adjustment	kW	Kilowatts (1,000 watts)
COVID-19	Coronavirus	Kwh	Kilowatt Hour
		L	
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act	LCFS	Low Carbon Fuel Standard
CSUSB	California State University, San Bernardino	LCTOP	Low Carbon Transit Operations Program
		LH2	Liquid Hydrogen

LOI	Letter of Intent	S RTP	Short Range Transit Plan
LOS	Level of Service	STA	State Transit Assistance Fund
LOU	Letter of Understanding	STBG	Surface Transportation Block Grant Program
Low No	Low or No Carbon Emissions Program	STIP	State Transportation Improvement Program
L RTP	Long Range Transportation Plan	T	
L TF	Local Transportation Fund	TAC	Technical Advisory Committee
M, N, & O		TAM	Transit Asset Management
MCI	Motor Coach Industries	TCP	Transit Capital Priorities
MCO	Motor Coach Operator	TDA	Transportation Development Act
Measure A	Measure A Funding	TDM	Transportation Demand Management
MOD	Mobility on Demand	TIP	Transportation Improvement Program
MOU	Memorandum of Understanding	TIRCP	Transit and Intercity Rail Capital Program
MPO	Metropolitan Planning Organization	TNC	Transportation Network Company
MSDS	Material Safety Data Sheet	TOD	Transit-Oriented Development
mW	Megawatt (1,000,000 watts)	TSI	Transportation Safety Institute
mWh	Megawatt Hour	TSP	Transit Signal Priority
NAAQS	National Ambient Air Quality Standards	U, V, W, X, Y, Z	
NEPA	National Environmental Policy Act	USDOT	United States Department of Transportation
NIMS	National Incident Management System	UPT	Unlinked Passenger Trips
NOFA	Notice of Funding Availability	VCR	Vehicle Condition Report
NOFO	Notice of Funding Opportunity	VMT	Vehicle Miles Traveled
NTD	National Transit Database	VTO	Vacation Time Off
NTP	Notice to Proceed	YTD	Year to Date
NTSB	National Transportation Safety Board	ZEB	Zero-Emission Bus
O&M	Operations and Maintenance		
OSHA	Occupational Safety and Health Administration		
OBC	On-Board Communication		
OTP	On-Time Performance		
P & Q			
Pa	Pascal		
PPRH	Passenger Per Revenue Hour		
PIS	Passenger Information System		
PAC	Public Advisory Committee		
PEM	Proton Exchange Membrane (H2)		
PEPRA	Public Employer Pension Reform Act		
PERMA	Public Entity Risk Management Authority		
PLD	Paid Leave Day		
PM	Preventative Maintenance		
PNR	Park & Ride		
PO	Purchase Order		
PPE	Personal Protective Equipment		
PPRH	Passengers per Revenue Hour		
PSI	Pounds per Square Inch		
PTASP	Public Transportation Agency Safety Plan		
R & S			
RAISE	Rebuilding American Infrastructure with Sustainability and Equity		
RCTC	Riverside County Transportation Commission		
RFP	Request for Proposals		
RFQ	Request for Quotation		
RFS	Renewable Fuel Standard		
RIN	Renewable Identification Number		
RVH	Revenue Vehicle Hours		
RVM	Revenue Vehicle Miles		
SBTC	San Bernardino Transit Center		
SCAG	Southern California Association of Governments		
SGR	State of Good Repair		
SMR	Steam Methane Reforming (H2)		
SMS	Safety Management System		
SOP	Standard Operating Procedure		
SOW	Scope of Work		



SunLine Transit Agency

Item 8A

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR
TO: Finance/Audit Committee/Committee of the Whole Board of Directors
FROM: Luis Garcia, Chief Financial Officer
SUBJECT: Acceptance of Checks \$1,000 and Over Report for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the checks \$1,000 and Over Report for January 2026.

Background:

The Checks \$1,000 and Over Report lists all of the checks processed at the Agency with a value of over \$1,000 for a given month.

- The table below identifies the checks \$50,000 and over in the month of January which required signature from the Chair or Vice-Chair.

Table with 3 columns: Vendor, Check #, Amount. Lists vendors like Integrated Cryogenic Solutions, LLC and their respective check numbers and amounts.

<i>Ballard Power Systems</i>	701992	\$59,387.50
<i>MetLife</i>	702155	\$58,189.24
<i>Valued Engineering, Inc.</i>	702180	\$57,472.50
<i>Tyler Technologies, Inc.</i>	702187	\$50,308.62

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management be effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Checks \$1,000 and Over Report for January 2026

**SunLine Transit Agency
Checks \$1,000 and Over
January 2026**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
CALPERS	Group Health Premiums	702126	01/21/2026	509,678.34
INTEGRATED CRYOGENIC SOLUTIONS LLC	Fuel - Liquid Hydrogen	702146	01/21/2026	291,416.45
CORA CONSTRUCTORS INC.	WIP- Div I Back Up Generator- Project Acct#2407-00	702061	01/14/2026	153,566.51
HANSON BRIDGETT LLP	Legal Service	702186	01/27/2026	116,491.79
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	702176	01/21/2026	100,176.01
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	702109	01/14/2026	96,076.79
U.S. BANK INSTITUTIONAL TRUST-WESTERN	Pension Deposit	702038	01/07/2026	94,918.12
NOMAD TRANSIT, LLC	SunRide Ride Share Expenses	702188	01/27/2026	94,267.77
CLEVER DEVICES LTD.	Computer/Network Software Agreement	702000	01/07/2026	93,391.20
HANSON BRIDGETT LLP	Legal Service	702068	01/14/2026	88,766.95
JARRETT WALKER & ASSOCIATES, LLC	WIP-Comprehensive Operational Analysis-Project Act#2514-01	702074	01/14/2026	71,245.55
TRAPEZE SOFTWARE GROUP INC.	WIP- Software Expansion- Project Acct#2311-01	702036	01/07/2026	68,642.00
FIESTA FORD, INC.	WIP-Acquired CNG Support Vehicles- Project Acct#1707-00	702185	01/27/2026	64,770.00
FIESTA FORD, INC.	WIP-Acquired CNG Support Vehicles- Project Acct#1707-00	702184	01/27/2026	64,770.00
FIESTA FORD, INC.	WIP-Acquired CNG Support Vehicles- Project Acct#1707-00	702140	01/21/2026	64,770.00
BALLARD POWER SYSTEMS	Inventory Repair Parts	701992	01/07/2026	59,387.50
IMPERIAL IRRIGATION DIST	Utilities	702071	01/14/2026	58,880.81
METLIFE	Supplement Benefits LTD/STD/LIFE/Dental Ins Premium	702155	01/21/2026	58,189.24
VALUED ENGINEERING, INC	WIP-Fixed Assets-Land- Project Acct#2421-07	702180	01/21/2026	57,472.50
ANEW RNG, LLC	Utilities	702045	01/14/2026	53,833.06
TYLER TECHNOLOGIES, INC.	Computer/Network Software Agreement	702187	01/27/2026	50,308.62
HELIXSTORM	WIP-Information Technology Project-Project Acct#2306-01	702014	01/07/2026	47,500.00
ATKINSON, ANDELSON, LOYA RUUD AND ROMO	Legal Service	702047	01/14/2026	45,006.65
SO CAL GAS CO.	Utilities	702100	01/14/2026	43,055.95
CALIFORNIA TRANSIT TRAINING CONSORTIUM	Center Of Excellence-CEC	702167	01/21/2026	39,223.21
BALLARD POWER SYSTEMS	Inventory Repair Parts	702191	01/28/2026	36,214.78
IDIS AMERICAS, INC.	Computer/Network Software Agreement	702210	01/28/2026	31,032.00
COPP ROOFING & CONSTRUCTION, INC	WIP- Facility Improvement Projects-Project Acct#2310-06	702132	01/21/2026	30,969.67
CPAC INC.COM	WIP-Information Technology Project-Project Acct#2418-12	702003	01/07/2026	27,580.50
HELIXSTORM	Contracted Services	702145	01/21/2026	23,470.10
TODD VERWERS ARCHITECTS INC	WIP- Center of Excellence Facility- Project Acct#1808-03	702175	01/21/2026	23,193.95
NFI PARTS	Inventory Repair Parts	701983	01/07/2026	22,902.72
TOLAR MFG. CO., INC	Repair Claims	702106	01/14/2026	21,164.38
VERIZON WIRELESS	Wireless Telephone Service	702041	01/07/2026	18,490.95
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	702096	01/14/2026	18,345.78
VALLEY OFFICE EQUIPMENT, INC.	WIP-Fixed Assets Office Equipment-Project Acct#2608-02	702179	01/21/2026	18,091.23
INSIGHT PUBLIC SECTOR, INC.	WIP- Fixed Assets-Computer Equipment-Project Acct#2112-02	702072	01/14/2026	17,997.40
CALIFORNIA TRANSIT TRAINING CONSORTIUM	Center Of Excellence-CEC	702102	01/14/2026	14,473.21
VORWALLER & BROOKS, INC.	WIP-Facility Improvement Project- Project Acct#2502-05	702042	01/07/2026	14,136.00

**SunLine Transit Agency
Checks \$1,000 and Over
January 2026**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
CONNOISSEUR MEDIA HOLDCO, INC	Advertising	702131	01/21/2026	12,500.00
STANTEC ARCHITECTURE, INC.	WIP-LQ HYD Refueling Infrastructure-Project Acct#2211-03	702170	01/21/2026	10,548.05
HELIXSTORM	Contracted Services	702069	01/14/2026	10,120.10
BROADLUX, INC.	Contract Services-General	702192	01/28/2026	10,010.58
COLLEGE OF THE DESERT, PaCE	Center of Excellence	702198	01/28/2026	10,000.00
PARAGON ID HIGH POINT US	Printing Expense	702161	01/21/2026	9,949.64
TPX COMMUNICATIONS	Communication Service	702107	01/14/2026	9,842.18
GENFARE, LLC	Inventory Repair Parts	702142	01/21/2026	8,685.35
SHAW YODER ANTWIH SCHMELZER & LANGE, INC	Consulting	702097	01/14/2026	8,500.00
GILLIG LLC	Inventory Repair Parts	702067	01/14/2026	8,380.21
SMITH GARSON, INC.	Consulting	702099	01/14/2026	8,000.00
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	702224	01/28/2026	7,940.55
MACIAS GINI & O'CONNELL LLP	Audit Services	702216	01/28/2026	7,824.00
JE STRATEGIES LLC	Consulting	702076	01/14/2026	7,500.00
ANDREA CARTER & ASSOCIATES	Marketing & Communication Services	702124	01/21/2026	7,385.00
MITRATECH TRAKSTAR, INC.	Membership & Subscriptions	702018	01/07/2026	7,314.00
AMALGAMATED TRANSIT UNION	Union Dues	701985	01/07/2026	7,270.46
AMALGAMATED TRANSIT UNION	Union Dues	702044	01/14/2026	7,195.24
AMALGAMATED TRANSIT UNION	Union Dues	702120	01/21/2026	7,120.02
ROBERT HALF	Temporary Help	702223	01/28/2026	6,690.40
ROBERT HALF	Temporary Help	702164	01/21/2026	6,633.58
TRANSPO GROUP USA, INCORPORATED	Consulting	702108	01/14/2026	6,535.60
TEC EQUIPMENT, INC.	Inventory Repair Parts	702105	01/14/2026	6,377.57
KIRK'S AUTOMOTIVE, INC.	Repair Parts-Fixed Route	702077	01/14/2026	6,238.43
PDC MACHINES, INC	Inventory Repair Parts-SunFuels	702025	01/07/2026	6,030.64
TRANSPORTATION MANAGEMENT & DESIGN,	Consulting	702231	01/28/2026	5,840.32
ROBERT HALF	Temporary Help	702094	01/14/2026	5,730.89
ROBERT HALF	Temporary Help	702033	01/07/2026	5,633.28
PARKHOUSE TIRE, INC.	Repair Parts-Fixed Route	702024	01/07/2026	5,161.34
IMPERIAL IRRIGATION DIST	Utilities	702211	01/28/2026	5,052.13
THE BUS COALITION	Membership Dues	702173	01/21/2026	5,000.00
ROMAINE ELECTRIC CORP.	Inventory Repair Parts	702165	01/21/2026	4,918.62
CMD CORPORATION	Inventory Repair Parts	702001	01/07/2026	4,824.10
PRUDENTIAL OVERALL SUPPLY	Uniforms	702092	01/14/2026	4,215.92
EVERON, LLC (90-0008456)	Computer/Network Software Agreement	702147	01/21/2026	3,902.02
CALIFORNIA DEPARTMENT OF TAX & FEE	Quarterly Used Sale Tax Oct - Dec 2025	701997	01/07/2026	3,802.00
PAUL ASSOCIATES	Shop Supplies	702089	01/14/2026	3,626.25
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	702088	01/14/2026	3,436.19
JOSEPH LYNN FRIEND	Contracted Services	702075	01/14/2026	3,330.00

**SunLine Transit Agency
Checks \$1,000 and Over
January 2026**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
CHARTER COMMUNICATIONS	Utilities	702103	01/14/2026	3,282.96
TWO KNIGHTS INSURANCE SERVICES	Membership & Subscriptions	702228	01/28/2026	3,164.10
GEOCON WEST, INC.	WIP- Div I Back Up Generator- Project Acct#2407-00	702013	01/07/2026	3,135.00
UNIVAR SOLUTIONS USA, LLC	Freon & Coolant	702040	01/07/2026	3,103.90
NFI PARTS	Inventory Repair Parts	702189	01/28/2026	3,080.57
CITY CAB	Taxi Voucher Program	702226	01/28/2026	3,048.38
ERMA EMPLOYMENT RISK MANAGEMENT	Insurance Loss	702201	01/28/2026	2,910.00
CDW GOVERNMENT, INC	Computer Supplies	702055	01/14/2026	2,806.42
JESSUP AUTO PLAZA	Inventory Repair Parts	702090	01/14/2026	2,776.24
TRI-SIGNAL INTEGRATION, INC.	WIP- Center of Excellence Facility- Project Acct#1808-03	702037	01/07/2026	2,640.00
PALM SPRINGS MOTORS, INC.	Inventory Repair Parts	702160	01/21/2026	2,623.24
VALLEY OFFICE EQUIPMENT, INC.	Copier Service	702232	01/28/2026	2,601.15
FIESTA FORD, INC.	Inventory Repair Parts	702065	01/14/2026	2,567.57
WELTYS ENTERPRISES, INC.	Printing Expense	702234	01/28/2026	2,516.53
FRONTIER COMMUNICATIONS	Utilities	702141	01/21/2026	2,500.00
AMAZON CAPITAL SERVICES, INC	Facility Maintenance	702121	01/21/2026	2,446.77
CALIFORNIA INDUSTRIAL	Contract Services-H2	702052	01/14/2026	2,446.58
BAE SYSTEMS CONTROLS, INC.	Inventory Repair Parts	701991	01/07/2026	2,406.48
LUMINATOR TECHNOLOGY GROUP	Repair Parts-Fixed Route	702215	01/28/2026	2,301.54
RUSH TRUCK CENTERS OF CALIFORNIA, INC.	Inventory Repair Parts	702166	01/21/2026	2,296.94
WESTAIR GASES & EQUIPMENT, INC.	Materials & Supplies	702235	01/28/2026	2,281.93
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	702051	01/14/2026	2,271.77
US BANK VOYAGER FLEET SYSTEMS	Unleaded Fuel	702111	01/14/2026	2,241.25
C V WATER DISTRICT	Utilities	702197	01/28/2026	2,206.47
RWC GROUP	Inventory Repair Parts	702206	01/28/2026	2,167.97
FULTON DISTRIBUTING	Bus Stop Supplies	702137	01/21/2026	2,166.57
KELLY SPICERS STORES	Copy Paper	702152	01/21/2026	2,119.98
FORENSIC DRUG TESTING SERVICES	Alcohol & Drug Testing	702011	01/07/2026	2,053.30
MUNCIE TRANSIT SUPPLY	Inventory Repair Parts	702218	01/28/2026	2,052.82
DARTCO TRANSMISSION SALES & SERVICE, INC.	Repair Parts-Fixed Route	702134	01/21/2026	1,904.31
TOTAL CARE WORK INJURY CLINIC	Medical Exam & Testing	702183	01/21/2026	1,900.00
CALIFORNIA INDUSTRIAL	Contract Services-H2	702125	01/21/2026	1,877.11
SIGN A RAMA	Materials & Supplies	702098	01/14/2026	1,872.16
AMERICAN MOVING PARTS	Inventory Repair Parts	701989	01/07/2026	1,859.23
SWRCB ACCOUNTING OFFICE	Permits & Licenses	702171	01/21/2026	1,701.00
HOME DEPOT CREDIT SERVICES	Bus Stop Supplies	702070	01/14/2026	1,661.06
PLAZA TOWING, INC.	Towing Services	702091	01/14/2026	1,625.00
WESTGATE CENTER FOR LEADERSHIP	Travel Meetings/Seminars	702236	01/28/2026	1,595.00
PLAZA TOWING, INC.	Towing Services	702028	01/07/2026	1,575.00

**SunLine Transit Agency
Checks \$1,000 and Over
January 2025**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
HD INDUSTRIES	Inventory Repair Parts	702144	01/21/2026	1,562.56
KIRK'S AUTOMOTIVE, INC.	Inventory Repair Parts	702153	01/21/2026	1,535.44
CDW GOVERNMENT, INC	WIP-Information Technology Project-Project Acct#1903-03	701999	01/07/2026	1,534.81
QUICK FIX AUTO GLASS	Repair Parts-Support Vehicle	702119	01/21/2026	1,485.00
BURRTEC WASTE & RECYCLING SERVICES	Trash Service	702049	01/14/2026	1,478.24
RICON CORPORATION	Inventory Repair Parts	702093	01/14/2026	1,471.33
MERRIMAC PETROLEUM, INC	Lubricants- Oil	702217	01/28/2026	1,427.04
SONSRAY FLEET SERVICES	Inventory Repair Parts	702174	01/21/2026	1,347.84
FASTENAL COMPANY	Shop Supplies	702006	01/07/2026	1,240.21
CALACT	Membership & Subscriptions	701996	01/07/2026	1,235.00
WELTYS ENTERPRISES, INC.	Printing Expense	702182	01/21/2026	1,227.84
LANGUAGELINE SOLUTIONS	Translation Services	702078	01/14/2026	1,220.12
CONNOISSEUR MEDIA HOLDCO, INC	Advertising	702060	01/14/2026	1,050.00
EVERSOFT, INC.	Contract Services - General	702202	01/28/2026	1,022.48
QUADIENT FINANCE USA, INC.	Postage	702029	01/07/2026	1,000.00
Total Checks Over \$1,000	\$3,184,556.56			
Total Checks Under \$1,000	\$41,128.47			
Total Checks	\$3,225,685.03			



SunLine Transit Agency

Item 8B

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Credit Card Statements for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the credit card statements for January 2026.

Background:

The attached reports summarize the Agency's credit card expenses for January 2026. The reports summarize transactions for the credit cards which align with the statement closing dates of January 30, 2026.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Credit Card Statements for January 2026

SunLine Transit Agency Visa Credit Card

Statement Closing Date: 01/30/2026

Name on Card: Ray Stevens (Procurement Card)

Trans. Date	Post. Date	Name	Detail-Description	Credits	Charges
1 01/01/26	1/2/2026	SHRM	Society for Human Resource Management Tamara Miles - Membership Dues		\$ 299.00
2 01/02/26	1/2/2026	Microsoft	Microsoft 365 Business Pro Premium Licensing		\$ 4,304.96
3 01/04/26	1/5/2026	Apple	iCloud Storage Upgrade for Israel Moreno		\$ 2.99
4 01/05/26	1/6/2026	Enrollease	Integration with EASE & ADP		\$ 495.00
5 01/13/26	1/13/2026	Microsoft	Microsoft Visio Monthly License		\$ 15.75
6 01/13/26	1/13/2026	CloudFlare	IT Software - Certificate Manager		\$ 10.00
7 01/13/26	1/15/2026	Co. of Riverside Transport	Backup Generator Project Permit		\$ 346.00
8 01/13/26	1/15/2026	Co. of Riverside Transport	Backup Generator Permit Service Fees		\$ 7.89
9 01/14/26	1/15/2026	CloudFlare	SunLine Domain Transfer to CloudFlare		\$ 10.13
10 01/15/26	1/19/2026	Elavon Srv Fee	PERB Arbitration Service Fee		\$ 1.15
11 01/15/26	1/19/2026	PERB ARB Full List	PERB Arbitration Fee		\$ 50.00
12 01/17/26	1/19/2026	Starlink	STARLINK Subscription Fee		\$ 165.00
13 01/17/26	1/19/2026	The Spanish Group	Title VI Plan Translation Services		\$ 64.86
14 01/20/26	1/21/2026	Sams Club	Wellness Committee Rewards		\$ 265.22
15 01/23/26	1/26/2026	The Joselyn Center	SunLine Rides Reimagined Stakeholder Workshop Room Reservation		\$ 350.00
16 01/26/26	1/27/2026	Expedia	The Marketing, Communications, Customer Experience Workshop Tamara Miles - Lodging Expense		\$ 1,158.24
17 01/26/26	1/27/2026	Expedia	The Marketing, Communications, Customer Experience Workshop Isabel Vizcarra - Lodging Expense		\$ 1,158.24
18 01/26/26	1/27/2026	Expedia	The Marketing, Communications, Customer Experience Workshop Edith Hernandez - Lodging Expense		\$ 1,118.92
19 01/26/26	1/28/2026	APTA	The Marketing, Communications, Customer Experience Workshop Tamara Miles - Registration Fee		\$ 1,074.00
20 01/26/26	1/28/2026	American Airlines	The Marketing, Communications, Customer Experience Workshop Edith Hernandez - Flight Expense		\$ 546.20

	Trans. Date	Post. Date	Name	Detail-Description	Credits	Charges
21	01/26/26	1/28/2026	APTA	The Marketing, Communications, Customer Experience Workshop Edith Hernandez - Registration Fee		\$ 1,074.00
22	01/26/26	1/28/2026	American Airlines	The Marketing, Communications, Customer Experience Workshop Isabel Vizcarra - Flight Expense		\$ 542.98
23	01/26/26	1/28/2026	APTA	The Marketing, Communications, Customer Experience Workshop Isabel Vizcarra - Registration Fee		\$ 1,074.00
24	01/26/26	1/28/2026	American Airlines	The Marketing, Communications, Customer Experience Workshop Tamara Miles - Flight Expense		\$ 539.75
25	01/29/26	1/29/2026	Eb34th Annual Senior	2026 34th Annual Senior Inspirations Awards Isabel Vizcarra and David Estrada - Ticket Fee		\$ 110.40
26	01/29/26	1/30/2026	ACCO Brands	Marketing Supplies - Laminating Rolls		\$ 1,240.17
Totals:					\$ -	\$ 16,024.85



Reporting Period : 1/1/2026 - 1/30/2026

Statement Summary

Name	Ray Stevens	Company	Sunline Transit Agency
Account #	XXXX-XXXX-XXXX-████	Currency	US Dollar
Reporting Period	1/1/2026 - 1/30/2026		

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
1 1/1/2026	1/2/2026	Societyforhumanresource 800-2837476, VA					299.00
		Purchase Societyforhumanresource	General Ledger Code: 5030400000				
2 1/2/2026	1/2/2026	Msft * E0800ycxaa Microsoft.Com, WA					4,304.96
		Purchase Msft * E0800ycxaa	General Ledger Code: 5030300011				
3 1/4/2026	1/5/2026	Apple.Com/Bill 866-712-7753, CA					2.99
		Purchase Apple.Com/Bill	General Ledger Code: 5099900002				
4 1/5/2026	1/6/2026	Enrollease, Inc. Secure.Ease.C, CA					495.00
		Purchase Enrollease, Inc.	General Ledger Code: 5030300011				
5 1/13/2026	1/13/2026	Microsoft#g135178568 Microsoft.Com, WA					15.75
		Purchase Microsoft#g135178568	General Ledger Code: 5030300011				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
6 1/13/2026	1/13/2026	Cloudflare Cloudflare.Co, CA					10.00
		Purchase Cloudflare	General Ledger Code: 5030300011				
<hr/>							
7 1/13/2026	1/15/2026	Co Of Riverside Transport 951-9551800, CA					346.00
		Purchase Co Of Riverside Transport	General Ledger Code: 5099900002				
<hr/>							
8 1/13/2026	1/15/2026	Co Riverside Transportati 951-9550533, IN					7.89
		Purchase Co Riverside Transportati	General Ledger Code: 5099900002				
<hr/>							
9 1/14/2026	1/15/2026	Cloudflare Cloudflare.Co, CA					10.13
		Purchase Cloudflare	General Ledger Code: 5030300011				
<hr/>							
10 1/15/2026	1/19/2026	Elavon Srv Fee Arbitratio 678-7315974, GA					1.15
		Purchase Elavon Srv Fee Arbitratio	General Ledger Code: 5099900002				
<hr/>							
11 1/15/2026	1/19/2026	Perb Arb Full List 916-3272275, CA					50.00
		Purchase Perb Arb Full List	General Ledger Code: 5099900002				
<hr/>							

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
12 1/17/2026	1/19/2026	Starlink Hawthorne, CA					165.00
		Purchase Starlink	General Ledger Code: 5030200006				
<hr/>							
13 1/17/2026	1/19/2026	The Spanish Group Llc 800-460-1536, CA					64.86
		Purchase The Spanish Group Llc	General Ledger Code: 5030400000				
<hr/>							
14 1/20/2026	1/21/2026	Sams Club #6609 Palm Desert, CA					265.22
		Purchase Sams Club #6609	General Ledger Code: 5099900002				
<hr/>							
15 1/23/2026	1/26/2026	The Joslyn Center 760-3403220, CA					350.00
		Purchase The Joslyn Center	General Ledger Code: 5099900002				
<hr/>							
16 1/26/2026	1/27/2026	Expedia 73358141474475 Expedia.Com, WA					1,158.24
		Purchase Expedia 73358141474475	General Ledger Code: 5090200000				
<hr/>							
17 1/26/2026	1/27/2026	Expedia 73358140432612 Expedia.Com, WA					1,158.24
		Purchase Expedia 73358140432612	General Ledger Code: 5090200000				
<hr/>							

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
18 1/26/2026	1/27/2026	Expedia 73358136836282 Expedia.Com, WA					1,118.92
		Purchase Expedia 73358136836282	General Ledger Code: 5090200000				
<hr/>							
19 1/26/2026	1/28/2026	Apta 202-4964800, DC					1,074.00
		Purchase Apta	General Ledger Code: 5090100000				
<hr/>							
20 1/26/2026	1/28/2026	American Air Fort Worth, TX					546.20
		Purchase American Air	General Ledger Code: 5090200000				
<hr/>							
21 1/26/2026	1/28/2026	Apta 202-4964800, DC					1,074.00
		Purchase Apta	General Ledger Code: 5090100000				
<hr/>							
22 1/26/2026	1/28/2026	American Air Fort Worth, TX					542.98
		Purchase American Air	General Ledger Code: 5090200000				
<hr/>							
23 1/26/2026	1/28/2026	Apta 202-4964800, DC					1,074.00
		Purchase Apta	General Ledger Code: 5090100000				
<hr/>							

SunLine Transit Agency Visa Credit Card Statement

Closing Date: 01/30/2026

Name on Card: Mona Babauta

	Trans. Date	Post Date	Reference	Detail - Description	Credits	Charges
1	1/6/2026	1/7/2026	Paypal	International Institute of Municipal Clerks - AI and Automation in Municipal Workflows; Vanessa Ordorica, Clerk of the Board		\$85.00
2	1/6/2026	1/7/2026	Greater Coachella Valley Chamber of Commerce	GCVCC - Legislative Breakfast: California Gubernatorial Candidate Registrations; Mona Babauta, CEO/General Manager		\$80.00
3	1/6/2026	1/7/2026	Paypal	International Institute of Municipal Clerks - Grace Under Pressure; Vanessa Ordorica, Clerk of the Board		\$85.00
4	1/8/2026	1/9/0026	Red Robin	EZ Cater - SunLine Leadership Meeting Lunch; Mona Babauta, CEO/General Manager		\$187.66
5	1/14/2026	1/15/2026	Greater Coachella Valley Chamber of Commerce	GCVCC - Legislative Breakfast: California Gubernatorial Candidate; Mona Babauta, CEO/General Manager		\$40.00
6	1/16/2026	1/19/2026	Women's Transportation Seminar International (WTS)	WTS IE - 21st Annual Scholarship & Awards Benefit Dinner Registrations; Selena Rodriguez, Board and External Affairs Coordinator; Vanessa Ordorica, Clerk of the Board; Bryan Valenzuela, Chief Safety Officer		\$450.00
7	1/16/2026	1/19/2026	Eventbrite	Eventbrite - 34th Annual Senior Inspiration Awards 2026 Registration; Mona Babauta, CEO/General Manager		\$55.20
8	1/21/2026	1/23/2026	American Public Transportation Association	APTA - Transit CEO's Seminar Registration; Mona Babauta, CEO/General Manager		\$934.00
9	1/28/2026	1/29/2026	EZ Cater	Red Robin Burgers - January 2026 Board Day Lunch; Mona Babauta, CEO/General Manager		\$568.40
10	1/28/2026	1/29/2026	Porta Via	Porta Via - Coachella Valley Association of Governments Lunch; Mona Babauta, CEO/General Manager		\$65.68
11	1/28/2026	1/30/2026	American Public Transportation Association	APTA - 2026 Mobility Conference Registration; Mona Babauta, CEO/General Manager		\$1,175.00
Credits and Charges:					\$0.00	\$3,725.94



Reporting Period : 1/1/2026 - 1/30/2026

Statement Summary

Name	Mona Babauta	Company	Sunline Transit Agency
		Currency	US Dollar

Reporting Period 1/1/2026 - 1/30/2026

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt	Amount
1 1/6/2026	1/7/2026	Paypal 909-944-4162, CA					85.00
		Purchase Paypal	General Ledger Code: 5099900002				
2 1/6/2026	1/7/2026	Gcvcc Gcvcc.Org, CA					80.00
		Purchase Gcvcc	General Ledger Code: 5090100000				
3 1/6/2026	1/7/2026	Paypal 909-944-4162, CA					85.00
		Purchase Paypal	General Ledger Code: 5099900002				
4 1/8/2026	1/9/2026	Ezcater*red Robin 800-488-1803, MA					187.66
		Purchase Ezcater*red Robin	General Ledger Code: 5099900002				
5 1/14/2026	1/15/2026	Gcvcc Gcvcc.Org, CA					40.00
		Purchase Gcvcc	General Ledger Code: 5090100000				

Trans Date	Post Date	Merchant Name	Charge Codes	Approved	Personal	Receipt
6 1/16/2026	1/19/2026	Eb *wts-le 21st Annual 801-413-7200, CA				450.00
Purchase Eb *wts-le 21st Annual			General Ledger Code: 5039903800			
7 1/16/2026	1/19/2026	Eb *34th Annual Senior 801-413-7200, CA				55.20
Purchase Eb *34th Annual Senior			General Ledger Code: 5039903800			
8 1/21/2026	1/23/2026	Apta 202-4964800, DC				934.00
Purchase Apta			General Ledger Code: 5090100000			
9 1/28/2026	1/29/2026	Ezcater*red Robin 800-488-1803, MA				568.40
Purchase Ezcater*red Robin			General Ledger Code: 5099900002			
10 1/28/2026	1/29/2026	Tst* Porta Via - Palm Des Palm Desert, CA				65.68
Purchase Tst* Porta Via - Palm Des			General Ledger Code: 5099900002			
11 1/28/2026	1/30/2026	Apta 202-4964800, DC				1,175.00
Purchase Apta			General Ledger Code: 5090100000			

Transaction Count: 11

Total: 3,725.94

Employee Signature

Date

Authorized Approver Signature

Date



Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Monthly Budget Variance Report for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the monthly budget variance report for January 2026.

Background:

The budget variance report compares revenues and expenses to the respective line item budgets. The report identifies current monthly revenues and expenses as well as fiscal year to date (FYTD) values. The budgetary figures are represented as a straight line budget. Accordingly, the current monthly budget values are calculated by taking 1/12th of the annual budget. The FYTD budget values for the month of January 2026 are equal to 7/12^{ths} of the yearly budget.

Year to Date Summary

- As of January 31, 2026, the Agency's FYTD revenues are \$626,800 or 21.17% below the FYTD budget.
- As of January 31, 2026, the Agency's FYTD expenditures are \$3,943,134 or 13.39% above the FYTD budget.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Monthly Budget Variance Report for January 2026

SunLine Transit Agency
Budget Variance Report
January 2026

Description	FY26 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY26 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Revenues:								
Passenger Revenue	1,974,505	119,594	164,542	(44,948)	1,043,133	1,151,795	(108,662)	47.2%
Other Revenue	3,101,551	189,916	258,463	(68,546)	1,291,100	1,809,238	(518,138)	58.4%
Total Operating Revenue	5,076,056	309,511	423,005	(113,494)	2,334,233	2,961,033	(626,800)	54.0%
Operating Expenses:								
Operator & Mechanic Salaries & Wages	11,907,530	979,806	992,294	12,489	6,733,040	6,946,059	213,019	43.5%
Operator & Mechanic Overtime	1,368,406	168,968	114,034	(54,934)	1,001,532	798,237	(203,295)	26.8%
Administration Salaries & Wages	7,997,750	697,870	666,479	(31,391)	4,836,719	4,665,354	(171,364)	39.5%
Administration Overtime	260,573	40,639	21,714	(18,924)	217,921	152,001	(65,920)	16.4%
Fringe Benefits	11,663,261	827,300	971,938	144,639	6,823,356	6,803,569	(19,788)	41.5%
Communications	295,000	34,337	24,583	(9,754)	217,058	172,083	(44,974)	26.4%
Legal Services	1,135,000	173,379	94,583	(78,796)	1,148,273	662,083	(486,190)	-1.2%
Computer/Network Software Agreement	1,000,000	79,009	83,333	4,324	736,060	583,333	(152,726)	26.4%
Uniforms	115,598	19,768	9,633	(10,134)	60,991	67,432	6,441	47.2%
Contracted Services	1,860,415	128,726	155,035	26,309	918,118	1,085,242	167,124	50.6%
Equipment Repairs	31,500	1,506	2,625	1,119	13,138	18,375	5,237	58.3%
Security Services	150,000	13,530	12,500	(1,030)	92,333	87,500	(4,833)	38.4%
Fuel - CNG	1,290,000	131,847	107,500	(24,347)	847,314	752,500	(94,814)	34.3%
Fuel - Hydrogen	2,094,676	329,155	174,556	(154,599)	2,441,158	1,221,895	(1,219,264)	-16.5%
Tires	292,000	22,276	24,333	2,057	161,978	170,333	8,356	44.5%
Office Supplies	87,260	8,725	7,272	(1,454)	34,777	50,902	16,125	60.1%
Travel/Training	323,345	16,598	26,945	10,347	145,512	188,618	43,106	55.0%
Repair Parts	1,692,631	243,341	141,053	(102,289)	1,315,580	987,368	(328,212)	22.3%
Facility Maintenance	72,500	13,632	6,042	(7,590)	46,609	42,292	(4,317)	35.7%
Electricity - CNG & Hydrogen	652,000	45,606	54,333	8,727	381,830	380,333	(1,497)	41.4%
Natural Gas	1,483,750	96,243	123,646	27,403	622,551	865,521	242,970	58.0%
Water and Gas	16,000	783	1,333	551	5,925	9,333	3,409	63.0%
Insurance Losses	1,578,415	175,849	131,535	(44,315)	1,405,934	920,742	(485,192)	10.9%
Insurance Premium - Property	235,000	19,563	19,583	20	136,941	137,083	142	41.7%
Repair Claims	15,000	-	1,250	1,250	33,510.62	8,750	(24,761)	-123.4%
Fuel Taxes	103,500	3,401	8,625	5,224	41,481	60,375	18,894	59.9%
Other Expenses	6,816,945	571,561	568,079	(3,482)	4,177,766	3,976,551	(201,215)	38.7%
Self Consumed Fuel	(4,038,056)	(189,269)	(336,505)	(147,236)	(1,195,938)	(2,355,533)	(1,159,595)	70.4%
Total Operating Expenses (Before Depreciation)	50,500,000	4,654,150	4,208,333	(445,817)	33,401,467	29,458,333	(3,943,134)	33.9%
Operating Expenses in Excess of Operating Revenue		\$ (4,344,640)			\$ (31,067,234)			
Subsidies:								
Local	7,000,000	669,525	583,333	(86,192)	4,787,577	4,083,333	(704,244)	31.6%
State	32,523,821	3,110,789	2,710,318	(400,470)	22,244,329	18,972,229	(3,272,100)	31.6%
Federal	5,900,123	564,326	491,677	(72,649)	4,035,328	3,441,738	(593,589)	31.6%
Total Subsidies	45,423,944	4,344,640	3,785,329	(559,311)	31,067,234	26,497,301	(4,569,934)	31.6%
Net Operating Gain (Loss) After Subsidies	\$ (0)	\$ -			\$ -			

SunLine Transit Agency
Budget Variance Report
January 2026

Description	FY26 Total Budget	Current Month			Fiscal Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY26 FYTD Budget	Positive (Negative)	Percentage Remaining
Operating Expenses:								
Wages & Benefits	33,197,521	2,714,582	2,766,460	51,878	19,612,568	19,365,220	(247,347)	40.9%
Services	7,126,058	683,076	593,838	(89,238)	5,009,072	4,156,867	(852,205)	29.7%
Fuels & Lubricants	3,515,476	466,492	292,956	(173,535)	3,336,651	2,050,695	(1,285,956)	5.1%
Tires	292,000	22,276	24,333	2,057	161,978	170,333	8,356	44.5%
Materials and Supplies	2,331,591	294,994	194,299	(100,695)	1,600,423	1,360,095	(240,328)	31.4%
Utilities	2,573,750	178,757	214,479	35,722	1,231,841	1,501,354	269,513	52.1%
Casualty & Liability	4,333,415	415,087	361,118	(53,969)	3,118,004	2,527,825	(590,179)	28.0%
Taxes and Fees	103,500	3,401	8,625	5,224	41,481	60,375	18,894	59.9%
Miscellaneous Expenses	1,064,745	64,754	88,729	23,975	485,387	621,101	135,714	54.4%
Self Consumed Fuel	(4,038,056)	(189,269)	(336,505)	(147,236)	(1,195,938)	(2,355,533)	(1,159,595)	70.4%
Total Operating Expenses (Before Depreciation)	50,500,000	4,654,150	4,208,333	(445,817)	33,401,467	29,458,333	(3,943,134)	33.9%
Revenues:								
Passenger Revenue	1,974,505	119,594	164,542	(44,948)	1,043,133	1,151,795	(108,662)	47.2%
Other Revenue	3,101,551	189,916	258,463	(68,546)	1,291,100	1,809,238	(518,138)	58.4%
Total Operating Revenue	5,076,056	309,511	423,005	(113,494)	2,334,233	2,961,033	(626,800)	54.0%
Net Operating Gain (Loss)		\$ (4,344,640)			\$ (31,067,234)			
Subsidies:								
Local	7,000,000	669,525	583,333	(86,192)	4,787,577	4,083,333	(704,244)	31.6%
State	32,523,821	3,110,789	2,710,318	(400,470)	22,244,329	18,972,229	(3,272,100)	31.6%
Federal	5,900,123	564,326	491,677	(72,649)	4,035,328	3,441,738	(593,589)	31.6%
Total Subsidies	45,423,944	4,344,640	3,785,329	(559,311)	31,067,234	26,497,301	(4,569,934)	31.6%
Net Operating Gain (Loss) After Subsidies	\$ (0)	\$ -			\$ -			

Budget Variance Analysis - SunLine Transit Agency

Passenger Revenue

- Passenger fare revenues are below budgetary figures due to a decrease in ridership compared to FY25.
- As of January, ridership was at 3.1% below FY25 FYTD totals.
- Total system ridership was 51,135 trips below FY25 FYTD amounts.

Ridership

	FY25-January	FY26-January	Variance	%Δ
Fixed Route	232,989	229,145	(3,844)	-1.6%
Paratransit	9,338	7,910	(1,428)	-15.3%
SunRide	2,351	1,846	(505)	-21.5%
System Total	244,678	238,901	(5,777)	-2.4%

Ridership

	FYTD-FY25	FYTD-FY26	Variance	%Δ
Fixed Route	1,566,752	1,524,266	(42,486)	-2.7%
Paratransit	65,133	58,801	(6,332)	-9.7%
SunRide	15,036	12,719	(2,317)	-15.4%
System Total	1,646,921	1,595,786	(51,135)	-3.1%

Other Revenue

- The unfavorable variance in other revenue is primarily due to a decrease in outside CNG fueling revenue and lower emission credit revenue as a result of low credit values.

Operator & Mechanic Salaries & Wages

- The favorable variance in operator and mechanic wages are due to vacancies.

Operator & Mechanic Overtime

- The unfavorable variance is primarily attributed to overtime for fixed route operators due to vacant positions.

Administration Salaries & Wages

- Administrative salary and wage expenses are within an acceptable range of the budget.

Administration Overtime

- The unfavorable variance is primarily attributed to overtime in the Maintenance department to account for vacant positions & premium pay for holidays worked.

Fringe Benefits

- The unfavorable balance in fringe benefit expenses is primarily attributed to increases in benefit utilization.

Communications

- Communication expenses are within an acceptable range of the budget.

Legal Services

- The unfavorable variance in legal services is primarily due to greater utilization of legal services.

Computer/Network Software Agreement

- Software agreement expenditures are dependent on annual renewals of software agreements. Many renewals are completed at the beginning of the fiscal year.

Uniforms

- Uniform expenses are below the budgeted amount due to less utilization of uniform allowance and vacant positions.

Contracted Services

- Savings in contract services costs are primarily attributed to budgeted operating and maintenance costs for the hydrogen electrolyzer station that have not been incurred

Equipment Repairs

- Equipment repair expenses are within an acceptable range of the budget.

Security Services

- Security services are within an acceptable range of the budget.

Fuel - CNG

- CNG expenses are within an acceptable range of the budget.

Fuel - Hydrogen

- The unfavorable balance is due to a increase utilization of liquid hydrogen.

Tires

- Tire expenses are within an acceptable range of the budget.

Office Supplies

- Office supply expenses are within an acceptable range of the budget.

Travel/Training

- The favorable variance for travel & training savings can be attributed to different times at which training sessions are attended.

Repair Parts

- The unfavorable variance is primarily due to repairs related to fueling equipment and fixed route buses.

Facility Maintenance

- Fuel maintenance expenses are within an acceptable range of the budget.

Electricity - CNG & Hydrogen

- Electricity - CNG & Hydrogen expenses are within an acceptable range of the budget.

Natural Gas

- The positive variance is primarily attributed to lower usage of CNG fixed route vehicles over budgeted estimates for FY26.

Water and Gas

- Water and gas expenses are within an acceptable range of the budget.

Insurance Losses

- The variance in insurance losses is primarily due to a quarterly reconciliation to estimated losses from the Agency's risk pool.

Insurance Premium - Property

- Insurance premium expenses are within an acceptable range of the budget.

Repair Claims

- The unfavorable variance is primarily attributed due to the replacement of a bus stop shelter replaced after a vehicle collision.

Fuel Taxes

- Fuel tax expenses are within an acceptable range of the budget.

Other Expenses

- Other expenses are within an acceptable range of the budget.

Self-Consumed Fuel

- The variance in primarily due to less than anticipated fuel utilized by the Agency.



Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Contracts Signed Between \$25,000 and \$250,000 for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve contracts signed between \$25,000 and \$250,000 for January 2026.

Background:

In accordance with Chapter 2, Section 1.2 of the Procurement Policy, the attached report summarizes SunLine’s contracts, purchase orders and amendments signed in excess of \$25,000 and less than \$250,000. This ensures the Board is aware of the obligations entered into under the CEO/General Manager’s authority.

There were no contracts, purchase orders or amendments placed in January 2026 between \$25,000 and \$250,000:

January 2026

Vendor	Purpose	Amount
None		

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Contracts Signed Between \$25,000 and \$250,000 for January 2026

Contracts Signed Between \$25,000 and \$250,000

January 2026

Vendor	Product/Service	Need	Budgeted	Budgeted Amount	Cost	Type
None						



Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Union & Non-Union Pension Investment Asset Summary for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve union & non-union pension investment asset summary for January 2026.

Background:

For the month of January, SunLine’s investments fell within the approved range of investment type for the union and non-union assets.

Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	29.4%	16% – 56%
	International Equity	19.7%	0% - 39%
	Other	7.9%	0% – 20%
Income Assets			
	Fixed Income	37.9%	25% - 65%
	Other	4.1%	0% – 20%
Real Return Assets		0.0%	0% – 20%
Cash Equivalents		1.00%	0% – 20%

Non-Union

Asset Class		Actual	Range
Growth Assets			
	Domestic Equity	29.4%	16% - 56%
	International Equity	19.7%	0% - 39%
	Other	7.8%	0% - 20%
Income Assets			
	Fixed Income	37.7%	25% - 65%
	Other	4.0%	0% - 20%
Real Return Assets		0.0%	0% - 20%
Cash Equivalentents		1.4%	0% - 20%

Components may not sum to 100.0% due to rounding.

For the month of January, the market value of assets increased by \$745,238 and \$807,175 for the union and non-union plans, respectively.

Month to Month Asset Comparison

Month	Market Value - Union	Market Value - Non-Union
December 2025	\$48,498,414	\$48,824,112
January 2026	\$49,243,652	\$49,631,287
Increase (Decrease)	\$745,238	\$807,175

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management be effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Union & Non-Union Pension Investment Asset Summary for January 2026

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond									
ISHARES CORE U.S. AGGREGATE	464287226	8278395	7,165.00	97.84	701,023.60	100.13	717,431.45	16,407.85	1.46
ISHARES CORE U.S. AGGREGATE	464287226	8278395	6,446.00	92.76	597,930.32	100.13	645,437.98	47,507.66	1.31
ISHARES CORE U.S. AGGREGATE	464287226	8278395	4,049.00	98.87	400,324.63	100.13	405,426.37	5,101.74	0.82
ISHARES CORE U.S. AGGREGATE	464287226	8278395	3,322.00	99.12	329,276.64	100.13	332,631.86	3,355.22	0.68
ISHARES CORE U.S. AGGREGATE	464287226	8278395	7,159.00	97.77	699,934.71	100.13	716,830.67	16,895.96	1.46
ISHARES CORE U.S. AGGREGATE	464287226	8278395	3,307.00	96.40	318,794.80	100.13	331,129.91	12,335.11	0.67
ISHARES CORE U.S. AGGREGATE	464287226	8278395	16,903.00	98.64	1,667,311.92	100.13	1,692,497.39	25,185.47	3.44
Security Type Sub-Total			48,351.00		4,714,596.62	700.91	4,841,385.63	126,789.01	9.84
Exchange-Traded Fund - Equity									
SCHWAB US LARGE-CAP ETF	808524201	17333747	466,004.00	22.54	10,505,283.51	27.24	12,693,948.96	2,188,665.45	25.78
SCHWAB US LARGE-CAP ETF	808524201	17333747	39,046.00	22.81	890,639.26	27.24	1,063,613.04	172,973.78	2.16
Security Type Sub-Total			505,050.00		11,395,922.77	54.48	13,757,562.00	2,361,639.23	27.94
Money Market Mutual Fund									
FIRST AM GOVT OBLIG-Z DTD 01/01/2010 0.000% --	31846V567	351477	502,680.56	1.00	502,680.56	100.00	502,680.56	0.00	1.02
Security Type Sub-Total			502,680.56		502,680.56	100.00	502,680.56	0.00	1.02
Mutual Fund - Bond									
BAIRD CORE PLUS BOND-INST	057071870	7001692	511,296.28	10.75	5,498,717.22	10.30	5,266,351.60	(232,365.62)	10.69
BBH LIMITED DURATION-I	05528X851	7344118	0.03	10.29	0.35	10.51	0.36	0.01	0.00
NUVEEN CORE BOND FUND-R6	87244W607	7580345	333,556.32	9.15	3,052,966.14	9.28	3,095,402.60	42,436.46	6.29
PGIM TOTAL RETURN BOND-R6	74440B884	168981	296,594.67	12.94	3,836,480.25	12.17	3,609,557.13	(226,923.12)	7.33
VOYA INTERMEDIATE BOND-R6	92913L569	IIBZX	207,839.39	9.56	1,987,609.84	8.84	1,837,300.18	(150,309.66)	3.73
Security Type Sub-Total			1,349,286.68		14,375,773.80	51.10	13,808,611.87	(567,161.93)	28.04
Mutual Fund - Equity									
COLUMBIA SMALL CAP GRW-INST3	19765Y340	195897	10,086.14	28.40	286,433.26	36.39	367,034.73	80,601.47	0.75

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Mutual Fund - Equity									
FIDELITY EMRG MRKT INDX	316146331	26545809	103,712.20	11.50	1,193,179.38	14.80	1,534,940.57	341,761.19	3.12
FIDELITY INTL INDX	315911727	308475	53,484.36	56.23	3,007,381.42	63.84	3,414,441.47	407,060.05	6.93
GLDMN SCHS GQG PRT INTL-R6	38147N269	GSIX	43,929.40	19.83	870,974.41	23.26	1,021,797.80	150,823.39	2.08
HRDNG LVNR INTL EQTY-INST	412295107	175052	0.00	25.00	0.02	29.24	0.02	0.00	0.00
JANUS HNDRSN OVERSEAS-N	47103D835	JANUS	26,607.72	51.08	1,359,065.32	60.57	1,611,629.32	252,564.00	3.27
MFS INTL DIVERSIFICAT-R6	552743544	9214518	73,060.56	26.33	1,923,620.14	29.20	2,133,368.30	209,748.16	4.33
PIMCO RAE US SMALL-INST	72202L421	45833025	30,337.40	12.02	364,739.33	12.01	364,352.14	(387.19)	0.74

Security Type Sub-Total **341,217.77** **9,005,393.28** **269.31** **10,447,564.35** **1,442,171.07** **21.22**

Separate Account

ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	29,588.71	1.00	29,588.71	100.00	29,588.71	0.00	0.06
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	49,000.00	1.00	49,000.00	100.00	49,000.00	0.00	0.10
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	49,000.00	1.00	49,000.00	100.00	49,000.00	0.00	0.10
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	71,383.04	1.00	71,383.04	100.00	71,383.04	0.00	0.15
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00019	AL406	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
BLACKSTONE INFRASTRUCTURE DTD 10/01/2024 0.000% --	BKSTONE63	AL495	156,834.00	1.00	156,834.00	100.00	156,834.00	0.00	0.32

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account									
BLACKSTONE INFRASTRUCTURE DTD 10/01/2024 0.000% --	BKSTONE63	AL495	900,000.00	1.00	900,000.00	100.00	900,000.00	0.00	1.83
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0090	AL467	408,495.00	1.00	408,495.00	100.00	408,495.00	0.00	0.83
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0090	AL467	180,000.00	1.00	180,000.00	100.00	180,000.00	0.00	0.37
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0090	AL467	1,001,633.00	1.00	1,001,633.00	100.00	1,001,633.00	0.00	2.03
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	91,315.75	1.00	91,315.75	100.00	91,315.75	0.00	0.18
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	180,319.43	1.00	180,319.43	100.00	180,319.43	0.00	0.37
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	30,795.20	1.00	30,795.20	100.00	30,795.20	0.00	0.06
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	105,000.00	1.00	105,000.00	100.00	105,000.00	0.00	0.21
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	848,173.81	1.00	848,173.81	100.00	848,173.81	0.00	1.72
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	173,360.99	1.00	173,360.99	100.00	173,360.99	0.00	0.35
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	130,837.59	1.00	130,837.59	100.00	130,837.59	0.00	0.27
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	127,930.57	1.00	127,930.57	100.00	127,930.57	0.00	0.26
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	80,433.93	1.00	80,433.93	100.00	80,433.93	0.00	0.16
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	204,378.01	1.00	204,378.01	100.00	204,378.01	0.00	0.42
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	58,570.33	1.00	58,570.33	100.00	58,570.33	0.00	0.12
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	73,423.62	1.00	73,423.62	100.00	73,423.62	0.00	0.15

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT BARGAINING - [REDACTED]									
Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account									
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	147,000.00	1.00	147,000.00	100.00	147,000.00	0.00	0.30
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	309,750.00	1.00	309,750.00	100.00	309,750.00	0.00	0.63
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV007	AL425	252,000.00	1.00	252,000.00	100.00	252,000.00	0.00	0.51
Security Type Sub-Total			5,885,847.98		5,885,847.98	2,900.00	5,885,847.98	0.00	11.95
Managed Account Sub-Total			8,632,433.99		45,880,215.01	4,075.80	49,243,652.39	3,363,437.38	100.01
Securities Sub-Total			\$8,632,433.99		\$45,880,215.01	\$4,075.80	\$49,243,652.39	\$3,363,437.38	100.01%
Accrued Interest							\$0.00		
Total Investments							\$49,243,652.39		

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAI - [REDACTED]

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Exchange-Traded Fund - Bond										
ISHARES CORE U.S. AGGREGATE		464287226	8278395	3,317.00	96.40	319,758.80	100.13	332,131.21	12,372.41	0.67
ISHARES CORE U.S. AGGREGATE		464287226	8278395	6,136.00	97.77	599,916.11	100.13	614,397.68	14,481.57	1.24
ISHARES CORE U.S. AGGREGATE		464287226	8278395	7,146.00	97.84	699,164.64	100.13	715,528.98	16,364.34	1.44
ISHARES CORE U.S. AGGREGATE		464287226	8278395	17,290.00	98.64	1,705,485.60	100.13	1,731,247.70	25,762.10	3.49
ISHARES CORE U.S. AGGREGATE		464287226	8278395	3,372.00	99.12	334,232.64	100.13	337,638.36	3,405.72	0.68
ISHARES CORE U.S. AGGREGATE		464287226	8278395	6,272.00	92.76	581,790.09	100.13	628,015.36	46,225.27	1.27
ISHARES CORE U.S. AGGREGATE		464287226	8278395	4,049.00	98.87	400,324.63	100.13	405,426.37	5,101.74	0.82
Security Type Sub-Total				47,582.00		4,640,672.51	700.91	4,764,385.66	123,713.15	9.61
Exchange-Traded Fund - Equity										
SCHWAB US LARGE-CAP ETF		808524201	17333747	43,384.00	22.81	989,589.04	27.24	1,181,780.16	192,191.12	2.38
SCHWAB US LARGE-CAP ETF		808524201	17333747	464,498.00	22.54	10,471,333.25	27.24	12,652,925.52	2,181,592.27	25.49
Security Type Sub-Total				507,882.00		11,460,922.29	54.48	13,834,705.68	2,373,783.39	27.87
Money Market Mutual Fund										
FIRST AM GOVT OBLIG-Z DTD 01/01/2010 0.000% --		31846V567	351477	689,545.50	1.00	689,545.50	100.00	689,545.50	0.00	1.39
Security Type Sub-Total				689,545.50		689,545.50	100.00	689,545.50	0.00	1.39
Mutual Fund - Bond										
BAIRD CORE PLUS BOND-INST		057071870	7001692	514,850.57	10.73	5,522,747.47	10.30	5,302,960.96	(219,786.51)	10.68
BBH LIMITED DURATION-I		05528X851	7344118	0.03	10.29	0.35	10.51	0.36	0.01	0.00
NUVEEN CORE BOND FUND-R6		87244W607	7580345	333,556.32	9.15	3,052,966.14	9.28	3,095,402.60	42,436.46	6.24
PGIM TOTAL RETURN BOND-R6		74440B884	168981	300,506.77	12.91	3,880,113.04	12.17	3,657,167.44	(222,945.60)	7.37
VOYA INTERMEDIATE BOND-R6		92913L569	IIBZX	209,293.02	9.57	2,003,157.14	8.84	1,850,150.29	(153,006.85)	3.73
Security Type Sub-Total				1,358,206.71		14,458,984.14	51.10	13,905,681.65	(553,302.49)	28.02
Mutual Fund - Equity										
COLUMBIA SMALL CAP GRW-INST3		19765Y340	195897	9,981.66	28.40	283,466.14	36.39	363,232.69	79,766.55	0.73

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAI - [REDACTED]

Security Type/Description	Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Mutual Fund - Equity										
FIDELITY EMRG MRKT INDX		316146331	26545809	104,334.17	11.50	1,200,334.94	14.80	1,544,145.69	343,810.75	3.11
FIDELITY INTL INDX		315911727	308475	53,783.15	56.23	3,024,176.56	63.84	3,433,516.17	409,339.61	6.92
GLDMN SCHS GQG PRT INTL-R6		38147N269	GSIX	44,191.90	19.85	877,066.00	23.26	1,027,903.67	150,837.67	2.07
HRTFRD SCHR EM MRKT EQ-SDR		41665H789	10575468	0.00	20.00	0.02	25.17	0.02	0.00	0.00
JANUS HNDRSN OVERSEAS-N		47103D835	JANUS	26,755.56	51.08	1,366,612.70	60.57	1,620,584.08	253,971.38	3.27
MFS INTL DIVERSIFICAT-R6		552743544	9214518	73,470.40	26.33	1,934,399.24	29.20	2,145,335.60	210,936.36	4.32
PIMCO RAE US SMALL-INST		72202L421	45833025	34,671.31	12.02	416,844.95	12.01	416,402.45	(442.50)	0.84

Security Type Sub-Total **347,188.15** **9,102,900.55** **265.24** **10,551,120.37** **1,448,219.82** **21.26**

Separate Account

ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	49,000.00	1.00	49,000.00	100.00	49,000.00	0.00	0.10
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	49,000.00	1.00	49,000.00	100.00	49,000.00	0.00	0.10
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	29,588.71	1.00	29,588.71	100.00	29,588.71	0.00	0.06
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	71,382.92	1.00	71,382.92	100.00	71,382.92	0.00	0.14
ATEL PRIVATE DEBT FUND II DTD 01/01/2010 0.000% --	ATEL00020	AL407	45,325.00	1.00	45,325.00	100.00	45,325.00	0.00	0.09
BLACKSTONE INFRASTRUCTURE DTD 10/01/2024 0.000% --	BKSTONE64	AL496	900,000.00	1.00	900,000.00	100.00	900,000.00	0.00	1.81

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAI - [REDACTED]										
Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage	
Separate Account										
BLACKSTONE INFRASTRUCTURE DTD 10/01/2024 0.000% --	BKSTONE64	AL496	156,834.00	1.00	156,834.00	100.00	156,834.00	0.00	0.32	
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0091	AL468	180,000.00	1.00	180,000.00	100.00	180,000.00	0.00	0.36	
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0091	AL468	1,001,633.00	1.00	1,001,633.00	100.00	1,001,633.00	0.00	2.02	
GOLUB CAPITAL XIV INT'L DTD 01/01/2010 0.000% --	GOLUB0091	AL468	408,495.00	1.00	408,495.00	100.00	408,495.00	0.00	0.82	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	30,795.20	1.00	30,795.20	100.00	30,795.20	0.00	0.07	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	147,000.00	1.00	147,000.00	100.00	147,000.00	0.00	0.30	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	204,378.01	1.00	204,378.01	100.00	204,378.01	0.00	0.41	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	127,930.57	1.00	127,930.57	100.00	127,930.57	0.00	0.26	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	180,319.43	1.00	180,319.43	100.00	180,319.43	0.00	0.36	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	848,173.81	1.00	848,173.81	100.00	848,173.81	0.00	1.71	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	73,423.62	1.00	73,423.62	100.00	73,423.62	0.00	0.15	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	130,837.59	1.00	130,837.59	100.00	130,837.59	0.00	0.26	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	309,750.00	1.00	309,750.00	100.00	309,750.00	0.00	0.62	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	105,000.00	1.00	105,000.00	100.00	105,000.00	0.00	0.21	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	252,000.00	1.00	252,000.00	100.00	252,000.00	0.00	0.51	
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	80,433.93	1.00	80,433.93	100.00	80,433.93	0.00	0.16	

Detail of Securities Held & Market Analytics

For the Month Ending **January 31, 2026**

SUNLINE EMPLOYEES RETIREMENT NON-BARGAI - [REDACTED]									
Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Ticker	Shares	Average Cost/Share	Original Cost	Market Price	Market Value	Unreal G/L on Cost	Percentage
Separate Account									
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	91,315.75	1.00	91,315.75	100.00	91,315.75	0.00	0.18
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	173,360.99	1.00	173,360.99	100.00	173,360.99	0.00	0.35
NB Secondary Opps Offshore V DTD 01/01/2010 0.000% --	NBSOFV008	AL426	58,570.33	1.00	58,570.33	100.00	58,570.33	0.00	0.12
Security Type Sub-Total			5,885,847.86		5,885,847.86	2,900.00	5,885,847.86	0.00	11.85
Managed Account Sub-Total			8,836,252.22		46,238,872.85	4,071.73	49,631,286.72	3,392,413.87	100.00
Securities Sub-Total			\$8,836,252.22		\$46,238,872.85	\$4,071.73	\$49,631,286.72	\$3,392,413.87	100.00%
Accrued Interest							\$0.00		
Total Investments							\$49,631,286.72		



Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole Board of Directors

FROM: Daren Tatham, Assistant Transit Planner

SUBJECT: Acceptance of Ridership Report for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the Ridership Report for January 2026.

Background:

	Monthly Ridership		Monthly Variance	
	Jan-26	Jan-25	Net	Percent
Fixed Route	229,145	232,989	(3,844)	(1.6%)
SunRide	1,846	2,351	(505)	(21.5%)
Taxi Voucher*	137	118	19	16.1%
SunDial	7,910	9,338	(1,428)	(15.3%)
Total	239,038	244,796	(5,758)	(2.4%)

*Taxi Voucher rides are included for the system total; however, they are not NTD reportable.

Yearly Ridership	
Fiscal Year 2026	1,596,794
Fiscal Year 2025	1,647,945
Ridership Increase	(51,151)

Fiscal year to date system ridership decreased by 51,151 rides or 3.10% compared to the previous fiscal year. The baseline of the attached COVID-19 Recovery chart is calendar year 2020, this allows a comparison of three (3) years.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Service Reliability: Our commitment to service reliability centers on building ridership trust by delivering a seamless transit experience and being there when we say we're going to be there.

In Collaboration with:

Anthony R. Parham Sr., Paratransit Operations Manager
Jill Plaza, Taxi/Contracted Transportation Services Administrator

Approved/Reviewed by:

David Legaretta, Financial Analyst

Attachments:

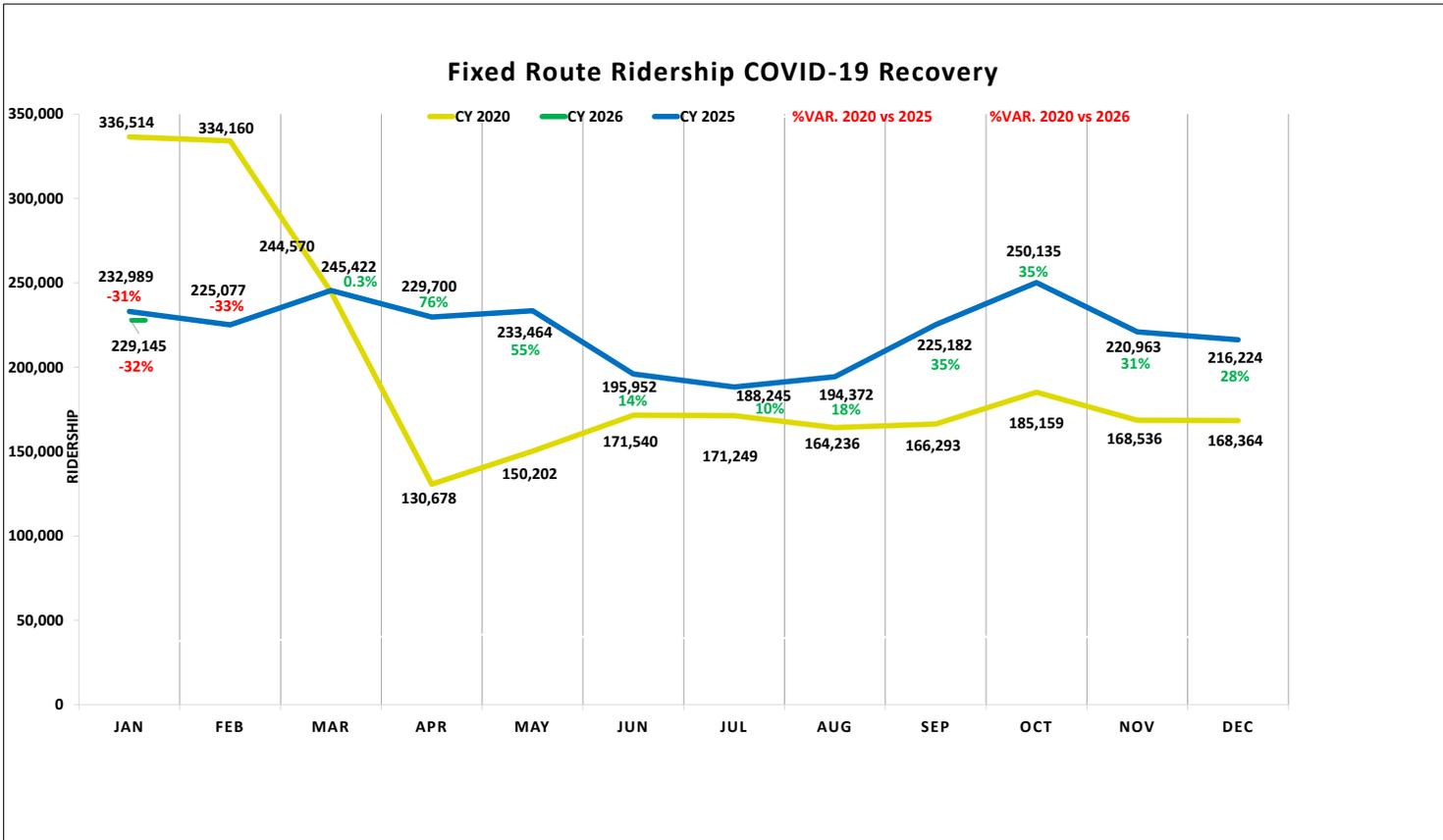
- Monthly Ridership Report - January 2026
- Ridership COVID-19 Recovery - January 2026



SunLine Transit Agency Monthly Ridership Report January 2026

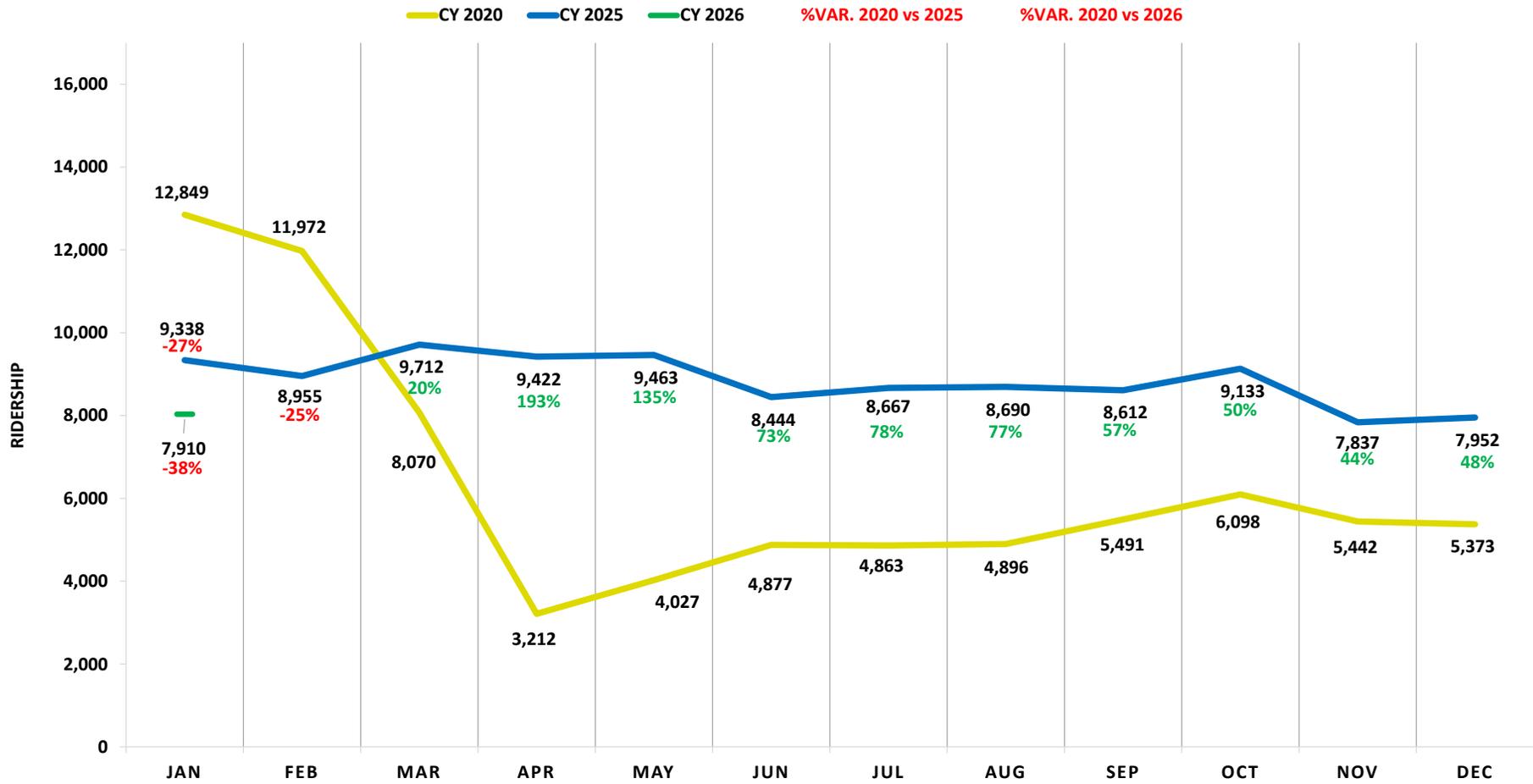
Fixed Route		FY 2026		FY 2025		Monthly KPI		Bikes		Wheelchairs	
		Jan 2026	Jan 2025	YTD	YTD	Passengers/ Rev. Hours	Passengers/ Rev. Miles	Monthly	FYTD	Monthly	FYTD
Route 1EV	Coachella - Hwy 111 - Palm Desert Mall	47,496	51,163	306,644	346,200	17.9	1.5	2,021	12,224	285	1,869
Route 1WV	Palm Springs - Hwy 111 - Palm Desert Mall	37,890	39,487	272,917	267,807	16.0	1.4	1,184	9,179	274	1,863
Route 2	Desert Hot Springs - Palm Springs - Cathedral City	62,445	64,097	428,962	453,487	18.0	1.3	2,043	11,234	516	3,193
Route 3	Desert Hot Springs - Desert Edge	8,491	7,484	53,888	54,937	10.2	0.6	295	1,725	72	489
Route 4	Thousand Palms - Palm Springs	16,405	21,204	137,571	138,623	11.7	0.8	476	3,234	163	805
Route 5	Desert Hot Springs - CSUSB - Palm Desert	3,952	2,711	22,066	17,916	7.2	0.3	140	858	14	144
Route 6	Coachella - Fred Waring - Westfield Palm Desert	7,189	5,120	37,826	30,854	10.2	0.8	274	1,466	30	211
Route 7	Bermuda Dunes - Indian Wells - La Quinta	7,946	8,258	51,698	52,228	9.4	0.7	333	2,354	66	264
Route 8	North Indio - Coachella -Thermal/Mecca	16,402	15,956	104,997	112,331	9.9	0.7	552	3,116	68	662
Route 9	North Shore - Mecca - Oasis	6,845	5,560	33,401	29,838	8.3	0.4	63	511	30	193
Route 10	Indio - CSUSB - San Bernardino - Metrolink	2,888	2,999	21,654	22,081	15.5	0.2	37	2,092	10	335
Route 14	Thousand Palms - Palm Desert	3,580	-	3,580	-	6.5	0.4	143	143	22	22
Route 200 SB	Palm Springs High School AM Tripper	129	113	955	1,060	12.5	0.6	-	4	-	1
Route 500 SB	Westfield Palm Desert PM Tripper	100	-	370	751	4.0	0.6	2	12	-	1
Route 700 SB/NB	Harris / Washington - Calle Madrid / Ave Vallejo AM Tripper	382	199	2,165	1,417	18.8	1.2	3	7	-	-
Route 701 SB/NB	Harris / Washington - Calle Madrid / Ave Vallejo PM Tripper	670	977	3,939	5,158	41.7	2.8	2	9	2	3
Route 800 NB	Shadow Hills High School AM Tripper	6,335	7,661	41,633	32,065	119.0	5.5	17	76	-	13
Fixed Route Total		229,145	232,989	1,524,266	1,566,752			7,585	48,244	1,552	10,068
SunRide		1,846	2,351	12,719	15,036						
Taxi Voucher		137	118	1,008	1,024						
SunDial		7,910	9,338	58,801	65,133						
System Total		239,038	244,796	1,596,794	1,647,945						
		Jan-26	Jan-25								
	Weekdays:	22	23								
	Saturdays:	5	4								
	Sundays:	4	4								
	Total Days:	31	31								

Mobile Ticketing contributed with 45,975 rides, the total for January 2026 includes 57 paratransit mobile tickets.



The COVID-19 pandemic caused a major national and global disruption with closures of businesses, schools and entertainment venues due to the implementation of national and statewide public health policies. Variances are in red close to their corresponding ridership number. 2024 and 2025 are referring to the baseline of 2020. CY 2020 will remain on the chart since it is the baseline needed to compare ridership recovery for CY 2024 & CY 2025. CY 2021/2022/2023 have been removed to reflect the two (2) most recent years in recovery.

Paratransit Ridership COVID-19 Recovery



The COVID-19 pandemic caused a major national and global disruption with closures of businesses, schools and entertainment venues due to the implementation of national and statewide public health policies. Variances are in red close to their corresponding ridership number. 2024 and 2025 are referring to the baseline of 2020.

CY 2020 will remain on the chart since it is the baseline needed to compare ridership recovery for CY 2024 & CY 2025. CY 2021 - CY 2023 have been removed to reflect the two (2) most recent years in recovery.



SunLine Transit Agency

Item 8G

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Anthony R. Parham Sr., Paratransit Operations Manager

SUBJECT: Acceptance of SunDial Operational Notes for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the SunDial Operational Notes for January 2026.

Background:

Due to ongoing bus technology upgrades, on-time performance (OTP) reporting will be temporarily paused to ensure data accuracy during system testing and calibration. Reporting will resume once the new system is fully implemented and validated.

The total number of passengers for the month of January 2026 where 7,910, which is a decrease of 1425 passengers or 15.2% when compared to January 2025. Mobility device boardings for January 2026 increased by 295 or 45.5% when compared to January 2025. During this month, the Field Supervisors conducted a total of 60 on-board inspections and 60 safety evaluations, which included pre-trip inspections and trailing evaluations. The Field Supervisors achieved the monthly on-board evaluation goal of 60, however this represents a 7.6% decrease when compared to January 2025. Similarly, the safety evaluation goal of 60 was met, though this reflects a 26.8% decline from January 2025.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Service Reliability: Our commitment to service reliability centers on building ridership trust by delivering a seamless transit experience and being there when we say we're going to be there.

In Collaboration with:

N/A

Approved/Reviewed by:

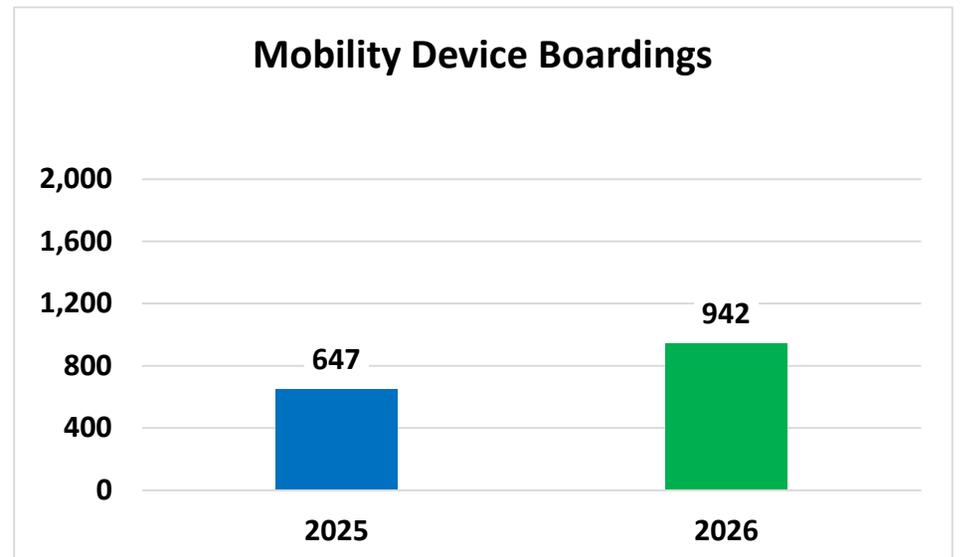
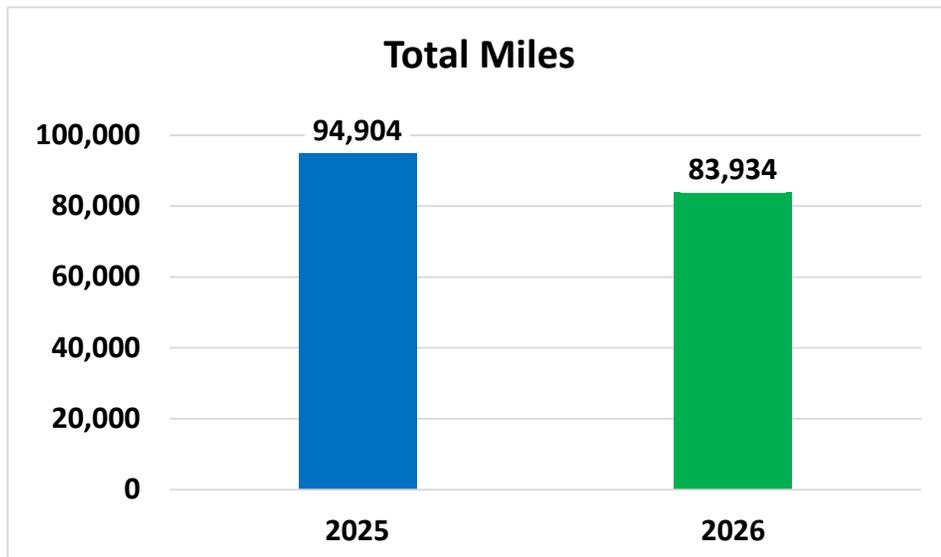
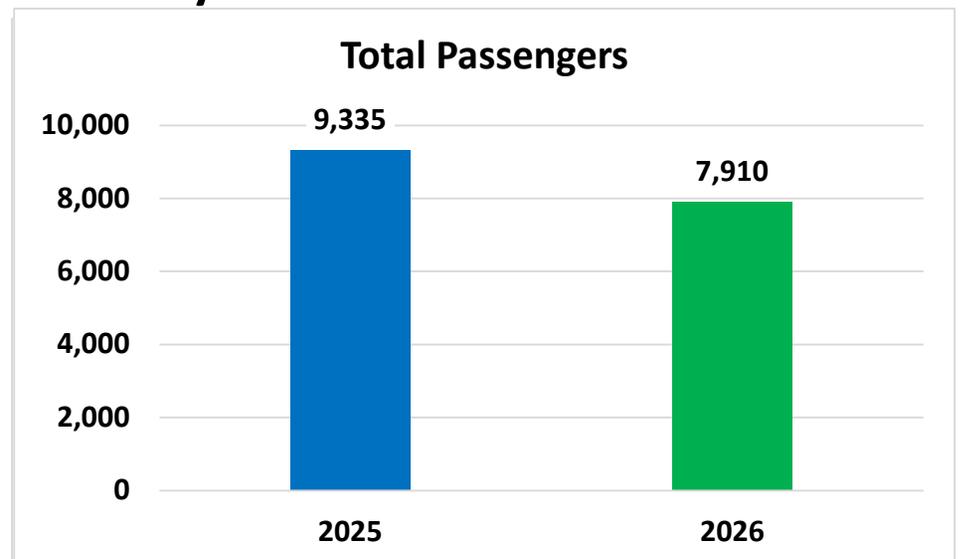
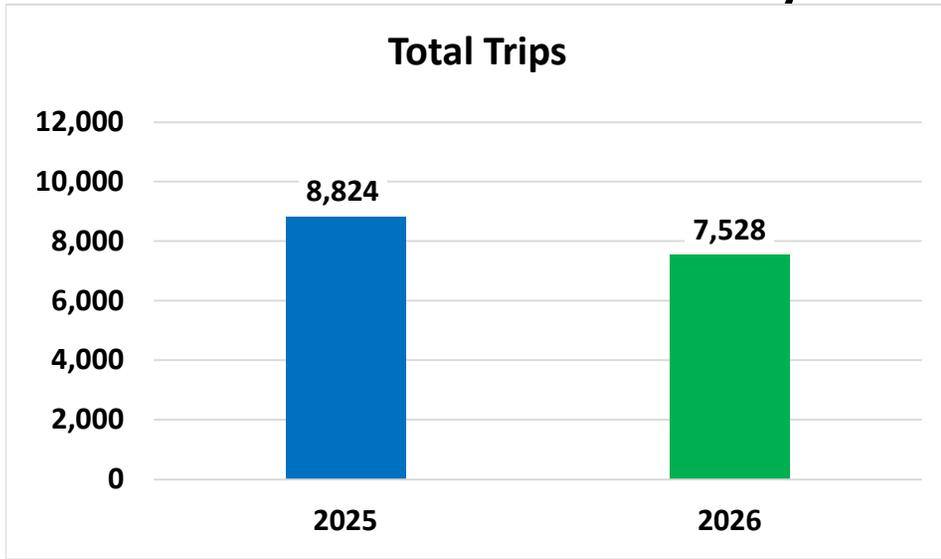
David Estrada, Deputy Chief of Transit Operations
Isabel Vizcarra, Chief Transportation Officer

Attachments:

- Operational Notes - January 2026
- Total Trips vs. Late Cancellations - January 2026

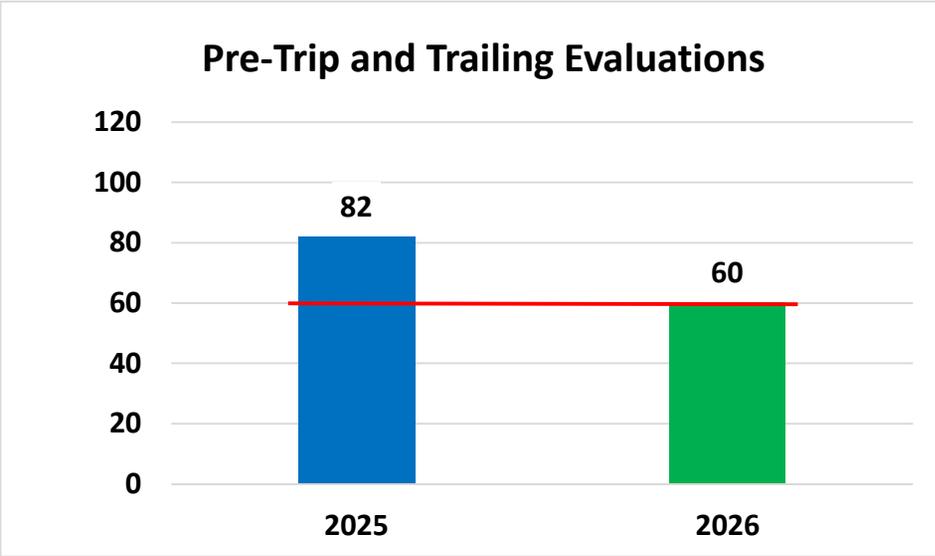
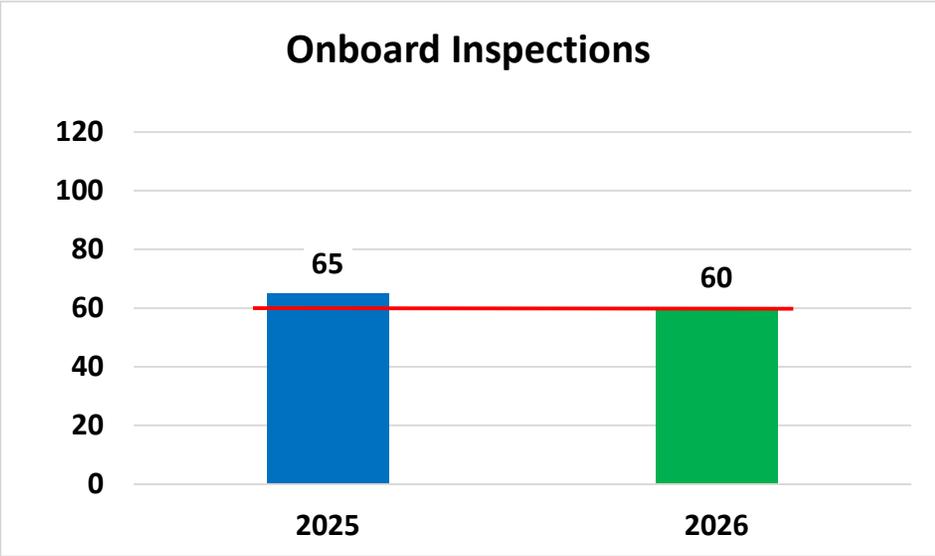
Paratransit Operational Charts

January 2025 vs. January 2026



Paratransit Operational Charts

January 2025 vs. January 2026





Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Operations, Finance and Strategic Alignment Departments

SUBJECT: Acceptance of Metrics for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the metrics for January 2026.

Background:

The metrics packet includes data highlighting operator absences, fixed route customer complaints, paratransit customer complaints and advertising revenue. SunRide performance includes system-wide metrics, trip booking method and geo-fence metrics for Desert Hot Springs/Desert Edge, Palm Desert, Coachella, Mecca/North Shore, Indio, Cathedral City, La Quinta and Palm Springs.

SunRide

January Ridership:

- Total Ridership: 1,846 passengers – decrease of 4% compared to 1,928 passengers in December 2025.
- Cathedral City: 104 passengers – decrease of 48% in ridership compared to 201 passengers in December 2025.
- Coachella: 111 passengers – decrease of 22% in ridership compared to 143 passengers in December 2025.
- Desert Hot Springs/Desert Edge: 192 passengers – increase of 0.5% in ridership compared to 191 passengers in December 2025.

- Indio: 670 passengers – increase of 2% in ridership compared to 657 passengers in December 2025.
- La Quinta: 50 passengers – increase of 35% in ridership compared to 37 passengers in December 2025.
- Mecca/NorthShore: 32 passengers – decrease of 30% in ridership compared to 46 passengers in December 2025.
- Palm Desert: 575 passengers – increase of 16% in ridership compared to 456 passengers in December 2025.
- Palm Springs: 112 passengers – decrease of 30% in ridership compared to 159 passengers in December 2025.

Fixed Route

On-Time Performance:

Fixed route's on-time performance remained unchanged from December 2025 to January 2026 at 84.69%.

- Route 1WV did not meet its service standard goal for January due to ongoing roadwork on Highway 111 and Indian Canyon. There were also route delays due to inclement weather and road closures on Indian Canyon.
- Route 2 did not meet its service standard goal for January due to ongoing roadwork on Highway 111 and Perez Road. There were also significant traffic delays on Palm Drive, Vista Chino and Indian Canyon.
- Route 4 did not meet its service standard goal for January by 0.1%. Delays were attributed to inclement weather, detours, and seasonal traffic.
- Route 5 did not meet its service standard goal for January due to traffic delays along Palm Drive, ongoing construction delays in Palm Desert, and road closures caused by inclement weather.
- Route 14 did not meet its service standard goal for January due to excessive traffic at Shoppers Lane and Dinah Shore Drive. Route 14 is the newly implemented route from the January 2026 Service Change.

Late and Early Departures:

- Late departures decreased by 0.4% in January compared to the previous month.
- Early departures increased by 0.4% in January compared to the previous month.

Workforce:

- For the month of January, 15% of SunLine's fixed route operator workforce was absent when compared to January 2025 at 20%.
- For the month of January, workforce was at a total of 130 operators when compared to January 2025 at 132 operators.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Service Reliability: Our commitment to service reliability centers on building ridership trust by delivering a seamless transit experience and being there when we say we're going to be there.

In Collaboration with:

N/A

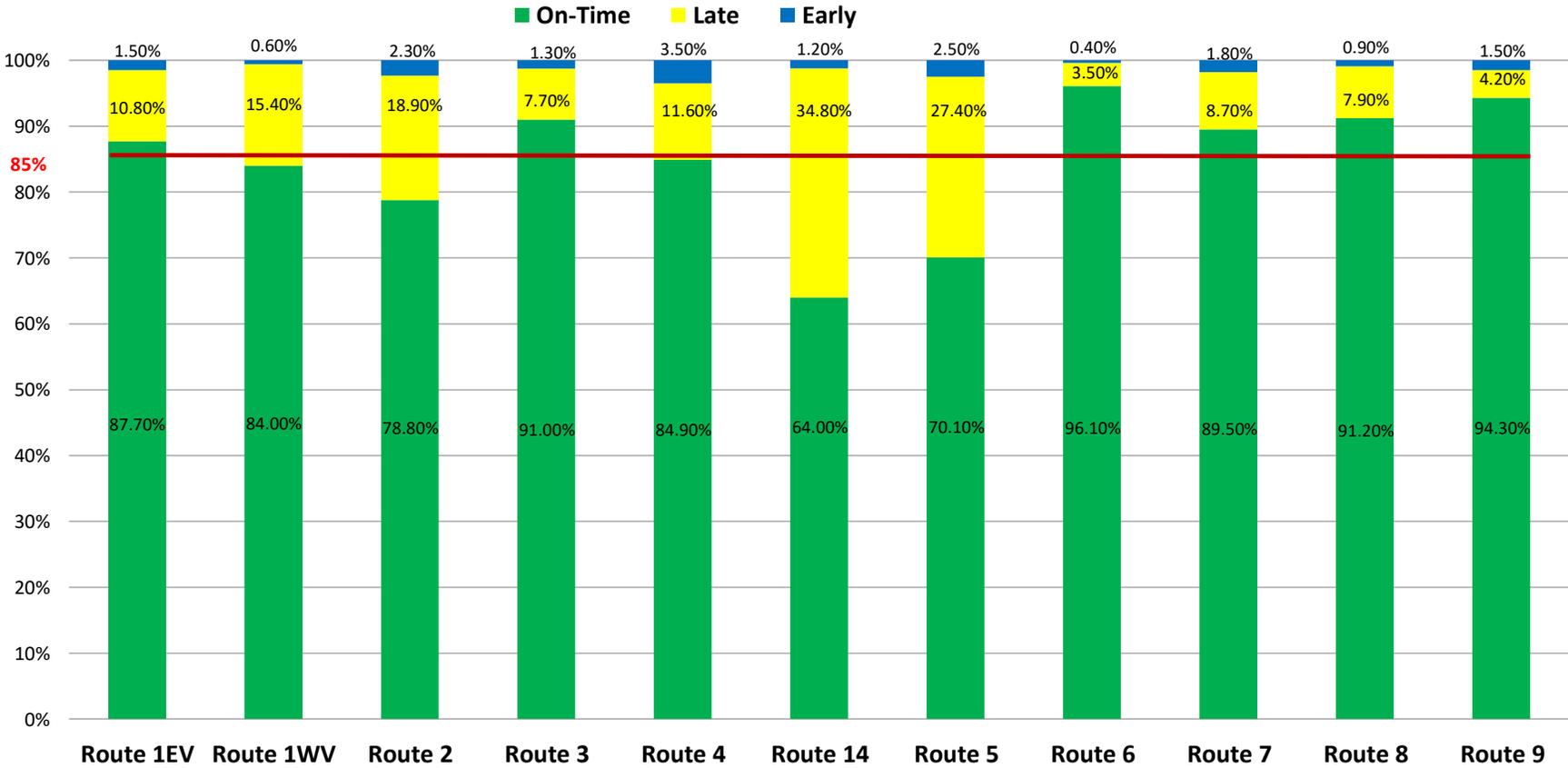
Approved/Reviewed by:

Luis Garcia, Chief Financial Officer
Isabel Vizcarra, Chief Transportation Officer
Greg Wildman, Chief of Strategic Alignment

Attachments:

- Fixed Route On-Time Performance, Early and Late Departure by Route
- Paratransit Total Trips vs. Late Cancellations
- Operator Absences by Type
- Fixed Route and Paratransit Customer Complaints
- Advertising Revenue
- SunRide System-Wide and Geo-Fence Metrics

Fixed Route On Time Performance Metrics for January 2026



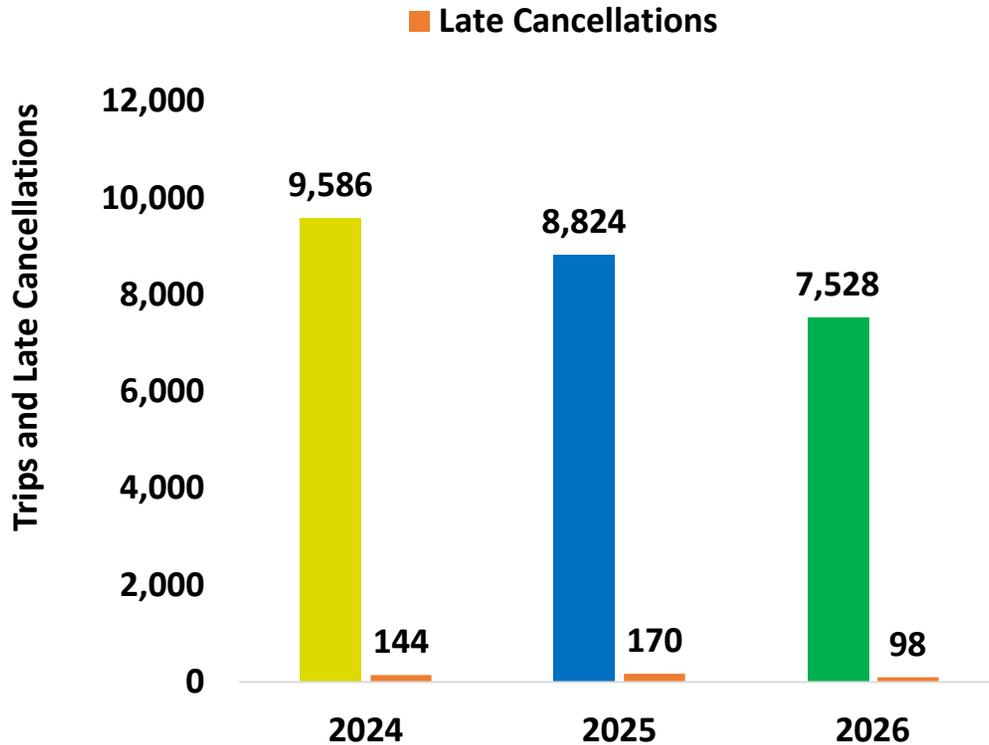
Goal: Early trips ≤ 0, Late Trips below 15%, On-Time Performance Goal of 85%.

System wide: On Time: 84.69% Early: 1.59% Late: 13.72%

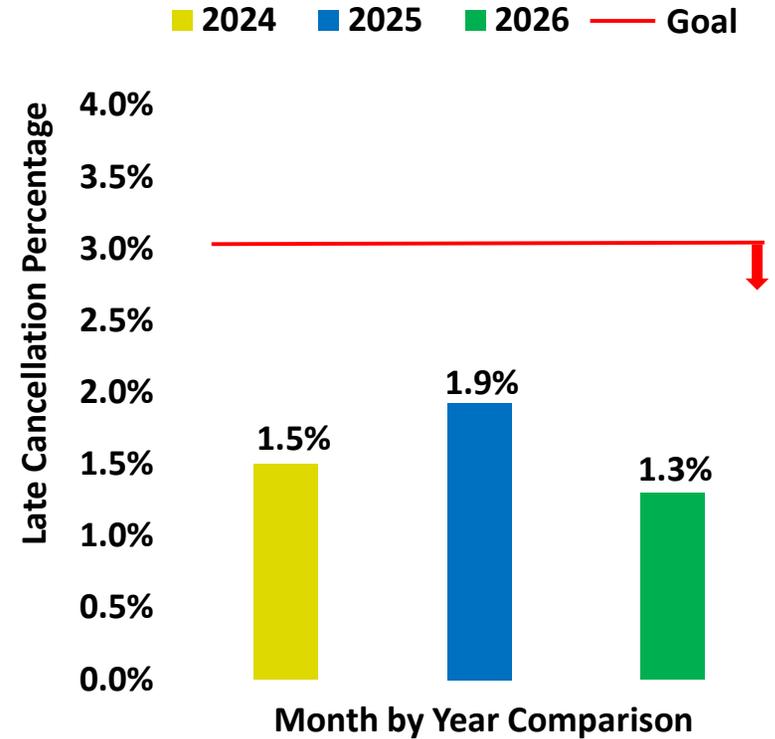
Total Monthly Scheduled Stops for January: 46,153.

*Note: Metrics are calculated using Swiftly Suite at timepoints only: -1 Minute (Early) to +5 Minute (Late) for OTP Trips.

Paratransit Total Trips vs. Late Cancellations January 2026



Late Cancellations by Percentage



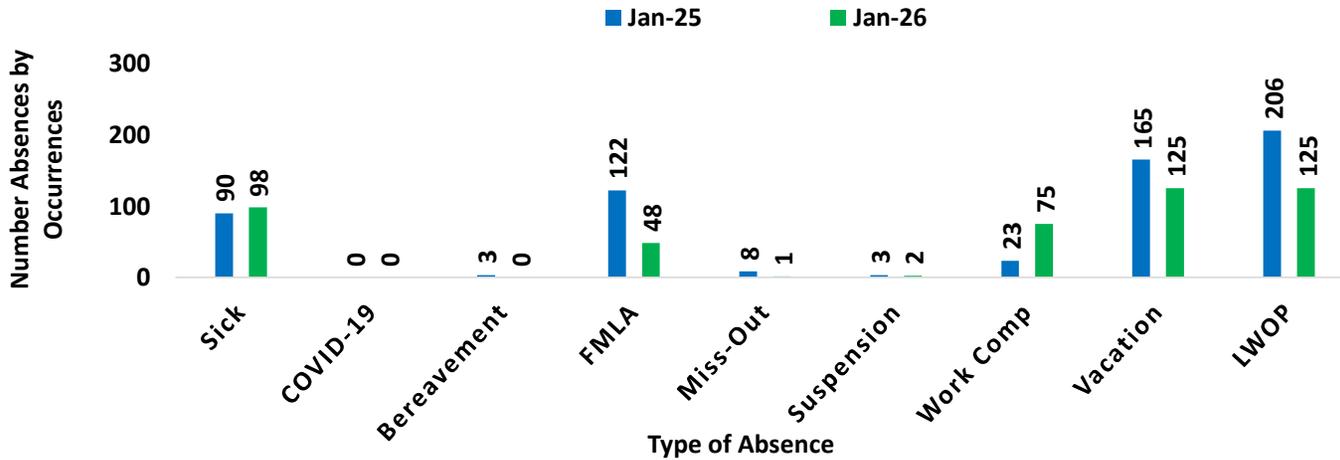
Trip: A one-way trip booked by the rider. A round trip is counted as two (2) trips.

Late Cancellation: A trip for which a rider cancels two (2) hours or less before the scheduled pick-up time.

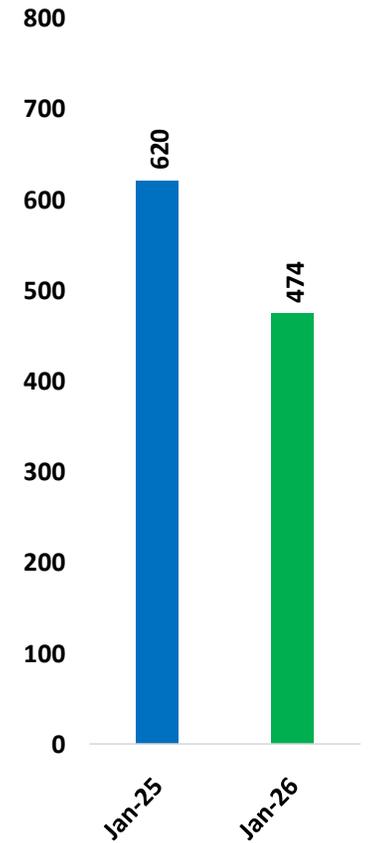
Goal for Late Cancellations: 3% or below.

Total Trips: Total one-way trips completed.

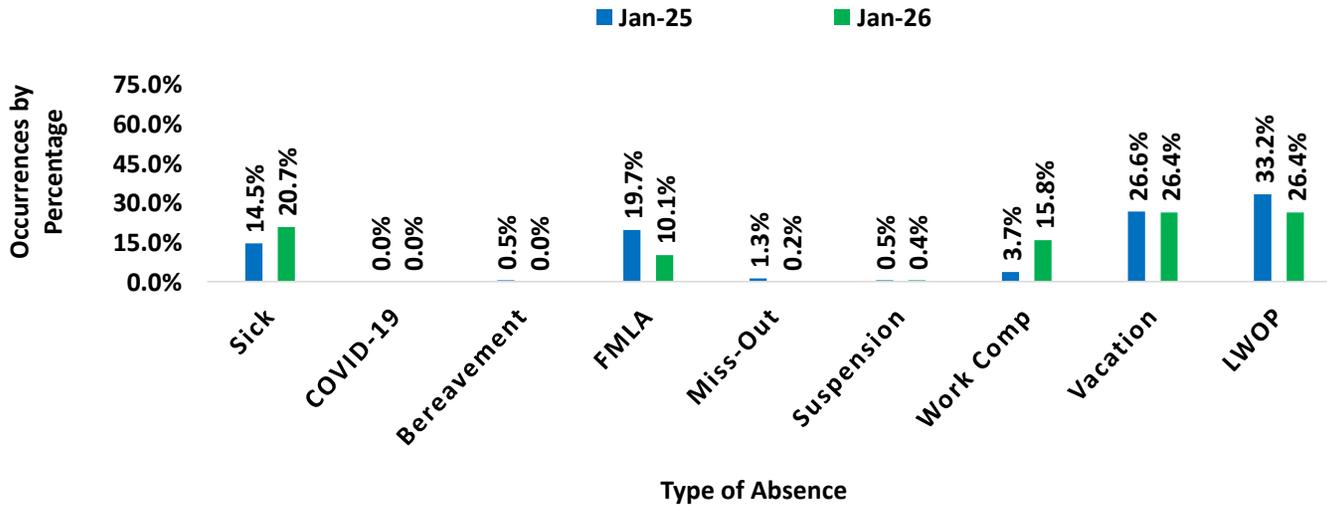
Fixed Route Operator Absence by Type



Fixed Route Total Absence Occurrences

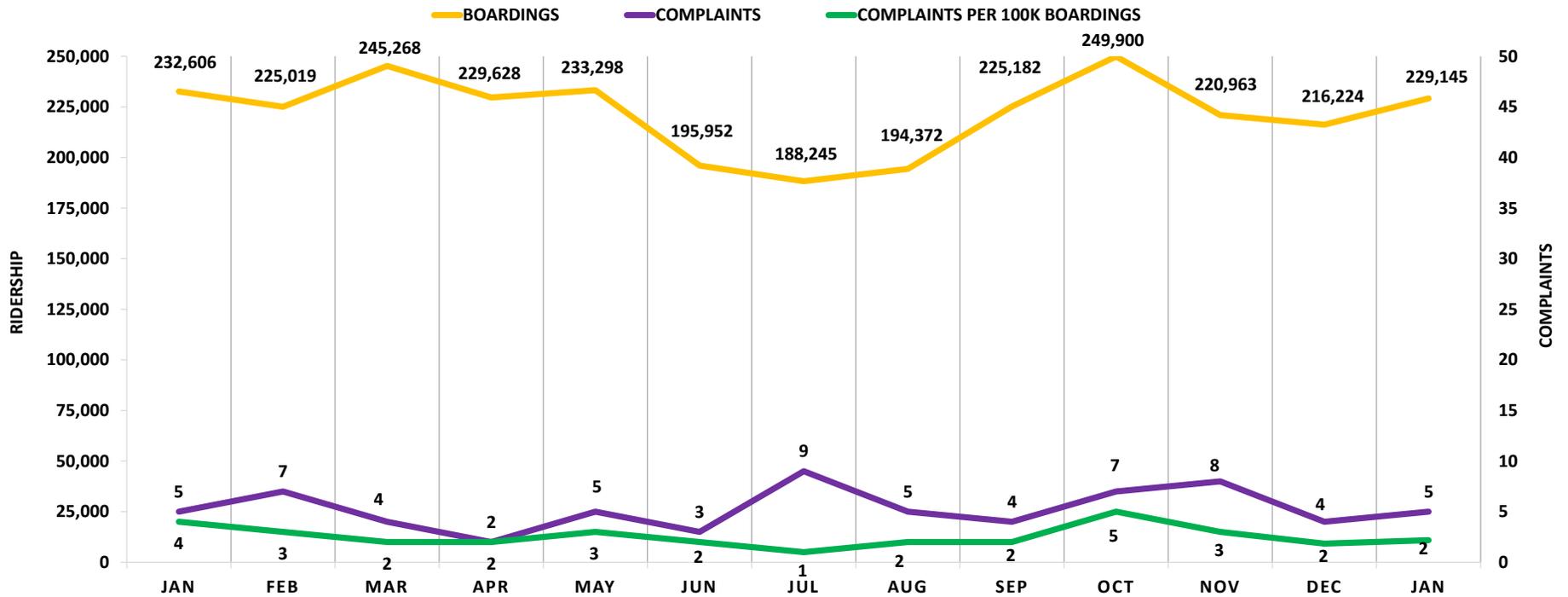


Fixed Route Operator Absence Type by Percentage



This chart includes unplanned/unscheduled and COVID-19 absences for Fixed Route drivers. For the month of January 2026, 15% of SunLine's fixed route operator workforce was absent when compared to January 2025 at 20%. For the month of January 2026, workforce was at a total of 130 operators when compared to January 2025 at 132 operators.

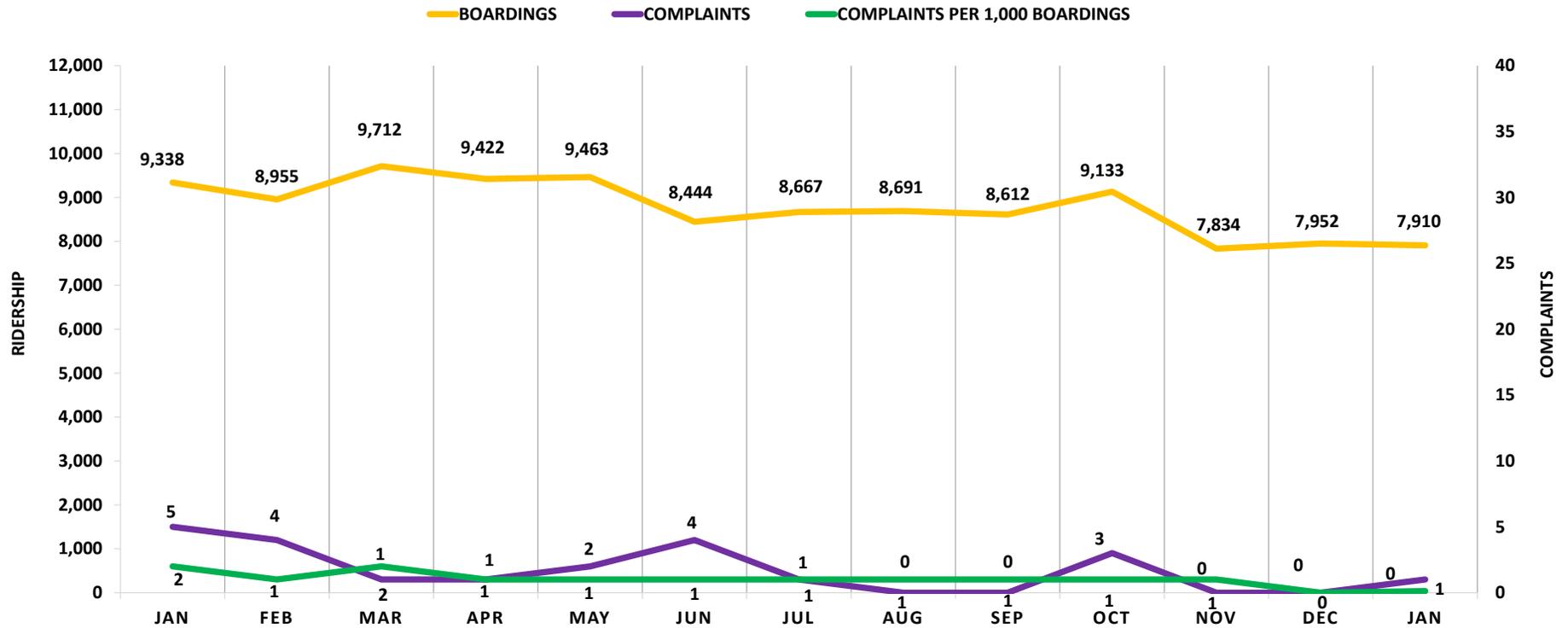
Fixed Route Customer Complaints January 2025 to January 2026



This chart represents the number of boardings and total valid complaints, as well as the number of valid complaints per 100,000 boardings for the fixed route system.

For the month of January, 99.99% of our total boardings did not receive a complaint.

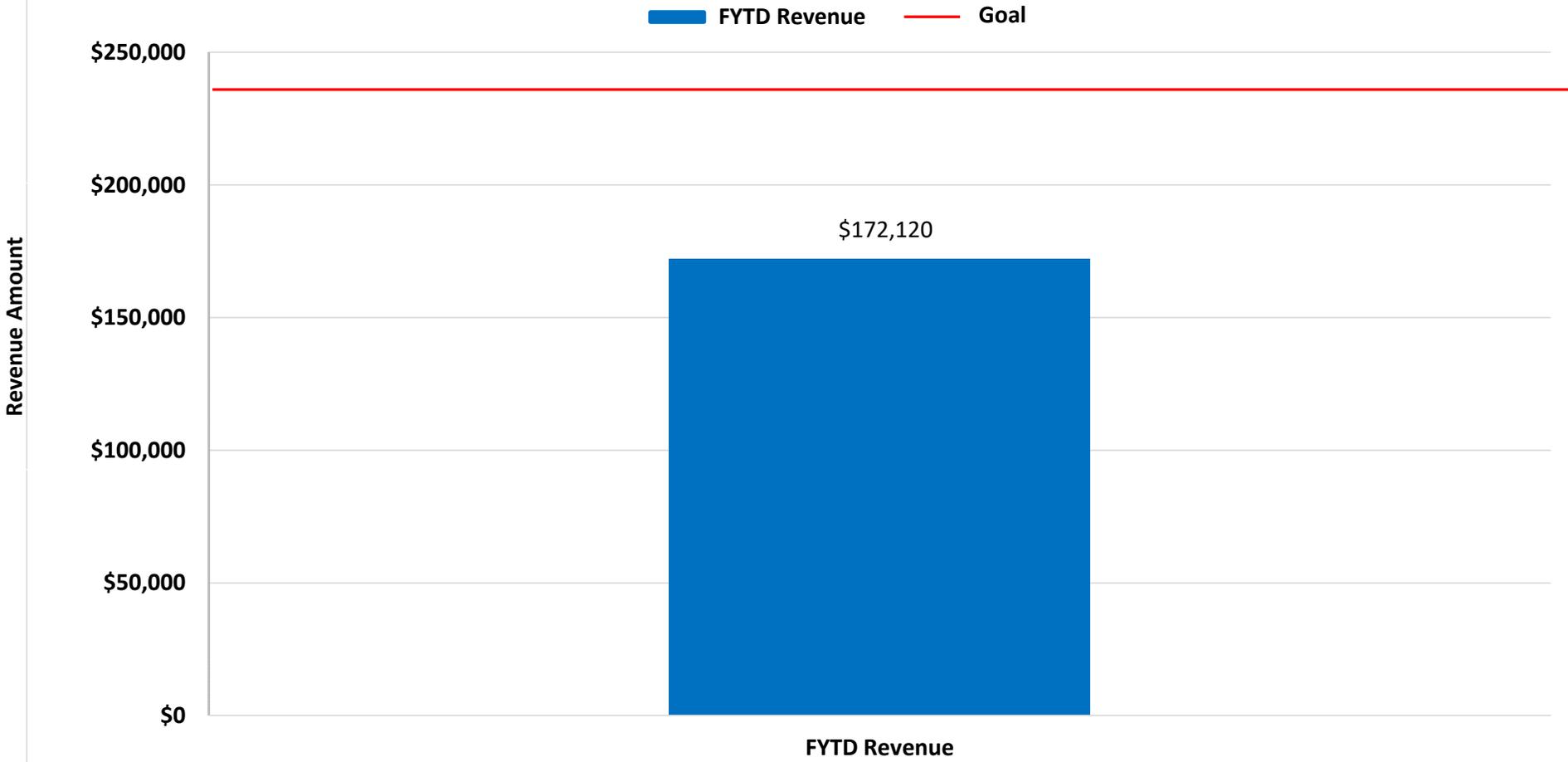
Paratransit Customer Complaints January 2025 to January 2026



This chart represents the total number of boardings and valid complaints, as well as the number of valid complaints per 1,000 boardings for the paratransit service.

For the month of January, 99.9% of our total boardings did not receive a complaint.

Advertising Revenue FYTD Revenue vs. Yearly Goal January 2026

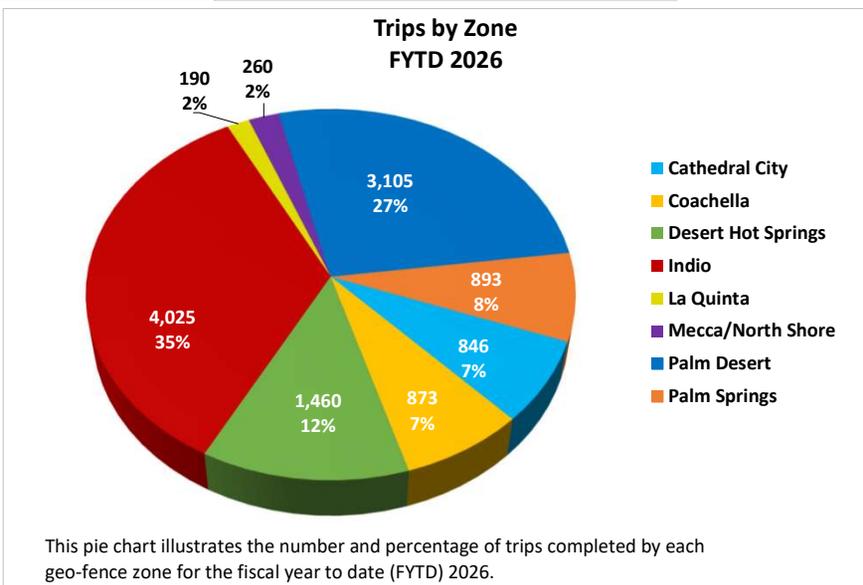
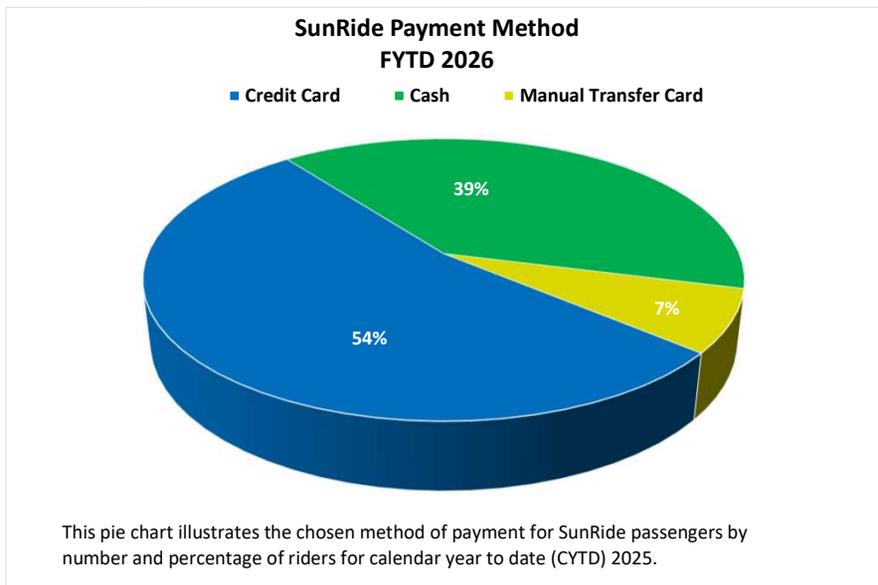
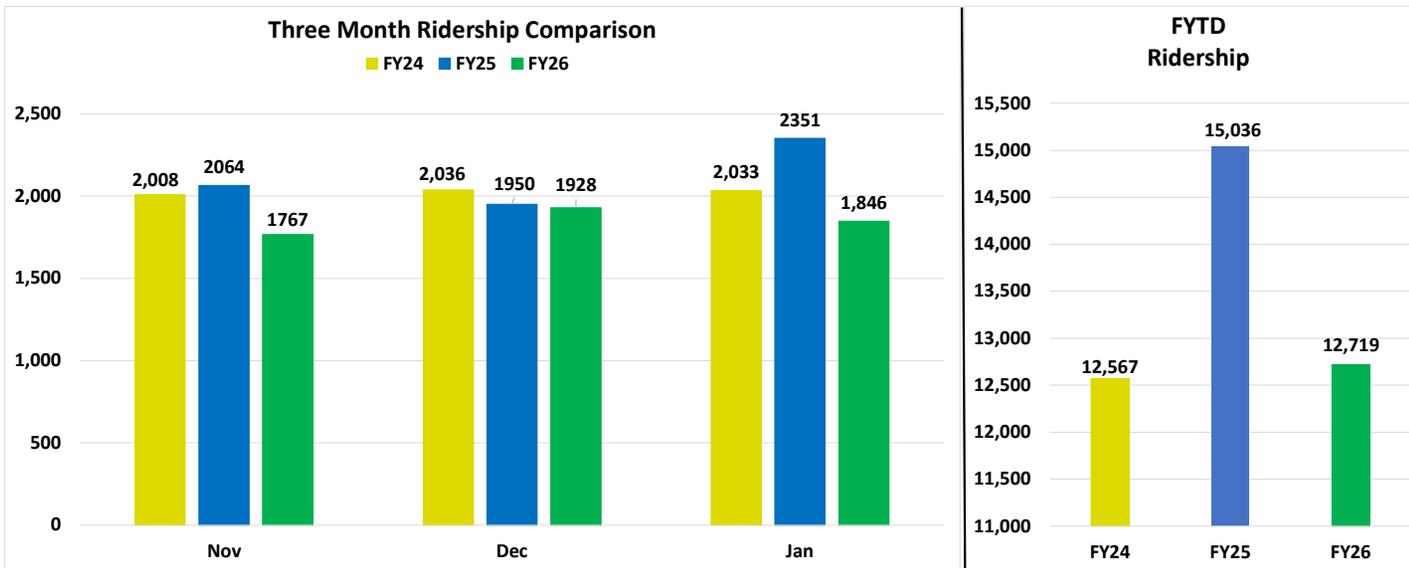


Advertising revenue tracks revenue earned for bus shelter and bus wrap advertising. The graph tracks FYTD revenue versus our yearly budget. The yearly budget for FY26 is \$240,000 (*advertising revenues follow Finance Department reporting from the previous two (2) months*).

SunRide System-Wide Metrics FYTD 2026

Total Completed Trips: 11,652

Total Number of Passengers: 12,719



Passengers Per Vehicle Hour: 1.9

Percentage of Trips System-wide as Ridesharing: 18%.

[Based on No. of Shared Rides for the month (311) divided by Total Trips Completed (1693)].

Customer Satisfaction Rating

Avg. rider trip rating 4.9
Goal: 4.5



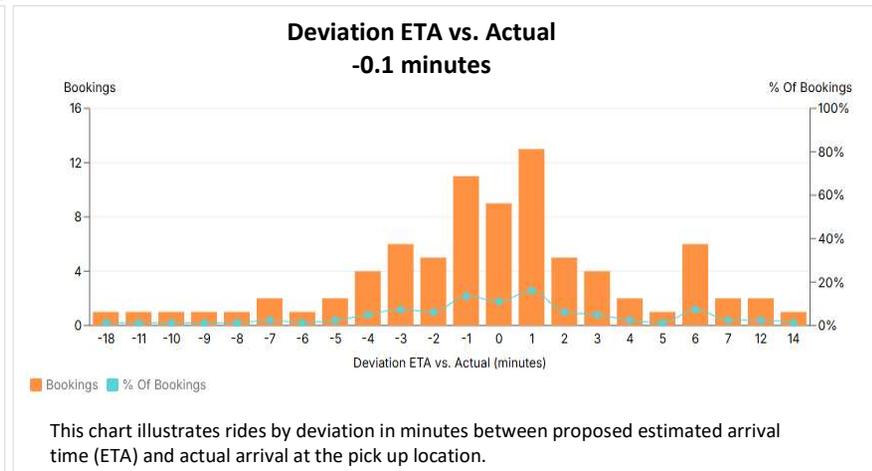
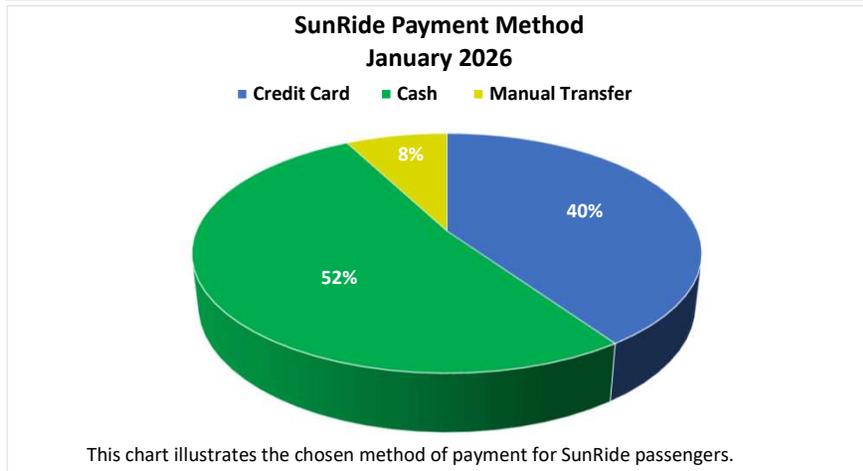
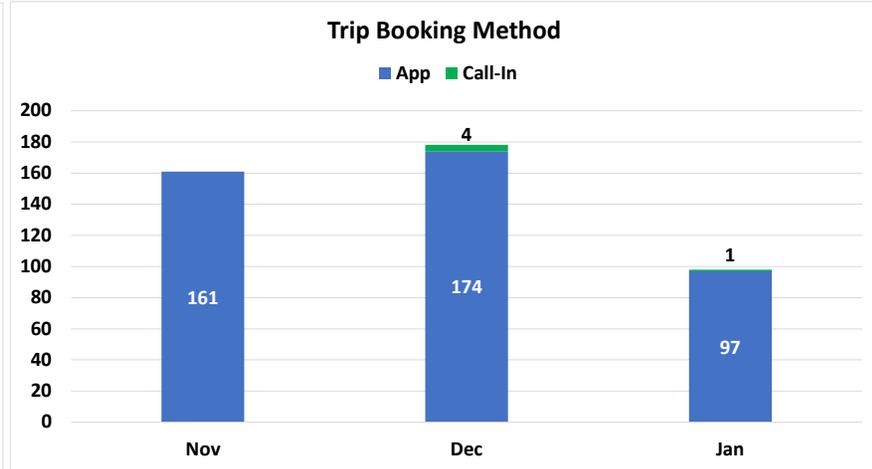
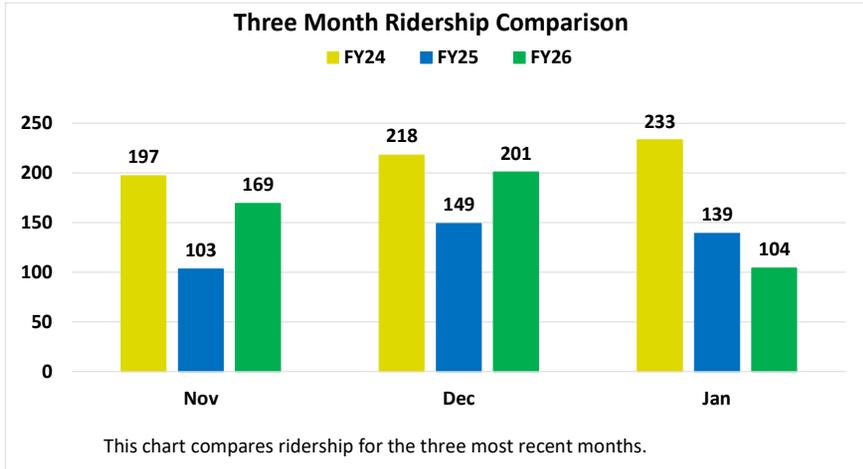
Booking with a Rating:

432 (25.5%)

Cathedral City Geo-Fence Metrics FYTD 2026

Total Completed Trips: 846

Total Number of Passengers: 898



Passengers Per Vehicle Hour: 1.5

Percentage of Trips as Ridesharing: Four (4) percent.
[Based on No. of Shared Rides for the month (4) divided by Total Trips Completed 98].

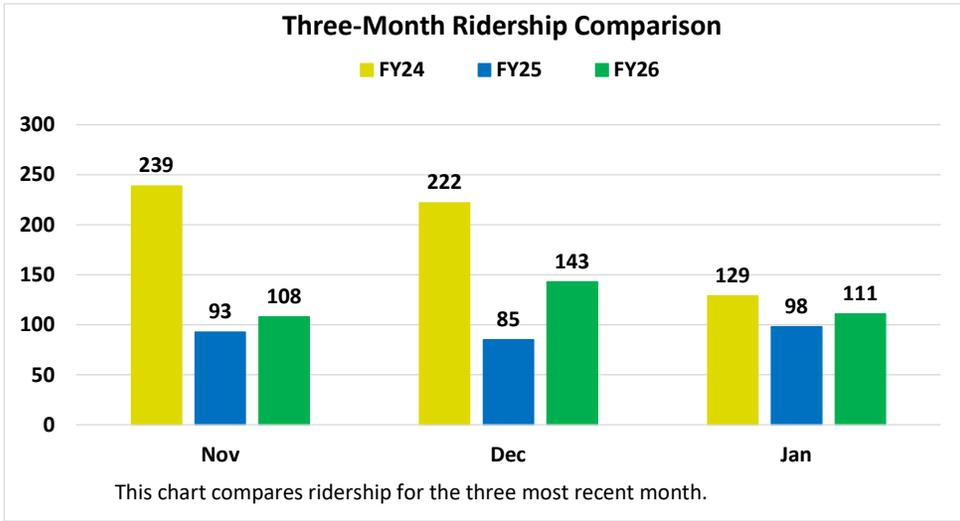
Customer Satisfaction Rating
Avg. rider trip rating 5.0
Goal: 4.5



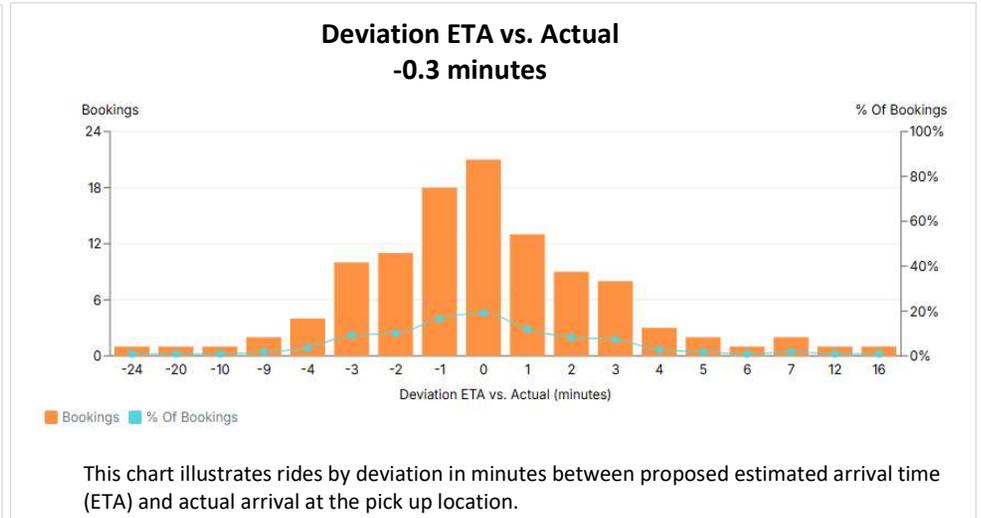
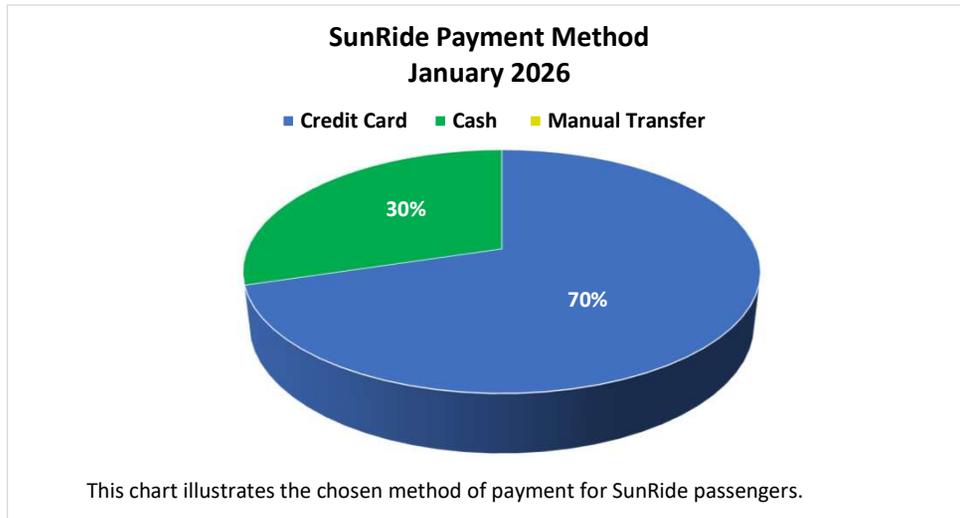
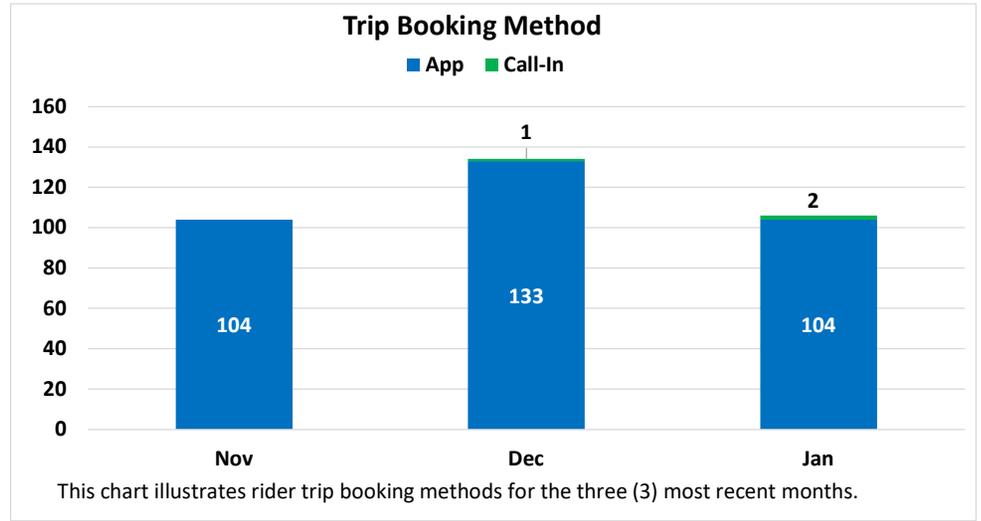
Booking with a Rating:
19 (19.4%)

Coachella Geo-Fence Metrics FYTD 2026

Total Completed Trips: 873



Total Number of Passengers: 916



Passengers Per Vehicle Hour: 1.8

Percentage of Trips as Ridesharing: Four (4) percent.

[Based on No. of Shared Rides for the month (4) divided by Total Trips Completed (106).]

Customer Satisfaction Rating

Avg. rider trip rating: 5.0

Goal: 4.5



EXCEEDS GOAL!

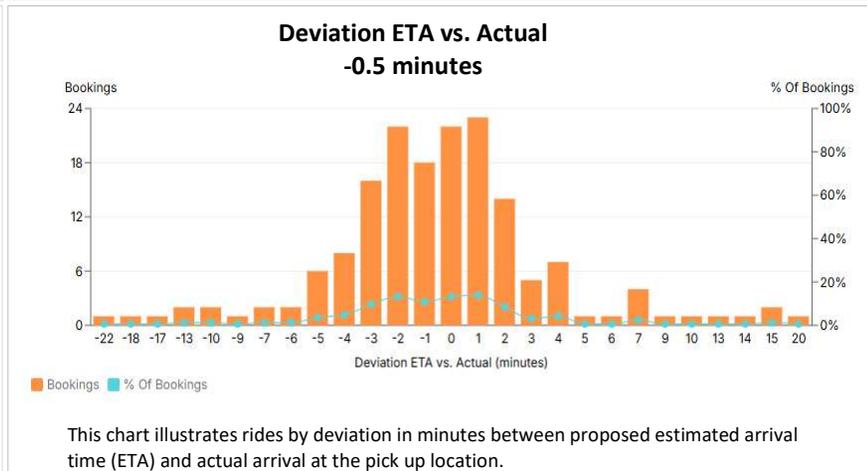
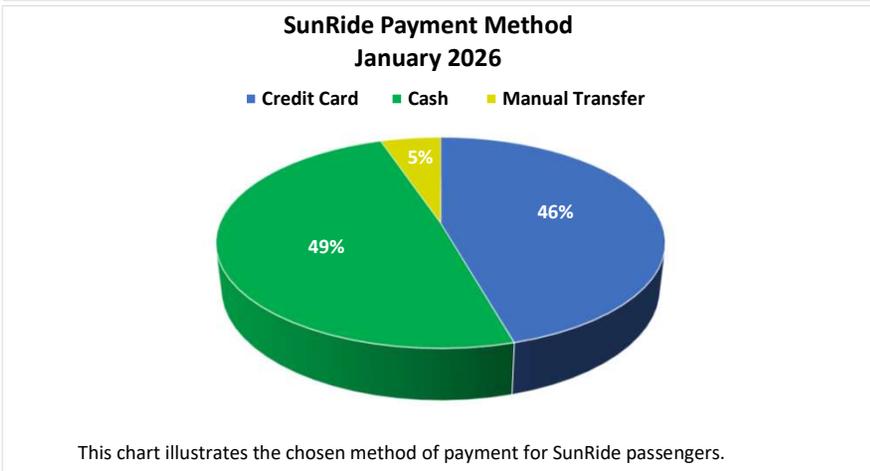
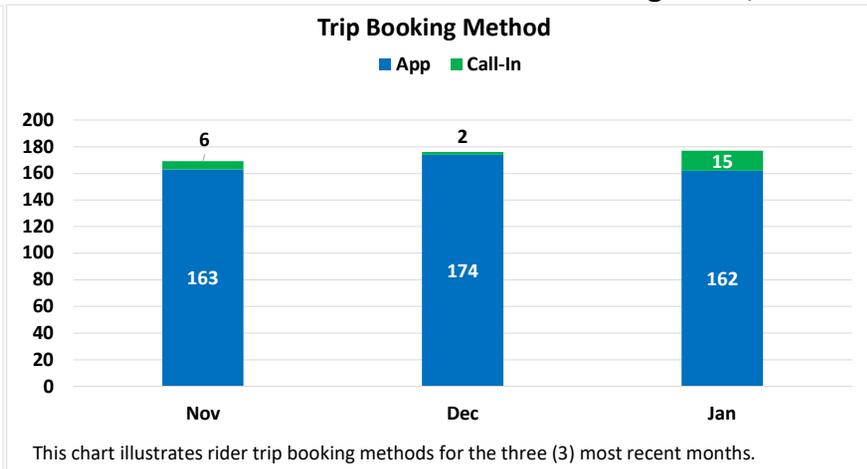
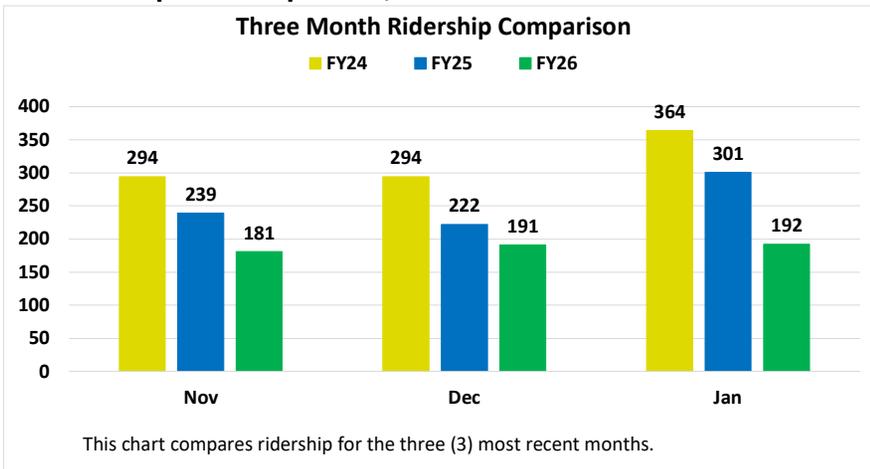
Booking with a Rating:

35 (33%)

Desert Hot Springs/Desert Edge Geo-Fence Metrics FYTD 2026

Total Completed Trips: 1,460

Total Number of Passengers: 1,634



Passengers Per Vehicle Hour: 2.1

Percentage of Trips as Ridesharing: 20%.

[Based on No. of Shared Rides for the month (36) divided by Total Trips Completed (177).]

Customer Satisfaction Rating

Avg. rider trip rating 5.0

Goal: 4.5



EXCEEDS GOAL

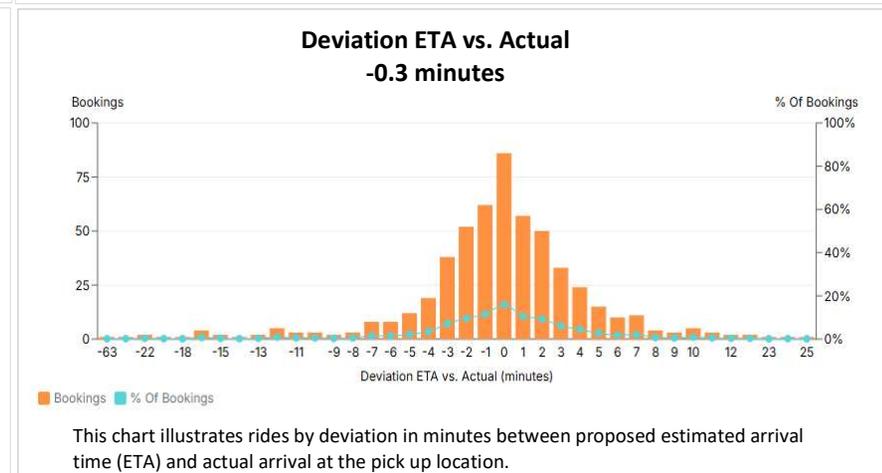
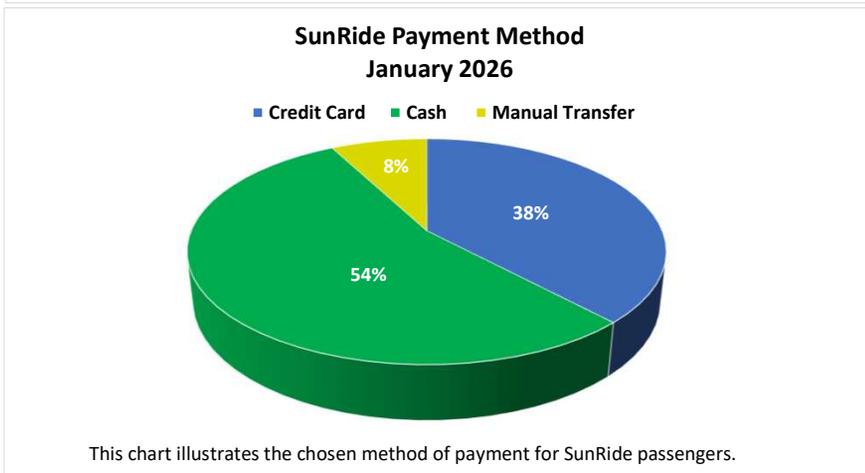
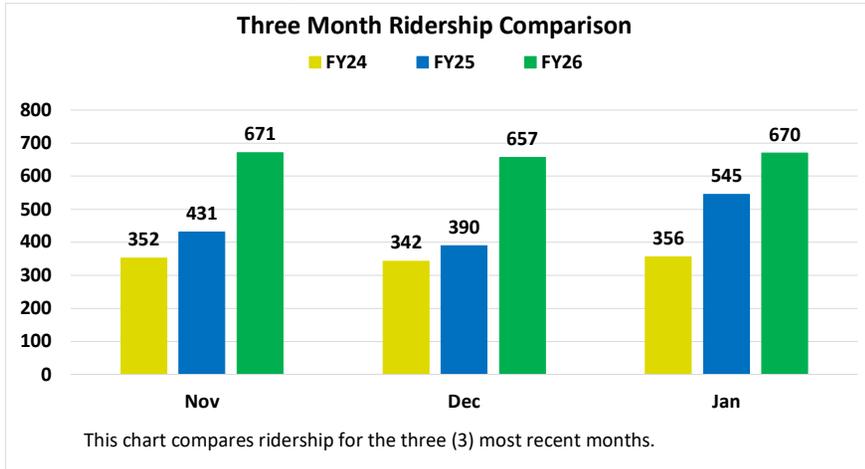
Booking with a Rating:

35 (19.8%)

Indio Geo-Fence Metrics FYTD 2026

Total Completed Trips: 4,025

Total Number of Passengers: 4,519



Passengers Per Vehicle Hour: 2.1

Percentage of Trips as Ridesharing: 24%.

[Based on No. of Shared Rides for the month (142) divided by Total Trips Completed (589).]

Customer Satisfaction Rating

Avg. rider trip rating 4.7

Goal: 4.5



EXCEEDS GOAL

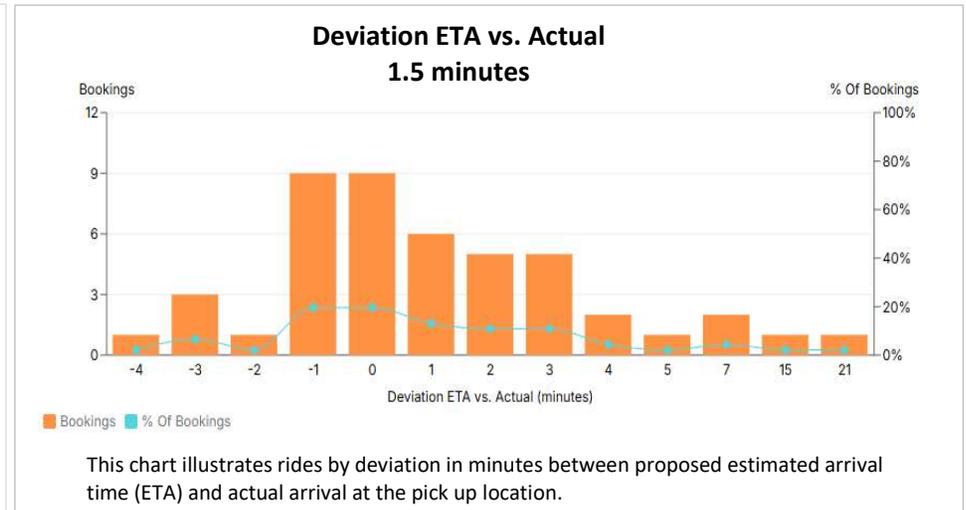
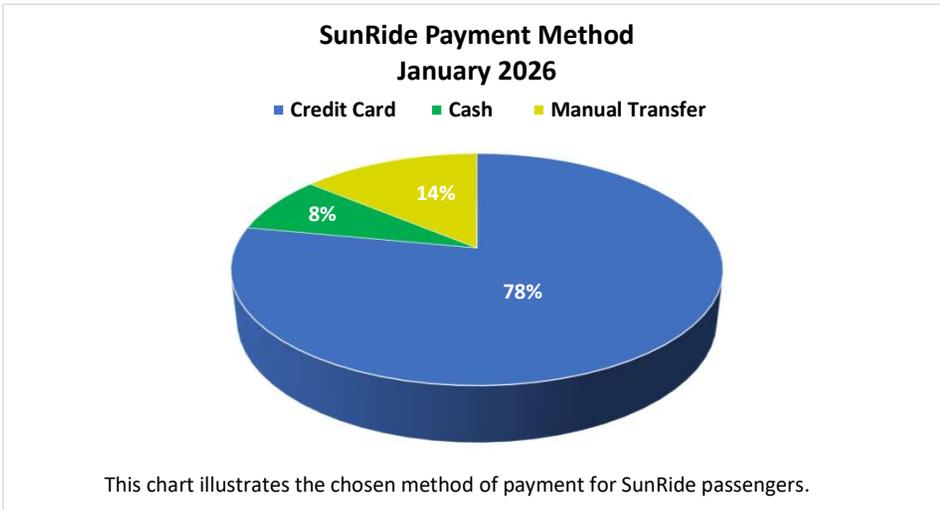
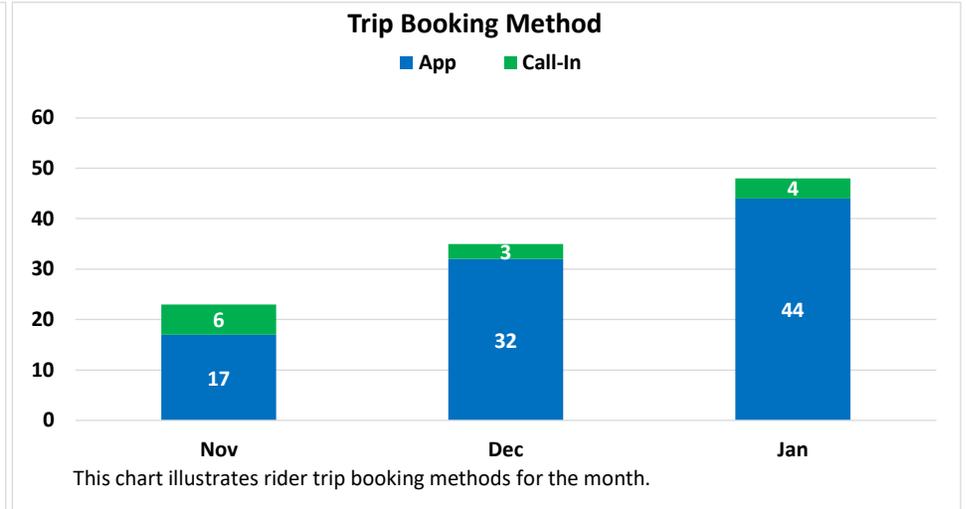
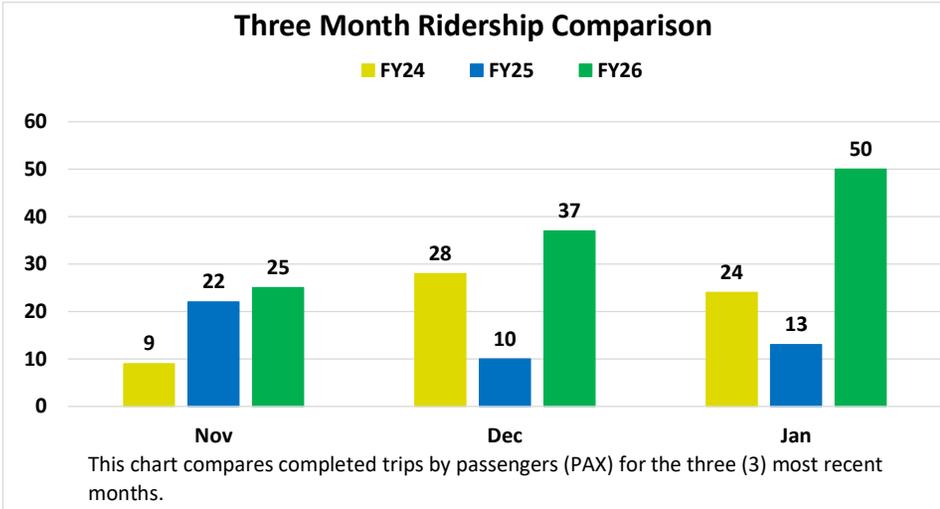
Booking with a Rating:

145 (24.6%)

La Quinta Geo-Fence Metrics FYTD 2026

Total Completed Trips: 190

Total Number of Passengers: 200



Passengers Per Vehicle Hour: 2.0

Percentage of Trips as Ridesharing: Four (4) percent.
[Based on No. of Shared Rides for the month (2) divided by Total Trips Completed (48).]

Customer Satisfaction Rating
Avg. rider trip rating: 5.0
Goal: 4.5

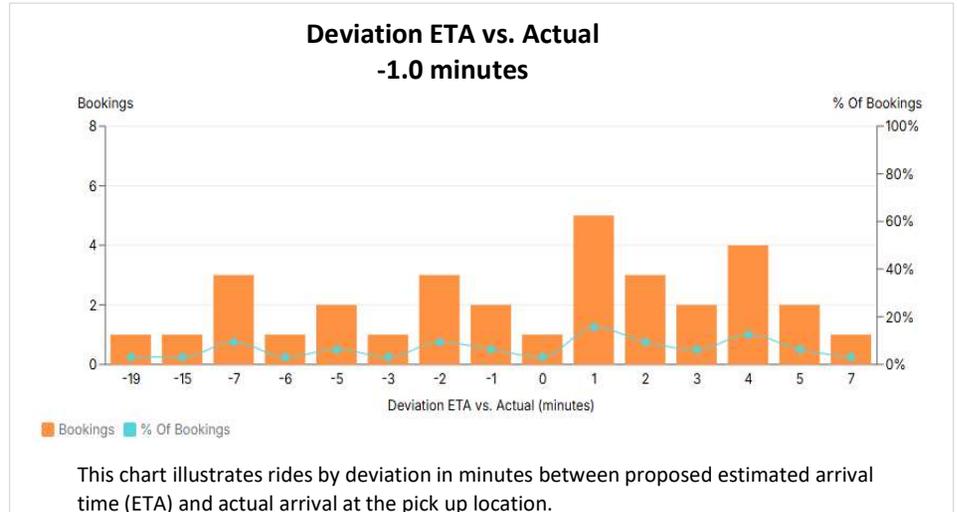
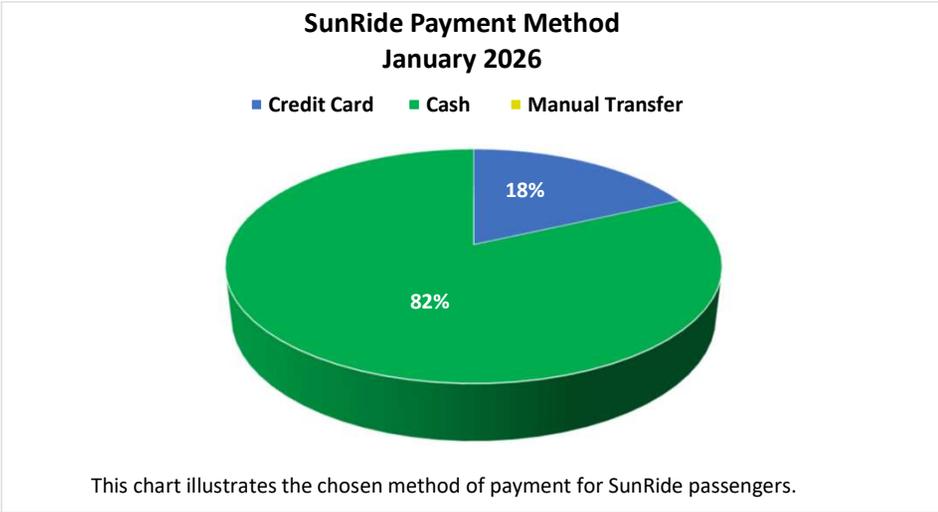
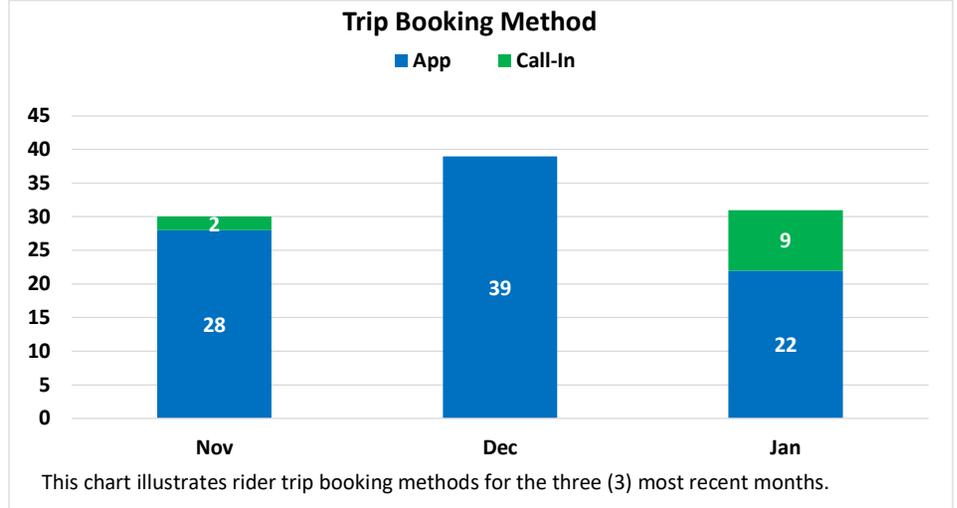
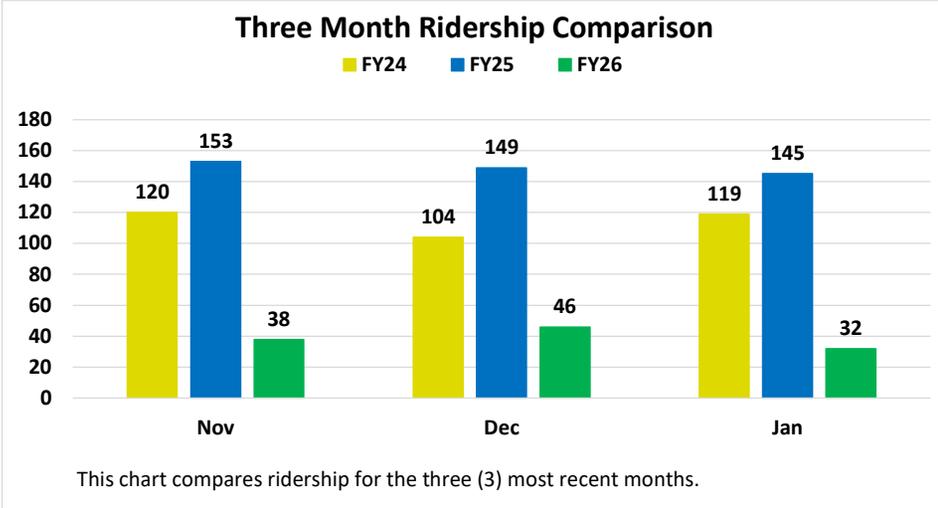


**Booking with a Rating:
7 (14.6%)**

Mecca/North Shore Geo-Fence Metrics FYTD 2026

Total Completed Trips: 260

Total Number of Passengers: 287



Passengers Per Vehicle Hour: 1.3

Percentage of Trips as Ridesharing: Six (6) percent.
[Based on No. of Shared Rides for the month (2) divided by Total Trips Completed (31).]

Customer Satisfaction Rating
Avg. rider trip rating: 5.0
Goal: 4.5

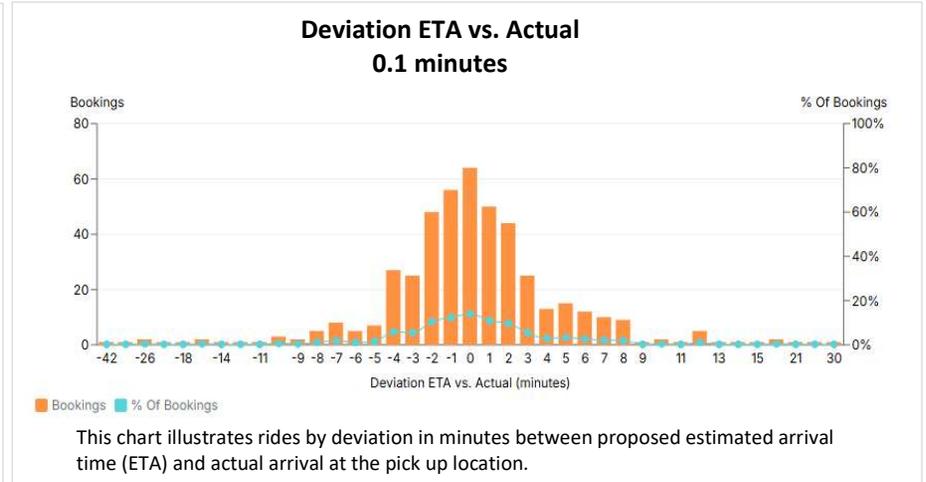
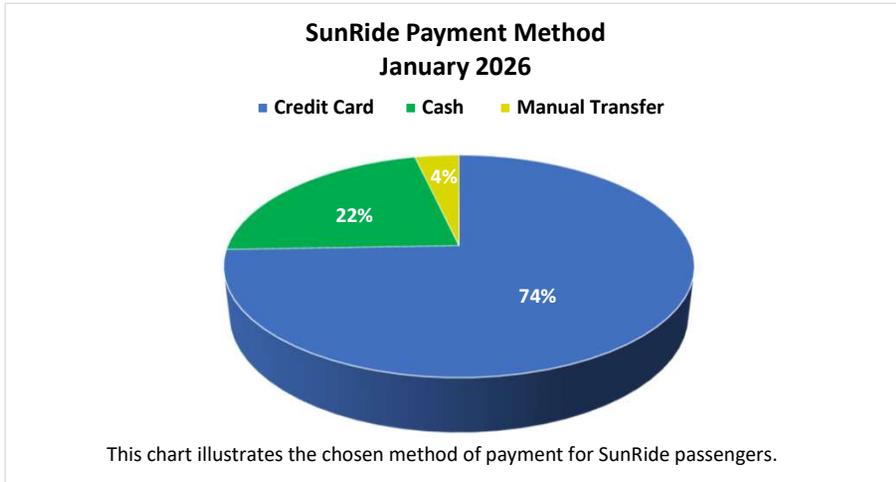
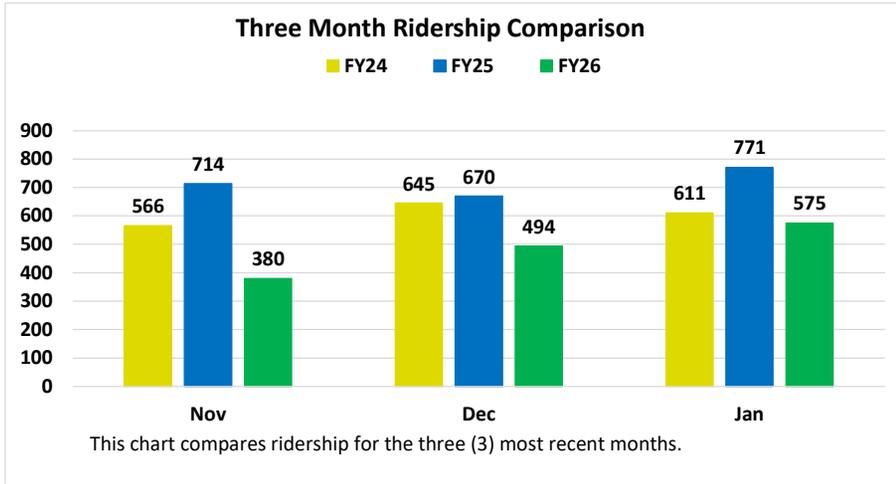


**Booking with a Rating: 2
(6.5%)**

Palm Desert Geo-Fence Metrics FYTD 2026

Total Completed Trips: 3,105

Total Number of Passengers: 3,248



Passengers Per Vehicle Hour: 1.9

Percentage of Trips as Ridesharing: 21%.
[Based on No. of Shared Rides for the month (117) divided by Total Trips Completed (551).]

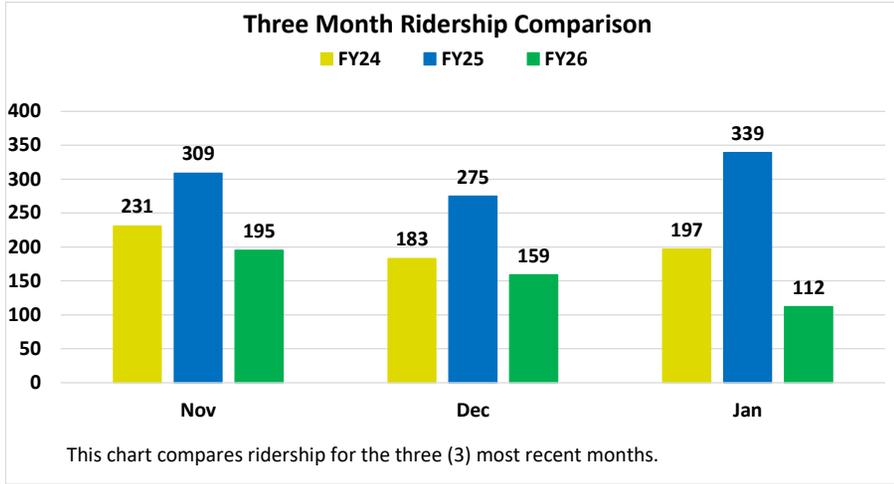
Customer Satisfaction Rating
Avg. rider trip rating: 4.9
Goal: 4.5



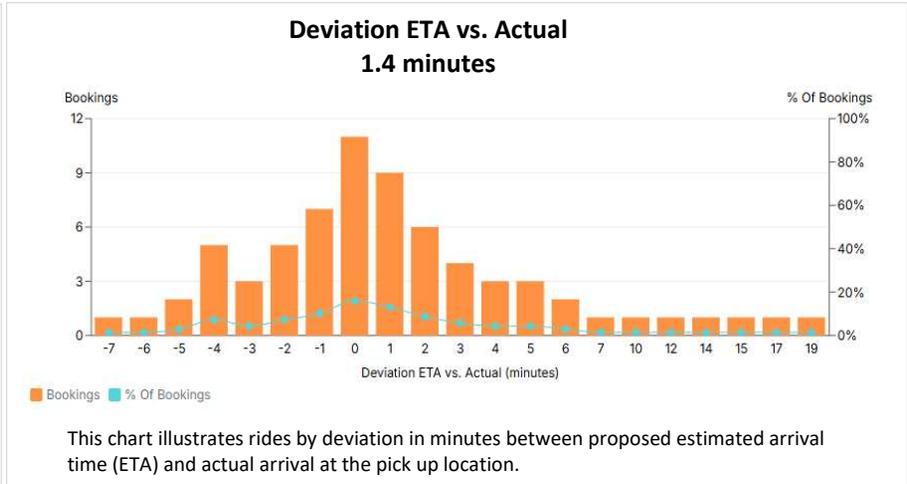
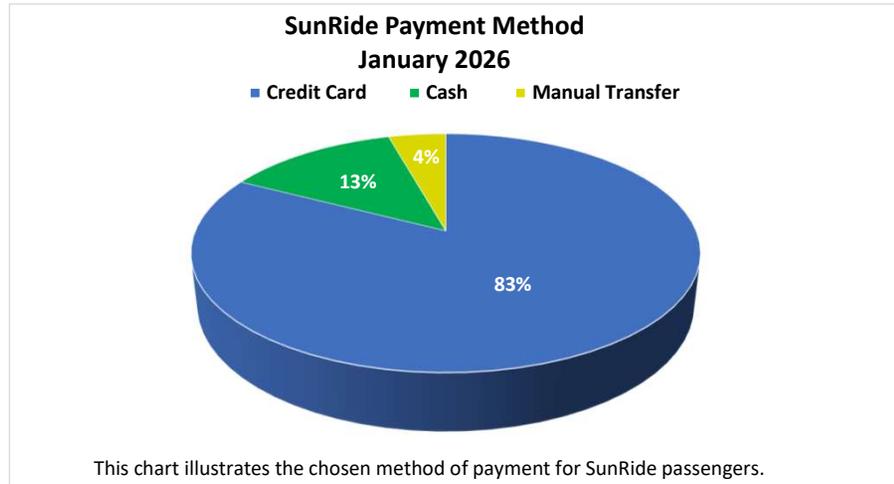
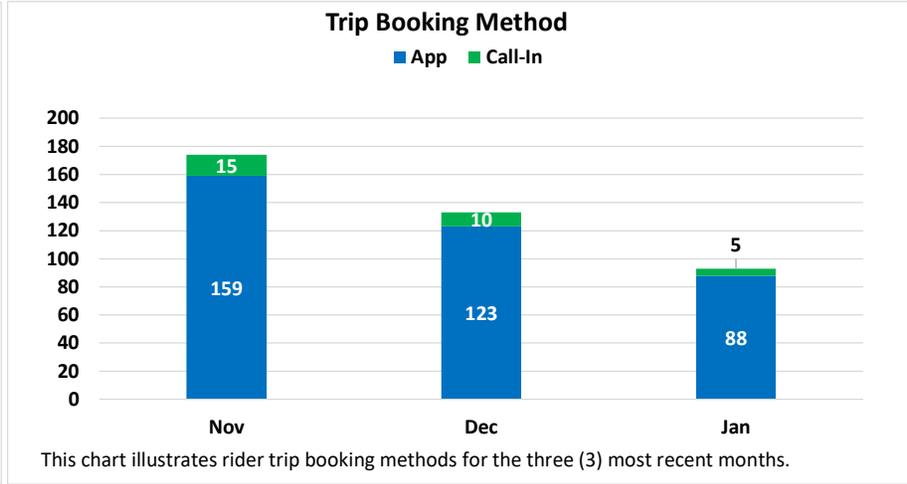
Booking with a Rating:
158 (28.7%)

Palm Springs Geo-Fence Metrics FYTD 2026

Total Completed Trips: 893



Total Number of Passengers: 1,017



Passengers Per Vehicle Hour: 1.9

Percentage of Trips as Ridesharing: Four (4) percent.

[Based on No. of Shared Rides for the month (4) divided by Total Trips Completed (93).]

Customer Satisfaction Rating

Avg. rider trip rating 5.0

Goal: 4.5



EXCEEDS GOAL

Booking with a Rating:

31 (33.3%)



SunLine Transit Agency

Item 8I

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Vanessa Ordorica, Clerk of the Board

SUBJECT: Acceptance of Board Member Attendance Report for February 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the Board Member attendance report for February 2026.

Background:

The attached report summarizes the Board of Director's attendance for fiscal year to date February 2026.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management be effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

Selena Rodriguez, Board and External Affairs Coordinator

Approved/Reviewed by:

Vanessa Ordorica, Clerk of the Board

Attachments:

- Board Member Attendance Matrix for February 2026

FY 26/27	Board Member Matrix Attendance													
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Meetings	Total Attended
Desert Hot Springs		X	X	X		X	X	X					10	6
Palm Desert		X	X	X			X	X					10	5
Palm Springs		X	X	X		X	X	X					10	6
Cathedral City		X	X	X		X	X	X					10	6
Rancho Mirage		X	X	X		X		X					10	5
Indian Wells		X	X	X		X	X	X					10	6
La Quinta		X	X	X		X	X	X					10	6
Indio		X	X	X		X	X	X					10	6
Coachella		X	X	X		X	X						10	5
County of Riverside		X	X	X		X	X	X					10	6

**No regular Board meeting was held in July. A Special Board Meeting was convened on August 7, 2025.*

X - ATTENDED (Primary/Alternate)

DARK –



SunLine Transit Agency

Item 8J

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Board of Directors

FROM: Vanessa Ordorica, Clerk of the Board

SUBJECT: Approval of Joint Board Meeting Minutes of February 25, 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the Board meeting minutes of February 25, 2026.

Background:

The attached report summarizes the Joint Board Meeting Minutes from the Board of Directors meeting held on February 25, 2026.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Vanessa Ordorica, Clerk of the Board

Attachments:

- Joint Board of Directors Meeting Minutes of February 25, 2026

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
FEBRUARY 25, 2026**

MINUTES

**Joint SunLine Transit Agency/SunLine Services Group
Board of Directors Meeting
February 25, 2026**

A joint regular meeting of the SunLine Transit Agency and SunLine Services Group Board of Directors was held at 12:00 p.m. on Wednesday, February 25, 2026 in the Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. CALL TO ORDER

The meeting was called to order at 12:00 p.m. by Chairperson Mallotto.

2. FLAG SALUTE

Board Member Miller led the pledge of allegiance.

3. ROLL CALL

Members Present:

Lynn Mallotto, Chairperson, SunLine Agency Board Member, City of Rancho Mirage

John Peña, Vice-Chairperson, SunLine Agency Board Member, City of La Quinta

Nancy Ross, SunLine Agency Board Member, City of Cathedral City

Daniel Pitts, SunLine Agency Board Member, City of Desert Hot Springs

Glenn Miller, SunLine Agency Board Member, City of Indio

Karina Quintanilla, SunLine Agency Board Member, City of Palm Desert

Grace Garner, SunLine Agency Board Member, City of Palm Springs

Bruce Whitman, SunLine Agency Board Member, City of Indian Wells

Supervisor Perez, SunLine Agency Board Member, County of Riverside

Members Absent:

Denise Delgado, SunLine Agency Board Member, City of Coachella

4. FINALIZATION OF AGENDA

No changes to the agenda.

5. PUBLIC COMMENTS

Three (3) public comments were made by:

- James Roehr

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
FEBRUARY 25, 2026**

- Anthony Garcia
- Robert Sneed

6. PRESENTATIONS

None.

7. BOARD MEMBER COMMENTS

Board Member comments were made by:

- Board Member Whitman, City of Indian Wells
- Board Member Quintanilla, City of Palm Desert
- Supervisor Perez, County of Riverside

8. CONSENT CALENDAR

Board Member Miller moved to approve the Consent Calendar. The motion was seconded by Vice-Chairperson Peña. The motion was approved by a unanimous vote of 9 yes; 0 no; 0 abstain.

9. CHANGE ORDER TO ADD ADDITIONAL COMPENSATION TO AGREEMENT 25-003 SECURITY FENCE UPGRADE WITH THREE PEAKS CORP.

Finance/Audit Committee/Committee of the Whole Chair Peña reported that this item was brought to the Finance/Audit Committee/Committee of the Whole and the Committee unanimously motioned to approve this item. Committee Chair Peña moved to approve the Change Order to Add Additional Compensation to Agreement 25-003 Security Fence Upgrade with Three Peaks Corp. The motion was approved by a unanimous vote of 9 yes; 0 no; 0 abstain.

10. AWARD OF CONTRACT 25-006 FOR ASPHALT CONCRETE PAVEMENT UPGRADE PROJECT

Finance/Audit Committee/Committee of the Whole Chair Peña reported that this item was brought to the Finance/Audit Committee/Committee of the Whole and the Committee unanimously motioned to approve this item. Committee Chair Peña moved to approve the Award of Contract 25-006 for Asphalt Concrete Pavement Upgrade Project. The motion was approved by a unanimous vote of 9 yes; 0 no; 0 abstain.

11. WORKFORCE TRAINING CENTER FACILITY EQUITY ANALYSIS

Strategic Planning & Operational Committee/Committee of the Whole Vice-Chair Quintanilla reported that this item was brought to the Strategic Planning & Operational Committee/Committee of the Whole and the Committee unanimously motioned to receive and file this item. Committee Vice-Chair Quintanilla moved to

**SUNLINE TRANSIT AGENCY/
SUNLINE SERVICES GROUP
BOARD OF DIRECTORS MEETING - MINUTES
FEBRUARY 25, 2026**

receive and file the Workforce Training Center Facility Equity Analysis. The motion was approved by a unanimous vote of 9 yes; 0 no; 0 abstain.

12. CONTINUATION OF FISCAL YEAR (FY) 2025 SUNLINE GOALS, STRATEGIC OBJECTIVES AND PRIORITIES

Strategic Planning & Operational Committee/Committee of the Whole Vice-Chair Quintanilla reported that an oral report on this information item was presented during the Strategic Planning & Operational Committee/Committee of the Whole meeting. No action was taken.

13. RESOLUTION NO. 0100 ADOPTING PERMITTING FEES FOR TAXICAB SERVICES WITHIN THE COACHELLA VALLEY FOR FISCAL YEAR 2027

Taxi Committee/Committee of the Whole Chair Miller reported that this item was brought to the Taxi Committee/Committee of the Whole and the Committee unanimously motioned to approve this item. Committee Chair Miller moved to approve Resolution No. 0100 Adopting Permitting Fees for Taxicab Services Within the Coachella Valley for Fiscal Year 2027. The motion was approved by a unanimous vote of 9 yes; 0 no; 0 abstain.

14. CEO/GENERAL MANAGER’S REPORT

CEO/General Manager, Mona Babauta, provided a brief oral update on this discussion item. No action was taken.

Comments were made by:

- Board Member Ross, City of Cathedral City

15. NEXT MEETING DATE

March 25, 2026 at 12 p.m.
Board Room
32-505 Harry Oliver Trail
Thousand Palms, CA 92276

16. ADJOURN

The SunLine Transit Agency and SunLine Services Group meeting concurrently adjourned at 12:33 p.m.

Respectfully Submitted,

Vanessa Ordorica
Clerk of the Board



SunLine Services Group

Item 8K

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Taxi Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Checks \$1,000 and Over Report for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the checks \$1,000 and Over Report for January 2026.

Background:

The Checks \$1,000 and Over Report lists all the checks processed at the Agency with a value of over \$1,000 for a given month. There were no checks over \$1,000 for the month of January 2026.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Checks \$1,000 and Over Report for January 2026

**SunLine Regulatory Administration
Checks \$1,000 and Over
January 2026**

Vendor Filed As Name	Description	Check #	Payment Date	Payment Amount
Total Checks Over \$1,000	\$0.00			
Total Checks Under \$1,000	\$1,733.23			
Total Checks	\$1,733.23			



SunLine Services Group

Item 8L

Board Report

March 25, 2026

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Taxi Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Acceptance of Monthly Budget Variance Report for January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the monthly budget variance report for January 2026.

Background:

The budget variance report compares revenues and expenses to the respective line item budgets. The report identifies current monthly revenues and expenses as well as fiscal year to date (FYTD) values. The budgetary figures are represented as a straight line budget. Accordingly, the current monthly budget values are calculated by taking 1/12th of the annual budget. The FYTD budget values for the month of January 2026 are equal to 7/12^{ths} of the yearly budget.

Year to Date Summary

- As of January 31, 2026, the organization's revenues are \$12,107 or 9.25% below the FYTD budget.
- As of January 31, 2026, expenditures are \$12,386 or 9.46% below the FYTD budget.
- The net FYTD operating gain (loss) after expenses is \$279.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Luis Garcia, Chief Financial Officer

Attachments:

- Monthly Budget Variance Report for January 2026

SunLine Regulatory Administration
Budget Variance Report
January 2026

Description	FY26 Total Budget	Current Month			Year to Date			
		Actual	Budget	Positive (Negative)	FYTD Actual	FY26 FYTD Budget	Positive (Negative)	Percentage Remaining
Revenues:								
Revenue Fines	2,000	-	167	(167)	850	1,167	(317)	57.5%
New Driver Permit Revenue	1,125	225	94	131	1,350	656	694	-20.0%
Taxi Business Permit	115,200	8,100	9,600	(1,500)	50,000	67,200	(17,200)	56.6%
Driver Transfer Revenue	125	-	10	(10)	1,050	73	977	-740.0%
Driver Renewal Revenue	2,975	225	248	(23)	1,350	1,735	(385)	54.6%
Vehicle Transfer Revenue	-	-	-	-	638	-	638	0%
Vehicle Permit Revenue	101,000	10,021	8,417	1,605	63,570	58,917	4,654	37.1%
Operator Application Fee	2,000	-	167	(167)	-	1,167	(1,167)	100.0%
Total Revenue	224,425	18,571	18,702	(131)	118,808	130,915	(12,107)	-9.2%
Expenses:								
Salaries and Wages	92,530	4,415	7,711	3,296	38,606	53,976	15,370	58.3%
Fringe Benefits	64,968	2,330	5,414	3,084	29,078	37,898	8,820	55.2%
Services	36,475	9,696	3,040	(6,656)	42,802	21,277	(21,525)	-17.3%
Supplies and Materials	19,302	97	1,609	1,512	5,387	11,260	5,872	72.1%
Taxes and Fees	50	-	4	4	-	29	29	100.0%
Miscellaneous	11,100	63	925	862	2,656	6,475	3,819	76.1%
Total Expenses	224,425	16,600	18,702	2,102	118,529	130,915	12,386	9.5%
Total Operating Surplus (Deficit)	\$ -	\$ 1,971			\$ 279			

Revenue

- Revenues are below budget primarily due to a decrease in taxi business permit revenue resulting from one taxi operator closing operation:
- As of FYTD26, there is a decrease of 4,812 taxi trips compared to FYTD25.

Taxi Trips				
	FY25-January	FY26-January	Variance	%Δ
Trips	10,505	9,863	(642)	-6.1%

Taxi Trips				
	FYTD-FY25	FYTD-FY26	Variance	%Δ
Trips	54,531	49,719	(4,812)	-8.8%

Salaries and Wages

- Wage expenses are below budgetary estimates due to lower than anticipated allocation of hours from SunLine Transit Agency to SunLine Regulatory Agency

Fringe Benefits

- Fringe benefit expenses are within an acceptable range of the budget

Services

- The unfavorable balance in services is primarily attributed to an increase in legal expenses

Supplies and Materials

- Supplies and materials expenses are within an acceptable range of the budget

Taxes and Fees

- Taxes and fee expenses are within an acceptable range of the budget

Miscellaneous

- Miscellaneous expenses are within an acceptable range of the budget



SunLine Services Group

Item 8M

March 25, 2026

Board Report

AGENDA ITEM: ACTION - CONSENT CALENDAR

TO: Taxi Committee/Committee of the Whole
Board of Directors

FROM: Jill Plaza, Taxi/Contracted Transportation Services Administrator

SUBJECT: Acceptance of Taxi Trip Data Report – January 2026

Recommendation:

Recommend that the Board of Directors (Board) approve the taxi trip data for January 2026.

Background:

The attached charts summarize the total number of taxi trips generated in the Coachella Valley for the previous three (3) month period and total taxi trips for the current fiscal year to date (FYTD) compared to the last two (2) fiscal years.

For the month of January, there were 642 fewer taxi trips in January 2026 serviced by one (1) more cab when compared to January 2025 (84 cabs in 2026 compared to 83 cabs in 2025).

There were 4,812 fewer taxi trips for FYTD26 compared to FYTD25.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Service Reliability: Our commitment to service reliability centers on building ridership trust by delivering a seamless transit experience and being there when we say we're going to be there.

In Collaboration with:

N/A

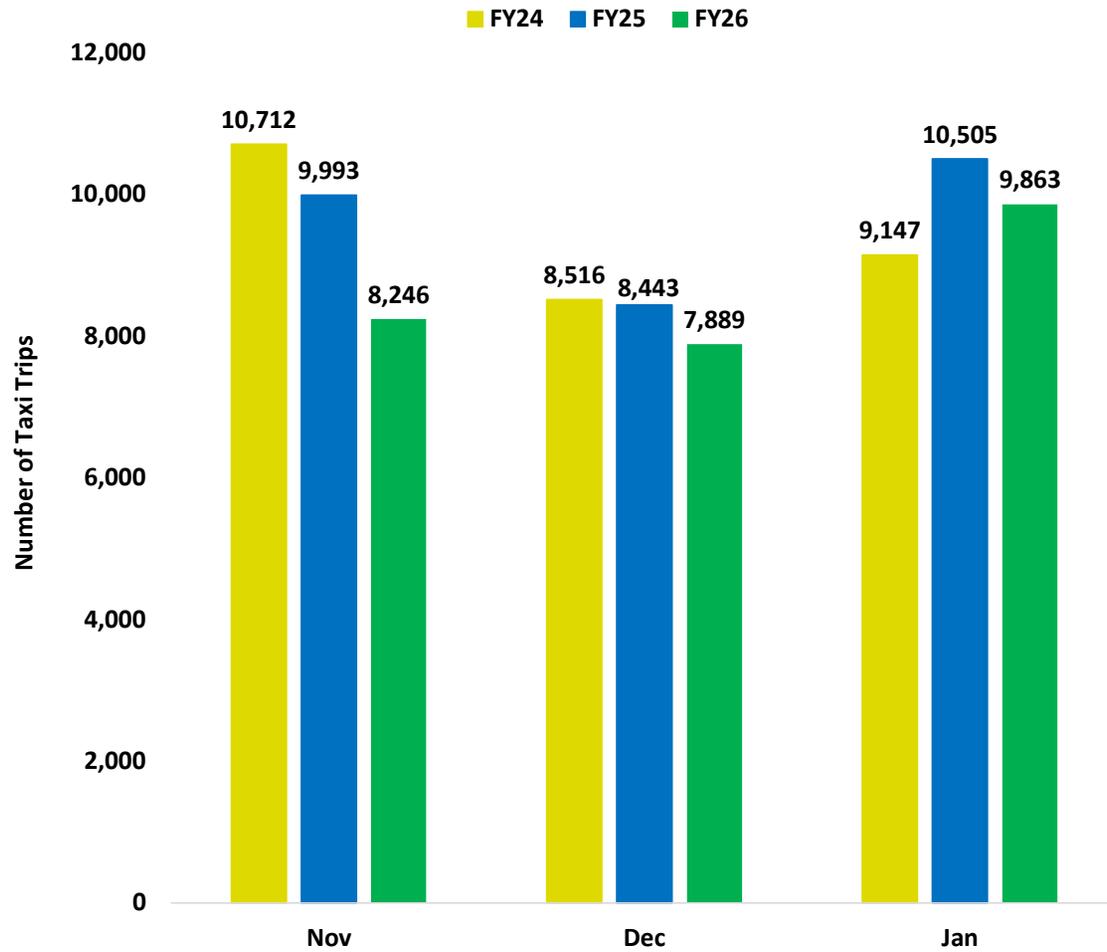
Approved/Reviewed by:

Greg Wildman, Chief of Strategic Alignment

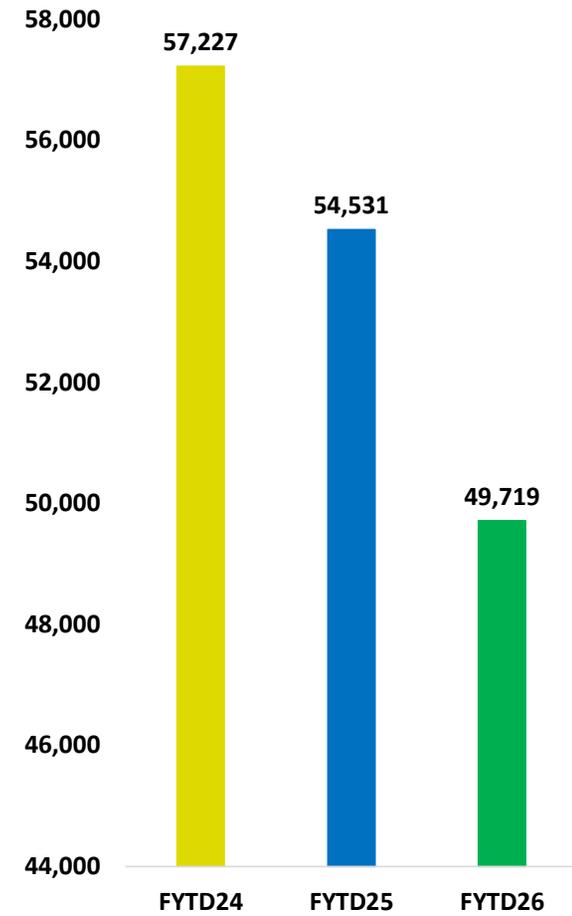
Attachments:

- Taxi Trip Data Chart – January 2026

Taxi Trip Three (3) Month Comparison as of January 2026



FYTD No. of Taxi Trips



This chart compares the three (3) most recent months and measures the total number of taxi trips taken year to date for FY24, FY25, and FY26.



SunLine Transit Agency

Item 9

March 25, 2026

Board Report

AGENDA ITEM: RECEIVE & FILE

TO: Finance/Audit Committee/Committee of the Whole
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

SUBJECT: Fiscal Years 2022–2024 Transportation Development Act Triennial
Performance Audit

Recommendation:

Recommend that the Board of Directors receive and file the fiscal years (FY) 2022-2024 Transportation Development Act (TDA) triennial performance audit report.

Background:

The TDA requires the Riverside County Transportation Commission (RCTC), as the Regional Transportation Planning Agency (RTPA) for Riverside County, to conduct triennial performance audits of all transit operators receiving TDA funds within the County. These audits evaluate compliance with TDA requirements, operational efficiency, and the effectiveness of transit operators in delivering public transportation services. RCTC will present the results of all TDA performance audits conducted within the County to its Commission in March 2026.

TDA funds represent a critical funding source for SunLine Transit Agency (SunLine), supporting both operating and capital expenditures associated with its services throughout the Coachella Valley. Completion of the triennial performance audit is required to maintain eligibility for continued TDA funding.

RCTC retained Michael Baker International to conduct the performance audit covering FY 2022-2024. The audit included a comprehensive review of SunLine's financial records,

operational performance, compliance with applicable statutes, and effectiveness in meeting transit service objectives.

Michael Baker International found that SunLine fully complied with all nine (9) applicable TDA requirements. The report also included two (2) recommendations related to prioritizing the replacement of SunLine’s maintenance facility and incorporating technology solutions to improve grant tracking. These recommendations align with assessments previously identified by SunLine staff, and the agency will continue pursuing competitive funding opportunities to advance investments in these areas.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Mona Babauta, CEO/General Manager

Catherine J. Groves, General Counsel

Attachments:

- [Item 9a](#) – Final FY 22-24 TDA Triennial Audit



**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**



FY 2022-2024

Triennial Performance Audit of SunLine Transit Agency

Final

December 2025

Submitted to:
Riverside County Transportation Commission

Submitted by:



TABLE OF CONTENTS

Section I.....	1
Introduction	1
Overview of the Transit System	1
Section II.....	7
Operator Compliance Requirements.....	7
Section III.....	14
Prior Triennial Performance Recommendations	14
Section IV	16
TDA Performance Indicators.....	16
Section V	27
Review of Operator Functions	27
Operations.....	27
Maintenance.....	39
Planning.....	44
Marketing.....	45
General Administration and Management	49
Section VI	55
Statement of Facts	55
Recommendations	58

Section I

Introduction

California’s Transportation Development Act (TDA) requires that a triennial performance audit be conducted of public transit entities that receive TDA revenues. The performance audit serves to ensure accountability in the use of public transportation revenue.

The Riverside County Transportation Commission (RCTC) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operators under its jurisdiction in Riverside County. This performance audit is conducted for SunLine Transit Agency covering the most recent triennial period, fiscal years 2021–2022 through 2023–2024.

The purpose of the performance audit is to evaluate SunLine’s effectiveness and efficiency in its use of TDA funds to provide public transportation in its service area. This evaluation is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates SunLine’s compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether the transit agency is meeting the PUC’s reporting requirements. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the transit administrative functions. From the analysis that has been undertaken, a set of recommendations has been made which is intended to improve the performance of transit operations.

In summary, this TDA audit affords the opportunity for an independent, constructive, and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management and staff, collection and review of agency documents, data analysis, and on-site observations. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* published by the California Department of Transportation (Caltrans) was used to guide in the development and conduct of the audit.

Overview of the Transit System

The SunLine Transit Agency was established under a Joint Powers Agreement (JPA) on July 1, 1977, between the County of Riverside and the cities in the Coachella Valley, which at the time included the City of Coachella, City of Desert Hot Springs, City of Indio, City of Palm Desert, and the City of Palm Springs. The JPA was later amended to include the Cities of Cathedral City, Indian Wells, La Quinta, and Rancho Mirage. The JPA’s governing board is composed of one elected official from each member entity and one county supervisor. SunLine is headquartered in Thousand Palms.

SunLine’s service area encompasses 1,120 square miles of the Coachella Valley from the San Gorgonio Pass in the west to the Salton Sea in the southeast. Based on U.S. Census data, Coachella Valley’s population grew from 346,518 to 370,135, for a net gain of 23,617 people, or 6.8 percent

from 2010 to 2020. The Southern California Association of Governments’ (SCAG) *Connect SoCal 2024: Demographics & Growth Forecast Technical Report*, adopted in April 2024, projects there will be 600,000 people in the Coachella Valley by 2040, a nearly 62 percent increase in population between 2020 and 2040. Projected growth rates vary significantly across SunLine’s service area, and not all communities are anticipating significant growth. Development is occurring predominantly in the southeastern end of the valley (Coachella and Indio), south of La Quinta, north of Interstate 10 (I-10) in Palm Desert, Cathedral City and Desert Hot Springs. A population and land area summary of incorporated cities and unincorporated communities located in the Coachella Valley is presented in Table I-1:

**Table I-1
Coachella Valley Demographics**

City/Community	2020 US Census Population	Percent Change from 2010 US Census	Population 65 Years & Older (ACS)	2025 California DOF Estimate	Land Area (square miles)
Bermuda Dunes CDP	8,244	19.8%	14.0%	n/a	2.95
Cathedral City	51,493	0.6%	17.0%	51,651	21.50
Coachella	41,941	3.0%	8.2%	44,384	30.10
Desert Hot Springs	32,512	25.3%	13.6%	33,262	23.62
Desert Palms CDP	6,599	-2.2%	86.0%	n/a	2.68
Indian Wells	4,757	-4.1%	58.61%	4,862	14.30
Indio	89,137	17.2%	19.2%	92,539	33.20
La Quinta	37,558	0.2%	26.0%	38,796	35.20
Mecca CDP	8,800	29.3%	7.0%	n/a	6.92
North Shore CDP	3,373	76.0%	6.0%	n/a	11.2
Oasis CDP	4,468	7.6%	6.0%	n/a	19.63
Palm Desert	51,163	5.61%	36.0%	51,980	26.81
Palm Springs	44,575	0.1%	31.7%	44,476	94.50
Rancho Mirage	16,999	-1.3%	51.7%	17,120	25.30
Thermal CDP	1,371	-44.9%	19.0%	n/a	9.39
Thousand Palms CDP	7,967	10.9%	14.0%	n/a	23.64
Villa Santa Rosa CDP	2,607	25.7%	11.0%	n/a	16.09

Source: US Census, California Department of Finance, January 1, 2025

System Characteristics

In January 2021, SunLine launched its “SunLine Refueled” initiative, a newly redesigned transit system. The new system is composed of a new fixed-route network with accompanying ADA paratransit service, a new commuter line (which launched in July 2021), and an accompanying micro transit service. SunBus, SunLine’s fixed-route service, is composed of nine routes and one regional/express route called the 10 Commuter Link, serving the Coachella Valley.

SunDial, SunLine’s complementary paratransit service, provides rides to those certified under the Americans with Disabilities Act (ADA) who cannot ride the fixed-route service. SunDial operates

within 0.75-mile on either side of SunBus local fixed routes. It does not serve areas covered by the 10 Commuter Link.

SunLine’s micro transit service, SunRide, is available in eight zones across Coachella Valley. Riders can connect to fixed-route service or any destination along the fixed-route network in the designated zone by requesting service via a mobile app. SunRide vehicles pick up passengers within walking distance of their location and drop them off at a fixed-route bus stop or other point destination within the designated zones. SunRide service is available weekdays from 5:30 a.m. to 6:30 p.m. Fares are \$3.00 per trip and include free transfers to local fixed-route service.

The system operates Monday through Sunday from 5:00 a.m. to 11:23 p.m. SunLine does not operate on Thanksgiving Day and Christmas Day but operates regular service on all other holidays. The Commuter Link 10 service does not operate on weekends, New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. The SunBus and Commuter Link 10 routes are summarized in Table I-2.

**Table I-2
SunBus Fixed-Route Services**

Route	Description	Frequency/Operation	Key Time points
1EV	Coachella Via HWY 111 - Palm Desert Mall	Daily every 30 minutes (from 5:00 a.m. to 11:03 p.m.)	<ul style="list-style-type: none"> ▪ Coachella Transit Hub ▪ Hwy 111 @ Golf Center Pkwy ▪ Hwy 111 @ Adams ▪ Town Center Way @ Hahn
1WV	Palm Desert Mall Via Hwy 111 – Palm Springs	Daily every 30 minutes (from 5:00 a.m. to 10:42 p.m.)	<ul style="list-style-type: none"> ▪ Palm Cyn @ Stevens ▪ Palm Cyn @ Baristo ▪ B St @ Buddy Rogers ▪ Town Center Way @ Hahn
2	Desert Hot Springs - Palm Springs – Cathedral City	Daily every 30 minutes (from 5:10 a.m. to 10:33 p.m.)	<ul style="list-style-type: none"> ▪ B St @ Buddy Rogers ▪ Ramon @ Date Palm ▪ Indian Canyon @ Ramon ▪ Sunrise @ Vista Chino ▪ West @ Pierson
3	Desert Edge – Desert Hot Springs	Weekdays every 30 minutes (Weekdays from 5:00 a.m. to 8:44 p.m.); Weekends every 60 minutes (Weekends from 6:45 a.m. to 8:35 p.m.)	<ul style="list-style-type: none"> ▪ West @ Pierson ▪ Dillon @ Corkill
4	Palm Desert Mall – Palm Springs	Daily every 60 minutes (from 6:10 a.m. to 10:09 p.m.)	<ul style="list-style-type: none"> ▪ El Cielo @ Kirk Douglas ▪ Vista Chino @ Sunrise Way ▪ Ramon @ Date Palm ▪ Varner @ Harry Oliver ▪ Dinah Shore @ Shoppers Ln

Route	Description	Frequency/Operation	Key Time points
			<ul style="list-style-type: none"> ▪ Town Center Way @ Hahn
5	Desert Hot Springs – CSUSB Palm Desert – Palm Desert Mall	Weekends every 60 minutes (from 6:30 a.m. to 11:26 a.m. and 2:10 p.m. to 7:27 p.m.)	<ul style="list-style-type: none"> ▪ Town Center Way @ Hahn ▪ Cook @ Berger ▪ West @ Pierson
6	Coachella Via Fred Waring – Palm Desert Mall	Weekdays every 60 minutes (from 6:00 a.m. to 11:46 a.m. and 2:00 p.m. to 8:51 p.m.)	<ul style="list-style-type: none"> ▪ Town Center Way @ Hahn ▪ Fred Waring @ Washington ▪ 4th @ Cesar Chavez
7	North Indio-Coachella – Thermal/Mecca	Weekdays every 45 minutes (from 5:15 a.m. to 8:51 p.m.); weekends every 90 minutes (from 5:10 a.m. to 9:20 p.m.)	<ul style="list-style-type: none"> ▪ Calle Madrid @ Avenida Vallejo ▪ Adams @ Hwy 111 ▪ Washington @ Fred Waring ▪ Harris Lance @ Washington
8	North Indio – Coachella – Thermal/Mecca	Daily every 60 minutes (from 5:30 a.m. to 10:57 p.m.)	<ul style="list-style-type: none"> ▪ 66th @ Date Palm ▪ 62nd @ Buchanan ▪ 4th @ Cesar Chavez ▪ Showcase @ Monroe
9	North Shore – Mecca – Oasis	Daily every 60 minutes (from 6:00 a.m. to 9:45 a.m. and 2:00 p.m. to 7:45 p.m.)	<ul style="list-style-type: none"> ▪ Ave 66 @ Date Palm ▪ Club View @ Windlass ▪ 66th @ Mecca Health Clinic
Commuter Link 10	Indio- CSUSB (PDC)- Thousand – Palms Transit Hub – Beaumont CSUSB (San Bernadino) SBTC/Metrolink	Weekdays two AM trips in each direction & two PM trips in each direction. (from 5:10 a.m. to 9:13 p.m., no weekend or holiday service)	<ul style="list-style-type: none"> ▪ HWY 11 & Golf Center Pkwy ▪ Indio Blvd @ Transportation Center ▪ Cook @ Berger (CSUSB-PDC) ▪ Varner @ Harry Oliver ▪ 2nd @ Commerce ▪ Cal State San Bernardino ▪ San Bernardino Transit Center

Source: SunLine Transit Agency, June 2025

To further distinguish between West Valley and East Valley service, Route 1WV starts at the Palm Canyon at Stevens timepoint and ends at the Town Center at Hahn timepoint by the Palm Desert Mall. Some of the key destinations accessible on Route 1WV include Downtown Palm Springs, Desert Regional Medical Center, city halls in the western end of the Valley, various shopping centers, and the Palm Desert Mall.

Route 1EV starts at the 5th at Vine timepoint and ends at the Town Center at Hahn timepoint by the Palm Desert Mall. Some of the key destinations accessible on Route 1EV include the Palm Desert Mall, JFK Hospital, the Indio Courthouse, city halls in the eastern end of the Valley, various schools, and shopping centers, as well as Downtown Coachella.

SunDial ADA Paratransit Service

SunDial is a curb-to-curb paratransit service for passengers certified under the ADA, who are unable to access the regular SunBus fixed-route service. Service is available at the same time as the fixed route and within 0.75-mile of any local SunBus route (not including Commuter Link 10). Reservations for service are required prior to pickup. Trips not cancelled at least minimum of two hours prior to the scheduled pickup time are considered no-shows. The service does not operate on Thanksgiving Day and Christmas Day. The one-way fare is \$1.50 within the same city and \$2.00 from city to city.

Fares

SunLine’s fares are structured based on passenger, media, and service type. It is also worth noting that SunLine implemented mobile ticketing through the Token Transit platform in May 2019. Maximum of 2 children (4 years and younger) ride free with a paid fare. The fare schedule is summarized in Table I-3.

**Table I-3
SunLine Fare Schedule**

Mode/Travel Category	Single Ride	Day Pass	10-Ride Pass	30/31 Day Pass
SunBus - Adult	\$1.00	\$3.00	\$10.00	\$34.00
SunBus – Youth (5-17)	\$0.85	\$2.00	\$8.50	\$24.00
SunBus – Age 60+/Disabled	\$0.50	\$1.50	\$5.00	\$17.00
SunBus – Transfers	\$0.25	Included	\$0.25	Included
Commuter Link 10 – Adult	\$6.00	\$14.00	n/a	\$150.00
Commuter Link 10 – Youth (5-17)	\$6.00	\$14.00	n/a	\$150.00
Commuter Link 10 – Age 60+/Disabled	\$4.00	\$10.00	n/a	\$100.00
Commuter Link 10 - CSUSB Students, Staff & Faculty	Free with valid CSUSB ID			
SunRide	\$3.00	n/a	n/a	n/a
SunDial – Same City	\$1.50	n/a	\$15.00	n/a
SunDial – Multiple Cities	\$2.00	n/a	\$20.00	n/a

Source: SunLine Transit Agency, June 2025

Fleet

The SunLine fleet is composed of 127 vehicles, 126 of which are clean fuel vehicles, with 96 powered by compressed natural gas (CNG), 26 by hydrogen fuel cell, and 4 electric-battery. Eighty-eight large-sized vehicles are used for the SunBus fixed-route service, and 39 are smaller cutaway-type vehicles used for SunDial service. All vehicles in fixed route and SunDial revenue service are wheelchair accessible with tie-downs in compliance with ADA. There are an additional 45 non-revenue support vehicles. Table I-4 summarizes the active SunLine fleet during the audit period.

**Table I-4
SunLine Active Fleet Inventory During Audit Period**

Year	Make/Model	Quantity	Fuel Type	Seating Capacity	Service Mode
2007	NFA C40LF	8	CNG	42 (2 W/C)	Fixed-Route
2008	NFA XCELSIOR C	29	CNG	39 (2 W/C)	Fixed-Route
2009	El Dorado National Easy Rider	2	CNG	29 (2 W/C)	Fixed-Route
2012	El Dorado National Axxess	1	Hydrogen Cell Fuel	37 (2 W/C)	Fixed-Route
2014	El Dorado National Axxess	1	Hydrogen Cell Fuel	39 (2 W/C)	Fixed-Route
2014	El Dorado National Axxess	2	Hydrogen Cell Fuel	37 (2 W/C)	Fixed-Route
2015	El Dorado National Aerotech	1	CNG	12 (2 W/C)	Demand Response
2015	El Dorado National Axxess	1	Hydrogen Cell Fuel	37 (2 W/C)	Fixed-Route
2016	El Dorado National Aerotech	9	CNG	12 (2 W/C)	Demand Response
2016	NFA XCELSIOR C	6	CNG	39 (2 W/C)	Fixed-Route
2018	BYD K9 Electric Bus	4	Electric Battery	35 (2 W/C)	Fixed-Route
2018	El Dorado National Axxess	5	Hydrogen Cell Fuel	37 (2 W/C)	Fixed-Route
2018	NFA XCELSIOR H	6	Hydrogen Cell Fuel	39 (2 W/C)	Fixed-Route
2018	Startrans Senator	14	CNG	12 (2 W/C)	Demand Response
2020	Arboc Freedom	15	CNG	12 (2 W/C)	Demand Response
2020	MCI D4500	2	CNG	40 (2 W/C)	Fixed-Route
2020	NFA XCELSIOR C	6	CNG	39 (2 W/C)	Fixed-Route
2021	MCI D4500	1	Diesel Fuel	57 (2 W/C)	Fixed-Route
2021	NFA XCELSIOR C	4	CNG	39 (2 W/C)	Fixed-Route
2021	NFA XCELSIOR H	10	Hydrogen Cell Fuel	39 (2 W/C)	Fixed-Route
2022	MCI D4500	1	CNG	57 (2 W/C)	Fixed-Route
Total		127			

Source: Table 1.1 – Fleet Inventory, FY 2024-25 SRTP SunLine Transit Agency – TransTrack Manager

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of the agency’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the guidebook *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies*, developed by Caltrans to assess transit operators. The guidebook contains a checklist of 11 measures taken from relevant sections of the PUC and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

**Table II-1
Operator Compliance Requirements Matrix**

Operator Compliance Requirements	Reference	Compliance Efforts
<p>The transit operator has submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.</p>	<p>Public Utilities Code, Section 99243</p>	<p>Completion/submittal dates:</p> <p><i>General Public:</i></p> <p>FY 2022: January 31, 2023 FY 2023: January 19, 2024 FY 2024: January 31, 2025</p> <p><i>Specialized Service:</i></p> <p>FY 2022: January 31, 2023 FY 2023: January 19, 2024 FY 2024: January 31, 2025</p> <p>SunLine submitted separate Transit Operators Financial Transactions Reports for both fixed route and Dial-A-Ride services.</p> <p>Conclusion: Complied.</p>
<p>The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180</p>	<p>Public Utilities Code, Section 99245</p>	<p>Completion/submittal dates:</p> <p>FY 2022: December 19, 2022 FY 2023: December 20, 2023</p>

Operator Compliance Requirements	Reference	Compliance Efforts
<p>days following the end of the fiscal year (Dec. 27) or has received the appropriate 90-day extension by the RTPA allowed by law.</p>		<p>FY 2024: December 27, 2024</p> <p>Conclusion: Complied.</p>
<p>The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator’s terminal.</p>	<p>Public Utilities Code, Section 99251 B</p>	<p>The agency participates in the California Highway Patrol (CHP) Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim.</p> <p>Inspections for both fixed route (SunBus) and Dial-a-Ride (SunDial) vehicles were conducted at SunLine Transit Agency headquarters located at 32505 Harry Oliver Trail in Thousand Palms.</p> <p>Inspection dates applicable to the audit period were May 26 and 27, 2021 and June 2, 2021; August 8, 9, and 10, 2022; and August 25, 2023.</p> <p>All inspections conducted were rated satisfactory.</p> <p>Conclusion: Complied.</p>
<p>The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.</p>	<p>Public Utilities Code, Section 99261</p>	<p>As a condition of approval, SunLine’s annual claims for Local Transportation Funds and State Transit Assistance funds are submitted in compliance with the rules and regulations adopted by RCTC.</p> <p>Conclusion: Complied.</p>

Operator Compliance Requirements	Reference	Compliance Efforts												
<p>If an operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.</p>	<p>Public Utilities Code, Section 99270.1</p>	<p>Pursuant to PUC Section 99270.1, RCTC is responsible for calculating an intermediate farebox recovery ratio for SunLine Transit Agency since it serves both urbanized and non-urbanized areas. The farebox is inclusive of passenger fares and local support revenue.</p> <table border="0" data-bbox="1040 688 1430 842"> <tr> <td></td> <td style="text-align: center;">Target**</td> <td style="text-align: center;">Actual*</td> </tr> <tr> <td>FY 2022:</td> <td style="text-align: center;">18.77%</td> <td style="text-align: center;">33.26%</td> </tr> <tr> <td>FY 2023:</td> <td style="text-align: center;">18.73%</td> <td style="text-align: center;">32.61%</td> </tr> <tr> <td>FY 2024:</td> <td style="text-align: center;">18.22%</td> <td style="text-align: center;">33.24%</td> </tr> </table> <p>*Includes eligible non-fare revenue in calculation.</p> <p>** Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21.</p> <p>**AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in</p>		Target**	Actual*	FY 2022:	18.77%	33.26%	FY 2023:	18.73%	32.61%	FY 2024:	18.22%	33.24%
	Target**	Actual*												
FY 2022:	18.77%	33.26%												
FY 2023:	18.73%	32.61%												
FY 2024:	18.22%	33.24%												

Operator Compliance Requirements	Reference	Compliance Efforts
		<p>which the operator expended from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.</p> <p><i>Source: Annual Fiscal & Compliance Audits for FYs 2022-2024</i></p> <p>Conclusion: Complied.</p>
<p>The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).</p>	<p>Public Utilities Code, Section 99266</p>	<p>Percentage change in SunLine Transit Agency’s operating budget:</p> <p>FY 2022: +0.4% FY 2023: +12.4% FY 2024: +3.0%</p> <p><i>Source: SunLine Transit Agency Annual Budgets for FYs 2022, 2023 and FY 2024.</i></p> <p>Conclusion: Complied.</p>
<p>The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles,</p>	<p>Public Utilities Code, Section 99247</p>	<p>SunLine Transit Agency’s definition of performance is consistent with PUC Section 99247. A review of SunLine’s monthly miles and hours reports generated during the audit period indicates that correct performance data are being collected.</p> <p>Conclusion: Complied.</p>

Operator Compliance Requirements	Reference	Compliance Efforts
and (j) vehicle service hours per employee.		
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	<p>This requirement is not applicable, as SunLine Transit Agency serves both urbanized and non-urbanized areas and is subject to an intermediate farebox recovery ratio.</p> <p>Conclusion: Not Applicable.</p>
If the operator serves a rural area, or provides exclusive services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	<p>This requirement is not applicable, as SunLine Transit Agency serves both urbanized and non-urbanized areas and is subject to an intermediate farebox recovery ratio.</p> <p>Conclusion: Not Applicable.</p>
The current cost of the operator’s retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA which will fully fund the retirement system within 40 years.	Public Utilities Code, Section 99271	<p>To be eligible for TDA funds, the annual TDA claims form requires a sign-off from the transit claimant to comply with standard assurances, one of which is that the SunLine Transit Agency’s retirement system is funded.</p> <p>Agency staff retirement is funded through SunLine Transit Retirement Income Plans for Bargaining and Non-Bargaining Personnel Plans, single employer defined benefit plans. The agency administers the</p>

Operator Compliance Requirements	Reference	Compliance Efforts
		<p>plans through a Retirement Committee appointed by the agency’s Board of Directors.</p> <p>Conclusion: Complied.</p>
<p>If the operator receives state transit assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.</p>	<p>California Code of Regulations, Section 6754(a)(3)</p>	<p>As a recipient of State Transit Assistance funds, SunLine is making full use of federal funds available under the Urban Mass Transportation Act of 1964 as amended.</p> <p>FY2022: \$21,062,019 (Operating) \$3,479,607 (Capital)</p> <p>FY2023: \$8,494,152 (Operating) \$1,350,304 (Capital)</p> <p>FY2024: \$8,469,834 (Operating) \$3,709,684 (Capital)</p> <p><i>Source: National Transit Database</i></p> <p>Conclusion: Complied.</p>

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the nine compliance requirements pertaining to SunLine Transit Agency, the operator fully complied with all nine applicable requirements. Two additional compliance requirements did not apply to SunLine (i.e., separate urbanized and rural farebox recovery ratios).
2. SunLine is subject to an intermediate farebox recovery ratio standard set by RCTC pursuant to PUC Section 99270.1. The intermediate ratio is a blended ratio that accounts for both rural and urbanized areas. The minimum farebox recovery ratios that SunLine was required to meet were 18.77 percent in FY 2022; 18.73 percent in FY 2023; and 18.22 percent in FY 2024. SunLine's farebox recovery ratios based on audited data were 33.26 percent in FY 2022; 32.61 percent in FY 2023; and 33.24 percent in FY 2024¹. The average annual farebox recovery ratio was 34.16 percent. SunLine exceeded the minimum standard in all three audit years.
3. SunLine Transit Agency participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Inspections conducted during the audit period were rated satisfactory. All fixed-route and Dial-a-Ride vehicles were inspected at SunLine's Thousand Palms facility.
4. The annual changes in the operating budget exhibited moderate increases during the audit period. SunLine's budget for FY 2022 increased by 0.4 percent, by 12.4 percent in FY 2023, and by 3.0 percent in FY 2024. According to the budget, the increase in FY 2023 was mainly attributed to increased safety and security costs for vanpool and SunRide programs. The vanpool safety and security costs decreased the following fiscal year.

¹ AB 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during FY 2019–20 or FY 2020–21. AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in which the operator expended from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.

Section III

Prior Triennial Performance Recommendations

SunLine Transit Agency's efforts to implement the recommendations made in the prior triennial performance audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of SunLine's efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Resume update of the employee handbook that would address remote work and other changes to the work culture.

Background: The employee handbook was last updated in April 2016. Since that time, the latest MOU between SunLine and the Amalgamated Transit Union included provisions for specialized training opportunities and employee contributions to the pension plan. In addition, SunLine implemented several initiatives to nurture career growth and advancement. SunLine University offers in-services courses for employee development. A pilot employee referral program was also implemented in July 2019. Due to the COVID-19 pandemic, SunLine Transit Agency temporarily placed the employee handbook update initiative on hold. SunLine's Human Resources Department indicated that the update resumed in late 2021/early 2022 and convened three meetings pertaining to the handbook. Given the recent pivot to remote work and the use of videoconferencing through platforms such as Zoom, it was suggested that an update would be timely and could address such changes in the organizational culture.

Actions taken by SunLine Transit Agency

The Employee Handbook underwent an update and was presented for approval to the Board Operations Committee and Board of Directors in April 2023. Among the changes, staff and legal counsel provided a revision to Section 7: Separation in the Employee Handbook, which guides SunLine personnel regarding their conduct as employees of SunLine Transit Agency. The modification incorporates the language from the California State Labor law for SunLine to have consistency between the state law and the Employee Handbook. Two items were presented to the board; one being redlined copy of the Employee Handbook and the other being the Employee Handbook with red-lined changes accepted.

Conclusion

This recommendation has been implemented.

Prior Recommendation 2

Continue efforts to coordinate opportunities for SunLine transit redesign with intelligent transportation infrastructure in the Coachella Valley.

Background: The express route that SunLine planned to implement that would address this recommendation was delayed due to COVID-19. Route 1X, which was scheduled to begin service in May 2021 between Indio and Palm Springs, was supposed to be operational once SunLine returned to Level 1 service in FY 2022. SunLine has emphasized its commitment to work with CVAG on transit needs in the area and will continue to closely monitor the progress of the traffic signal prioritization project as well as other transit infrastructure projects in the region. Given that other facets of the SunLine Refueled plan have been implemented, SunLine already had the momentum towards engaging its local partners in implementing vehicle technology and related intelligent infrastructure, such as transit priority systems.

Actions taken by SunLine Transit Agency

SunLine has had discussion with CVAG regarding this matter, as CVAG is the lead agency for such coordination effort. The agencies continue to review this coordination while CVAG has partnered with Caltrans and the cities to upgrade existing traffic signal controllers through the CV Sync program. This CVAG project consists of upgrading the local agencies' existing legacy (outdated) traffic signal controllers, traffic management systems, and communication systems with the latest off-the-shelf technologies in order to provide inter-agency traffic signal synchronization along three regional roadways including Highway 111, Ramon Road, and Washington Street. SunLine's hire of a new Chief of Planning a year ago would have sought recommendations about whether intelligent transportation infrastructure would save travel time and produce service efficiencies; however, more recently the Planning Chief was no longer with the agency, thus dampening further conversations on this topic. Also, SunLine would not be the agency with final approval and implementation of transit's involvement in the ITS infrastructure. In addition, changes in agency priority by the new SunLine executive team placed a lower priority on this ITS endeavor. In lieu of intelligent transportation investment during the audit period, SunLine has invested CMAQ funding towards the implementation of its SunRide microtransit service whereas Route 1X was also funded through CMAQ but was not implemented.

Conclusion

This recommendation is no longer applicable.

Section IV

TDA Performance Indicators

This section reviews SunLine Transit Agency’s performance in providing transit service to the community in an efficient and effective manner. The TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox recovery ratio is not one of the five specific indicators but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Two additional performance indicators that gauge service effectiveness and revenue, operating cost per mile and average fare per passenger, are included as well. Findings from the analysis are contained in the section following the tables.

Tables IV-1 through IV-5 provide performance indicators for SunLine system-wide, fixed route, SunDial paratransit, vanpool, and microtransit service modes. Graphs are also provided to depict the trends in the indicators. It is noted that the system-wide operating costs and fare revenues are based on audited figures, while modal costs and fare revenues are derived from unaudited data contained in Table 2.1 of the SRTP Performance Report in TransTrack or the National Transit Database. The annual fiscal audits do not provide a modal breakdown.

**Table IV-1
SunLine Transit Agency TDA Performance Indicators
System-wide**

Verified TDA Statistics & Performance Indicators	Base Year FY 2021	Audit Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Operating Cost ^{(1)(a)}	\$35,756,449	\$36,188,283	\$44,027,036	\$45,506,348	27.3%
Unlinked Passengers ^(b)	2,088,342	2,285,276	2,689,531	2,505,327	20.0%
Vehicle Service Hours ^(b)	251,837	249,053	243,776	255,475	1.4%
Vehicle Service Miles ^(b)	3,854,596	3,946,457	3,938,723	3,668,859	-4.8%
Employee FTEs ^(c)	361	331	328	342	-5.3%
Passenger Fares and other revenues ^(a)	\$334,651	\$1,590,959	\$1,718,197	\$1,705,165	409.5%
Local Support Funds ^{(2)(a)}	\$8,542,780	\$10,447,026	\$12,640,806	\$13,420,166	57.1%
Total Revenues	\$8,877,431	\$12,037,985	\$14,359,003	\$15,125,331	70.4%
Operating Cost per Passenger	\$17.12	\$15.84	\$16.37	\$18.16	6.1%
Operating Cost per Vehicle Service Hour	\$141.98	\$145.30	\$180.60	\$178.12	25.5%
Operating Cost per Vehicle Service Mile	\$9.28	\$9.17	\$11.18	\$12.40	33.7%
Passengers per Vehicle Service Hour	8.3	9.2	11.0	9.8	18.3%
Passengers per Vehicle Service Mile	0.54	0.58	0.68	0.68	26.0%
Vehicle Service Hours per Employee	697.6	752.4	743.2	747.0	7.1%
Average Fare per Passenger	\$0.16	\$0.70	\$0.64	\$0.68	324.7%
Fare Recovery Ratio (Passenger fares only)	0.94%	4.40%	3.90%	3.75%	300.4%
Fare Recovery Ratio with local support funds ⁽³⁾	24.83%	33.26%	32.61%	33.24%	33.9%
Systemwide Farebox Recovery Ratio Target	23.34%	18.77%	18.73%	18.22%	
Consumer Price Index - (CPI-All)	3.31%	2.45%	2.85%	8.24%	

(1) Operating costs exclude depreciation and vehicle leasing.

(2) Includes outside CNG and hydrogen fuel sale revenues; state emission credits and CNG rebates; advertising; and interest income. Local support is calculated as the difference between total revenues shown in Note 12, and passenger fares (Combining Statement of Revenues, Expenses, and Changes in Net Positioning) of the annual audited financial statements.

(3) Calculation includes adjusted operational costs and local support funds as allowed by RCTC's Fare Box Recovery Ratio Policy.

Sources:

(a) Annual Fiscal & Compliance Audits

(b) Table 2.1 - SRTP Performance Report, TransTrack

(c) Transit Operators Financial Transactions Report

**Table IV-2
SunLine Transit Agency TDA Performance Indicators
SunBus - Fixed Route**

Verified TDA Statistics & Performance Indicators	Base Year FY 2021	Audit Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Operating Cost ^{(1)(a)}	\$32,163,241	\$33,432,684	\$36,497,389	\$38,396,108	19.4%
Unlinked Passengers ^(a)	2,000,077	2,170,875	2,559,429	2,339,661	17.0%
Vehicle Service Hours ^(a)	192,663	187,719	183,174	165,027	-14.3%
Vehicle Service Miles ^(a)	2,921,256	2,976,629	2,905,526	2,456,564	-15.9%
Employee FTE's ^(b)	284	267	262	268	-5.6%
Passenger Fares ^{(2)(a)}	\$2,851,245	\$1,372,659	\$1,471,914	\$1,815,061	-36.3%
Operating Cost per Passenger	\$16.08	\$15.40	\$14.26	\$16.41	2.1%
Operating Cost per Vehicle Service Hour	\$166.94	\$178.10	\$199.25	\$232.67	39.4%
Operating Cost per Vehicle Service Mile	\$11.01	\$11.23	\$12.56	\$15.63	42.0%
Passengers per Vehicle Service Hour	10.4	11.6	14.0	14.2	36.6%
Passengers per Vehicle Service Mile	0.68	0.73	0.88	0.95	39.1%
Vehicle Service Hours per Employee	678.4	703.1	699.1	615.8	-9.2%
Average Fare per Passenger	\$1.43	\$0.63	\$0.58	\$0.78	-45.6%
Fare Recovery Ratio	8.86%	4.11%	4.03%	4.73%	-46.7%
Consumer Price Index - (CPI-All)	3.31%	2.45%	2.85%	8.24%	

(1) Data is unaudited. Audited financial statements do not provide modal breakdown.

(2) Data is unaudited. Audited financial statements do not provide modal breakdown.

Sources:

(a) Table 2.1 - SRTP Performance Report, TransTrack

(b) Transit Operators Financial Transactions Report

**Table IV-3
SunLine Transit Agency TDA Performance Indicators
SunDial - Dial-A-Ride**

Verified TDA Statistics & Performance Indicators	Base Year FY 2021	Audit Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Operating Cost ^{(1)(a)}	\$6,144,079	\$6,039,569	\$6,506,986	\$7,247,177	18.0%
Unlinked Passengers ^(a)	71,129	93,832	110,154	119,492	68.0%
Vehicle Service Hours ^(a)	54,113	50,301	56,640	58,412	7.9%
Vehicle Service Miles ^(a)	732,187	751,296	842,327	866,842	18.4%
Employee FTE's ^(b)	76	63	65	72	-5.3%
Passenger Fares ^{(2)(a)}	\$277,562	\$203,616	\$219,977	\$194,129	-30.1%
Operating Cost per Passenger	\$86.38	\$64.37	\$59.07	\$60.65	-29.8%
Operating Cost per Vehicle Service Hour	\$113.54	\$120.07	\$114.88	\$124.07	9.3%
Operating Cost per Vehicle Service Mile	\$8.39	\$8.04	\$7.73	\$8.36	-0.4%
Passengers per Vehicle Service Hour	1.3	1.9	1.9	2.0	55.6%
Passengers per Vehicle Service Mile	0.10	0.12	0.13	0.14	41.9%
Vehicle Service Hours per Employee	712.0	798.4	871.4	811.3	13.9%
Average Fare per Passenger	\$3.90	\$2.17	\$2.00	\$1.62	-58.4%
Fare Recovery Ratio	4.52%	3.37%	3.38%	2.68%	-40.7%
Consumer Price Index - (CPI-All)	3.31%	2.45%	2.85%	8.24%	

(1) Data is unaudited. Audited financial statements do not provide modal breakdown.

(2) Data is unaudited. Audited financial statements do not provide modal breakdown.

Source:

(a) Table 2.1 - SRTP Performance Report, TransTrack

(b) Transit Operators Financial Transactions Report

**Table IV-4
SunLine Transit Agency TDA Performance Indicators
Vanpool**

Verified TDA Statistics & Performance Indicators	Base Year FY 2021	Audit Review Period			% Change FY 2021- FY 2024
		FY 2022	FY 2023	FY 2024	
Operating Cost ^{(1)(a)}	\$229,917	\$272,380	\$270,166	\$133,647	-41.9%
Unlinked Passengers ^(b)	16,028	17,110	19,948	23,739	48.1%
Vehicle Service Hours ^(b)	3,613	4,013	3,962	4,332	19.9%
Vehicle Service Miles ^(b)	191,498	193,042	190,870	227,418	18.8%
Employee FTE's ^(c)	1	1	1	1	0.0%
Passenger Fares ^{(2)(a)}	\$120,280	\$141,154	\$140,025	\$152,327	26.6%
Operating Cost per Passenger	\$14.34	\$15.92	\$13.54	\$5.63	-60.8%
Operating Cost per Vehicle Service Hour	\$63.64	\$67.87	\$68.19	\$30.85	-51.5%
Operating Cost per Vehicle Service Mile	\$1.20	\$1.41	\$1.42	\$0.59	-51.1%
Passengers per Vehicle Service Hour	4.4	4.3	5.0	5.5	23.5%
Passengers per Vehicle Service Mile	0.08	0.09	0.10	0.10	24.7%
Vehicle Service Hours per Employee	3,613	4,013	3,962	4,332	19.9%
Average Fare per Passenger	\$7.50	\$8.25	\$7.02	\$6.42	-14.5%
Fare Recovery Ratio	52.31%	51.82%	51.83%	113.98%	117.9%
Consumer Price Index - (CPI-All)	3.31%	2.45%	2.85%	8.24%	

(1) Data is unaudited. Audited financial statements do not provide modal breakdown.

(2) Data is unaudited. Audited financial statements do not provide modal breakdown.

Source:

(a) National Transit Database

(b) Table 2.1 - SRTP Performance Report, TransTrack

(c) Transit Operators Financial Transactions Report

**Table IV-5
SunLine Transit Agency TDA Performance Indicators
SunRide - Microtransit**

Verified TDA Statistics & Performance Indicators	FY 2024
Operating Cost ^{(1)(a)}	\$938,232
Unlinked Passengers ^(a)	22,435
Vehicle Service Hours ^(a)	27,705
Vehicle Service Miles ^(a)	118,035
Employee FTE's ^(a)	1
Passenger Fares ^{(2)(a)}	\$35,466
Operating Cost per Passenger	\$41.82
Operating Cost per Vehicle Service Hour	\$33.87
Operating Cost per Vehicle Service Mile	\$7.95
Passengers per Vehicle Service Hour	0.8
Passengers per Vehicle Service Mile	0.19
Vehicle Service Hours per Employee	27,705
Average Fare per Passenger	\$1.58
Fare Recovery Ratio	3.78%
Consumer Price Index - (CPI-All)	8.24%

(1) Data is unaudited. Audited financial statements do not provide modal breakdown.

(2) Data is unaudited. Audited financial statements do not provide modal breakdown.

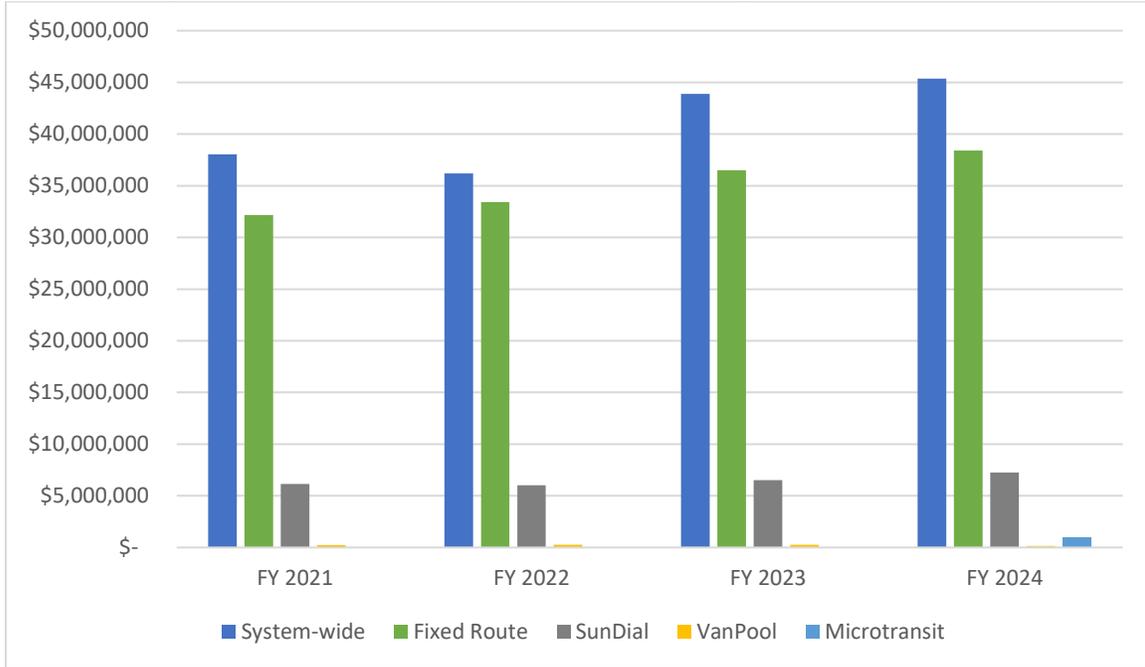
Source:

(a) National Transit Database

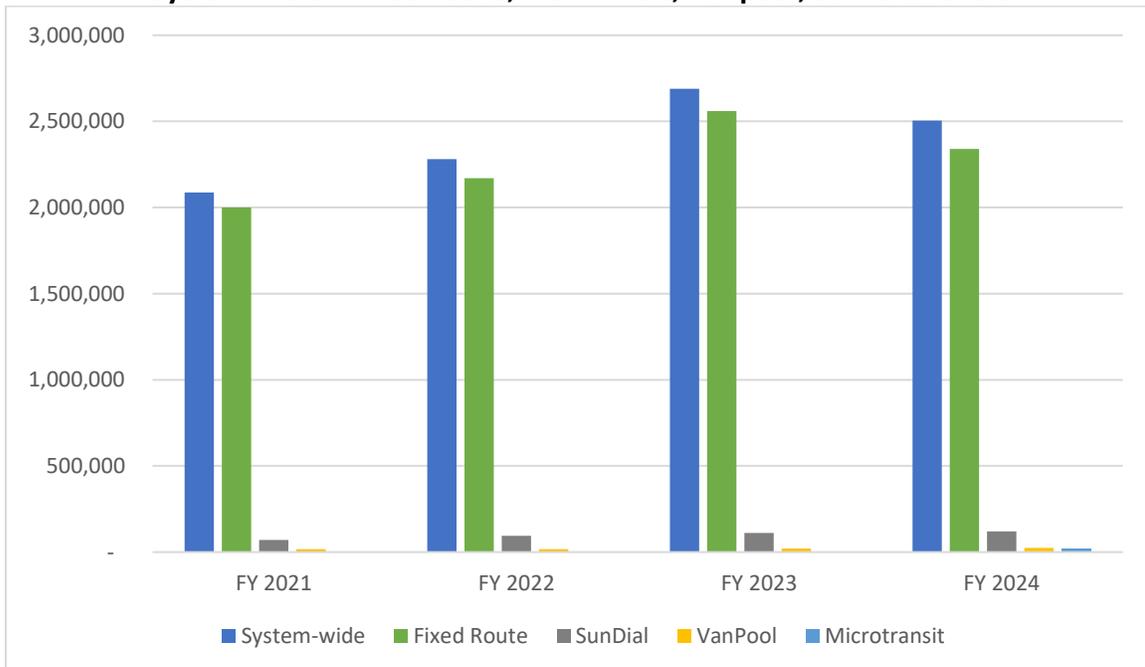
(b) Table 2.1 - SRTP Performance Report, TransTrack

(c) Transit Operators Financial Transactions Report

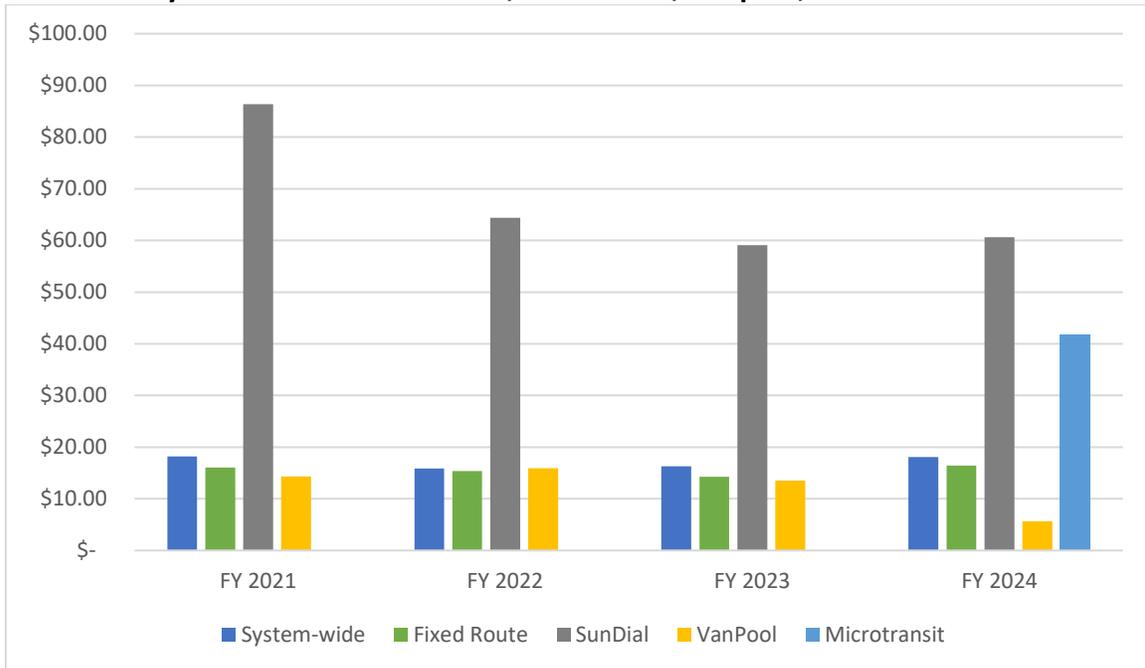
**Graph IV-1
Operating Costs
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit**



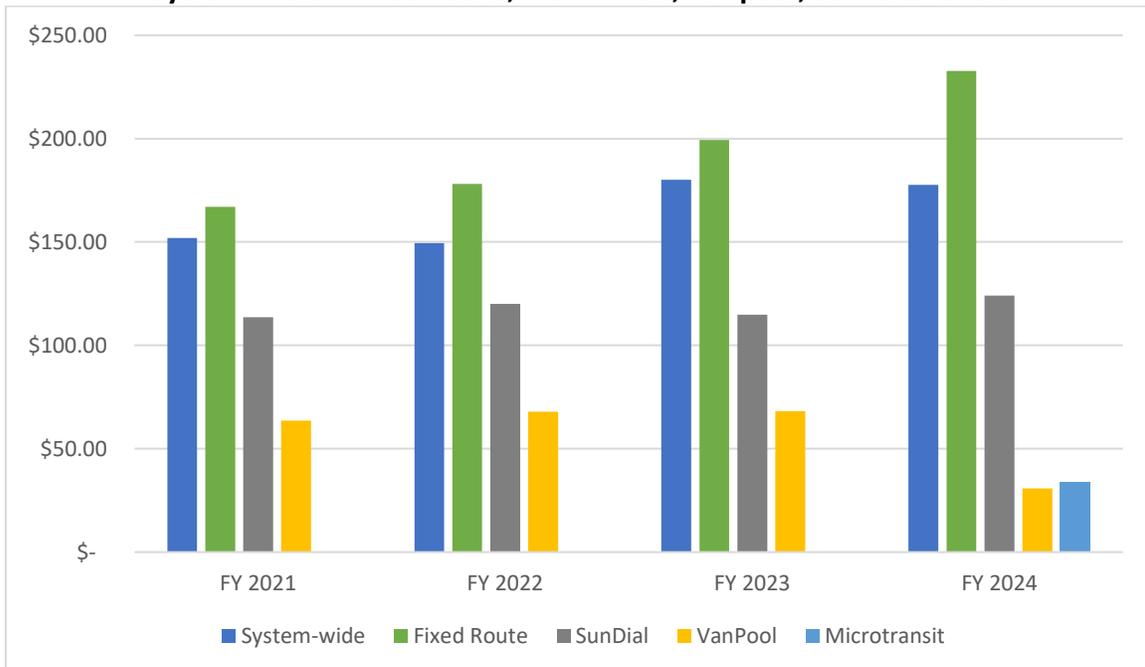
**Graph IV-2
Ridership
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit**



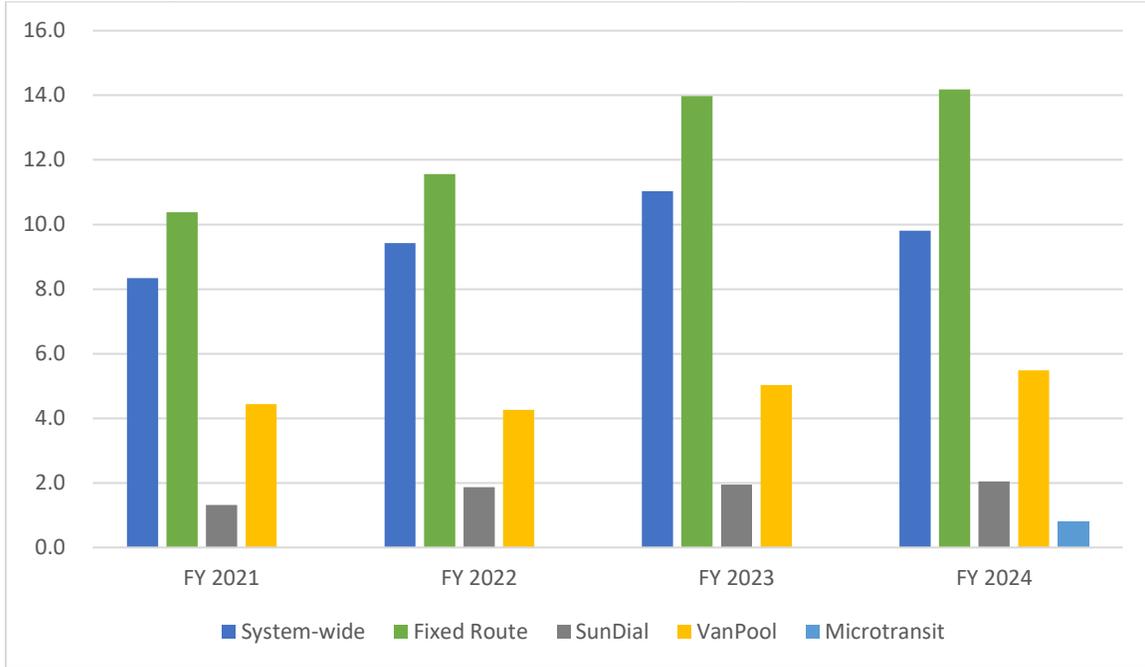
Graph IV-3
Operating Cost Per Passenger
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit



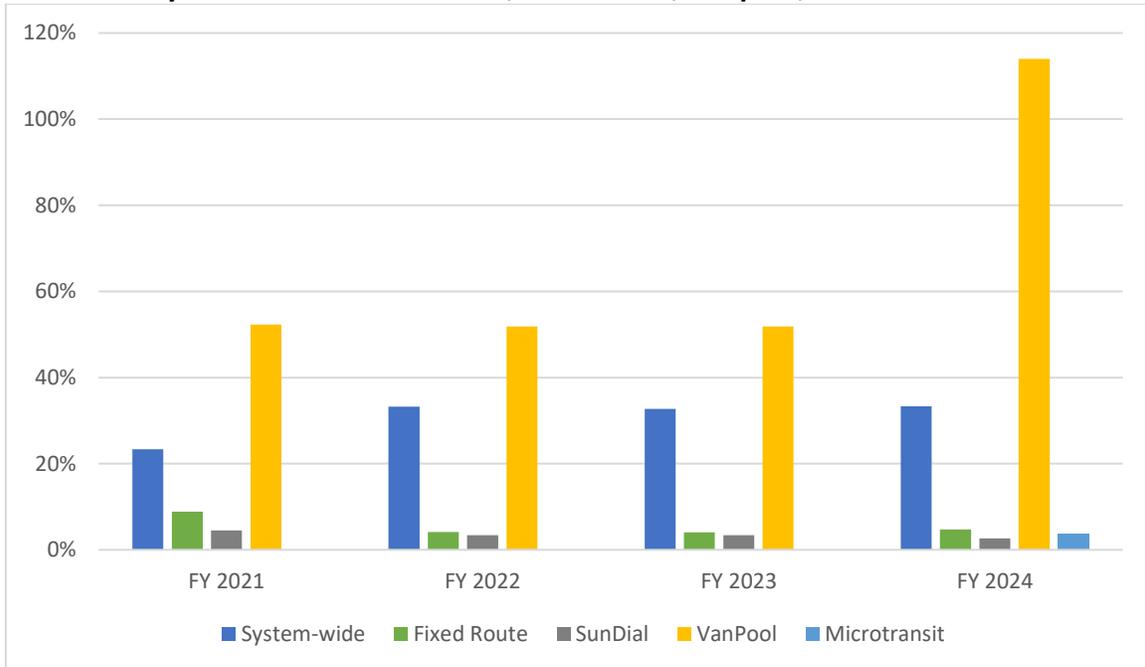
Graph IV-4
Operating Cost Per Vehicle Service Hour
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit



Graph IV-5
Passengers Per Vehicle Service Hour
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit



Graph IV-6
Fare Recovery Ratio
System-wide – Fixed Route, Dial-A-Ride, Vanpool, & Microtransit



Note: System-wide fare recovery includes other revenue such as CNG revenue. Modal fares do not include other revenues.

Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased 25.5 percent system-wide from \$141.98 in FY 2021 to \$178.12 in FY 2024. System-wide operating costs based on audited data experienced an increase of 27.3 percent during the audit period, while vehicle service hours increased by 1.4 percent between FY 2021 and FY 2024 systemwide.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased 6.1 percent system-wide from \$17.12 in FY 2021 to \$18.16 in FY 2024. Ridership system-wide increased by 20 percent during the triennial period from 2,088,342 passengers in FY 2021 to 2,505,327 passengers in FY 2024, while operating costs increased by 25.5 percent during that period.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, increased 17.6 percent between FY 2021 and FY 2024 system-wide from 8.3 passengers per hour to 9.8 passengers per hour. Fixed-route operations were consistent with this trend, with a rate of increase of 36.6 percent over the same period from 10.4 to 14.2 passengers per hour. SunDial operations exhibited an increase of 55.6 percent, averaging 1.8 passengers per hour. The vanpool service exhibited a 23.5 percent increase in passengers per vehicle service hour over the audit period. This reverses a trend seen during the COVID-19 pandemic where demand-response and vanpool services temporarily lost passengers at a steeper rate than fixed-route services. Microtransit service carried 0.8 passengers per vehicle service hour in reporting year FY 2024.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, increased 25.8 percent between FY 2021 and FY 2024 system-wide from 0.54 passengers per mile to 0.68 passengers per mile. For fixed-route operations, the number of passengers per service mile increased by 39.1 percent from 0.68 to 0.95. SunDial exhibited a similar increase in passengers per service mile of 41.9 percent during the audit period, from 0.10 in FY 2021 to 0.14 in FY 2024. For vanpool service, the number of passengers per service mile increased 24.7 percent from 0.08 in FY 2021 to 0.10 in FY 2024. Microtransit service carried 0.19 passengers per vehicle service mile in FY 2024. From the FY 2021 base year to FY 2024, system-wide vehicle service miles decreased 4.6 percent system-wide.
5. **Vehicle service hours per employee** increased 7.7 percent system-wide between FY 2021 and FY 2024. This increase resulted from a net increase in vehicle service hours of 2 percent and a 5.3 percent decrease in FTEs between FY 2021 and FY 2024. This measure is based on the number of employee full-time equivalents (FTE), which is calculated using employee pay hours and dividing by 2,000 hours per employee as reported in the Transit Operator Financial Transactions Report submitted to the State Controller.
6. **Farebox recovery** exhibited an overall annual increase of 33.9 percent system-wide between FY 2021 and 2024 based on audited data inclusive of ancillary revenues. SunLine is subject to the provisions of PUC Section 99270.1 and was required to maintain a minimum farebox recovery ratio of 18.77 percent in FY 2022; 18.73 percent in FY 2023; and 18.22 percent in FY 2024.

SunLine attained the required farebox recovery standard for all three years through a combination of passenger fares and other revenue including CNG and hydrogen fuel sales, interest, and other revenues. Farebox recovery without ancillary revenue for fixed-route operations decreased 46.7 percent, while the SunDial ADA paratransit service saw decrease of 40.7 percent. Farebox recovery for vanpool service increased 117.9 percent over the audit period while microtransit service had a 3.78 percent farebox recovery in the first year of service in FY 2024. Total system-wide passenger fares inclusive of local support revenues increased nearly 410 percent, whereas fixed-route revenues (without local support included) decreased 36.3 percent, ADA paratransit revenues decreased 30.1 percent, vanpool increased 26.6 percent, and taxi passenger fares totaled \$35,466 in FY 2024.

It is noted that CNG and hydrogen revenue generated by SunLine from commercial sale of the fuel and from fuel rebates is a growing component of operations revenue counted toward the farebox ratio. This allowable revenue source under RCTC farebox policy comprised 22.1 percent of total operations revenue in FY 2022, 16.7 percent in FY 2023, and 29.0 percent in FY 2024.

Conclusion from the Verification of TDA Performance Indicators

SunLine Transit Agency's performance indicators reflect increasing operating costs along with only modest recovery of passengers, and vehicle service hours following the onset of the COVID-19 pandemic. SunLine achieved higher ridership and service productivity while controlling cost per passenger, despite rising operating costs and declining fare revenues. Financial sustainability increasingly relies on local support and ancillary revenues, while farebox recovery from passenger fares alone continues to decline. Ridership increased 20 percent during the audit period, largely due to the 17 percent increase in SunBus ridership. Systemwide, vehicle service hours were up 2 percent whereas vehicle service miles declined 4.6 percent since FY 2021. The increase in ridership was impacted by the introduction of microtransit service in FY 2024, which added 22,435 passenger trips, 27,705 vehicle service hours, and 118,035 vehicle service miles to the systemwide totals.

Increased revenue fleet maintenance, facility maintenance, administration costs, and personnel costs increases (pension, insurance, health coverage costs) also contributed significantly to total operating costs. Passenger fare revenues decreased by 22.6 percent while operating costs increased. Local support funding, including CNG fuel sales, increased by 101.0 percent during the audit period. Overall, SunLine showed resilience and adaptability, with marked improvements in service effectiveness and productivity. However, rising operating costs and declining direct fare revenues highlight ongoing financial challenges, underscoring the importance of diversified revenue streams and continued efficiency efforts.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions within SunLine Transit Agency. The review highlights accomplishments, issues, and/or challenges that were determined during the audit period. The following functions were reviewed with staff at the SunLine Transit Agency headquarters in Thousand Palms:

- Operations
- Maintenance
- Planning
- Marketing
- General Administration and Management

Within some departments are subfunctions that require review as well, such as Grants Administration that falls under General Administration.

Operations

SunLine moved forward with a number of bold service initiatives aimed at minimizing transfers, reducing travel times, and realigning routes. Although the COVID-19 pandemic resulted in a significant downturn in ridership, SunLine continued to maintain a forward and innovative outlook in keeping with its mission statement:

Connecting people and improving life by taking you from where you are to where you want to be.

SunLine had launched a network redesign initiative titled “SunLine Refueled,” aimed at restructuring service levels to improve mobility, reduce the number of required transfers, decrease rider wait times, and implement a more intuitive route numbering system. While the initiative was well-suited to the conditions prior to the pandemic, its full implementation was hindered by several post-pandemic challenges.

Following the COVID-19 pandemic, the agency’s priorities shifted significantly due to operational disruptions, resource constraints—including aging fleets—and difficulties in restoring Level 1 (regular) service to pre-pandemic levels. As a result, the original vision of the Refueled initiative was not fully realized.

Instead, SunLine adopted a more adaptive, data-driven approach to transit planning, grounded in present-day realities, and aligned with anticipated regional growth. This shift reflects the agency’s commitment to responsive and sustainable service delivery in a rapidly evolving transit landscape.

To further refine better service delivery in the post pandemic era, the agency is currently preparing for a new era of service planning under the guidance of Jarrett Walker and Associates, who is leading a Comprehensive Operational Analysis (COA). This marks a formal shift away from the pre-COVID vision and toward a more adaptive, data-driven approach to transit service. This involved a 16-month analysis aimed at evaluating current service patterns and recommending improvements. Jarrett Walker’s experience with regional transit systems, including the Morongo Basin Transit Authority (Basin Transit), was a key factor in the selection.

Key factors implemented in the post pandemic era, include:

- Route Renaming and Streamlining: Routes were renumbered and simplified.
- Route 111 Bifurcation: The agency split its busiest route into Route 1EV (East Valley) and Route 1WV (West Valley) to improve reliability and reduce delays.
- Microtransit Expansion: The agency now operates eight microtransit zones across the valley, enhancing flexibility and coverage.

Moreover, the agency officially moved away from the tiered service model that was introduced under the Sunline Refueled initiative, as it transitioned to a standardized service model, eliminating the tiered service levels. This change was driven by the need to simplify public transport and improve reliability. By smoothing out peak service demands—without reducing overall service hours or miles—the agency was able to better manage its limited fleet and operator availability. This adjustment allowed the operations and maintenance teams to deliver more dependable services, ensuring buses were available when scheduled, which was a key concern for the public and bus riders.

Throughout this transition, SunLine maintained a strong commitment to community engagement, continuing to collect rider input through public hearings and outreach events conducted in both English and Spanish. Feedback emphasized the need for faster service and improved infrastructure, such as bus shelters and benches, which aligned with the agency’s revised priorities. The resulting system redesign, shaped by years of planning and informed by evolving travel patterns during the COVID-19 pandemic, represents the most significant service overhaul in SunLine’s 40-year history and is designed to appeal more strongly to the choice rider market. Community involvement remained robust, with the return of popular events such as *Pack the Bus*, *Fill the Bus*, and *The Haunted Bus*, reinforcing SunLine’s commitment to responsive and inclusive service delivery.

The implementation of SunLine’s redesigned network was staged over several years, streamlining the route structure from 15 to 9 routes based on land use patterns and continuing through the past three years. The first stage introduced a consolidated fixed-route network. As part of this effort, the Route 10 Commuter Link was established and placed in operation July 2021 to provide weekday service between the California State University, San Bernardino (CSUSB) Palm Desert campus and the main CSUSB campus in San Bernardino, with additional tail end service to Indio and the San Bernardino Metrolink Station. This commuter route was developed in partnership with CSUSB,

which also contributes funding for the service. The final stage of the redesign introduced a microtransit program called SunRide, which began operations in late 2021 and has continued since. Initially launched in four zones within the Coachella Valley, SunRide allows riders to request trips via a smartphone app, offering flexible, on-demand service within each designated zone and connecting passengers to nearby bus stops. Through public feedback regarding this service, the agency included a stop at the local transit hub through this route, which has contributed to increased ridership, especially among students commuting between campuses. Looking ahead, the agency is exploring the possibility of weekend service for this route to further enhance intercity connectivity.

SunLine has since transformed the SunRide program from a 2021 pilot—originally operated in collaboration with local colleges and taxi providers—into a fully outsourced, turnkey service operated by Via. Via now supplies vehicles, drivers, maintenance, and customer service, enabling flexible deployment across eight zones to enhance first/last-mile connectivity and supplement fixed-route services. Although early operations faced management and compliance challenges, the turnkey model has significantly improved operational efficiency and oversight. The agency began reporting microtransit data to the National Transit Database (NTD) in FY 2024 and plans to transition the SunRide fleet to zero-emission vehicles starting in 2025. A labor agreement with the Amalgamated Transit Union (ATU) currently limits service expansion to the existing eight zones, operating Monday through Friday for 13 hours daily. Nonetheless, SunRide remains subject to full performance reporting, including metrics on ridership, cost, and service productivity.

In addition, SunLine has been engaged in the repurpose of its Indio facility. This included studying options to rehabilitate or replace the Indio satellite operating and maintenance facility, which was a former car dealership. The facility is currently utilized as a base for bus stop maintenance. The agency has applied for a grant toward renovations. The key transfer point for passengers transferring among routes in Indio is located just outside of this facility.

Each route is subject to monthly metric reporting, which allows the agency to identify trends in passenger trips and route performance. SunLine is seeking to attract more choice riders. This target market is being reached by engaging large employers in the service area and the local tourism industry. Schedules are updated three times annually in January, May, and September. The updates involve a service standard and on-time performance analysis.

SunLine continues to implement its FTA compliant cancellation and no-show policy. The agency has been proactive in addressing no-shows and cancellations by calling passengers, sending follow-up letters, and informing them on how no-shows impact the system overall. Over the audit period, late cancellations and no-shows indicate no serious issues, as the agency's operations have not observed an impact on their routing efficiency or overall service delivery. This contributes to a net savings to the agency.

SunLine's Board of Directors approved its Zero Emissions Bus Rollout Plan, years before the submission date required by the state. SunLine's plan outlines how the agency plans to implement a fully hydrogen fuel cell revenue fleet by 2035, five years prior to the 2040 deadline established by

the California Air Resources Board’s Innovative Clean Transit Regulation. A critical aspect of SunLine’s ability to implement and support a zero-emission fleet is the agency’s adoption of innovative technologies that enable production of renewable hydrogen at its fueling station in Thousand Palms and is made possible through partnership with the Southern California Gas Company.

As a recipient of SCAG’s Sustainability Award under the Clean Cities – Alternative Fuels and Infrastructure category, the agency is recognized for its legacy of serving the Coachella Valley and Riverside County with a clean fueled fleet of vehicles. Moreover, the agency was recognized for the completion of the nation’s largest hydrogen fueling station dedicated to transit, using electricity and renewable energy to generate clean hydrogen. It also was the first agency to develop a comprehensive workforce training program in transportation technologies – the West Coast Center of Excellence in Zero Emission Technology and Renewable Energy.

SunLine remains a pioneer on the road toward zero-emission transportation and has successfully adopted innovative technology that supports a sustainable greener future. Toward this goal, SunLine is building a fleet entirely of hydrogen fuel cell buses.

In January 2022, SunLine demonstrated its continued commitment to sustainability by piloting a zero-emission hydrogen refueling project in Indio. Although the project showed promise, it did not move forward due to intellectual property issues. That same month, the agency received the Public Awareness Award from Caltrans, recognizing its community engagement efforts. Nevertheless, the agency completed its liquid hydrogen fueling station, now serving as the primary fueling source for its hydrogen bus fleet two years later, in 2024. This transition to liquid hydrogen was driven by reliability, efficiency, and cost-effectiveness.

Later in September 2022, SunLine secured \$14 million in funding for bus and bus facility improvements, supporting its mission to modernize and expand transit services. Over the following years, the agency continued its investment in hydrogen infrastructure, transitioning from electric to hydrogen buses due to operational challenges with battery-electric vehicles. Hence, the agency continued its commitment to clean energy by expanding its hydrogen bus fleet to 32 vehicles and transitioned away from the Sunline Refueled initiative, opting for a standardized service model, by 2024 with route renaming, streamlining, and microtransit expansion as key components of this shift.

The following year in May 2023, SunLine hosted a Zero Emission Technology Training Workshop as part of its workforce development efforts. Under its new CEO, the agency rebranded its Center of Excellence as the Workforce Development Center, emphasizing training and development for transit staff.

In August 2023, SunLine was honored with the Outstanding Public Transportation System Award (Small Category) by APTA. Accomplishments contributing to this award include SunLine's leadership in sustainability and clean fuels as a cutting edge innovator in zero-emissions technology; its educational efforts through its Workforce Training Center; the implementation of services that deliver convenience and flexibility for riders including the Haul Pass program that allows local high

school and college students to ride for free as well as the SunRide microtransit service that provides on-demand rideshare transportation in specific Coachella Valley zones. The award also recognized SunLine’s outreach programs such as Fill the Bus, the Student Art Contest, and Pack the Bus which enrich members of our community and those in need. Further SunLine is committed to enhanced safety including (1) providing buses to serve as cooling centers for the California Department of Forestry and Fire Protection (CAL FIRE) during wildfires, (2) identifying bus stops with a high population of unhoused individuals to support CVAG as it works to provide resources, and (3) implementing a bus operator training program to raise awareness and identify the signs of potential human trafficking.

Furthermore, although just slightly outside the audit period, in August 2024, the agency secured \$500,000 in federal earmark funding for solar microgrid projects. This initiative reflects a strategic push to advocate transit funding and strengthen relationships with federal representatives. The Coachella Transit Hub was completed in October 2024, funded through an Affordable Housing and Sustainable Communities grant in partnership with the City of Coachella. Additionally, the agency was awarded \$614,000 from the Transit and Intercity Rail Capital Program (TIRCP) funds for a contactless fare payment solution in the same year with an endowment facilitated by Cal-ITP.

Fare policy remains under review, with potential increases and fare capping under consideration. SunLine has updated its fare collection and cash reconciliation process while planning for future fare system improvement. The \$1.00 base fare—the lowest among its peers—has not changed since 2002, with fares contributing only three percent of operating expenses. Monthly passes and student “Hall Pass” programs make up most fare usage, contributing to a continued decline in cash payments.

During the audit period, SunLine transitioned from fully in-house cash handling to an outsourced model. Previously, two part-time staff managed coin room operations, but by FY 2022–2023, cash counting was contracted to Sectran Security, an outsourced cash management service. SunLine staff are now responsible for emptying fareboxes and bag the cash for armored transport, while reconciliations are performed against GFI (General Farebox Information) reports, with an acceptable variance of about five percent. Looking forward, SunLine is pursuing new fare technologies using its \$614,000 in TIRCP funding to introduce contactless payments which will enable fare capping—charging riders per trip until they reach the cost of a monthly pass. This initiative, along with a planned fare structure review in the upcoming COA, will support SunLine’s efforts to modernize its fare system and maintain compliance with TDA farebox recovery requirements.

Financial systems were enhanced with Tyler ERP’s project accounting module, improving grant tracking and budget oversight. Procurement was modernized with PlanetBids, increasing vendor engagement and transparency. Risk management efforts included infrastructure upgrades, safety peer reviews, and the implementation of a new backup generator.

Dispatch operations and training protocols were refined, with new technologies and safety measures implemented. Operator morale improved through amenities, town halls, and successful labor negotiations. The split of Route 1 improved service reliability, and Commuter Link 10 saw

strong ridership. Paratransit performance remained stable, with adjustments made to accommodate increased demand.

SunLine and Omnitrans executed a mutual aid memorandum of agreement in February 2022 that should SunLine experience an interruption or road call during the course of service provision in the Omnitrans service area, it may be more timely and more cost-effective for Omnitrans to respond to the incident. Services may include, but are not limited to, the temporary provision of Omnitrans' labor and/or contractors, installation of temporary signage, equipment including rolling stock, transit supervisor assistance/investigation services, coach operator services, maintenance services, tow services, bus storage, parts, and/or fuel. The services provided by Omnitrans under this MOU have a not-to-exceed amount of \$25,000 for the duration of this MOU. SunLine has a similar MOU for mutual aid with Palo Verde Valley Transit Authority.

One of the most pressing challenges was the electrolyzer outage in late 2023, which exposed deficiencies in the hydrogen dispensing system. Although hydrogen production continued, the inability to dispense fuel at scale significantly impacted fleet availability. To maintain service, SunLine had to rely on legacy equipment and lease additional buses, underscoring the need for more resilient systems. The agency also leased buses from Complete Coach Works (CCW) for one year and purchased 15 used but serviceable buses from Riverside Transit Agency (RTA). Furthermore, to address these operational challenges, the hydrogen buses were fueled using legacy Steam Methane Reforming (SMR) equipment that is still currently on site. However, this approach was time consuming and inefficient due to heat buildup and limited cooling capacity. At the same time, the agency faced operating cost surges due to spikes in fuel prices, labor adjustments, and rising insurance premiums, putting pressure on the agency's budget and financial planning.

SunLine, Desert Community College District (DCCD), and CSUSB-Palm Desert Campus continued their engagement with the Haul Pass program where enrolled students who reside in the Coachella Valley may swipe their student ID on-board fixed-route buses and ride for no charge. The colleges provide the funding to SunLine to cover their respective program costs. When SunLine was offering free rides during COVID and students were not attending class in-person, the program was temporarily suspended by mutual agreement. When SunLine reinstated bus fares in late Spring 2021, an amendment to the CSUSB agreement was executed to re-engage the Haul Pass program at the beginning of this audit period to coincide with classrooms reopening. The existing DCCD amendment was still in effect and SunLine honored student IDs; subsequently, the program was extended by another amendment with DCCD in Fall of 2022. A grant from California's Low Carbon Transit Operations Program (LCTOP) program expanded the Haul Pass on August 1, 2021, to provide free local service to all high school students in grades 9 to 12 who apply on SunLine's website.

SunLine implemented a mobile ticketing option via the Token Transit App. Once riders download the app on their smartphones, they are able to purchase fares digitally for both immediate and future use. Approximately 11 percent of the ridership utilizes mobile ticketing. The goal is to have about one-third of riders use the app.

On-time performance is one of the metrics closely monitored by the agency. SunLine maintains a summary report driven by its software program detailing on-time performance per route for each service day in the system. The data are categorized by early, late, and the percentage of trips within the on-time window. Daily and monthly averages are calculated as part of the summary. SunLine met internal on-time performance goals for both fixed route and demand-response service throughout the audit period, with exception of FY 2023 for fixed route. The fixed-route on-time performance goal was 85 percent in FYs 2022, 2023, and 2024. For fixed-route, average on-time performance was 86.4 percent in FY 2022; 82.1 in FY 2023; and 89.2 in FY 2024. SunLine noted that certain routes had issues with meeting the on-time goal due to roadway barriers along the routes that cause deviations. For example, Routes 4 and 6 did not meet their service standard goal due to continuous road work at Gene Autry Trail and Vista Chino in Palm Springs and Fred Waring at Warner Trail in Palm Desert. The demand-response on-time performance target was 85 percent in FYs 2022, 2023, and 2024. For demand-response, average on-time performance was 85.9 percent in FY 2022; 88.8 in FY 2023; and 89.0 percent in FY 2024.² Demand response on-time is measured by SunLine when the rider is picked up within 30 minutes of the scheduled pick-up time, which is within industry standard.

Personnel

As part of the review of SunLine’s workforce structure and labor relations, the agency currently employs approximately 345 staff members across various operational and administrative functions. This workforce is represented by two distinct labor unions: the Amalgamated Transit Union (ATU) Local 1277, which covers operators, mechanics and other maintenance positions, and SunLine Services Group; and the Teamsters which represent administrative and supervisory personnel, including field supervisors, controllers, safety staff, customer service representatives, and select finance roles.

In the maintenance division, SunLine has about 20 mechanics which fill its budgeted positions. In FY 2022, the agency moved the Maintenance Advanced Tech Supervisor to the Performance office. This position reflected SunLine’s strategic shift toward modernized bus technologies.

On the operations side, SunLine employs between 160 to 165 full-time fixed-route operators, alongside about 40 full-time paratransit drivers. Part-time operator and paratransit positions also exist with much lower headcounts. Full-time employee status suggests a commitment to workforce stability and service reliability. This staffing configuration, along with the dual-union representation, illustrates SunLine’s efforts to align labor resources with both traditional transit operations and emerging technological demands.

In 2021, labor negotiations with the ATU were notably protracted but ultimately resolved. The prior collective bargaining cycle was extended for more than a year, during which the agency continued operations under the terms of the existing agreement. The proposed contract was rejected by union

² Source: SunLine Transit Monthly Fixed Route Charts, and Monthly Paratransit Charts

membership multiple times, prolonging the negotiation period. During FY 2022, no scheduled wage adjustments were implemented. Upon eventual ratification, the ATU agreement covering the period April 1, 2022, through March 31, 2025, incorporated a higher wage increase in its first year to account for the missed adjustment year; however, this increase was applied prospectively rather than retroactively. This structure resulted in lower-than-typical labor costs in FY 2022 and a corresponding spike in FY 2023 as compensation levels were realigned. Article G-29 of the MOU provides a breakdown of hourly compensation based on job classification.

The finalized agreement also included retention bonuses, funded through competitive American Rescue Plan Act (ARPA) allocations. Tenure-based bonuses were awarded to existing employees, with additional incentives structured for continued employment in subsequent years. This initiative was designed to enhance workforce stability and retention.

In 2025, SunLine has made a notable improvement in labor relations and organizational culture with the latest ATU contract passed on the first vote concluded in May 2025. This contract contains a policy update allowing employees to utilize accrued sick leave without disciplinary action, aligning with recent state Senate Bill (SB) mandates. Additionally, SunLine has addressed grievances related to outsourcing vehicle repairs during periods of low bus availability. The agency has emphasized a preference for in-house repairs, demonstrating responsiveness to union concerns and a commitment to maintaining internal capabilities. Moreover, the agency has implemented culture-building initiatives, including town halls and informal “snack talks,” to foster open communication and employee engagement.

Moving forward, SunLine is also collaborating with ATU to develop a mentorship program for operators and maintenance staff, supported by a \$75,000 grant to reimburse travel costs. This program aims to enhance training, professional development, and retention, with active involvement from shop stewards.

SunLine Transit Agency provides vacation and sick leave benefits to represented employees in accordance with the provisions outlined in the collective bargaining agreements for Teamsters Local 1932 and ATU Local 1277. Both agreements establish tiered vacation accrual structures based on years of service, with the Teamsters MOU outlining tenure-based vacation accruals and annual maximums, and the ATU MOU defining a combined Vacation Time Off (VTO) system that includes both vacation hours and floating holidays, increasing from 144 to 304 hours annually depending on service length.

Sick leave provisions are consistent across both unions, with employees accruing 3.08 hours per 80-hour pay period, up to an annual maximum of 80 hours. The ATU agreement includes additional conditions governing usage, sell-back eligibility, and reporting requirements, while the Teamsters agreement provides standard accrual and usage parameters. These policies collectively establish clear and structured leave benefits for represented employees, aligned with the terms negotiated in each union’s MOU. New hires are subject to a 120-day probationary period. Employees not covered by MOU have a six-month introductory period.

The selection of vacation time off is open to bid in March. Signups for shifts occur three times per year and go into effect in January, May, and September. The agency has been focused on improving attendance as part of the performance indicator management program. Absences and sick leave are tracked carefully and classified, which has resulted in fewer absences.

There is a preference for candidates for driver-operator positions who possess a California Class B commercial license or permit, along with a passenger endorsement and air brake certification, prior to hire. These qualifications are not mandatory. All newly hired operators receive more than 150 hours of combined classroom and behind-the-wheel training. Training includes defensive driving, customer service, and ADA compliance. Two new segments were added to the curriculum, Smart Drive and Avail System. The Avail System is SunLine’s electronic communication system that reduces paper manifests and run guides as well as aids with driving directions. The system makes all ADA announcements, changes destination signs, and keeps track of bus location.

SunLine recruits through its website, Transit Talent, Indeed, Government Jobs/NeoGov, job fairs, veteran services, the Employment Development Department, and partnerships with local colleges. The agency also uses social media sites such as LinkedIn for management and professional positions. New employee orientations are scheduled with the employee’s date of joining. SunLine reports a low rate of turnover during the audit period. An employee referral program was implemented during the previous triennial and continued throughout this period.

The operations department has continued to implement the reporting protocols and procedures that have been established between drivers and supervisors. A new employee orientation protocol has been established that is very structured and meets all federal requirements. The agency is better able to track Family and Medical Leave Act claims, state leave mandates, and workers compensation. In addition, it has been able to piggyback the California Family Rights Act and Family and Medical Leave Act programs. Employment and duty plans have been modified for those employees out on workers’ compensation leave. The agency has seen a reduction in workers’ compensation claims as older cases have fallen off. The SunLine employee manual was last updated in April 2023, pursuant to a prior audit recommendation, which incorporates the latest policies as well as rescinds others that reflect the agency’s organization structure and culture.

SunLine provides employee medical plan benefits through the California Public Employees’ Retirement System, which is able to tailor plans to family needs and conditions. Other employee benefits include the employee assistance program (EAP) and stress management classes. The EAP is tied into the agency’s discipline program that requires employees to undergo anger management classes with mandatory referrals. Under the most recent MOU, represented employees contribute 3 percent to the pension plan.

Operations Performance

Tables V-1, V-2, and V-3 show performance metrics for SunBus, SunDial/SunRide, and SolVan services, respectively.

**Table V-1
SunBus Transportation Performance Indicators**

Operations Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Cost for Operations	\$14,042,099	\$14,679,966	\$14,954,015	\$15,341,816	9.3%
Operator Salaries and Wages	\$6,537,145	\$6,608,057	\$6,434,659	\$7,286,948	11.5%
Operator Pay Hours	295,947	266,990	254,564	261,943	-11.5%
Vehicle Service Hours (VSH)	192,663	188,049	183,174	181,582	-5.8%
Vehicle Service Miles (VSM)	2,921,255	2,978,952	2,905,526	2,660,900	-8.9%
Total Vehicle Hours	208,966	205,158	199,205	196,903	-5.8%
Total Vehicle Miles	3,405,858	3,528,335	3,423,771	3,126,089	-8.2%
Unlinked Passenger Trips	2,000,077	2,180,106	2,559,429	2,585,788	29.3%
Passenger Miles	12,102,290	18,748,912	21,507,123	19,864,009	64.1%
Performance Indicators					
Veh Ops Cost per VSH	\$72.88	\$78.06	\$81.64	\$84.49	15.9%
Veh Ops Cost per VSM	\$4.81	\$4.93	\$5.15	\$5.77	19.9%
Veh Ops Cost per Psgr Trip	\$7.02	\$6.73	\$5.84	\$5.93	-15.5%
Veh Ops Cost per Psgr Mile	\$1.16	\$0.78	\$0.70	\$0.77	-33.4%
Avg Wage per Operator Pay Hour	\$22.09	\$24.75	\$25.28	\$27.82	25.9%
VSH per Operator Pay Hour	0.65	0.70	0.72	0.69	6.5%
VSM per Operator Pay Hour	9.87	11.16	11.41	10.16	2.9%
Service Miles per Service Hour	15.2	15.8	15.9	14.7	-3.4%
Service Hours / Total Hours	92.2%	91.7%	92.0%	92.2%	0.0%
Service Miles / Total Miles	85.8%	84.4%	84.9%	85.1%	-0.8%
Avg Psgr Miles per Psgr Trip	6.1	8.6	8.4	7.7	27.0%
Passengers per Vehicle Service Hour	10.4	11.6	14.0	14.2	37.2%
On-Time Performance	90.5%	86.4%	82.1%	89.2%	-1.4%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Preventable accidents data not available.

Source: NTD Reports, Monthly Performance Indicator Report

The increase in operations cost over the base year, coupled with decreases in service hours and miles, influenced the performance indicators such as cost per vehicle hour and per vehicle mile, increasing by 15.9 percent and 19.9 percent, respectively.

SunBus operations costs saw notable changes over the triennial period, increasing by 9.3 percent. From 2021 to 2024, operator Salaries and Wages rose by 11.5 percent nominally, but real wages declined in 2022 and 2023 as CPI increases (7.30 percent and 3.90 percent) surpassing wage changes (+1.08 percent and -2.62 percent). However, the FY 2024 Salaries and wages' increased by 13.25 percent, exceeding inflation (3.10 percent) and restoring the purchasing power. This trend reflects

a delayed wage adjustment in response to inflationary pressures and evolving labor market conditions.

The decrease in operations cost over the base year had a significant effect on the performance indicators such as cost per vehicle hour and per vehicle mile, with each decreasing by 15.5 and 33.4 percent, respectively.

**Table V-2
SunDial/SunRide Transportation Performance Indicators**

Operations Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024 ³	
Cost for Operations	\$4,051,895	\$3,950,546	\$4,282,438	\$5,094,003	25.7%
Vehicle Service Hours (VSH)	54,113	53,828	56,641	76,941	42.2%
Vehicle Service Miles (VSM)	732,186	807,081	842,327	984,877	34.5%
Total Vehicle Hours	64,192	61,520	67,775	85,879	33.8%
Total Vehicle Miles	946,875	992,697	1,064,019	1,221,357	29.0%
Unlinked Passenger Trips	71,129	101,589	110,154	141,927	99.5%
Passenger Miles	568,982	994,482	1,107,684	1,278,471	124.7%
Performance Indicators					
Veh Ops Cost Per VSH	\$74.88	\$73.39	\$75.61	\$66.21	-11.6%
Veh Ops Cost Per VSM	\$5.53	\$4.89	\$5.08	\$5.17	-6.5%
Veh Ops Cost Per Psgr Trip	\$56.97	\$38.89	\$38.88	\$35.89	-37.0%
Veh Ops Cost Per Psgr Mile	\$7.12	\$3.97	\$3.87	\$3.98	-44.0%
Service Miles Per Service Hr	13.5	15.0	14.9	12.8	-5.4%
Service Hours / Total Hours	84.3%	87.5%	83.6%	89.6%	6.3%
Service Miles / Total Miles	77.3%	81.3%	79.2%	80.6%	4.3%
Avg Psgr Miles per Psgr Trip	8.0	9.8	10.1	9.0	12.6%
Passengers per Vehicle Service Hour	1.3	1.9	1.9	1.8	40.3%
On-Time Performance	96.9%	85.9%	88.8%	89.0%	-8.2%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Preventable accidents data not available.

Source: NTD Reports, Monthly Performance Indicator Report

Dial-A-Ride operations costs increased by 25.7 percent over the triennial period, which includes the operations costs for SunRide microtransit service in FY 2024. With larger increases in vehicle service hours and miles compared to cost, performance indicators such as cost per vehicle hour and per vehicle mile experienced declines with decreases of 11.6 percent and 6.5 percent, respectively. Operations cost declines also resulted on a per passenger trip and per passenger trip mile basis, given the rapid growth in passenger indicators relative to cost.

³ SunRide microtransit performance indicators are included in FY 2024.

Since SunLine’s microtransit service, branded as SunRide, went into effect in FY 2021. However, NTD reports do not provide data for the service until FY 2024. During that fiscal year, operations cost was \$431,784, delivering 18,529 service hours and 118,035 service miles, supporting 83,528 passenger miles. The cost efficiency was \$23.30 per service hour and \$3.66 per service mile. These figures provide a baseline for evaluating future cost trends and operational productivity.

**Table V-3
SolVan VanPool Transportation Performance Indicators**

Operations Data	Base Year FY 2021	Audit Review Period			% Change FY 2021- 2024
		FY 2022	FY 2023	FY 2024	
Cost for Operations	\$42,030	\$55,289	\$53,209	\$53,196	26.6%
Vehicle Service Hours (VSH)	3,613	4,014	3,962	4,367	20.9%
Vehicle Service Miles (VSM)	191,601	193,044	190,868	227,419	18.8%
Total Vehicle Hours	3,613	4,014	3,962	4,367	20.9%
Total Vehicle Miles	191,501	193,044	190,868	227,419	18.8%
Unlinked Passenger Trips	16,028	17,110	19,948	23,739	48.1%
Passenger Miles	929,468	907,071	1,059,616	1,273,279	37.0%
Performance Indicators					
Veh Ops Cost Per VSH	\$11.63	\$13.77	\$13.43	\$12.18	4.7%
Veh Ops Cost Per VSM	\$0.22	\$0.29	\$0.28	\$0.23	6.6%
Veh Ops Cost Per Psgr Trip	\$2.62	\$3.32	\$2.67	\$2.24	-14.5%
Veh Ops Cost Per Psgr Mile	\$0.05	\$0.06	\$0.05	\$0.04	-7.6%
Service Miles Per Service Hr	53.0	48.1	48.2	52.1	-1.7%
Service Hours / Total Hours	100%	100%	100%	100%	0.0%
Service Miles / Total Miles	100%	100%	100%	100%	0.0%
Avg Psgr Miles per Psgr Trip	58.0	53.0	53.1	53.6	-7.5%
Passengers per Vehicle Service Hour	4.4	4.3	5.0	5.4	22.5%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Preventable accidents data and on-time performance data not available.

Source: NTD Reports

SolVan vanpool operations costs increased by 26.6 percent over the triennial period. Due to the significant increase in vehicle service hours, miles, and operational cost, performance indicators such as cost per vehicle hour increase by 6.6 percent and cost per vehicle miles increased 7.4 percent. In 2024, SunLine transferred the SolVan program to the RCTC VanClub program, as the VanClub program expanded into the Coachella Valley and eastern Riverside County. The consolidation helped streamline services and enhance the efficiency of vanpool operations across Riverside County, thereby providing commuters with a larger pool of potential ridesharing companions.

Maintenance

SunLine maintains a revenue fleet consisting primarily of CNG, hydrogen fuel cell, and electric vehicles. This includes the addition to ten 2020 New Flyer CNG and five 2021 New Flyer hydrogen 40-foot fixed route buses, eight 2020 ARBOC Freedom buses used for paratransit, and two 2020 MCI coaches for the Route 10 Commuter Link. During this audit period, the agency has expanded its hydrogen-powered fleet to 32 buses and purchased 15 used buses from RTA during the electrolyzer issue.

The Maintenance Department oversees the maintenance of vehicles, facilities, and 659 bus stops, of which 424 have shelters. SunLine’s vehicle maintenance takes place at the Thousand Palms facility. The Thousand Palms facility is equipped with six maintenance bays and one overflow bay. There are two in-ground, three aboveground, and two portable lifts at that facility. During the audit period, the in-ground lifts were replaced. The maintenance facility operates 24 hours a day, 7 days a week. All CHP terminal inspections have been conducted at the Thousand Palms facility since 2014. Approximately 12 to 14 vehicles are staged at the Indio facility where evening shift operations take place.

The agency fleet also includes older models from 2008, some of which have accumulated over a million miles, as well as 2020 models that are currently undergoing mid-life refreshes from extensive use. Most of these buses are manufactured by New Flyer. For paratransit and microtransit services, SunLine operates ADA-accessible vans and is in the process of integrating previously leased SunRide-branded vehicles into its paratransit operations. Furthermore, two new zero-emission electric vehicles are expected to be added to the microtransit fleet in the near future.

During the audit, it was observed that the agency’s primary maintenance facility—now over three decades old—no longer meets the operational demands of a modern transit fleet. The building lacks air conditioning, creating an extremely uncomfortable working environment for maintenance staff, particularly during periods of high heat. This has raised concerns regarding both employee well-being and overall productivity during summer months. Moreover, the facility was not originally designed to accommodate the technological and spatial requirements of hydrogen or electric buses, which are increasingly becoming part of the agency’s fleet.

In response to this misalignment, the agency has prioritized the development of a new, state-of-the-art maintenance facility. The proposed site, located directly behind the existing administration building, will not only address current deficiencies but also enable the repurposing of the existing maintenance area into additional bus parking—an operational improvement given the agency’s growing service demand.

Additionally, the audit found that the parts storage system is severely constrained as the current parts room is housed in an aging trailer, with overflow inventory stored in multiple shipping containers. This fragmented storage approach is a direct result of limited space and the need to maintain a broader inventory to support a more diverse fleet. As a result, the agency’s parts inventory has grown significantly, with current values approaching \$2 million.

Entry-level mechanics start at the “C” level and will shadow the “B” and “A” level mechanics. During the audit period, specialized training for mechanics was implemented and included in the MOU for advancement from the “C” to the “A” level. Junior-level mechanics are sent to the Orange County Transportation Authority’s apprenticeship program. The new unionized classification of Maintenance Advanced Tech Supervisor to address the shift to new bus technologies was retitled and moved to the Performance office.

In addition to the collaboration with the Orange County Transportation Authority (OCTA) apprenticeship program for the junior-level mechanics, other training initiatives with California Transit Training Consortium, Zed Tech supported the agency this past three years in advancing the formalization and expansion of mechanic training programs—particularly in high-voltage systems for zero-emission buses—with the long-term objective of achieving college-level accreditation. In addition, several mechanics on staff have been through the Automotive Service Excellence certification program.

The SunLine Vehicle Maintenance Plan was updated in January 2025, and the agency continued the update of this January of every year. New protocols were added and reflect the newer vehicles added to the fleet. The plan outlines the agency’s preventive maintenance inspection (PMI) program based on an A-B-C-D mileage schedule. FleetNet maintenance software was utilized through FY 2024 for PMI tracking and forecasts each category of preventative maintenance scheduled.⁴ The agency is looking to move towards more of an electronic filing format that would be more streamlined and efficient with less paperwork. Engine oil sample checks and oil changes are taken every 6,000 miles for non-electric engines. The PMI plan is detailed in Table V-3. Mileage must be manually entered into FleetNet at the facility after bus runs since the fuel reader device does not have the capability to transfer mileage data automatically to FleetNet. All PMIs must be completed within a mileage window before they are due, as summarized in Table V-4.

Table V-4
SunLine Transit Agency
PMI Schedule

PM Type	PM Due Mileage	Forecast Mileage	Completion Window
Fixed Route			
APM	6,000	5,400	5,400 to 6,600
BPM	12,000	11,400	11,400 to 12,600
CPM	24,000	23,400	23,400 to 24,600
DPM	48,000	47,400	47,400 to 48,600
Dial-A-Ride			
APM	6,000	5,400	5,400 to 6,600
BPM	12,000	11,400	11,400 to 12,600
CPM	24,000	23,400	23,400 to 24,600

Source: SunLine Transit Agency

⁴ FleetNet was replaced by Hexagon EAM following the audit period.

The majority of maintenance work is performed in-house; however, any outside repairs would fall under micro-purchases including alternators, smog testing, and wheel alignments. Pre-trip inspections involve oversight of the road supervisor during the morning pull-out. At that time, the operator will report any issues to dispatch, which get conveyed to maintenance. The post-trip inspection involves the operator being queried on the condition of the vehicle. The GFI fareboxes are also probed at that time.

Cycle counts are performed on a monthly basis. Only supervisory staff and lead mechanics are allowed to retrieve parts. Parts are bar-coded and categorized according to vehicle make and model. SunLine maintains minimum and maximum inventory thresholds. The Finance Department conducts an annual inventory count involving personnel from accounting, procurement, and maintenance. Vehicle warranties help dictate which parts are ordered. Each part is scanned with a video checkout unit connected to the FleetNet software system. The Parts Department is camera monitored.

FleetNet keeps a history of each item in inventory. This program is also utilized for cost pricing comparisons (less than \$2,500). The micro-purchase threshold was increased from \$3,000 to \$10,000. For items or services exceeding \$100,000, an Invitation for Bid or a Request for Proposals is made. The majority of inventory as measured in value is at the Thousand Palms facility. SunLine procures parts from a variety of vendors such as Napa Auto Parts, the local Ford dealership, and Carquest for the Orion vehicles. Some after-market parts are procured directly from New Flyer and Cummins. Tires are leased through a contract.

Maintenance Performance

Tables V-5, V-6, and V-7 show performance metrics for SunBus, SunDial/SunRide, and VanPool, respectively.

**Table V-5
SunBus Maintenance Performance Indicators**

Maintenance Data	Base Year	Audit Review Period			% Change
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2021-2024
Cost for Maintenance	\$5,781,209	\$5,627,023	\$6,565,022	\$7,825,758	35.4%
Maintenance Pay Hours	80,629	73,120	81,194	83,548	3.6%
Total Vehicle Hours	208,966	205,158	199,205	196,903	-5.8%
Total Vehicle Miles	3,405,858	3,528,335	3,423,771	3,126,089	-8.2%
Active Vehicles	89	84	86	88	-1.1%
Peak Vehicles	52	60	47	47	-9.6%
Total Vehicle Failures	517	530	358	531	2.7%
Performance Indicators					
Maintenance Cost per Veh Hour	\$27.67	\$27.43	\$32.96	\$39.74	43.7%
Maintenance Cost per Veh Mile	\$1.70	\$1.59	\$1.92	\$2.50	47.5%
Maintenance Cost per Active Veh	\$64,957	\$66,988	\$76,337	\$88,929	36.9%

Maintenance Data	Base Year	Audit Review Period			% Change
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2021-2024
Veh Hours per Maint Pay Hour	2.59	2.81	2.45	2.36	-9.1%
Veh Miles per Maint Pay Hour	42.24	48.25	42.17	37.42	-11.4%
Veh Hours per Active Vehicle	2,348	2,442	2,316	2,238	-4.7%
Veh Miles per Active Vehicle	38,268	42,004	39,811	35,524	-7.2%
Veh Miles Between Failures	6,588	6,657	9,564	5,887	-10.6%
Spare Ratio	71.2%	40.0%	83.0%	87.2%	22.6%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

Maintenance costs for SunBus increased from \$5.7 million in FY 2021 to \$7.8 million in FY 2024, a 35.4 percent increase. The number of vehicle failures reported by SunLine to the FTA increased by 2.7 percent over the audit period, going from 517 failures in FY 2021 to 531 failures in FY 2024, though it is noted the number of failures declined to 358 in FY 2023. Maintenance costs using performance metrics such as cost per vehicle hour and per vehicle mile increased by 43.7 percent and 47.5 percent, respectively, due to the increasing cost trend.

In addition, miles between failures decreased by 10.6 percent during the audit period, which is a negative trend, going from 6,588 miles in FY 2021 to 5,887 miles in FY 2024, but noting 9,564 miles between failures in FY 2023. The figures still met the agency’s performance goal of 5,000 miles between failures.

**Table V-6
SunDial/SunRide Maintenance Performance Indicators**

Maintenance Data	Base Year	Audit Review Period			% Change
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2021-2024
Cost for Maintenance	\$1,184,127	\$1,128,973	\$1,227,055	\$1,626,805	37.4%
Total Vehicle Hours	64,192	61,520	67,775	85,879	33.8%
Total Vehicle Miles	946,875	992,697	1,064,019	1,221,357	29.0%
Active Vehicles	39	37	37	50	28.2%
Peak Vehicles	29	28	28	35	20.7%
Total Vehicle Failures	49	72	63	64	30.6%
Performance Indicators					
Maintenance Cost Per Veh Hour	\$18.45	\$18.35	\$18.10	\$18.94	2.7%
Maintenance Cost Per Veh Mile	\$1.25	\$1.14	\$1.15	\$1.33	6.5%
Maintenance Cost Per Active Veh	\$30,362	\$30,513	\$33,164	\$32,536	7.2%
Veh Hours Per Active Vehicle	1,646	1,663	1,832	1,718	4.4%
Veh Miles Per Active Vehicle	24,279	26,830	28,757	24,427	0.6%
Veh Miles Between Failures	19,324	13,787	16,889	19,084	-1.2%
Spare Ratio	34.5%	32.1%	32.1%	42.9%	24.3%

Maintenance Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

Maintenance costs for demand response increased 37.4 percent during the audit period, inclusive of SunRide microtransit cost of \$145,694 in FY 2024. FY 2024 was the first year of NTD reporting for this mode. Maintenance cost performance metrics such as cost per vehicle hour and per vehicle mile both increased marginally, by 2.7 percent and 6.5 percent, respectively. Maintenance cost per active vehicle increased by 7.2 percent over the audit period. Vehicle miles between failures decrease slightly by 1.2 percent over the three-year period from 19,324 in FY 2021 to 19,084 in FY 2024.

**Table V-7
Vanpool Maintenance Performance Indicators**

Maintenance Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-2024
		FY 2022	FY 2023	FY 2024	
Cost for Maintenance	\$4,522	\$5,734	\$6,836	\$8,130	79.8%
Total Vehicle Hours	3,613	4,014	3,962	4,367	20.9%
Total Vehicle Miles	191,501	193,044	190,868	227,419	18.8%
Active Vehicles	6	7	7	7	16.7%
Peak Vehicles	6	7	7	7	16.7%
Total Vehicle Failures	0	0	0	1	--
Performance Indicators					
Maintenance Cost Per Veh Hour	\$1.25	\$1.43	\$1.73	\$1.86	48.7%
Maintenance Cost Per Veh Mile	\$0.02	\$0.03	\$0.04	\$0.04	51.4%
Maintenance Cost Per Active Veh	\$754	\$819	\$977	\$1,161	54.1%
Veh Hours Per Active Vehicle	602	573	566	624	3.6%
Veh Miles Per Active Vehicle	31,917	27,578	27,267	32,488	1.8%
Veh Miles Between Failures	--	--	--	227,419	--
Spare Ratio	0.0%	0.0%	0.0%	0.0%	--
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

Maintenance costs for SunLine’s SolVan vanpool service increased significantly by 79.8 percent during the audit period, in contrast to the number of active vehicles increasing by 16.7 percent over the same time period. Maintenance cost performance metrics such as cost per vehicle hour and per vehicle mile both increased significantly, by 48.7 percent and 51.4 percent, respectively. Maintenance cost per vehicle increased by 54.1 percent from FY 2021 to FY 2024. SunLine

transferred the SolVan program to the RCTC VanClub program in 2024 as the VanClub program expanded into the Coachella Valley and eastern Riverside County.

Planning

SunLine prepares a Short-Range Transit Plan (SRTP) on an annual basis as part of the funding requirements of RCTC. The SRTP covers a three-year planning horizon and establishes objectives for the agency's transit services and capital improvement program. The SRTP is developed internally and involves the solicitation of input from the nine incorporated cities and the County of Riverside. The process involves review of local municipal planning developments such as single-family housing tracts. In addition, SunLine engages the community and local stakeholder groups, including for input on unmet transit needs. Samples of stakeholders engaged during the process included like CSUSB, College of the Desert (COD), and the Torres Martinez Desert Cahuilla Indians.

One of the most significant procedural enhancements has been the overhaul of the SRTP update process. The planning departments now submit project proposals through an online form, detailing scope, timelines, cost estimates, and justifications. These submissions are compiled and reviewed by the executive team, prioritized based on resource availability, and finalized with CEO concurrence. This structured approach has improved transparency and alignment across departments.

SunLine has also adopted a forward-looking service planning model, described internally as planning "two bids ahead." This allows the agency to prepare for future service changes well in advance, ensuring adequate time for internal review, bus stop modifications, and timely production of rider guides.

Community engagement and interagency collaboration have become central to SunLine's planning strategy. The agency works closely with local jurisdictions and CVAG on multimodal initiatives, including enhancements to bike infrastructure and the CV Link active transportation pathway. Notable infrastructure projects include the Coachella Hub—a joint venture with Cathedral City that provides operator amenities—and ongoing discussions for a new major time point at B Street and Buddy Rogers, envisioned as part of a mixed-use development with potential private and affordable housing components.

SunLine has also supported Desert Hot Springs in its grant application for a multimodal hub near City Hall and the local high school, with potential coordination with the Basin Transit to improve service frequency. The agency has committed to serving this future hub. In parallel, SunLine is engaged with Palm Springs International Airport to ensure transit accessibility amid planned expansions, with quarterly coordination meetings scheduled to prepare for major events such as the World Cup and Olympics.

The planning department is also responsive to regional economic development. Transit needs are being evaluated in light of new developments, including an Amazon fulfillment center and a business park in Desert Hot Springs. Discussions are underway to provide service to the new Acrisure Arena,

which hosts large-scale events. While traffic congestion presents challenges, SunLine is exploring marketing partnerships to promote transit use among event attendees.

In 2024, the SunLine Board of Directors approved and officially adopted SunLine’s Public Transit Agency Safety Plan (PTASP). The plan, which is required by the FTA for all urbanized transit providers, must detail the processes and procedures transit providers utilize to implement Safety Management Systems as well as establishing safety performance targets. Plan updates and agency self-certification confirming compliance is required annually.

The updated plan clarified definitions, committee responsibilities, and introduced a Safety Risk Reduction Program, along with processes for setting and tracking safety performance targets. This plan serves as the foundation for all safety initiatives. It integrates with the agency’s Safety Risk Management process, primarily managed through Vector Solutions, which tracks hazards, incidents, and corrective actions, promoting transparency and continuous safety improvement.

Marketing

In its FY 2022-2024 SRTP, SunLine details implementation strategies, target audiences, and areas of focus that agency marketing initiatives will focus on to assist in branding and retaining current riders and attracting new riders. The agency uses targeted marketing of transit services through print media, including advertisements in local newspapers, as a cost-effective strategy to promote its services. Marketing is also conducted through a variety of other means including social media and its website. Customer service personnel are composed of three representatives and one receptionist.

The SunLine website (<http://www.sunline.org/>) contains information about routes, schedules, services, and fares, including a system-wide map. The website underwent a major upgrade during the audit period. Passengers are also able to purchase passes online. The website features a quick links menu bar to route and schedule information, service alerts, pass purchases, employment opportunities, taxi services, and contact links. There is also a link to the Transit App, which helps riders monitor the bus system and schedule their next ride. The app provides riders with a real-time bus tracking system powered by global positioning system technology. As a result, the discontinuity of the agency refueled initiative, SunLine adopted a more adaptive, data-driven approach to transit planning, grounded in present-day realities, and aligned with anticipated regional growth. The agency continued service redesign including the 10 Commuter Link, SunRide rideshare service, and the consolidated fixed route network.

SunLine publishes a bilingual (English/Spanish) consolidated timetable or Rider’s Guide of its routes which a primary communication tool for the public regarding services. The Rider’s Guide provides fare information, schedules, rider etiquette, SunDial information, and a system map. The guide is updated two to three times annually to reflect route and schedule changes. The agency is considering publishing fewer copies of the Rider’s Guide as it expands mobile and electronic platforms.

The planning team places emphasis on ensuring the timely availability of Rider's Guides when considering proposed service changes and amendments to bus stops. This is an integral part of their process to streamline operations and provide sufficient time for reviewing and disseminating information about service modification. This approach is particularly relevant given past service adjustments, such as the *Sunline Refueled* initiative which involved renaming routes and bifurcating major routes like Route 111, changes that would necessitate comprehensive updates to a Rider's Guide as it must accurately reflect the current service offerings.

Other publications include the SunDial Curb-to-Curb ADA Paratransit Service brochure; the SunRide user guide pamphlet; the Taxi Voucher Program brochure; and the Half-Fare Program for SunBus. Information is posted at bus stops and other major activity centers such as schools, senior centers, retail outlets, and public facilities. Brochures and schedules are available on buses, at the various activity centers, and online.

Service modernization plays a dual role in SunLine's marketing efforts. Operational improvements—such as route restructuring, the introduction of microtransit services, and technology upgrades—are not only designed to enhance the rider experience but also function as promotional assets. By visibly investing in service quality, SunLine communicates its dedication to innovation and responsiveness, which strengthens its brand and encourages rider loyalty.

SunLine's use of data-driven feedback mechanisms reflects a mature and responsive marketing model. Rider surveys and social media monitoring provide real-time insights into public sentiment, enabling the agency to adjust its strategies based on actual user experiences. This feedback loop is essential for maintaining service relevance and addressing concerns proactively.

SunLine utilizes various social media platforms including Facebook, Instagram, Twitter, and YouTube. Social media, particularly Facebook, are used to announce promotions, community events ("Pack the Bus"), service changes, and route detours. SunLine reports increased levels of followers and engagement on its social media platforms. Other social media platforms where SunLine has a presence are LinkedIn and TikTok.

There are creative marketing promotions and events such as the 111 Music Festival held in November that feature live musical performances on Route 1EV/1WV buses as well as the Coachella Valley Arts Scene. Quick response or QR codes are utilized in marketing materials that direct users to the website. Additional technology enhancements include Wi-Fi on the buses and the SunRide App, which allows passengers to book a ride on SunRide. The Operations office can view live footage on board the buses. The agency also continues to run advertising spots over local radio stations and Spanish-language television as well as on bus shelters and in print publications. There has been a greater emphasis on Spanish language outreach, particularly in the East Valley.

SunLine previously produced an annual report highlighting the agency's accomplishments and activities for the past year. The annual report was distributed to the communities in the Coachella Valley to communicate the message that investment in transit delivers a return beyond simply

helping those that ride the bus. The last annual report was published five years ago. The agency is looking to resume publication of the report.

Travel training outreach is tailored to both groups and individuals. Travel training presentations are given at area high school campuses, civic groups, senior centers, and disabled groups to provide education about destinations and services available. Individual travel training involves meeting the prospective rider at home and walking to the nearest bus stop. The agency also works with special needs individuals such as the visually impaired and the Guide Dogs of the Desert organization. Requests for travel training are facilitated through the website. SunLine encourages each one of its employees to become “Transit Ambassadors,” empowered with the knowledge and communications skills to educate existing and potential riders about SunLine service and programs.

SunLine is a member of the Southern California Community Outreach Transit Group, composed of peer agencies such as Foothill Transit, OCTA, Metrolink, Omnitrans, and Mountain Transit. The group meets quarterly at Omnitrans and Foothills Transit offices by conference call or in person. SunLine retains an outside media consultant for graphic design, press releases, and media interface.

The agency’s marketing efforts are carefully tailored to reach a diverse set of target audiences. Students benefit from programs like the Commuter Link 10 and the Haul Pass initiative, which reduces financial barriers and promotes transit use among young riders. The general public and current riders are retained through reliable service and responsive communication, while potential new riders are drawn in by expanded service areas, improved digital tools, and fare innovations. Vulnerable populations are supported through awareness campaigns, such as the anti-human trafficking initiative, and seniors and individuals with disabilities receive specialized travel training to ensure safe and independent transit use.

SunLine’s branding and public image have been significantly bolstered by recent accolades, including the Caltrans Excellence in Public and Transit Award and the APTA Outstanding Public Transportation System Award. These recognitions validate the agency’s efforts and enhance its credibility. A new website launched in 2025 further improves SunLine’s digital presence, offering streamlined features and maintaining ADA compliance and bilingual accessibility. Social media platforms are actively used to engage the public, with metrics such as impressions and engagement time guiding content strategy.

Pursuant to the federal Civil Rights Act of 1964, a Title VI Program has been developed and adopted by the agency. Title VI of the Civil Rights Act of 1964, which requires that no person in the United States, on the grounds of race, color, or national origin, be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Program compliance includes Title VI notices and complaint forms published in English and Spanish that are posted on the transit website and vehicles. SunLine’s Title VI Policy Statement is posted on the website (<https://www.sunline.org/civil-rights>).

Customer service requests and issues are logged into the COMS module in Trapeze from the feedback form on the website. The most common complaints reported pertain to bus pass-ups,

missed transfers, rude operators, and the conduct of other passengers. The most common compliments received involve extra assistance provided by the operators and personable conduct. For the audit period, systemwide customer feedback data was available in TransTrack Manager only for FY 2021-22. For that year, total customer complaints were 346. With unlinked trips totaling 2,281,817 that year, the performance indicator of complaints per 100,000 passenger trips was 15.16. For comparison, in the base year FY 2021, complaints totaled 243 for 2,087,234 unlinked trips, resulting in complaints per 100,000 passenger trips of 11.64. Also, SunLine reported complaints separately for SunDial for the three-year audit period, shown in Table V-8.

**Table V-8
SunDial Customer Complaints**

Customer Complaint Data	Audit Review Period			% Change
	FY 2022	FY 2023	FY 2024	FY 2022-FY 2024
Unlinked Passenger Trips	101,589	110,154	119,492	17.6%
Complaints	153	116	85	-44.4%
Complaints per 1,000 Psgr Trips	1.5	1.1	0.7	-52.6%

Sources: SunLine Monthly Paratransit Customer Complaints

The total number of complaints and the number of complaints per 100,000 passenger trips decreased by 44.4 percent and 52.6 percent respectively from FY 2022 to FY 2024.

Throughout the audit period, the Marketing department undertook multiple marketing campaigns, increasing SunLine’s visibility and involvement in the community. Such campaigns include:

- “Fill the Bus” Food Drive, November (Annually). A recurring community event aimed at collecting food donations to support families in need during the holiday season.
- “Haunted Bus” Event, Halloween Season (Annually). A themed event held in partnership with the City of Palm Springs, revived after a COVID-related pause, to engage the community in a festive and fun way.
- Public Awareness Award from Caltrans, January 2022. SunLine was recognized with the Public Awareness Award as part of the 2021 Excellence in Public and Transit Awards for its outstanding communication and outreach efforts.
- Implementation of Swiftly and Transit App, Early 2025. SunLine rolled out these mobile applications to enhance trip planning and real-time transit information for riders.
- Strategic Focus on Customer Experience, Fiscal Year 2026. As part of its strategic priorities, SunLine began a comprehensive initiative to improve the rider journey, in collaboration with Insight Strategies.

- Launch of New Website, Summer 2025. A redesigned, ADA-compliant, and bilingual website aimed at improving digital communication and accessibility.
- Rollout of Mystery Rider Program, September 2025. A new internal quality assurance initiative where staff ride buses anonymously to evaluate operator performance, safety, and cleanliness.
- Launch of Anti-Human Trafficking Awareness Campaign, September 2021. SunLine introduced a campaign in collaboration with local organizations to raise awareness and train operators on identifying and responding to human trafficking. Funded by an FDA grant.
- SunLine launched this campaign to highlight the work the agency has done to maintain the health and safety of its service throughout the pandemic, intended to help bolster the public's trust and improve the perception of public transit in the area.
- "A Drive to Change Lives" – As part of National Travel & Tourism Week, on May 7, 2021, SunLine partnered with the Greater Palm Springs Convention & Visitor Bureau to host a donation drive benefitting "Well in the Desert." This organization provides clothing, showers, cooling centers, and hot meals to individuals in need in the Western Coachella Valley.
- Annual Student Art Contest – SunLine invites students in grades K through 9 to submit art showcasing themes including sustainability and public transit in the community. The winning students' artwork is showcased on the bus wrap of an in-service bus for the following year.

General Administration and Management

SunLine is a JPA made up of the nine incorporated cities in the Coachella Valley and the County of Riverside. The 10-member Board of Directors is composed of elected officials from each of the nine incorporated cities plus a representative from the Riverside County Board of Supervisors, Fourth District. The Board meets 10 times each year on the fourth Wednesday of the month at noon. The July and August meetings are combined and are usually held on the fourth Wednesday in July. The November and December meetings are also combined and are held on the first Wednesday in December. Special meetings may be convened by the chairperson as needed. The chair and vice-chair are elected by the other board members for annual terms that commence on July 1 of each year.

In this post-COVID era, all meetings have been resumed to in-person in the Board Room at the SunLine Transit Agency Thousand Palms Administration Building located at 32-505 Harry Oliver Trail. Serving in an advisory role to the Board are five standing committees: Finance/Audit Committee, Board Operations Committee, Strategic Planning & Operational Committee, Taxi Committee, and

ACCESS Advisory Committee. The committees have been more empowered and engaged by bringing more items before the Board.

The time gap between the departure of the previous Chief Executive Officer/General Manager and the hiring of the next Chief Executive Officer/General Manager was about six months between February and August 2023. During this time, an interim General Manager was contracted to manage the agency and develop a strategic plan for the year. The interim GM was already familiar with the agency and had worked earlier with the Controller/Assistance Chief Financial Officer. Restructuring efforts have been ongoing over the past two audit periods and include the creation of new positions and adjustments to which departments report to each chief. Table V-9 lists these senior positions during the end of the audit period, which were filled through hirings and promotions announced in April 2024, as well as shortly after from changes implemented by the new Chief Executive Officer/General Manager.

**Table V-9
SunLine Leadership Structure Changes**

During Audit Period	Transition to Next Audit Period
Chief Executive Officer/General Manager	Chief Executive Officer/General Manager
Chief Financial Officer	Chief Financial Officer
Chief Safety Officer	Chief Safety Officer
Chief of Human Relations	Chief of Human Relations
Chief Transportation Officer	Chief Transportation Officer
Chief of Staff	Chief Planning Officer
Chief Maintenance Officer	Chief Maintenance Officer
Chief of Public Affairs	Chief Capital Projects
Chief of Compliance/Labor Relations (DBELO/EEO)	Chief Administrative Officer

Source: SunLine Transit Agency SRTPs, FY 2024 & 2025

Strategic planning was aligned with budget development, and organizational culture initiatives focused on transparency, communication, and employee engagement. The agency’s budget process commences in January. The Finance Department compiles two years of information along with current year projections. Protected spreadsheets are sent out to department heads and followed by a series of three to four meetings with each department. Budget requests are reviewed by the budget analyst and CFO who in turn review the budget data with the CEO/General Manager. A final budget draft is presented to the Board in May to comment on it as an information item, adopted in June, and becomes effective July 1.

The Employee Handbook underwent an update and was presented for approval to the Board Operations Committee and Board of Directors in April 2023. Among the changes, staff and legal provided a revision to Section 7: Separation in the Employee Handbook, which guides SunLine personnel regarding their conduct as employees of SunLine Transit Agency. The modification incorporates the language from the California State Labor law for SunLine to have consistency between the state law and the Employee Handbook.

The agency’s most recent FTA triennial review during the audit period was conducted on February 27, 2023 (scoping meeting) with site visits on September 11 and 14, 2023. The final report was completed November 7, 2023. While there were no repeat deficiencies from the FY 2019 Triennial Review, deficiencies were found in five areas including Technical Capacity – Project Management; Satisfactory Continuing Control; Maintenance; general ADA; and Drug and Alcohol Program. Most deficiencies related to insufficient or inadequate oversight of technical contractors, plus property reports not submitted and excessive spare ratio.

Administrative Performance

Tables V-10, V-11, and V-12 show performance indicators for administration relative to SunBus, SunDial/SunRide, and SolVan, respectively.

**Table V-10
SunBus Administrative Performance Indicators**

Administration Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-FY 2024
		FY 2022	FY 2023	FY 2024	
Administration Costs	\$11,699,605	\$13,458,489	\$15,686,078	\$15,180,878	29.8%
Vehicle Service Hours (VSH)	192,663	188,049	183,174	181,582	-5.8%
Vehicle Service Miles (VSM)	2,921,255	2,978,952	2,905,526	2,660,900	-8.9%
Unlinked Passenger Trips	2,000,077	2,180,106	2,559,429	2,585,788	29.3%
Passenger Miles	12,102,290	18,748,912	21,507,123	19,864,009	64.1%
Performance Indicators					
Admin Cost Per VSH	\$60.73	\$71.57	\$85.63	\$83.60	37.7%
Admin Cost Per VSM	\$4.00	\$4.52	\$5.40	\$5.71	42.5%
Admin Cost per Psgr Trip	\$5.85	\$6.17	\$6.13	\$5.87	0.4%
Admin Cost per Psgr Mile	\$0.97	\$0.72	\$0.73	\$0.76	-20.9%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

As shown in the National Transit Database, administrative costs allocated to fixed-route service increased by 29.8 percent during the period between FYs 2022 and 2024, using the base year of FY2021. The increase was due to cost growth in both labor and liability cost items in the NTD report (including insurance premiums). As a result of the increase in administrative costs and decrease in service hours and service miles, performance indicators measured by cost per vehicle hour and per vehicle mile showed significant increases as illustrated by growth in each cost measure. However, administrative cost per passenger trip was relatively flat due to similar increases to both ridership and cost.

Table V-11
SunDial/SunRide Administrative Performance Indicators

Administration Data	Base Year FY 2021	Audit Review Period			% Change FY 2021-FY 2024
		FY 2022	FY 2023	FY 2024	
Costs for Administration	\$908,091	\$960,049	\$978,032	\$1,464,604	61.3%
Vehicle Service Hours (VSH)	54,113	53,828	56,641	76,941	42.2%
Vehicle Service Miles (VSM)	732,186	807,081	842,327	984,877	34.5%
Unlinked Passenger Trips	71,129	101,589	110,154	141,927	99.5%
Passenger Miles	568,982	994,482	1,107,684	1,278,471	124.7%
Performance Indicators					
Admin Cost Per VSH	\$16.78	\$17.84	\$17.27	\$19.04	13.4%
Admin Cost Per VSM	\$1.24	\$1.19	\$1.16	\$1.49	19.9%
Admin Cost per Psgr Trip	\$12.77	\$9.45	\$8.88	\$10.32	-19.2%
Admin Cost per Psgr Mile	\$1.60	\$0.97	\$0.88	\$1.15	-28.2%
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

Administrative costs allocated to Dial-A-Ride service as shown in the National Transit Database increased by 61.3 percent during the audit period, inclusive of SunRide microtransit cost of \$360,754 in FY 2024, the first year of reporting. In addition, the liability cost item for SunDial in the NTD report (including insurance premiums) increased by 35 percent in the past three years. As a result of the increase in costs coupled with increases in vehicle hours, vehicle miles, and ridership, performance indicators measured by cost per vehicle hour and per vehicle mile increase marginally, while cost per passenger and per passenger trip showed a decrease as ridership grew faster than administrative cost for these Dial-A-Ride services.

Table V-12
VanPool Administrative Performance Indicators

Administration Data	Base Year FY 2021	Audit Review Period			% Change FY2021- FY 2024
		FY 2022	FY 2023	FY 2024	
Costs for Administration	\$183,365	\$211,357	\$210,121	\$72,321	-60.6%
Vehicle Service Hours (VSH)	3,613	4,014	3,962	4,367	20.9%
Vehicle Service Miles (VSM)	191,501	193,044	190,868	227,419	18.8%
Unlinked Passenger Trips	16,028	17,110	19,948	23,739	48.1%
Passenger Miles	929,468	907,071	1,059,616	1,273,279	37.0%
Performance Indicators					
Admin Cost Per VSH	\$50.75	\$52.65	\$53.03	\$16.56	-67.4%
Admin Cost Per VSM	\$0.96	\$1.09	\$1.10	\$0.32	-66.8%
Admin Cost per Psgr Trip	\$11.44	\$12.35	\$10.53	\$3.05	-73.4%
Admin Cost per Psgr Mile	\$0.20	\$0.23	\$0.20	\$0.06	-71.2%

Michael Baker International - 52

Administration Data	Base Year FY 2021	Audit Review Period			% Change FY2021- FY 2024
		FY 2022	FY 2023	FY 2024	
Percentage Change Consumer Price Index (CPI-U)	3.31%	2.45%	2.85%	8.24%	

Source: NTD Reports

Administrative costs allocated for vanpool service, as shown in the National Transit Database, decreased significantly for the period between FYs 2021 and 2024, as the program was transferred to RCTC. Costs decreased by 60.6 percent over the audit period, while administrative costs per vehicle service hour and vehicle service mile decreased by like amounts exceeding 60 percent. Administrative costs per passenger trip and per passenger mile also decreased significantly over the audit period, by 73.4 percent and 71.2 percent, respectively.

Grants Management

The Capital Improvement Program including grant funding focuses on continuing SunLine’s investment in increasing its alternative fuel technology and energy efficient infrastructure as well as aging infrastructure and equipment to make long term investments in operational capabilities, energy strategies, and regulatory compliance by conforming with the California Air Resources Board’s (CARB) Innovative Clean Transit mandate.

The ICT regulation requires SunLine to gradually transition to a 100 percent zero-emission bus (ZEB) fleet. As SunLine grows its fleet to provide additional service, it will need to evaluate daily mileage needs and the incremental capital or electricity costs of depot-charging electric buses that cannot be offset by available incentive and funding programs. SunLine is also planning for the new infrastructure needed to support hydrogen production and refueling for its fuel cell buses. It is also evaluating expansion of its satellite facility in Indio to support hydrogen and ZEB fueling and maintenance.

SunLine is working with the Coachella Valley Association of Governments to plan and fund street improvements needed to preserve bus travel times and improve service reliability. These street improvements include TSP measures, queue jumpers, and dedicated bus lanes. Super stops are another capital improvement aimed at enhancing the passenger experience. These stops include enlarged and near-level boarding areas, enhanced shelters, and upgraded amenities. SunLine is also working with its member cities to improve multimodal connections to its fixed route bus service. This includes connections to the Coachella Valley (CV) Link.

The Finance Department oversees grants management and monitors grant activity and milestones. SunLine utilizes grant funding from local, state, and federal sources to support operations and capital procurement and projects. Grant status is tracked on a grant summary spreadsheet that is configured based on the project type or operational function. The grants summary worksheet details the original grant, budgeted and expended amounts, and remaining grant funds. Estimated completion dates are identified while closed grants are highlighted. With the upgrade in Tyler

financial systems, the grant summary sheet and financial tracking should be fully transitioned into the Tyler system so that grant statuses and balances remain updated and synchronized with ongoing grant activity such as reimbursements, financial data entries, and coordination with grantor agencies as well as RCTC. The grants analyst under Finance should actively monitor each grant through this module, ensuring real-time visibility into allocations, expenditures, and remaining balances.

The grants analyst keeps track of the status of each grant and ensures the sign-off by the project initiation team. This process also involves review and approval of allowable expenditures. The analyst is also responsible for programming projects into the SRTP for submittal to RCTC. SunLine should establish formal project controls procedures once projects and funding are approved in the SRTP by RCTC. FTIP programming sheets are submitted by RCTC to SCAG. The senior accountant is authorized to expedite FTA Electronic Clearing House Operation requests.

SunLine employs stringent financial control procedures that include a check signing protocol requiring two wet signatures. Any checks issued over \$50,000 require the signatures of the CEO and one Board member. Checks issued between \$25,000 and \$50,000 require the signatures of the CEO and CFO. Checks issued under \$25,000 involve monthly drawdowns. Prompted by the COVID-19 emergency declaration, SunLine added two positions that have signature authority.

Operating and capital grant funds are derived from FTA Section 5307 (Urban formula, ARPA), FTA Section 5311 (Rural, ARPA), FTA Section 5311 (f) (Intercity, ARPA), FTA Section 5339, Congestion Mitigation and Air Quality, CARB, California Energy Commission, Air Quality Management District, State Transit Assistance, State of Good Repair, Low Carbon Operating Program, Local Transportation Funds, and Local Measure A funding.

Section VI

Statement of Facts

The following summarizes factual events and trends obtained from this triennial audit covering fiscal years 2022 through 2024. A set of recommendations is then provided.

1. Of the nine compliance requirements pertaining to SunLine Transit Agency, the operator fully complied with all nine applicable requirements. Two additional compliance requirements did not apply to SunLine (i.e., separate urbanized and rural farebox recovery ratios).
2. SunLine is subject to an intermediate farebox recovery ratio standard set by RCTC pursuant to PUC Section 99270.1. The intermediate ratio is a blended ratio that accounts for both rural and urbanized areas. The minimum farebox recovery ratios that SunLine was required to meet were 18.77 percent in FY 2022; 18.73 percent in FY 2023; and 18.22 percent in FY 2024. SunLine's farebox recovery ratios based on audited data were 33.26 percent in FY 2022; 32.61 percent in FY 2023; and 33.24 percent in FY 2024⁵. The average annual farebox recovery ratio was 34.16 percent. SunLine exceeded the minimum standard in all three audit years.
3. SunLine Transit Agency participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Inspections conducted during the audit period were rated satisfactory. All fixed-route and Dial-a-Ride vehicles were inspected at SunLine's Thousand Palms facility.
4. The annual changes in the operating budget exhibited moderate increases during the audit period. SunLine's budget for FY 2022 increased by 0.4 percent, by 12.4 percent in FY 2023, and by 3.0 percent in FY 2024. According to the budget, the increase in FY 2023 was attributed to increased safety and security costs for vanpool and SunRide programs. The vanpool safety and security costs decreased the following fiscal year.
5. SunLine implemented one prior audit recommendations while a second recommendation no longer applied. The first recommendation, pertaining to the update of the employee handbook, underwent an update and was presented for approval to the Board Operations Committee and

⁵ AB 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during FY 2019–20 or FY 2020–21. AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in which the operator expended from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.

Board of Directors in April 2023. The second recommendation pertained to the coordination of intelligent transportation infrastructure implementation in the Coachella Valley. This recommendation no longer applied as SunLine would not be the agency with final approval and implementation of transit's involvement in the ITS infrastructure. In addition, changes in agency priority by the new SunLine executive team placed a lower priority on this ITS endeavor.

6. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 25.5 percent system-wide from \$141.98 in FY 2021 to \$178.12 in FY 2024. System-wide operating costs based on audited data experienced an increase of 27.3 percent during the audit period, while vehicle service hours increased by 1.4 percent between FY 2021 and FY 2024 systemwide.
7. Operating cost per passenger, an indicator of cost effectiveness, increased 6.1 percent system-wide from \$17.12 in FY 2021 to \$18.16 in FY 2024. Ridership system-wide increased by 20 percent during the triennial period from 2,088,342 passengers in FY 2021 to 2,505,327 passengers in FY 2024, while operating costs increased by 25.5 percent during that period.
8. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, increased 17.6 percent between FY 2021 and FY 2024 system-wide from 8.3 passengers per hour to 9.8 passengers per hour. Fixed-route operations were consistent with this trend, with a rate of increase of 36.6 percent over the same period from 10.4 to 14.2 passengers per hour. SunDial operations exhibited an increase of 55.6 percent, averaging 1.8 passengers per hour. The vanpool service exhibited a 23.5 percent increase in passengers per vehicle service hour over the audit period. This reverses a trend seen during the COVID-19 pandemic where demand-response and vanpool services temporarily lost passengers at a steeper rate than fixed-route services. Microtransit service carried 0.8 passengers per vehicle service hour in FY2024, the inaugural year of this service.
9. Passengers per vehicle service mile, another indicator of service effectiveness, increased 25.8 percent between FY 2021 and FY 2024 system-wide from 0.54 passengers per mile to 0.68 passengers per mile. For fixed-route operations, the number of passengers per service mile increased by 39.1 percent from 0.68 to 0.95. SunDial exhibited a similar increase in passengers per service mile of 41.9 percent during the audit period, from 0.10 in FY 2021 to 0.14 in FY 2024. For vanpool service, the number of passengers per service mile increased 24.7 percent from 0.08 in FY 2021 to 0.10 in FY 2024. Microtransit service carried 0.19 passengers per vehicle service mile in FY2024, the inaugural year of this service. From the FY 2021 base year to FY 2024, system-wide vehicle service miles decreased 4.6 percent system-wide.
10. The original vision of the Refueled initiative was not fully realized due to operational disruptions, resource constraints—including aging fleets—and difficulties in restoring Level 1 (regular) service to pre-pandemic levels. Instead, SunLine adopted a more adaptive, data-driven approach to transit planning, grounded in present-day realities, and aligned with anticipated regional growth. This shift reflects the agency's commitment to responsive and sustainable service delivery in a rapidly evolving transit landscape.

11. SunLine implemented several key service changes in the post-pandemic era to improve efficiency and expand mobility options. The agency streamlined its network by renaming and simplifying routes and enhanced reliability on its busiest corridor by dividing the former Route 111 into two separate services—Route 1EV in the East Valley and Route 1WV in the West Valley. SunLine also significantly expanded its microtransit program, now operating eight zones across the valley to provide more flexible, demand-responsive service.
12. SunLine secured \$14 million in funding for bus and bus facility improvements, supporting its mission to modernize and expand transit services. Throughout the following years, the agency continued its investment in hydrogen infrastructure, transitioning from electric to hydrogen buses due to operational challenges with battery-electric vehicles.
13. Fare policy remains under review, with potential increases and fare capping under consideration. SunLine has updated its fare collection and cash reconciliation process while planning for future fare system improvement.
14. One of the most pressing challenges was the electrolyzer outage in late 2023, which exposed deficiencies in the hydrogen dispensing system. Although hydrogen production continued, the inability to dispense fuel at scale significantly impacted fleet availability. To maintain service, SunLine had to rely on legacy equipment and lease additional buses, then purchase 15 used but serviceable buses from Riverside Transit Agency, underscoring the need for more resilient systems.

Recommendations

1. Continue addressing maintenance facility conditions, particularly during summer season.

As described in the functional review section, the agency’s primary maintenance facility—now over three decades old—no longer meets the operational demands of a modern transit fleet. The building lacks air conditioning, creating an extremely uncomfortable working environment for maintenance staff, particularly during periods of extreme heat. This has raised concerns regarding both employee well-being and overall productivity during summer months. Lower productivity results and maintenance personnel leave for vacations to escape the high heat. Moreover, the facility was not originally designed to accommodate the technological and spatial requirements of hydrogen or electric buses, which are increasingly becoming part of the agency’s fleet.

The agency has prioritized the development of a new, state-of-the-art maintenance facility using a proposed site located directly behind the existing administration building. A study is being conducted for the new facility. Sunline should ensure close coordination with RCTC during the study since funding will need to be secured for the recommended facility. Meanwhile, SunLine should continue prioritizing expenditures, whether capital or O&M, to assure adequate working conditions and equipment at the existing facility. The fleet includes many older vehicles such as from 2008, and mechanics have to be able to maintain the performance goal of a minimum target between service interruptions (road calls) of 5,000 miles, hovering above 6,000 miles during the audit period.

2. Improve grant financial management.

SunLine enhanced its financial systems with Tyler ERP’s project accounting module, creating an opportunity to significantly improve grant tracking and budget oversight. To fully leverage this upgrade, the grant summary sheet and financial tracking should be transitioned into the Tyler system so that grant statuses and balances remain updated and synchronized with ongoing activities such as reimbursements, financial entries, and coordination with grantor agencies and RCTC. The grants analyst under Finance should actively monitor each grant through this module, ensuring real-time visibility into allocations, expenditures, and remaining balances. In addition, SunLine should establish formal project controls procedures once projects and funding are approved in the SRTP by RCTC. These controls could include automated compliance calendars, milestone tracking, and internal review checkpoints to verify financial accuracy and readiness for external approvals, such as reimbursement requests.



SunLine Transit Agency

Item 10

March 25, 2026

Board Report

AGENDA ITEM: ACTION

TO: Board Operations Committee/Committee of the Whole
Board of Directors

FROM: Vanessa Ordorica, Clerk of the Board

SUBJECT: Approve Resolution No. 0818 Amending SunLine Transit Agency's
Conflict of Interest Code

Recommendation:

Recommend that the Board of Directors (Board) approve Resolution No. 0818 to amend SunLine Transit Agency's (SunLine) Conflict of Interest Code to update the list of designated positions and disclosure categories and reflect recent changes in the law.

Background:

Under the California Political Reform Act, Government Code Section 87306.5 requires every local agency to review its conflict of interest code every even-numbered year and to amend the conflict of interest code when necessary due to changed circumstances or changes in the law. The conflict of interest code identifies designated positions and establishes substantive requirements for the disclosure of financial interests.

SunLine last amended its Conflict of Interest Code (Code) in 2024 during the regular biennial review. California's Senate Bill (SB 852), signed into law on October 3, 2025, makes several changes to the Political Reform Act, including requiring public investment officials to electronically file their statements of economic interests with the Fair Political Practices Commission (FPPC) beginning in 2026.

Staff and General Counsel have determined that SunLine's Code needs to be revised due to SB 852 to state that all Form 700 filers under Government Code section 87200 (public

officials and those with the highest potential to influence governmental decisions) must file their Form 700s electronically with the FPPC. Additionally, staff recommends revising the Code to update the introductory language, the list of designated positions, and the disclosure categories.

Staff and General Counsel also recommend creating a separate conflict of interest code for SunLine Services Group (SSG) because SSG is a separate legal entity with different designated positions and disclosure categories. This item is listed separately on the agenda as item 11.

After the amended Code is approved by the Board, SunLine must transmit it to the Riverside County Board of Supervisors for approval. The Code will need to be reviewed again in 2028 as it is the next even-numbered year.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management be effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Mona Babauta, CEO/General Manager
Catherine J. Groves, General Counsel

Attachments:

- [Item 10a](#) - SunLine Transit Agency - Conflict of Interest Code
- [Item 10b](#) - Resolution No. 0818

SUNLINE TRANSIT AGENCY

CONFLICT OF INTEREST CODE

The Political Reform Act of 1974 (Gov. Code §§ 81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code and can be incorporated by reference in an agency's code.

Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments duly adopted by the FPPC are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the SunLine Transit Agency (SunLine).

Individuals holding designated positions shall file their statements of economic interests with SunLine's Clerk of the Board, who will make the statements available for public inspection and reproduction (Gov. Code § 81008). SunLine will retain the statements.

Attachments: Appendices A and B

APPENDIX A
DESIGNATED POSITIONS

The following designated employees make or participate in the making of decisions, which may have a material effect on a financial interest:

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Board and External Affairs Coordinator	5, 6
Chief, Capital Projects	1, 2, 3, 4, 5
Chief, Human Relations	5, 6
Chief, Maintenance Officer	1, 2, 3, 4, 5
Chief, Safety Officer	1, 3, 4, 5
Chief, Strategic Alignment	1, 2, 3, 4, 5
Chief, Transportation Officer	1, 2, 3, 4, 5
Clerk of the Board	1, 2, 3, 4, 5
Contracts Administrator	3, 4
Director, Board and External Affairs	1, 2, 3, 4, 5
Deputy Chief, Facilities Officer	6
Deputy Chief, Financial Officer	3, 5
Deputy Chief, Fueling and Infrastructure	6
Deputy Chief, General Services	3, 4
Deputy Chief, Maintenance Officer	6
Deputy Chief, Transit Operation	3, 4
Deputy Chief, Transit System and Technology	3, 4
General Counsel	1, 2, 3, 4, 5
Manager, Alternative Fuels	6
Manager, Customer Service	6
Manager, Data and Analytics	6
Manager, Financial Accounting and Reporting	6
Manager, Human Resources/EEOO	5, 6
Manager, Labor and Compliance	3, 5
Manager, Marketing and Events	4
Manager, Paratransit Operations	6
Manager, Risk	5, 6
Manager, Safety	5, 6
Planning Manager – Service Planning and Scheduling	4, 6
Planning Manager – Strategic Planning and Analytics	4, 6
Procurement Specialist	3, 4
Project Manager	6
Senior Project Manager	3, 4
Superintendent, Transportation	4, 6
Superintendent, Fleet Maintenance	6
Supervisor, Materials and Inventory	6
Supervisor, Senior Training	6
Consultants/New Positions	*

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The CEO/General Manager may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant or new position’s duties, and based upon that description, a statement of the extent of disclosure requirements. The CEO/General Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code (Gov. Code § 81008).

Government Code Section 87200

The following positions are NOT covered by this Conflict of Interest Code because they must electronically file their statements of economic interests with the Fair Political Practices Commission pursuant to Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Members of the Board of Directors
- CEO/General Manager
- Chief Financial Officer
- Consultants involved in the investment of public funds

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

APPENDIX B
DISCLOSURE CATEGORIES

- Category 1: Interests in real property located within SunLine's jurisdiction and/or within a two-mile radius of any land owned or used by SunLine.
- Category 2: Investments, and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources of the type that engage in land development, construction or the acquisition or sale of real property.
- Category 3: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources of the type that provide products, services, supplies, material, machinery, or equipment utilized by SunLine or in projects funded by SunLine. Such sources include, but are not limited to, buses, insurance and information technology, telecommunications, public utilities, consultants, transportation companies, and manufacturers.
- Category 4: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources of the type that provide services in the marketing, advertising, transit, or environmental planning sectors.
- Category 5: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources that have filed a claim against SunLine within the last two years or have a claim pending against SunLine.
- Category 6: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources of the type that provide supplies, services, material, machinery, or equipment of the type utilized by the designated position's division.

SUNLINE TRANSIT AGENCY

RESOLUTION NO. 0818

RESOLUTION AMENDING SUNLINE TRANSIT AGENCY'S CONFLICT OF INTEREST CODE

WHEREAS, pursuant to Resolution No. 0782, dated September 23, 2020, SunLine Transit Agency ("SunLine") adopted a Conflict of Interest Code ("Code") as required by the Political Reform Act of 1974; and

WHEREAS, California Government Code Section 87306.5 requires SunLine to review its Code every even-numbered year and revise it if necessary; and

WHEREAS, legal counsel and staff have reviewed the current Code, last amended in 2024, and have determined the Code and its Appendices, listing the designated positions who must disclose their economic interests on an annual basis and disclosure categories for such positions, should be updated to reflect current staffing positions and organization; and

WHEREAS, legal counsel and staff recommend adopting the amendments as reflected in the attached Code.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of SunLine Transit Agency hereby adopts the amended Conflict of Interest Code, in the form presented to the Board of Directors; and

BE IT FURTHER RESOLVED that the Clerk of the Board is directed to transmit a copy of the amended Conflict of Interest Code to the Riverside County Board of Supervisors for its review and approval, and to make any revisions that may be required by the County for approval of the Code.

APPROVED AND ADOPTED by the Board of Directors of SunLine Transit Agency on the 25th day of March, 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Vanessa Ordorica
Clerk of the Board
SunLine Transit Agency

Lynn Malotto
Chairperson of the Board
SunLine Transit Agency

APPROVED AS TO FORM:

Catherine J. Groves
General Counsel



SunLine Services Group

Item 11

Board Report

March 25, 2026

AGENDA ITEM: ACTION

TO: Board Operations Committee/Committee of the Whole
Board of Directors

FROM: Vanessa Ordorica, Clerk of the Board

SUBJECT: Approve Resolution No. 0101 Adopting the SunLine Services Group's
Conflict of Interest Code

Recommendation:

Recommend that the Board of Directors (Board) approve Resolution No. 0101 adopting SunLine Services Group's (SSG) Conflict of Interest Code.

Background:

The California Political Reform Act (Gov. Code §§ 81000 et seq.) requires every local agency to adopt and promulgate a conflict of interest code. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code and can be incorporated by reference in an agency's code. Under the Political Reform Act, Government Code section 87306.5 requires every local agency to review its conflict of interest code every even-numbered year to ensure the code is up to date and meets current legal requirements.

Concurrently with this item, SunLine Transit Agency (SunLine) is considering the approval of a resolution to amend SunLine's conflict of interest code. Because SSG is a separate legal entity with different designated positions and disclosure categories, staff and General Counsel recommend creating a separate conflict of interest code for SSG.

Staff and General Counsel have prepared a conflict of interest code (Code) for SSG and have identified designated positions and established disclosure categories for those individuals. As required by the FPPC, these designated positions will be required to file an annual "Form 700." In addition, all Form 700 filers under Government Code section 87200 (public officials and those with the highest potential to influence governmental decisions) must file their Form 700s electronically with the FPPC.

After the Code is approved by the Board, SSG must transmit it to the Riverside County Board of Supervisors for approval. The Code will need to be reviewed again in 2028 as it is the next even-numbered year.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Resource Acquisition, Allocation, and Management: Prioritizes optimized resource management by effectively acquiring and allocating financial, human, and material resources to ensure operational excellence and long-term sustainability.

In Collaboration with:

N/A

Approved/Reviewed by:

Mona Babauta, CEO/General Manager
Catherine J. Groves, General Counsel

Attachments:

- [Item 11a](#) - SunLine Services Group - Conflict of Interest Code
- [Item 11b](#) - Resolution No. 0101

SUNLINE SERVICES GROUP

CONFLICT OF INTEREST CODE

The Political Reform Act of 1974 (Gov. Code §§ 81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code and can be incorporated by reference in an agency's code.

Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments duly adopted by the FPPC are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the SunLine Services Group (SSG).

Individuals holding designated positions shall file their statements of economic interests with SSG's Clerk of the Board, who will make the statements available for public inspection and reproduction (Gov. Code § 81008). SSG will retain the statements.

Attachments: Appendices A and B

APPENDIX A
DESIGNATED POSITIONS

The following designated employees make or participate in the making of decisions, which may have a material effect on a financial interest:

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Board and External Affairs Coordinator	2
Chief, Strategic Alignment	1, 2, 3
Clerk of the Board	1, 2, 3
Director of Board and External Affairs	1, 2, 3
General Counsel	1, 2, 3
Taxi Contracted Transportation Services Administrator	1, 2, 3
Taxi Regulatory Specialist	1, 2, 3
Consultants/New Positions	*

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:

The CEO/General Manager may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant or new position’s duties, and based upon that description, a statement of the extent of disclosure requirements. The CEO/General Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code (Gov. Code § 81008).

Government Code Section 87200

The following positions are NOT covered by this Conflict of Interest Code because they must electronically file their statements of economic interests with the Fair Political Practices Commission pursuant to Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Members of the Board of Directors
- CEO/General Manager
- Chief Financial Officer
- Consultants involved in the investment of public funds

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

APPENDIX B
DISCLOSURE CATEGORIES

- Category 1: Interests in real property located within SSG's jurisdiction and/or within a two-mile radius of any land owned or used by SSG.
- Category 2: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources that are subject to SSG's regulatory, permit, or licensing authority.
- Category 3: Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) from sources that have filed a claim against SSG within the last two years or have a claim pending against SSG.

SUNLINE SERVICES GROUP

RESOLUTION NO. 0101

RESOLUTION ADOPTING THE SUNLINE SERVICES GROUP'S CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act of 1974 (Gov. Code §§ 81000 et seq.) requires every local agency to adopt and promulgate a conflict of interest code; and

WHEREAS, the Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code and can be incorporated by reference in an agency's code; and

WHEREAS, the Political Reform Act further requires that local agencies review their conflict of interest codes in each even-numbered year and to amend the conflict of interest code if necessary due to changed circumstances or changes in the law; and

WHEREAS, SunLine Services Group ("SSG") is a local government agency required by Government Code Section 87300 to promulgate a conflict of interest code; and

WHEREAS, legal counsel and staff have prepared SSG's Conflict of Interest Code ("Code") and have determined that the Code and its Appendices list the designated positions which must disclose their economic interests on an annual basis and disclosure categories for such positions; and

WHEREAS, the SSG Board of Directors desires to adopt SSG's Code pursuant to this Resolution.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of SunLine Services Group hereby adopts the Conflict of Interest Code, in the form presented to the Board of Directors; and

BE IT FURTHER RESOLVED that the Clerk of the Board is directed to transmit a copy of the Conflict of Interest Code to the Riverside County Board of Supervisors for its review and approval, and to make any revisions that may be required by the County for approval of the Code.

APPROVED AND ADOPTED by the Board of Directors of SunLine Services Group on the 25th day of March, 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Vanessa Ordorica
Clerk of the Board
SunLine Services Group

Lynn Mallotto
Chairperson of the Board
SunLine Services Group

APPROVED AS TO FORM:

Catherine J. Groves
General Counsel



**SunLine Transit Agency &
SunLine Services Group**

Item 12

March 25, 2026

Board Report

AGENDA ITEM: ACTION

TO: Board Operations Committee/Committee of the Whole
Board of Directors

FROM: Bryan Valenzuela, Chief Safety Officer

SUBJECT: Approve Revised Drug and Alcohol Policy B-010394

Recommendation:

Recommend that the Board of Directors approve SunLine Transit Agency's (SunLine) revised Drug and Alcohol Policy No. B-010394.

Background:

SunLine has an established Drug and Alcohol Policy. This policy has been updated to comply with recommendations made by CalTrans and the FTA. Summarized below are the revisions made to the attached redlined policy:

1. Added new policy language authorizing use of oral fluid (saliva) testing for non-safety sensitive employees under certain circumstances.
2. Updated definitions for:
 - o Designated Employer Representative (DER)
 - o Medical Review Officer (MRO)
 - o Substance Abuse Professional (SAP)
3. Added language clarifying the use of over-the-counter medications (OTC)

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

Safety & Security: Our commitment focuses on protecting staff and riders within the SunLine system, creating a culture of safety that protects our communities, while minimizing risk and ensuring accountability to safety and security exists at all levels.

In Collaboration with:

John Sowers, Risk Manager

Approved/Reviewed by:

Mona Babauta, CEO/General Manager

Catherine J. Groves, General Counsel

Attachments:

- [Item 12a](#) – Redlined Copy of Policy No. B-010394
- [Item 12b](#) - Policy No. B-010394 (Redlined Changes Accepted)

DRUG & ALCOHOL POLICY

1.0 POLICY STATEMENT

SunLine Transit Agency (SunLine) is dedicated to providing safe, dependable and efficient transportation services to our passengers and the citizens of the Coachella Valley. Agency employees are our most valuable resource, and it is our goal to provide a healthy and satisfying, working environment that promotes personal opportunities for growth. We also recognize that our employees' use of illegal drugs and misuse of alcohol poses a significant risk to public safety, reduces productivity in the workplace, and negatively affects the employee's health and well-being. In view of this, the Agency has adopted this policy that is designed to

1. Create a work environment free from the adverse effects of drug abuse and alcohol misuse;
2. Deter and detect employee's use of illegal drugs and misuse of alcohol;
3. Prohibit the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances;
4. Encourage employees to seek professional assistance anytime personal problems, including drug or alcohol dependency, adversely affect their ability to safely perform their assigned duties; and
5. Discipline employees who violate the policy, up to and including termination.

1.1 Proper Application of the Policy

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

1.2 Policy Amendments

Amendments that represent major management policy change will be approved by the SunLine Board of Directors. The CEO/General Manager may issue amendments, which are required because of changes in Federal or State law or regulation. All amendments require the review of SunLine Counsel for legal sufficiency.

2.0 PURPOSE

The purpose of this policy is to assure worker fitness for duty and to protect our employees, passengers, and the public from the safety and health risks posed by the misuse of alcohol and use of prohibited drugs. This policy is intended to comply with all applicable state and Federal regulations governing workplace anti-drug use and alcohol misuse programs. They include DOT 49 CFR Part 40, as amended ("Procedures for Transportation Workplace Drug and Alcohol Testing Programs"); FTA 49 CFR Part 655, as amended ("Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations"); DOT 49 CFR Part 29 (Drug-Free Workplace Act of 1988'); and CA Govt. Code Section 8350 et seq. ("Drug Free Workplace Act of 1990"). This policy incorporates the requirements of the above regulations for safety-sensitive employees and others when so noted. **Policies indicated in bold text represent SunLine Transit Agency authority.** Requirements of the Drug-Free Workplace Act of 1988 (DFWA) are entered in *Italics*.

3.0 APPLICABILITY

Unless otherwise noted in specific provisions, this policy applies to all employees (including contract employees) regardless of their functions. The application of this policy to non-safety-sensitive employees comes under the Agency's own authority. Visitors, invitees, and vendors also are prohibited from entering the premises and/or from conducting any work on behalf of the Agency when illegal substances are present in their system, or the odor of alcohol is present on their breath. This policy applies to off site lunch periods or other authorized breaks when an employee is scheduled to return to work or is on-call.

Contractors that provide safety-sensitive work for the Agency (e.g. transporting vehicles for maintenance purposes) are not covered by this policy; but they are required to provide proof to STA that they have a drug and alcohol testing program that complies with the minimum requirements of Part 40 and Part 655.

4.0 PRE-EMPTION OF STATE AND LOCAL LAWS

If any conflict occurs between this policy, State and local laws and any requirement of Federal regulations, the Federal regulations prevail. However, Federal regulations do not pre-empt provisions of State criminal laws that impose sanctions for reckless conduct attributed to prohibited drug use or alcohol misuse, whether the provisions apply specifically to transportation employees, employers, or the public in general.

5.0 DEFINITIONS

The definitions in this policy are intended to track those described in the Federal Regulations specified in Section 2.0.

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

Alcohol Use: The drinking or swallowing of any beverage, liquid mixture or preparation (including any medication) containing alcohol. For purposes of this policy, alcohol is alcohol regardless of source.

Alcohol Screening Device (ASD): A breath or saliva device, other than an EBT, that is approved by the National Highway Traffic Safety Administration (NHTSA) and appears on ODAPC's Web page for "Approved Screening Devices to Measure Alcohol in Bodily Fluids" because it conforms to the model specifications from NHTSA

Breath Alcohol Technician (BAT): An individual who instructs and assists employees or applicants in the alcohol testing process and operates an Evidential Breath Testing (EBT) device.

Canceled Test: A drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which Part 40 requires to be canceled. A canceled test is neither a positive nor a negative test.

Collection Site: A place selected by the employer where employees present themselves for the purpose of providing a specimen for a drug test.

Collector: A person who instructs and assists individuals at a collection site, who receives and makes an initial inspection of the specimen provided by the individual, and who initiates and completes the Custody and Control Form (CCF).

Covered Employee: A person, including a volunteer, applicant / transferee, or contract employee, who performs or is required to perform a safety-sensitive function for the Agency.

Designated Employer Representative: An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties, or cause employees to be removed from these covered duties. and to make required decisions in testing and evaluation processes. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655. Service agents cannot act as DERs.

DHHS: Department of Health and Human Services.

Disabling Damage: Damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs, including damage to motor vehicles that could have been driven, but would have been further damaged if so driven. "Disabling damage" does not include:

- Damage which can be remedied temporarily at the scene of the accident without special tools or parts.
- Tire disablement without other damage even if no spare tire is available.
- Headlamp or taillight damage.
- Damage to turn signals, horn, or windshield wipers, which makes them inoperable.

DOT: U.S. Department of Transportation.

Drugs: The drugs for which tests are required by DOT agency regulations are marijuana, cocaine, amphetamines, phencyclidine (PCP), and opioids.

Drug Abuse: Use of any illegal drug or controlled substance without a valid prescription, misuse of legally prescribed drugs, or use of illegally obtained prescription drugs. This includes use of prescription drugs legally prescribed to another Individual or simply having any detectable amount of an illegal drug within your bodily system.

Evidential Breath Testing (EBT) Device: A device that is approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath at the .02 and .04 alcohol concentrations, and appears on ODAPC's Web page for "Approved Evidential Breath Measurement Devices" because it conforms with the model specifications available from NHTSA.

FTA: Federal Transit Administration; an agency in the U.S. Department of

Transportation.

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

Medical Prescriptions: A medication prescription written by a physician which indicates the employee's name, date, substance, dosage (quantity or amount to be taken), and period of authorization. It is a violation of this policy to use any controlled substance that is inconsistent with the prescription. Please note that the legality of a prescribed medication is based on U.S. federal law; for example, a prescription for "medical marijuana" under California code is not recognized by the DOT/FTA.

Medical Review Officer (MRO): A licensed physician responsible for receiving and reviewing laboratory results generated by the drug testing program who has knowledge of substance abuse disorders, and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

Positive Result: The result reported by an HHS-certified laboratory when a specimen contains a drug or drug metabolite equal to or greater than the cutoff concentration.

Public Transportation Vehicles: Vehicles used for public transportation or ancillary services. They include buses, electric buses, vans, automobiles, rail cars, trolley cars, trolley buses or vessels, and non-revenue commercial motor vehicles.

Refusal to Test: Includes circumstances or behaviors such as:

- Failure to appear or reporting late for any test (except pre-employment for the newly hired) requested by the agency.
- Failure to remain at the testing site until the testing process is completed,
- Fail to attempt to provide a specimen. An employee who does not provide a specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- Failure to permit the direct observation or monitoring of specimen collection when it is required under Title 49 CFR Part 40.
- Failure to provide a sufficient amount of specimen for a drug or alcohol test without a valid medical explanation.
- Failure or refusal to take a second test when required.

- Failure to undergo a medical evaluation when required.
- Failure to cooperate with the testing process. (Examples: refusal to empty pockets when requested, failure to wash hands after being directed to do so by the collector, or behaving in a confrontational manner that disrupts the collection process).
- In alcohol testing, refusal to sign Step 2 of the Alcohol Test Form.
- For a directly observed urine drug test, failure to follow the observer's instructions to raise clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if employee is wearing any type of prosthetic or other device that could be used to interfere with the collection process.
- Possession or wearing of a prosthetic or other device that could be used to interfere with the collection process.
- Admitting adulteration or substitution to the collector or the MRO.
- Leaving the scene of an accident without just cause prior to submitting to a test.
- If the MRO reports a verified adulterated or substituted test result.

Split specimen: In drug testing, the specimen that is sent to a first laboratory and stored with its original seal intact, and which is transported to a second laboratory for retesting at the employee's request following MRO verification of the primary specimen as positive, adulterated or substituted.

Substance Abuse Professional (SAP): A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed or certified marriage and family therapist, or drug and alcohol counselor (certified by an organization listed at <https://www.transportation.gov/odapc/sap>) with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.

=

Substituted Specimen: An employee's specimen not consistent with a normal human specimen, as determined by HHS (e.g., a urine specimen, with creatinine and specific gravity values that are so diminished, or so divergent that they are not consistent with normal human urine).

6.0 EDUCATION AND TRAINING

The education and ongoing awareness component of this policy will include display of posters, distribution to all covered employees and representatives of

employee organizations of the drug and alcohol policy and other informational materials, and periodic information seminars. **Under the independent authority of the Agency, each employee will be required to sign an acknowledgment form that he/she received a copy of the policy.**

As required by FTA regulations, the Agency will provide to all safety-sensitive employees a minimum of 60 minutes of training on the effects and consequences of prohibited drug use on personal health, safety, and the work environment, and on the signs and symptoms that may indicate prohibited drug use.

Supervisors or Agency officials who may make reasonable suspicion referrals shall receive an additional 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use, and at least 60 minutes on the physical, behavioral, speech and performance indicators of probable alcohol misuse.

7.0 CONTACT PERSONS

Any questions about this policy or any aspect of the SunLine's drug and alcohol-free program should be referred to:

Title:	Drug and Alcohol Program Manager
Address:	32505 Harry Oliver Trail Thousand Palms, CA 92276
Telephone Number:	(760) 343-3456
Fax Number:	(760) 343-4547

8.0 COVERED EMPLOYEES

As a condition of employment, all safety sensitive employees are required to submit to drug and alcohol tests administered in accordance with Title 49 CFR Parts 40 and 655. (**Non- safety-sensitive employees are covered under this Policy under the Agency's own authority.**) A refusal to submit to a test as directed will carry the same consequences as a positive test result as stated in this policy. (Please refer to Section 5.0 - DEFINITIONS for specific circumstances or behaviors that are considered refusal to test.)

As defined by the FTA, safety-sensitive employees include those who perform, or may be called upon to perform, any of the following safety-sensitive functions:

1. Operating a revenue service vehicle, even when it is not in revenue service;
2. Operating a non-revenue service vehicle which is required to be operated by a Commercial Driver's License (CDL) holder;

3. Controlling dispatch or movement of a revenue service vehicle;
4. Maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service;
5. Carrying a firearm for security purposes;

The Agency has determined that the job classifications listed below are considered safety-sensitive for the purposes of this policy.

- Training Supervisor
- Transportation Supervisor
- Maintenance Supervisor
- Dispatcher
- Safety Officers
- Bus Operator
- Mechanic
- Utility Worker
- Contracted transit services personnel

Company, Non-DOT safety-sensitive regulated positions are:

- **Operators of any company vehicle not requiring a Commercial Driver License to operate**
- **Operators of company machinery or equipment**
- **Any employee deemed by the Agency to be working in a potentially hazardous work environment.**

9.0 DRUGS (OR THEIR METABOLITES) TESTED FOR

The agency will test DOT- regulated employees for the following drugs and their metabolites, as listed within Title 49 CFR Part 40.85, which has been incorporated into this Policy as written and revised: Marijuana, Cocaine, Amphetamines, Phencyclidine, and Opioids.

The agency will test non-DOT-regulated employees for the following drugs and their metabolites, which has been incorporated into this Policy as written and revised: 6-AM Analyte (Heroin Specific), Amphetamine, Barbiturates, Benzodiazepines, Cocaine, Methadone (Dolophine), Methamphetamine, Methaqualone (Quaalude), Opioids – 4, Phencyclidine, Propoxyphene MTB (Darvon/Darvocet).

10.0 PROHIBITED CONDUCT/BEHAVIORS

Under the Drug-Free Workplace Act of 1988, employees are prohibited from the unlawful manufacture, distribution, sale, dispensation, possession, or use of controlled substances in the workplace. Under its own authority, SunLine Transit also prohibits such activities in Agency vehicles, when the employee is in uniform whether on or off duty, or while on Agency business. Employees are required to notify management in writing of any criminal drug statute conviction he/she received for a violation occurring in the workplace, no later than five (5) calendar days after such a conviction.

Violation of this policy or failure to notify the agency of such shall subject the employee to disciplinary action, up to and including termination.

Within 10 calendar days of receiving such notice, Sunline shall provide written notification of the conviction to the FTA. Within 30 days of receiving notice of the conviction, Sunline shall take appropriate disciplinary action, up to and including termination of the employee, or require the employee to participate and successfully complete a drug rehabilitation program. Law enforcement shall be notified, as appropriate, where criminal activity is suspected.

10.1 Illegal Drugs

As indicated in Section 9.0, DOT-regulated employees are prohibited from using the following five drugs at all times:

1. marijuana
2. cocaine
3. phencyclidine (PCP)
4. opioids
5. amphetamines

DOT-regulated employees may be tested for these drugs at any time that they are on duty.

Prescription or Over-the-Counter Medications

Under Agency policy, the appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, safety-sensitive employees must notify the Human Resources Department prior to performing any “safety-sensitive” job for the Agency, and may not perform any safety function if their medication carries a warning label that mental functioning, motor skills or judgment may be adversely affected, unless the medication is being used in accordance with the instructions of a physician who has provided a written determination that the substance will not adversely affect the employee's ability to safely perform safety-sensitive duties. It is the employee's responsibility to determine from his or her

physician or practitioner whether or not the substance may impair job performance. Failure to immediately report the use of impairing drugs or failure to provide a valid evidence of medical authorization will result in disciplinary action, up to and including termination.

A prescription is considered valid only if it is in writing and indicates the employee's name, date, the name of the substance, quantity or amount to be taken, and the period of authorization. Controlled substances obtained legally outside the United States are not considered valid medical prescriptions under this policy. It is a violation of this policy to use any controlled substance in a manner that is inconsistent with the prescription or is being used in violation of any Federal, State or Local law (i.e.: using another's prescribed medications or medications from a foreign country).

SunLine Transit Agency does not provide, dispense, or recommend over-the-counter (OTC) medications to employees. Employees may voluntarily bring and self-administer legally obtained OTC medications in accordance with label directions. The use of OTC medications is the employee's personal decision and responsibility. Employees are not required or encouraged to use any medication in order to report to or remain on duty. As with prescription medications, employees are responsible for ensuring that any OTC medication does not impair their ability to safely perform their job duties.

10.2 Alcohol

Safety-sensitive employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater. Safety-sensitive employees are prohibited from consuming alcohol in any form under the following circumstances:

- While performing safety-sensitive functions;
- Within four (4) hours prior to performing safety-sensitive functions;
- While they are on call; or
- Within eight (8) hours following an accident requiring a post-accident alcohol test, unless the test was completed within 8 hours, whichever occurs first.

If an employee on call discloses alcohol consumption when called for duty, the Agency may require the employee to report to the collection site for alcohol testing to determine ability to perform a safety-sensitive function. If the employee tests below 0.02, he or she may be required to report to work

In addition, the Agency under its own authority prohibits possession and/or use of alcoholic beverages by any employee while on compensable work time, or while on Agency property or while operating any Agency

vehicles-regardless of whether the employee is on or off duty. The Agency may perform an alcohol or drug test anytime an employee is on duty. An alcohol test is considered positive if the employee's alcohol concentration rate, as measured by an evidential breath testing device, is at 0.04 or greater.

11.0 TYPES OF TESTING

11.1 Pre-Employment Testing

All safety sensitive candidates issued a conditional offer for employment or any employee transferring from a non-safety-sensitive to a safety-sensitive position will be required to undergo pre-employment drug and Breath alcohol tests at a time and place designated by the Agency.

Additionally, any safety-sensitive employee who has not performed any safety-sensitive function for at least 90 days and has been out of the random pool during that time will also be required to submit to a new pre-employment test prior to being allowed to perform any safety-sensitive work.

A verified negative drug test result and alcohol test result below 0.02 must be received by the Agency before an employee can start work for the Agency. If a pre-employment test is canceled, the individual will be required to undergo another test and successfully pass these tests with a verified negative result and have an alcohol test result below 0.02. **Under the Agency's independent authority, any MRO verified result of "Positive", "Adulterated", "Substituted" or "Refusal to Test" will immediately disqualify the applicant/employee from further employment with the Agency.**

Subject to the candidate's written consent, the Agency will check on the drug and alcohol testing background of candidates and employees being considered for final selection into any safety sensitive position within the Agency, if they previously worked in a safety-sensitive position for a DOT-covered employer in the previous two years. If the individual refuses to provide the written consent, he or she will not be hired into the safety-sensitive position.

If the information obtained from the previous DOT-covered employer(s) indicates a violation of a DOT drug or alcohol testing rule, the employee may not be allowed to perform any safety-sensitive function unless he or she has successfully complied with the return-to-duty requirements of a D.O.T.-qualified Substance Abuse Professional (SAP) and has been cleared, in writing, by the SAP to resume D.O.T. regulated duties. If the individual has had a positive pre-employment drug or alcohol test, or has refused such a test, he or she will not be hired until and unless the individual has provided a documentation of successful completion of the return-to-duty process, which includes a SAP referral, evaluation and treatment plan.

11.2 Reasonable Suspicion Testing

It is the responsibility of any employee who observes or has knowledge of another employee in a condition which may impair his or her ability to safely and effectively perform his or her duties, or may pose a safety hazard to self or others, to promptly report the incident to his or her supervisor, or any supervisor if the immediate supervisor is not available.

Whenever a supervisor (or other Agency official) has reason to believe that an employee has used a prohibited drug and/or engaged in alcohol misuse, reasonable testing will be conducted. The individual who makes the referral need not be the employee's own supervisor, as long as he or she is a trained supervisor or agency official that received training in detecting the signs and symptoms of drug use and alcohol misuse. The supervisor's or Agency official's observations will be documented and such documentation shall be kept in the employee's confidential drug and alcohol testing file. Such documentation shall describe and document the following:

- a) the date and time observations were made;
- b) specific, contemporaneous and articulable observations concerning the employee's appearance, behavior, speech, body odors and/or performance;
- c) violation of a safety rule, or other unsafe work incident; and/or
- d) other physical, behavioral, speech, body odors or performance indicators of drug or alcohol use.

Suspicion is not considered reasonable, and thus not a basis for testing, if it is based solely on the observations and reports of third parties, a violation of a safety rule, or occurrence of an unsafe work incident. However, such suspicion may be a basis for further investigation, or for action to protect the safety of patrons, such as ordering the employee to stop work.

Once a supervisor or Agency official has made a reasonable suspicion determination, he or she must remove the employee from performing duty and from performing any safety-sensitive functions, transport the employee to the testing site immediately, and arrange for the employee's transportation to their home. The employee will remain out of service and on paid status while awaiting test results, unless the employee is suspended for any additional purposes concurrent with the waiting for the test results. If all test results are negative, the employee will be immediately returned to work. If the alcohol test result is positive, or the drug test result is non-negative (positive, adulterated, or substituted), the employee will be placed on unpaid status pending disciplinary action. Under the Agency's independent authority, non-safety-sensitive employees ~~will be tested after an on-the-job injury when the employee's conduct may~~

~~have contributed to the injury or when there is reasonable suspicion that the employee is under the influence of alcohol or drugs. may be subject to reasonable suspicion testing when an Agency authorized and trained supervisor observes specific, contemporaneous, and articulable indicators that an employee may be impaired while on duty or that impairment may have contributed to a workplace accident or incident.~~

FTA rule requires that a reasonable suspicion alcohol test be conducted only if the reasonable suspicion observation is made just before, during, or just after the employee's performance of safety-sensitive function. **However, under the Agency's own authority, a reasonable suspicion alcohol test may be performed any time the employee is on duty.** If the alcohol test is not conducted within two hours, the reason for the delay must be documented and kept in the employee's reasonable suspicion test file. All attempts to complete the alcohol test must cease after eight hours and the reason(s) for the inability to test documented.

Reasonable suspicion testing shall not be used as a means of retaliation or discipline against an employee for reporting a workplace injury, accident, safety concern, or workers' compensation claim.

11.3 Post –Accident Testing

Any employee operating a public transportation vehicle **or any other Agency-owned vehicle** at the time of an accident shall be required to submit to drug and alcohol tests as soon as practicable after the accident. For purposes of this policy, "accident" is defined as an accident involving a public transportation vehicle **or any other Agency-owned vehicle** where the result is:

- An individual dies;
- An individual suffers a bodily injury and immediately receives medical treatment away from the scene;
- The vehicle (if bus, electric bus, van, or automobile) or any other vehicle(s) involved in the accident suffers a disabling damage as a result of the accident and is transported away from the scene by a tow truck or other vehicle.

Any property damage to any vehicle involved in the accident that will result in professional repair, on or off Agency property.

11.3.1 Fatal Accidents

Whenever there is a loss of human life, any surviving covered employee operating the vehicle **or any other Agency owned vehicle or equipment**, at the time of the accident must be tested immediately and must report the accident to his or her supervisor. All other covered employees whose performance could

have contributed to the accident must be tested. **Failure to immediately report the accident is grounds for discipline, up to and including termination.**

11.3.2 Non-Fatal Accidents

Following non-fatal accidents, the employee operating the vehicle at the time of the accident shall be tested unless his/her performance can be completely discounted as a contributing factor to the accident. Any other safety-sensitive employee whose performance could have contributed to the accident also shall be tested.

11.3.3 Other Post-Accident Testing Requirements

Employees involved in an accident that requires testing must remain readily available for testing, including notifying the Agency of their location if they leave the scene of the accident before testing to obtain emergency medical care, or to obtain assistance in responding to the accident. They will be considered to have refused to submit to testing if they fail to do so and **will be terminated from employment.**

Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident, or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

Employees are prohibited from using alcohol for eight hours following an accident or until the post-accident testing is completed, whichever occurs first. Every effort will be made to conduct alcohol testing within two hours after the accident. In the event the alcohol test is delayed beyond two hours, the Agency will prepare and maintain a record stating the reason(s) for the delay. If an alcohol test is not administered within eight hours following the accident, the Agency will cease all efforts to administer the test and document the reason for the inability. In the event a drug test is not administered within 32 hours from the time of the accident, the Agency will cease all attempts to administer the drug test. This requirement should not be construed to delay the necessary medical attention for injured people following the accident.

If the Agency is unable to perform post-accident tests within the required period of compliance, the Agency will use the post-accident test results administered by State or local law enforcement personnel under their own authority, provided the test results are obtained by the Agency.

After the accident, the employee will be removed from service, but remain on paid status during the testing period and while awaiting test result, unless the employee is suspended for any additional purposes concurrent

with the waiting of the test results. If all test results are negative, the employee will be immediately returned to work. If the alcohol test result is positive or the drug test result is non-negative (positive, adulterated, or substituted), the employee will be placed on unpaid status pending disciplinary action.

11.4 Random Testing

Safety-sensitive employees are required to undergo random drug and alcohol tests to deter use of prohibited drugs and misuse of alcohol. The random selection will be conducted using a scientifically valid method, such as a random number table or a computer-based random number generator, which gives each covered employee an equal chance of being selected every time a selection is made. As is the nature of the random method, it is possible that some employees will be selected several times in one year, and other employees not for several years. Management does not have any discretion on who will be selected.

Every effort will be made by the Agency to spread random testing reasonably throughout the calendar year, the testing period, all days of the week, and all hours when safety-sensitive functions are performed. The testing dates and times are unannounced and employees are required to immediately and directly proceed to the designated collection site following notification.

Random alcohol tests are authorized by the FTA only during, just before, or just after the employee's performance of a safety-sensitive duty.

The Agency will conduct random drug and alcohol tests at a minimum annual percentage of covered employees as required by the FTA. The current year testing rates can be viewed online at <https://www.transportation.gov/odapc/random-testing-rates>.

11.5 Return-To-Duty Testing

Federal regulations at 49 CFR Part 40 establish return-to-duty and follow-up testing requirements for covered employees who violate drug and alcohol testing rules. SunLine Transit maintains a zero-tolerance drug and alcohol policy, and employment consequences for violations are addressed in the Consequences / Discipline section. Nothing in this Return-to-Duty section creates a right to continued employment, reinstatement, or return to safety-sensitive duties.

However, in the event an employee who was previously terminated is returned to work by an authority outside of the agency, he or she will be subject to return to duty testing. This means, an employee who has refused a required test, has a verified positive, adulterated or substituted drug test result, or tests for alcohol at

0.04 BrAC or greater, shall not be allowed to return to safety-sensitive duties until after he or she has completed the return-to-duty process. This includes evaluation by a SAP, successful completion of the rehabilitation, treatment or education program outlined by the SAP, and obtaining a verified negative return-to-duty drug test and/or alcohol test under 0.02 BrAC. All return to duty tests shall be conducted under direct observation.

11.6 Follow-Up Testing

In addition to the Return-to Duty test described in Section 11.5, an employee who previously tested positive, or refused to take a required test, shall be subject to follow-up testing for drugs and/or alcohol, as prescribed by the SAP, for a minimum period of 12 months to a maximum of five years, As mandated by the DOT (Title 49 CFR, Part 40), the employee shall undergo at least six follow-up tests during the first 12 months of his or her return to work. Although they are both unannounced, follow-up testing is apart and separate from random testing. All follow-up tests shall be conducted under direct observation. The duration and frequency of testing will be designated by the SAP, but the actual follow-up testing dates will be decided by the employee's manager or supervisor. **The employee is responsible for payment of all costs associated with follow-up testing.**

11.7 Drug & Alcohol Testing Procedures

All DOT drug and alcohol tests required under this policy will be administered in accordance with the "Procedures for Transportation Workplace Drug and Alcohol Testing Programs" (Title 49 CFR Part 40), as amended.

Under the Agency's independent authority, non-safety-sensitive employees may be subject to drug and/or alcohol testing based on reasonable suspicion ~~that the employee is impaired while on duty or that impairment contributed to a workplace incident~~ under Section 11.2. Drug testing methods may include urine and/or oral fluid (saliva) specimens, as determined by the Agency. Testing for Δ 9-tetrahydrocannabinol (Δ 9-THC), the psychoactive component of cannabis, may be conducted using oral fluid testing and shall not be based solely on the presence of non-psychoactive cannabis metabolites. All such testing shall be conducted using scientifically valid methods and non-DOT custody and control procedures. The Agency will not take adverse action based solely on the presence of non-psychoactive cannabis metabolites or lawful off-duty cannabis use.

Throughout the testing process, the privacy of the employee will be protected and the integrity and validity of the process will be maintained. The drug testing procedure will include a split specimen collection method and a Federal Custody and Control Form will be used for all D.O.T. regulated tests, while a Forensic Custody & Control Form will be used for all non-regulated employees. Each form will have a unique identification number to ensure that the correct test result is

attributed to the correct employee. An initial screening test using an immunoassay technique will be performed. If the specimen is positive for one or more of the drugs tested, then a confirmation test will be performed using the state-of-the-art gas chromatography/mass spectrometry (GC/MS) or Liquid Chromatography/Mass Spectrometry (LC/MS) analysis. If the test is confirmed positive, adulterated, substituted, or invalid, the MRO will conduct a verification process, which may include giving the employee an opportunity to provide a valid medical explanation.

Additionally, the laboratory may conduct analyses to determine if a urine specimen has been adulterated, tampered with, or diluted.

Should the employee decline to take a test as directed by the Designated Employee Representative (DER) or DAPM, this constitutes a refusal to test under DOT agency regulations.

11.7.1 Procedures for Negative Dilute Testing

Negative Dilute Specimen Testing: All SunLine Transit Agency employees that produce negative-dilute urine specimens will be immediately retested using a second sample.

Should the second test result in another negative dilute, the test will be considered a negative and no additional testing under DOT/FTA authority will be required unless directed to do so by the MRO

11.7.2 Procedure for Alcohol Testing

Tests for alcohol concentration will be conducted using an alcohol screening device or an evidential breath testing (EBT) device. If the screen test is at 0.02 BAC or greater, a confirmatory test will be conducted using only an EBT. A DOT Alcohol Testing Form will be used for DOT-regulated alcohol tests and a unique sequential number will be assigned to each test. **A non-DOT alcohol testing form will be used for any non-DOT alcohol test performed under Agency authority.**

Detailed drug and alcohol specimen collection procedures are outlined within Title 49 CFR Part 40, Subparts E, L and M and are available upon request from the Contact Persons identified in section 7.0 of this policy.

12.0 DIRECTLY-OBSERVED URINE SPECIMEN COLLECTION

Under the following circumstances, the employee will be directed to undergo an immediate urine specimen collection under same-sex direct observation with no advance notice:

- If the laboratory reported to the MRO that a specimen is invalid and there was no adequate medical explanation for the result;
- If the MRO reported that the original positive, adulterated, or substituted test result had to be canceled because the split specimen tested could not be performed;
- If the drug test is a return-to-duty or a follow-up test;
- If the MRO reported a negative-dilute test result from the initial test with a creatinine level between 2 - 5 mg/dL;
- If the collector observes employee conduct that clearly indicates an attempt to tamper with a specimen;
- If the temperature on the original specimen was out of range; or
- If the original specimen appeared to have been tampered with;

The collector shall be the same gender as the employee. If a same sex collector is not available, a same sex observer may be used. The observer is responsible for ensuring that the specimen goes from the employee's body into the collection container. If the employee declines to allow a directly observed collection when required under this policy, it is considered a refusal to test.

13.0 MONITORED URINE SPECIMEN COLLECTION

Under those circumstances when a multi-stall restroom has to be used for urine specimen collection and the facility cannot be adequately secured, the collector will conduct a monitored collection. The monitor shall be the same gender as the employee, unless the monitor is a medical professional. The monitor will not watch the employee void into the collection container. However, if the monitor hears sounds or observes attempts to tamper with a specimen, an additional collection under direct observation will be ordered. If the employee declines to permit a collection authorized to be monitored, it is considered a refusal to test.

14.0 SPLIT SPECIMEN TESTING

After notification by the MRO of a positive drug test or refusal to test because of adulteration or substitution, the employee has 72 hours to request from the MRO (verbally or in writing) a test of the split specimen. It should be noted, however, that there is no split specimen testing authorized by the DOT for an invalid drug test result.

Following the employee's timely request, the MRO shall send a written request to the primary laboratory to forward the split specimen to a second DHHS-certified laboratory for testing without regard to the cut-off concentration. If the second

laboratory fails to reconfirm the substance detected in the primary specimen or the adulterant identified, or if the split specimen is unavailable for testing, the test shall be canceled. The MRO shall report the cancellation and the reasons for it to the DOT, the Agency, and the employee. In the case of the split specimen being unavailable, the employee shall be directed, with no advance notice, to submit another specimen under direct observation.

SunLine will ensure split specimen testing is conducted in a timely manner. **All costs related to split specimen testing will be paid by the employee or the applicant. The individual shall be reimbursed if the second test invalidates the original test or if the test was canceled.**

15.0 CONSEQUENCES / DISCIPLINE

Following a BrAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties until the start of their next regularly scheduled duty period (but for not less than eight hours) unless a retest results in the employee's alcohol concentration being less than 0.02.

Any safety-sensitive employee who has a verified positive drug test result, an alcohol concentration of 0.04 BrAC or above, or refuses to submit to a drug or alcohol test (including adulteration or substitution) shall be:

1. Immediately removed from safety-sensitive duty;
2. Be provided with a list of USDOT qualified SAPs.

SunLine Transit maintains a zero-tolerance drug and alcohol policy. A covered employee who tests positive for drugs or alcohol (BrAC of 0.04 or greater), or who refuses to submit to a required drug or alcohol test under 49 CFR Part 40, will be subject to termination of employment for a first offense.

Under the Agency's own authority, non-safety-sensitive employees also may be removed from duty, referred to a substance abuse counselor, and be subject to discipline, up to and including termination.

FTA regulations allow individual employers to determine the discipline to be imposed on employees who violate the DOT/FTA regulations or Agency policy. The Agency's discipline policy is as follows:

- A. A first positive drug test result, test refusal, or alcohol test result of 0.04 BrAC or greater will result in immediate termination.**
- B. Other policy violations (e.g., failure to report the use of impairing medications, or failure to immediately report an accident) will subject the employee to disciplinary action, up to and including termination.**

16.0 REFERRAL EVALUATION AND TREATMENT

If an employee (including an applicant) tests positive for drugs or alcohol or refuses to submit to a test when required, the Agency shall advise the individual of the resources available for evaluating and resolving problems associated with prohibited drug use and alcohol misuse and document such referral. He or she shall be given the name, address and phone number of Substance Abuse Professionals (SAPs) acceptable to the Agency and a list of community hot line numbers. **The individual will be responsible for any costs associated with the SAP evaluation and recommendation(s).**

17.0 VOLUNTARY REHABILITATION

SunLine employees are encouraged to voluntarily seek professional help directly from a substance abuse counselor before any substance use or dependence affects job performance. An employee who has a drug and/or alcohol abuse problem and has not been selected for testing or is not involved in a disciplinary proceeding may voluntarily refer himself or herself to a substance abuse counselor for evaluation and treatment recommendations. Confidentiality, job security and promotional opportunities will be protected. However, if the employee reports his or her substance abuse directly to an Agency employee or supervisor, instead of a substance abuse counselor directly, the Agency will require that a “Reasonable Suspicion” non-DOT drug & breath alcohol test using non-DOT testing forms be immediately performed, in accordance with Section 11.2 of this Policy.

The employee may be eligible for sick leave, disability benefits, or vacation while undergoing rehabilitation or treatment. The cost of any treatment or rehabilitation services over and above those offered by the Agency will be the responsibility of the employee.

18.0 CONFIDENTIALITY AND ACCESS TO FACILITIES AND RECORDS

Employees have a right to examine their own drug and alcohol testing records, and have access to any pertinent data such as EBT calibration or drug testing laboratory certification. They also have a right to obtain a copy of their own drug and/or alcohol testing results by submitting a written request to any of the Designated Employer Representative identified In Section 7.0 of this policy.

The Agency will do everything possible to safeguard the confidentiality of drug and alcohol testing records and protect the privacy of the individuals tested. Individual test results or medical information will be released to third parties (e.g. previous employers, unions) only with the employee's specific written consent, or

to those parties authorized by the DOT or FTA to receive such information without the employee's consent. Specific written consent applies only to a particular piece of information released to a particular person or organization at a particular time. Blanket releases are specifically prohibited by DOT.

The employee's written consent is not required in administrative or legal proceedings such as:

- A lawsuit, grievance, or administrative proceeding brought by, or on behalf of the employee, or
- A criminal or civil action resulting from an employee's performance of safety-sensitive duties where the alcohol or drug test information is deemed relevant.

Access to Agency facilities and drug and alcohol program records also must be provided, without the employee's consent to DOT or FTA agency representatives; the National Transportation Safety Board as part of an accident investigation; a Federal, State or local agency with regulatory authority over the Agency, or State or grantee required to certify FTA compliance with 49 CFR Parts 40 and 655. Except as outlined in DOT Section 40.355, and with the specific consent of the Agency, the Agency's TPA may receive and maintain records concerning the Agency's DOT drug and alcohol testing programs, without the employee's consent.

19.0 JOINT UNION-MANAGEMENT REVIEW ADVISORY COMMITTEE

- A. At the direction of Management, two representatives from the Union and two from Management, shall meet periodically to provide input regarding the Agency's Substance Abuse Program.**
- B. The purpose of this meeting is to provide a channel of communication whereby participants can give input and make recommendations to the General Manager regarding the Substance Abuse Policy.**

The consequences specified in Section 15.0 of the SunLine Transit Agency Drug and Alcohol Policy regarding a positive test or test refusal is not subject to arbitration.

DRUG & ALCOHOL POLICY

1.0 POLICY STATEMENT

SunLine Transit Agency (SunLine) is dedicated to providing safe, dependable and efficient transportation services to our passengers and the citizens of the Coachella Valley. Agency employees are our most valuable resource, and it is our goal to provide a healthy and satisfying, working environment that promotes personal opportunities for growth. We also recognize that our employees' use of illegal drugs and misuse of alcohol poses a significant risk to public safety, reduces productivity in the workplace, and negatively affects the employee's health and well-being. In view of this, the Agency has adopted this policy that is designed to

1. Create a work environment free from the adverse effects of drug abuse and alcohol misuse;
2. Deter and detect employee's use of illegal drugs and misuse of alcohol;
3. Prohibit the unlawful manufacture, distribution, dispensing, possession, or use of controlled substances;
4. Encourage employees to seek professional assistance anytime personal problems, including drug or alcohol dependency, adversely affect their ability to safely perform their assigned duties; and
5. Discipline employees who violate the policy, up to and including termination.

1.1 Proper Application of the Policy

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

1.2 Policy Amendments

Amendments that represent major management policy change will be approved by the SunLine Board of Directors. The CEO/General Manager may issue amendments, which are required because of changes in Federal or State law or regulation. All amendments require the review of SunLine Counsel for legal sufficiency.

2.0 PURPOSE

The purpose of this policy is to assure worker fitness for duty and to protect our employees, passengers, and the public from the safety and health risks posed by the misuse of alcohol and use of prohibited drugs. This policy is intended to comply with all applicable state and Federal regulations governing workplace anti-drug use and alcohol misuse programs. They include DOT 49 CFR Part 40, as amended ("Procedures for Transportation Workplace Drug and Alcohol Testing Programs"); FTA 49 CFR Part 655, as amended ("Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations"); DOT 49 CFR Part 29 (Drug-Free Workplace Act of 1988); and CA Govt. Code Section 8350 et seq. ("Drug Free Workplace Act of 1990"). This policy incorporates the requirements of the above regulations for safety-sensitive employees and others when so noted. **Policies indicated in bold text represent SunLine Transit Agency authority.** Requirements of the Drug-Free Workplace Act of 1988 (DFWA) are entered in *Italics*.

3.0 APPLICABILITY

Unless otherwise noted in specific provisions, this policy applies to all employees (including contract employees) regardless of their functions. The application of this policy to non-safety-sensitive employees comes under the Agency's own authority. Visitors, invitees, and vendors also are prohibited from entering the premises and/or from conducting any work on behalf of the Agency when illegal substances are present in their system, or the odor of alcohol is present on their breath. This policy applies to off site lunch periods or other authorized breaks when an employee is scheduled to return to work or is on-call.

Contractors that provide safety-sensitive work for the Agency (e.g. transporting vehicles for maintenance purposes) are not covered by this policy; but they are required to provide proof to STA that they have a drug and alcohol testing program that complies with the minimum requirements of Part 40 and Part 655.

4.0 PRE-EMPTION OF STATE AND LOCAL LAWS

If any conflict occurs between this policy, State and local laws and any requirement of Federal regulations, the Federal regulations prevail. However, Federal regulations do not pre-empt provisions of State criminal laws that impose sanctions for reckless conduct attributed to prohibited drug use or alcohol misuse, whether the provisions apply specifically to transportation employees, employers, or the public in general.

5.0 DEFINITIONS

The definitions in this policy are intended to track those described in the Federal Regulations specified in Section 2.0.

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

Alcohol Use: The drinking or swallowing of any beverage, liquid mixture or preparation (including any medication) containing alcohol. For purposes of this policy, alcohol is alcohol regardless of source.

Alcohol Screening Device (ASD): A breath or saliva device, other than an EBT, that is approved by the National Highway Traffic Safety Administration (NHTSA) and appears on ODAPC's Web page for "Approved Screening Devices to Measure Alcohol in Bodily Fluids" because it conforms to the model specifications from NHTSA

Breath Alcohol Technician (BAT): An individual who instructs and assists employees or applicants in the alcohol testing process and operates an Evidential Breath Testing (EBT) device.

Canceled Test: A drug or alcohol test that has a problem identified that cannot be or has not been corrected, or which Part 40 requires to be canceled. A canceled test is neither a positive nor a negative test.

Collection Site: A place selected by the employer where employees present themselves for the purpose of providing a specimen for a drug test.

Collector: A person who instructs and assists individuals at a collection site, who receives and makes an initial inspection of the specimen provided by the individual, and who initiates and completes the Custody and Control Form (CCF).

Covered Employee: A person, including a volunteer, applicant / transferee, or contract employee, who performs or is required to perform a safety-sensitive function for the Agency.

Designated Employer Representative: An employee authorized by the employer to take immediate action to remove employees from safety-sensitive duties, or cause employees to be removed from these covered duties. and to make required decisions in testing and evaluation processes. The DER also receives test results and other communications for the employer, consistent with the requirements of 49 CFR Parts 40 and 655. Service agents cannot act as DERs.

DHHS: Department of Health and Human Services.

Disabling Damage: Damage which precludes departure of a motor vehicle from the scene of the accident in its usual manner in daylight after simple repairs, including damage to motor vehicles that could have been driven, but would have been further damaged if so driven. "Disabling damage" does not include:

- Damage which can be remedied temporarily at the scene of the accident without special tools or parts.
- Tire disablement without other damage even if no spare tire is available.
- Headlamp or taillight damage.
- Damage to turn signals, horn, or windshield wipers, which makes them inoperable.

DOT: U.S. Department of Transportation.

Drugs: The drugs for which tests are required by DOT agency regulations are marijuana, cocaine, amphetamines, phencyclidine (PCP), and opioids.

Drug Abuse: Use of any illegal drug or controlled substance without a valid prescription, misuse of legally prescribed drugs, or use of illegally obtained prescription drugs. This includes use of prescription drugs legally prescribed to another Individual or simply having any detectable amount of an illegal drug within your bodily system.

Evidential Breath Testing (EBT) Device: A device that is approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath at the .02 and .04 alcohol concentrations, and appears on ODAPC's Web page for "Approved Evidential Breath Measurement Devices" because it conforms with the model specifications available from NHTSA.

FTA: Federal Transit Administration; an agency in the U.S. Department of

Transportation.

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

Medical Prescriptions: A medication prescription written by a physician which indicates the employee's name, date, substance, dosage (quantity or amount to be taken), and period of authorization. It is a violation of this policy to use any controlled substance that is inconsistent with the prescription. Please note that the legality of a prescribed medication is based on U.S. federal law; for example, a prescription for "medical marijuana" under California code is not recognized by the DOT/FTA.

Medical Review Officer (MRO): A licensed physician responsible for receiving and reviewing laboratory results generated by the drug testing program who has knowledge of substance abuse disorders, and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result, together with his/her medical history, and any other relevant bio-medical information.

Positive Result: The result reported by an HHS-certified laboratory when a specimen contains a drug or drug metabolite equal to or greater than the cutoff concentration.

Public Transportation Vehicles: Vehicles used for public transportation or ancillary services. They include buses, electric buses, vans, automobiles, rail cars, trolley cars, trolley buses or vessels, and non-revenue commercial motor vehicles.

Refusal to Test: Includes circumstances or behaviors such as:

- Failure to appear or reporting late for any test (except pre-employment for the newly hired) requested by the agency.
- Failure to remain at the testing site until the testing process is completed,
- Fail to attempt to provide a specimen. An employee who does not provide a specimen because he or she has left the testing site before the testing process commenced for a pre-employment test has not refused to test.
- Failure to permit the direct observation or monitoring of specimen collection when it is required under Title 49 CFR Part 40.
- Failure to provide a sufficient amount of specimen for a drug or alcohol test without a valid medical explanation.
- Failure or refusal to take a second test when required.

- Failure to undergo a medical evaluation when required.
- Failure to cooperate with the testing process. (Examples: refusal to empty pockets when requested, failure to wash hands after being directed to do so by the collector, or behaving in a confrontational manner that disrupts the collection process).
- In alcohol testing, refusal to sign Step 2 of the Alcohol Test Form.
- For a directly observed urine drug test, failure to follow the observer's instructions to raise clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if employee is wearing any type of prosthetic or other device that could be used to interfere with the collection process.
- Possession or wearing of a prosthetic or other device that could be used to interfere with the collection process.
- Admitting adulteration or substitution to the collector or the MRO.
- Leaving the scene of an accident without just cause prior to submitting to a test.
- If the MRO reports a verified adulterated or substituted test result.

Split specimen: In drug testing, the specimen that is sent to a first laboratory and stored with its original seal intact, and which is transported to a second laboratory for retesting at the employee's request following MRO verification of the primary specimen as positive, adulterated or substituted.

Substance Abuse Professional (SAP): A licensed physician (medical doctor or doctor of osteopathy) or licensed or certified psychologist, social worker, employee assistance professional, state-licensed or certified marriage and family therapist, or drug and alcohol counselor (certified by an organization listed at <https://www.transportation.gov/odapc/sap>) with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.

=

Substituted Specimen: An employee's specimen not consistent with a normal human specimen, as determined by HHS (e.g., a urine specimen, with creatinine and specific gravity values that are so diminished, or so divergent that they are not consistent with normal human urine).

6.0 EDUCATION AND TRAINING

The education and ongoing awareness component of this policy will include display of posters, distribution to all covered employees and representatives of

employee organizations of the drug and alcohol policy and other informational materials, and periodic information seminars. **Under the independent authority of the Agency, each employee will be required to sign an acknowledgment form that he/she received a copy of the policy.**

As required by FTA regulations, the Agency will provide to all safety-sensitive employees a minimum of 60 minutes of training on the effects and consequences of prohibited drug use on personal health, safety, and the work environment, and on the signs and symptoms that may indicate prohibited drug use.

Supervisors or Agency officials who may make reasonable suspicion referrals shall receive an additional 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use, and at least 60 minutes on the physical, behavioral, speech and performance indicators of probable alcohol misuse.

7.0 CONTACT PERSONS

Any questions about this policy or any aspect of the SunLine's drug and alcohol-free program should be referred to:

Title:	Drug and Alcohol Program Manager
Address:	32505 Harry Oliver Trail Thousand Palms, CA 92276
Telephone Number:	(760) 343-3456
Fax Number:	(760) 343-4547

8.0 COVERED EMPLOYEES

As a condition of employment, all safety sensitive employees are required to submit to drug and alcohol tests administered in accordance with Title 49 CFR Parts 40 and 655. (**Non- safety-sensitive employees are covered under this Policy under the Agency's own authority.**) A refusal to submit to a test as directed will carry the same consequences as a positive test result as stated in this policy. (Please refer to Section 5.0 - DEFINITIONS for specific circumstances or behaviors that are considered refusal to test.)

As defined by the FTA, safety-sensitive employees include those who perform, or may be called upon to perform, any of the following safety-sensitive functions:

1. Operating a revenue service vehicle, even when it is not in revenue service;
2. Operating a non-revenue service vehicle which is required to be operated by a Commercial Driver's License (CDL) holder;

3. Controlling dispatch or movement of a revenue service vehicle;
4. Maintaining (including repairs, overhaul and rebuilding) a revenue service vehicle or equipment used in revenue service;
5. Carrying a firearm for security purposes;

The Agency has determined that the job classifications listed below are considered safety-sensitive for the purposes of this policy.

- Training Supervisor
- Transportation Supervisor
- Maintenance Supervisor
- Dispatcher
- Safety Officers
- Bus Operator
- Mechanic
- Utility Worker
- Contracted transit services personnel

Company, Non-DOT safety-sensitive positions are:

- **Operators of any company vehicle not requiring a Commercial Driver License to operate**
- **Operators of company machinery or equipment**
- **Any employee deemed by the Agency to be working in a potentially hazardous work environment.**

9.0 DRUGS (OR THEIR METABOLITES) TESTED FOR

The agency will test DOT- regulated employees for the following drugs and their metabolites, as listed within Title 49 CFR Part 40.85, which has been incorporated into this Policy as written and revised: Marijuana, Cocaine, Amphetamines, Phencyclidine, and Opioids.

The agency will test non-DOT-regulated employees for the following drugs and their metabolites, which has been incorporated into this Policy as written and revised: 6-AM Analyte (Heroin Specific), Amphetamine, Barbiturates, Benzodiazepines, Cocaine, Methadone (Dolophine), Methamphetamine, Methaqualone (Quaalude), Opioids – 4, Phencyclidine, Propoxyphene MTB (Darvon/Darvocet).

10.0 PROHIBITED CONDUCT/BEHAVIORS

Under the Drug-Free Workplace Act of 1988, employees are prohibited from the unlawful manufacture, distribution, sale, dispensation, possession, or use of controlled substances in the workplace. Under its own authority, SunLine Transit also prohibits such activities in Agency vehicles, when the employee is in uniform whether on or off duty, or while on Agency business. Employees are required to notify management in writing of any criminal drug statute conviction he/she received for a violation occurring in the workplace, no later than five (5) calendar days after such a conviction.

Violation of this policy or failure to notify the agency of such shall subject the employee to disciplinary action, up to and including termination.

Within 10 calendar days of receiving such notice, Sunline shall provide written notification of the conviction to the FTA. Within 30 days of receiving notice of the conviction, Sunline shall take appropriate disciplinary action, up to and including termination of the employee, or require the employee to participate and successfully complete a drug rehabilitation program. Law enforcement shall be notified, as appropriate, where criminal activity is suspected.

10.1 Illegal Drugs

As indicated in Section 9.0, DOT-regulated employees are prohibited from using the following five drugs at all times:

1. marijuana
2. cocaine
3. phencyclidine (PCP)
4. opioids
5. amphetamines

DOT-regulated employees may be tested for these drugs at any time that they are on duty.

Prescription or Over-the-Counter Medications

Under Agency policy, the appropriate use of legally prescribed drugs and non-prescription medications is not prohibited. However, safety-sensitive employees must notify the Human Resources Department prior to performing any “safety-sensitive” job for the Agency, and may not perform any safety function if their medication carries a warning label that mental functioning, motor skills or judgment may be adversely affected, unless the medication is being used in accordance with the instructions of a physician who has provided a written determination that the substance will not adversely affect the employee's ability to safely perform safety-sensitive duties. It is the employee's responsibility to determine from his or her

physician or practitioner whether or not the substance may impair job performance. Failure to immediately report the use of impairing drugs or failure to provide a valid evidence of medical authorization will result in disciplinary action, up to and including termination.

A prescription is considered valid only if it is in writing and indicates the employee's name, date, the name of the substance, quantity or amount to be taken, and the period of authorization. Controlled substances obtained legally outside the United States are not considered valid medical prescriptions under this policy. It is a violation of this policy to use any controlled substance in a manner that is inconsistent with the prescription or is being used in violation of any Federal, State or Local law (i.e.: using another's prescribed medications or medications from a foreign country).

SunLine Transit Agency does not provide, dispense, or recommend over-the-counter (OTC) medications to employees. Employees may voluntarily bring and self-administer legally obtained OTC medications in accordance with label directions. The use of OTC medications is the employee's personal decision and responsibility. Employees are not required or encouraged to use any medication in order to report to or remain on duty. As with prescription medications, employees are responsible for ensuring that any OTC medication does not impair their ability to safely perform their job duties.

10.2 Alcohol

Safety-sensitive employees are prohibited from performing or continuing to perform safety-sensitive functions while having an alcohol concentration of 0.04 or greater. Safety-sensitive employees are prohibited from consuming alcohol in any form under the following circumstances:

- While performing safety-sensitive functions;
- Within four (4) hours prior to performing safety-sensitive functions;
- While they are on call; or
- Within eight (8) hours following an accident requiring a post-accident alcohol test, unless the test was completed within 8 hours, whichever occurs first.

If an employee on call discloses alcohol consumption when called for duty, the Agency may require the employee to report to the collection site for alcohol testing to determine ability to perform a safety-sensitive function. If the employee tests below 0.02, he or she may be required to report to work

In addition, the Agency under its own authority prohibits possession and/or use of alcoholic beverages by any employee while on compensable work time, or while on Agency property or while operating any Agency

vehicles-regardless of whether the employee is on or off duty. The Agency may perform an alcohol or drug test anytime an employee is on duty. An alcohol test is considered positive if the employee's alcohol concentration rate, as measured by an evidential breath testing device, is at 0.04 or greater.

11.0 TYPES OF TESTING

11.1 Pre-Employment Testing

All safety sensitive candidates issued a conditional offer for employment or any employee transferring from a non-safety-sensitive to a safety-sensitive position will be required to undergo pre-employment drug and Breath alcohol tests at a time and place designated by the Agency.

Additionally, any safety-sensitive employee who has not performed any safety-sensitive function for at least 90 days and has been out of the random pool during that time will also be required to submit to a new pre-employment test prior to being allowed to perform any safety-sensitive work.

A verified negative drug test result and alcohol test result below 0.02 must be received by the Agency before an employee can start work for the Agency. If a pre-employment test is canceled, the individual will be required to undergo another test and successfully pass these tests with a verified negative result and have an alcohol test result below 0.02. **Under the Agency's independent authority, any MRO verified result of "Positive", "Adulterated", "Substituted" or "Refusal to Test" will immediately disqualify the applicant/employee from further employment with the Agency.**

Subject to the candidate's written consent, the Agency will check on the drug and alcohol testing background of candidates and employees being considered for final selection into any safety sensitive position within the Agency, if they previously worked in a safety-sensitive position for a DOT-covered employer in the previous two years. If the individual refuses to provide the written consent, he or she will not be hired into the safety-sensitive position.

If the information obtained from the previous DOT-covered employer(s) indicates a violation of a DOT drug or alcohol testing rule, the employee may not be allowed to perform any safety-sensitive function unless he or she has successfully complied with the return-to-duty requirements of a D.O.T.-qualified Substance Abuse Professional (SAP) and has been cleared, in writing, by the SAP to resume D.O.T. regulated duties. If the individual has had a positive pre-employment drug or alcohol test, or has refused such a test, he or she will not be hired until and unless the individual has provided a documentation of successful completion of the return-to-duty process, which includes a SAP referral, evaluation and treatment plan.

11.2 Reasonable Suspicion Testing

It is the responsibility of any employee who observes or has knowledge of another employee in a condition which may impair his or her ability to safely and effectively perform his or her duties, or may pose a safety hazard to self or others, to promptly report the incident to his or her supervisor, or any supervisor if the immediate supervisor is not available.

Whenever a supervisor (or other Agency official) has reason to believe that an employee has used a prohibited drug and/or engaged in alcohol misuse, reasonable testing will be conducted. The individual who makes the referral need not be the employee's own supervisor, as long as he or she is a trained supervisor or agency official that received training in detecting the signs and symptoms of drug use and alcohol misuse. The supervisor's or Agency official's observations will be documented and such documentation shall be kept in the employee's confidential drug and alcohol testing file. Such documentation shall describe and document the following:

- a) the date and time observations were made;
- b) specific, contemporaneous and articulable observations concerning the employee's appearance, behavior, speech, body odors and/or performance;
- c) violation of a safety rule, or other unsafe work incident; and/or
- d) other physical, behavioral, speech, body odors or performance indicators of drug or alcohol use.

Suspicion is not considered reasonable, and thus not a basis for testing, if it is based solely on the observations and reports of third parties, a violation of a safety rule, or occurrence of an unsafe work incident. However, such suspicion may be a basis for further investigation, or for action to protect the safety of patrons, such as ordering the employee to stop work.

Once a supervisor or Agency official has made a reasonable suspicion determination, he or she must remove the employee from duty and from performing any safety-sensitive functions, transport the employee to the testing site immediately, and arrange for the employee's transportation to their home. The employee will remain out of service and on paid status while awaiting test results, unless the employee is suspended for any additional purposes concurrent with the waiting for the test results. If all test results are negative, the employee will be immediately returned to work. If the alcohol test result is positive, or the drug test result is non-negative (positive, adulterated, or substituted), the employee will be placed on unpaid status pending disciplinary action. Under the Agency's independent authority, non-safety-sensitive employees may be subject to reasonable suspicion testing when an Agency authorized and trained

supervisor observes specific, contemporaneous, and articulable indicators that an employee may be impaired while on duty or that impairment may have contributed to a workplace accident or incident.

FTA rule requires that a reasonable suspicion alcohol test be conducted only if the reasonable suspicion observation is made just before, during, or just after the employee's performance of safety-sensitive function. **However, under the Agency's own authority, a reasonable suspicion alcohol test may be performed any time the employee is on duty.** If the alcohol test is not conducted within two hours, the reason for the delay must be documented and kept in the employee's reasonable suspicion test file. All attempts to complete the alcohol test must cease after eight hours and the reason(s) for the inability to test documented.

Reasonable suspicion testing shall not be used as a means of retaliation or discipline against an employee for reporting a workplace injury, accident, safety concern, or workers' compensation claim.

11.3 Post-Accident Testing

Any employee operating a public transportation vehicle **or any other Agency-owned vehicle** at the time of an accident shall be required to submit to drug and alcohol tests as soon as practicable after the accident. For purposes of this policy, "accident" is defined as an accident involving a public transportation vehicle **or any other Agency-owned vehicle** where the result is:

- An individual dies;
- An individual suffers a bodily injury and immediately receives medical treatment away from the scene;
- The vehicle (if bus, electric bus, van, or automobile) or any other vehicle(s) involved in the accident suffers a disabling damage as a result of the accident and is transported away from the scene by a tow truck or other vehicle.

Any property damage to any vehicle involved in the accident that will result in professional repair, on or off Agency property.

11.3.1 Fatal Accidents

Whenever there is a loss of human life, any surviving covered employee operating the vehicle **or any other Agency owned vehicle or equipment**, at the time of the accident must be tested immediately and must report the accident to his or her supervisor. All other covered employees whose performance could have contributed to the accident must be tested. **Failure to immediately report the accident is grounds for discipline, up to and including termination.**

11.3.2 Non-Fatal Accidents

Following non-fatal accidents, the employee operating the vehicle at the time of the accident shall be tested unless his/her performance can be completely discounted as a contributing factor to the accident. Any other safety-sensitive employee whose performance could have contributed to the accident also shall be tested.

11.3.3 Other Post-Accident Testing Requirements

Employees involved in an accident that requires testing must remain readily available for testing, including notifying the Agency of their location if they leave the scene of the accident before testing to obtain emergency medical care, or to obtain assistance in responding to the accident. They will be considered to have refused to submit to testing if they fail to do so and **will be terminated from employment.**

Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident, or to prohibit an employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident, or to obtain necessary emergency medical care.

Employees are prohibited from using alcohol for eight hours following an accident or until the post-accident testing is completed, whichever occurs first. Every effort will be made to conduct alcohol testing within two hours after the accident. In the event the alcohol test is delayed beyond two hours, the Agency will prepare and maintain a record stating the reason(s) for the delay. If an alcohol test is not administered within eight hours following the accident, the Agency will cease all efforts to administer the test and document the reason for the inability. In the event a drug test is not administered within 32 hours from the time of the accident, the Agency will cease all attempts to administer the drug test. This requirement should not be construed to delay the necessary medical attention for injured people following the accident.

If the Agency is unable to perform post-accident tests within the required period of compliance, the Agency will use the post-accident test results administered by State or local law enforcement personnel under their own authority, provided the test results are obtained by the Agency.

After the accident, the employee will be removed from service, but remain on paid status during the testing period and while awaiting test result, unless the employee is suspended for any additional purposes concurrent with the waiting of the test results. If all test results are negative, the employee will be immediately returned to work. If the alcohol test result is positive or the drug test result is non-negative (positive, adulterated, or

substituted), the employee will be placed on unpaid status pending disciplinary action.

11.4 Random Testing

Safety-sensitive employees are required to undergo random drug and alcohol tests to deter use of prohibited drugs and misuse of alcohol. The random selection will be conducted using a scientifically valid method, such as a random number table or a computer-based random number generator, which gives each covered employee an equal chance of being selected every time a selection is made. As is the nature of the random method, it is possible that some employees will be selected several times in one year, and other employees not for several years. Management does not have any discretion on who will be selected.

Every effort will be made by the Agency to spread random testing reasonably throughout the calendar year, the testing period, all days of the week, and all hours when safety-sensitive functions are performed. The testing dates and times are unannounced and employees are required to immediately and directly proceed to the designated collection site following notification.

Random alcohol tests are authorized by the FTA only during, just before, or just after the employee's performance of a safety-sensitive duty.

The Agency will conduct random drug and alcohol tests at a minimum annual percentage of covered employees as required by the FTA. The current year testing rates can be viewed online at <https://www.transportation.gov/odapc/random-testing-rates>.

11.5 Return-To-Duty Testing

Federal regulations at 49 CFR Part 40 establish return-to-duty and follow-up testing requirements for covered employees who violate drug and alcohol testing rules. SunLine Transit maintains a zero-tolerance drug and alcohol policy, and employment consequences for violations are addressed in the Consequences / Discipline section. Nothing in this Return-to-Duty section creates a right to continued employment, reinstatement, or return to safety-sensitive duties.

However, in the event an employee who was previously terminated is returned to work by an authority outside of the agency, he or she will be subject to return to duty testing. This means, an employee who has refused a required test, has a verified positive, adulterated or substituted drug test result, or tests for alcohol at 0.04 BrAC or greater, shall not be allowed to return to safety-sensitive duties until after he or she has completed the return-to-duty process. This includes evaluation by a SAP, successful completion of the rehabilitation, treatment or

education program outlined by the SAP, and obtaining a verified negative return-to-duty drug test and/or alcohol test under 0.02 BrAC. All return to duty tests shall be conducted under direct observation.

11.6 Follow-Up Testing

In addition to the Return-to Duty test described in Section 11.5, an employee who previously tested positive, or refused to take a required test, shall be subject to follow-up testing for drugs and/or alcohol, as prescribed by the SAP, for a minimum period of 12 months to a maximum of five years, As mandated by the DOT (Title 49 CFR, Part 40), the employee shall undergo at least six follow-up tests during the first 12 months of his or her return to work. Although they are both unannounced, follow-up testing is apart and separate from random testing. All follow-up tests shall be conducted under direct observation. The duration and frequency of testing will be designated by the SAP, but the actual follow-up testing dates will be decided by the employee's manager or supervisor. **The employee is responsible for payment of all costs associated with follow-up testing.**

11.7 Drug & Alcohol Testing Procedures

All DOT drug and alcohol tests required under this policy will be administered in accordance with the "Procedures for Transportation Workplace Drug and Alcohol Testing Programs" (Title 49 CFR Part 40), as amended.

Under the Agency's independent authority, non-safety-sensitive employees may be subject to drug and/or alcohol testing based on reasonable suspicion under Section 11.2. Drug testing methods may include urine and/or oral fluid (saliva) specimens, as determined by the Agency. Testing for Δ 9-tetrahydrocannabinol (Δ 9-THC), the psychoactive component of cannabis, may be conducted using oral fluid testing and shall not be based solely on the presence of non-psychoactive cannabis metabolites. All such testing shall be conducted using scientifically valid methods and non-DOT custody and control procedures. The Agency will not take adverse action based solely on the presence of non-psychoactive cannabis metabolites or lawful off-duty cannabis use.

Throughout the testing process, the privacy of the employee will be protected and the integrity and validity of the process will be maintained. The drug testing procedure will include a split specimen collection method and a Federal Custody and Control Form will be used for all D.O.T. regulated tests, while a Forensic Custody & Control Form will be used for all non-regulated employees. Each form will have a unique identification number to ensure that the correct test result is attributed to the correct employee. An initial screening test using an immunoassay technique will be performed. If the specimen is positive for one or more of the drugs tested, then a confirmation test will be performed using the state-of-the-art gas chromatography/mass spectrometry (GC/MS) or Liquid

Chromatography/Mass Spectrometry (LC/MS) analysis. If the test is confirmed positive, adulterated, substituted, or invalid, the MRO will conduct a verification process, which may include giving the employee an opportunity to provide a valid medical explanation.

Additionally, the laboratory may conduct analyses to determine if a urine specimen has been adulterated, tampered with, or diluted.

Should the employee decline to take a test as directed by the Designated Employee Representative (DER) or DAPM, this constitutes a refusal to test under DOT agency regulations.

11.7.1 Procedures for Negative Dilute Testing

Negative Dilute Specimen Testing: All SunLine Transit Agency employees that produce negative-dilute urine specimens will be immediately retested using a second sample.

Should the second test result in another negative dilute, the test will be considered a negative and no additional testing under DOT/FTA authority will be required unless directed to do so by the MRO

11.7.2 Procedure for Alcohol Testing

Tests for alcohol concentration will be conducted using an alcohol screening device or an evidential breath testing (EBT) device. If the screen test is at 0.02 BAC or greater, a confirmatory test will be conducted using only an EBT. A DOT Alcohol Testing Form will be used for DOT-regulated alcohol tests and a unique sequential number will be assigned to each test. **A non-DOT alcohol testing form will be used for any non-DOT alcohol test performed under Agency authority.**

Detailed drug and alcohol specimen collection procedures are outlined within Title 49 CFR Part 40, Subparts E, L and M and are available upon request from the Contact Persons identified in section 7.0 of this policy.

12.0 DIRECTLY-OBSERVED URINE SPECIMEN COLLECTION

Under the following circumstances, the employee will be directed to undergo an immediate urine specimen collection under same-sex direct observation with no advance notice:

- If the laboratory reported to the MRO that a specimen is invalid and there was no adequate medical explanation for the result;
- If the MRO reported that the original positive, adulterated, or substituted test result had to be canceled because the split specimen tested could not be

performed;

- If the drug test is a return-to-duty or a follow-up test;
- If the MRO reported a negative-dilute test result from the initial test with a creatinine level between 2 - 5 mg/dL;
- If the collector observes employee conduct that clearly indicates an attempt to tamper with a specimen;
- If the temperature on the original specimen was out of range; or
- If the original specimen appeared to have been tampered with;

The collector shall be the same gender as the employee. If a same sex collector is not available, a same sex observer may be used. The observer is responsible for ensuring that the specimen goes from the employee's body into the collection container. If the employee declines to allow a directly observed collection when required under this policy, it is considered a refusal to test.

13.0 MONITORED URINE SPECIMEN COLLECTION

Under those circumstances when a multi-stall restroom has to be used for urine specimen collection and the facility cannot be adequately secured, the collector will conduct a monitored collection. The monitor shall be the same gender as the employee, unless the monitor is a medical professional. The monitor will not watch the employee void into the collection container. However, if the monitor hears sounds or observes attempts to tamper with a specimen, an additional collection under direct observation will be ordered. If the employee declines to permit a collection authorized to be monitored, it is considered a refusal to test.

14.0 SPLIT SPECIMEN TESTING

After notification by the MRO of a positive drug test or refusal to test because of adulteration or substitution, the employee has 72 hours to request from the MRO (verbally or in writing) a test of the split specimen. It should be noted, however, that there is no split specimen testing authorized by the DOT for an invalid drug test result.

Following the employee's timely request, the MRO shall send a written request to the primary laboratory to forward the split specimen to a second DHHS-certified laboratory for testing without regard to the cut-off concentration. If the second laboratory fails to reconfirm the substance detected in the primary specimen or the adulterant identified, or if the split specimen is unavailable for testing, the test shall be canceled. The MRO shall report the cancellation and the reasons for it to the DOT, the Agency, and the employee. In the case of the split specimen being unavailable, the employee shall be directed, with no advance notice, to submit

another specimen under direct observation.

SunLine will ensure split specimen testing is conducted in a timely manner. **All costs related to split specimen testing will be paid by the employee or the applicant. The individual shall be reimbursed if the second test invalidates the original test or if the test was canceled.**

15.0 CONSEQUENCES / DISCIPLINE

Following a BrAC of 0.02 or greater, but less than 0.04, the employee will be immediately removed from safety-sensitive duties until the start of their next regularly scheduled duty period (but for not less than eight hours) unless a retest results in the employee's alcohol concentration being less than 0.02.

Any safety-sensitive employee who has a verified positive drug test result, an alcohol concentration of 0.04 BrAC or above, or refuses to submit to a drug or alcohol test (including adulteration or substitution) shall be:

1. Immediately removed from safety-sensitive duty;
2. Be provided with a list of USDOT qualified SAPs.

SunLine Transit maintains a zero-tolerance drug and alcohol policy. A covered employee who tests positive for drugs or alcohol (BrAC of 0.04 or greater), or who refuses to submit to a required drug or alcohol test under 49 CFR Part 40, will be subject to termination of employment for a first offense.

Under the Agency's own authority, non-safety-sensitive employees also may be removed from duty, referred to a substance abuse counselor, and be subject to discipline, up to and including termination.

FTA regulations allow individual employers to determine the discipline to be imposed on employees who violate the DOT/FTA regulations or Agency policy. The Agency's discipline policy is as follows:

- A. A first positive drug test result, test refusal, or alcohol test result of 0.04 BrAC or greater will result in immediate termination.**
- B. Other policy violations (e.g., failure to report the use of impairing medications, or failure to immediately report an accident) will subject the employee to disciplinary action, up to and including termination.**

16.0 REFERRAL EVALUATION AND TREATMENT

If an employee (including an applicant) tests positive for drugs or alcohol or refuses to submit to a test when required, the Agency shall advise the individual

of the resources available for evaluating and resolving problems associated with prohibited drug use and alcohol misuse and document such referral. He or she shall be given the name, address and phone number of Substance Abuse Professionals (SAPs) acceptable to the Agency and a list of community hot line numbers. **The individual will be responsible for any costs associated with the SAP evaluation and recommendation(s).**

17.0 VOLUNTARY REHABILITATION

SunLine employees are encouraged to voluntarily seek professional help directly from a substance abuse counselor before any substance use or dependence affects job performance. An employee who has a drug and/or alcohol abuse problem and has not been selected for testing or is not involved in a disciplinary proceeding may voluntarily refer himself or herself to a substance abuse counselor for evaluation and treatment recommendations. Confidentiality, job security and promotional opportunities will be protected. However, if the employee reports his or her substance abuse directly to an Agency employee or supervisor, instead of a substance abuse counselor directly, the Agency will require that a “Reasonable Suspicion” non-DOT drug & breath alcohol test using non-DOT testing forms be immediately performed, in accordance with Section 11.2 of this Policy.

The employee may be eligible for sick leave, disability benefits, or vacation while undergoing rehabilitation or treatment. The cost of any treatment or rehabilitation services over and above those offered by the Agency will be the responsibility of the employee.

18.0 CONFIDENTIALITY AND ACCESS TO FACILITIES AND RECORDS

Employees have a right to examine their own drug and alcohol testing records, and have access to any pertinent data such as EBT calibration or drug testing laboratory certification. They also have a right to obtain a copy of their own drug and/or alcohol testing results by submitting a written request to any of the Designated Employer Representative identified In Section 7.0 of this policy.

The Agency will do everything possible to safeguard the confidentiality of drug and alcohol testing records and protect the privacy of the individuals tested. Individual test results or medical information will be released to third parties (e.g. previous employers, unions) only with the employee's specific written consent, or to those parties authorized by the DOT or FTA to receive such information without the employee's consent. Specific written consent applies only to a particular piece of information released to a particular person or organization at a particular time. Blanket releases are specifically prohibited by DOT.

The employee's written consent is not required in administrative or legal proceedings such as:

- A lawsuit, grievance, or administrative proceeding brought by, or on behalf of the employee, or
- A criminal or civil action resulting from an employee's performance of safety-sensitive duties where the alcohol or drug test information is deemed relevant.

Access to Agency facilities and drug and alcohol program records also must be provided, without the employee's consent to DOT or FTA agency representatives; the National Transportation Safety Board as part of an accident investigation; a Federal, State or local agency with regulatory authority over the Agency, or State or grantee required to certify FTA compliance with 49 CFR Parts 40 and 655. Except as outlined in DOT Section 40.355, and with the specific consent of the Agency, the Agency's TPA may receive and maintain records concerning the Agency's DOT drug and alcohol testing programs, without the employee's consent.

19.0 JOINT UNION-MANAGEMENT REVIEW ADVISORY COMMITTEE

- A. At the direction of Management, two representatives from the Union and two from Management, shall meet periodically to provide input regarding the Agency's Substance Abuse Program.**
- B. The purpose of this meeting is to provide a channel of communication whereby participants can give input and make recommendations to the General Manager regarding the Substance Abuse Policy.**

The consequences specified in Section 15.0 of the SunLine Transit Agency Drug and Alcohol Policy regarding a positive test or test refusal is not subject to arbitration.



SunLine Transit Agency

Item 13

March 25, 2026

Board Report

AGENDA ITEM: INFORMATION

TO: Board of Directors

FROM: Mona Babauta, CEO/General Manager

SUBJECT: General Manager's Report for March 2026

Recommendation:

Recommend that the Board of Directors (Board) receive the General Manager's Report for March 2026 and provide feedback as appropriate.

Background:

Each month, the CEO/General Manager provides the Board with a summary of key agency activities, events, initiatives, and operational updates. This report is intended to keep the Board informed of notable developments across departments and provide transparency regarding ongoing and upcoming efforts supporting SunLine Transit Agency's mission and strategic goals.

Financial Impact:

There is no financial impact associated with this item.

Strategic Priority:

People & Workforce: Our commitment emphasizes fostering a culture that aligns with our vision, growing and creating opportunities for staff to realize their fullest potential, and maintaining staffing levels to meet the needs of our organization/customers.

In Collaboration with:

Executive Team Members

Approved/Reviewed by:

Mona Babauta, CEO/General Manager

Catherine J. Groves, General Counsel

Attachments:

- General Manager's Report for March 2026
- State Legislative Report from SYASL
- Federal Legislative Report from Smith Garson

Human Resources Update

Years of Service Recognition

I would like to express my gratitude to the following staff members for their dedicated years of service to the organization. Their hard work and commitment has been essential in advancing our work in serving the community.

10 Years:

- Billy Cagle - *Motor Coach Operator*
- Christopher Gomez - *Motor Coach Operator*
- Enrique Orozco - *Motor Coach Operator*
- Hector Sanchez - *Paratransit Operator*

New Hires

During the month of February, SunLine welcomed several new employees across multiple departments. These staff members will support the agency's ongoing operational needs and help strengthen our ability to provide safe, efficient, and reliable transit services. We look forward to their contributions as they join the SunLine team!

- Vincent Gonzalez – *Motor Coach Operator*
- Gema Mendoza – *Motor Coach Operator*
- Sergio Mojica – *Motor Coach Operator*
- Cesar Padilla – *Motor Coach Operator*
- Mantej Singh - *Motor Coach Operator*
- Norm Van Wieren – *Transit Trainer*

Promotions

I am pleased to recognize the following employee on their recent promotion. These advancements reflect their hard work, performance, and commitment to professional growth within the Agency. Congratulations to our staff member, and I look forward to their continued success in their new roles.

- George Morales – *Manager of Zero Emission Technology*

Legislative Update

State Update

The February 20 bill introduction deadline has passed, with approximately 1,800 bills introduced. Policy committee hearings are underway and will determine which measures advance. Budget subcommittees are reviewing the Governor's FY 2026–27 proposal, with the May Revision expected mid-May and adoption required by June 15.

Legislators are advocating for restoration of transit funding, including \$230 million for the Zero-Emission Transit Capital Program (ZETCP), future funding commitments, and stability for TIRCP and LCTOP.

CalSTA released final guidelines for TIRCP Cycle 8 (~\$950 million statewide). Applications are due May 18, 2026, with awards expected in September. SunLine is preparing a competitive application for a new maintenance facility following discussions with CalSTA.

A coalition has qualified the Local Taxpayer Protection Act for the November 2026 ballot, which would require a two-thirds vote for local special taxes and may impact transportation funding.

Bills of Interest:

AB 1837 – Camera Enforcement – Support

AB 1944 – ZEB Axle Weight – Support

AB 1198 – Prevailing Wage – Watch

AB 1421 – Road Usage Charge – Watch

AB 1599 – Transit Stop Registry – Watch

AB 1383 – PEPRAs Changes – Watch

AB 1855 – CEQA Exemption Expansion – Watch

The State Legislative Report from SYASL includes additional details and is attached.

Federal Update

Federal activity has shifted toward FY27 funding, earmarks, and surface transportation reauthorization. SunLine submitted a \$5 million earmark request for its maintenance facility to Representative Ruiz and Senators Padilla and Schiff, with additional outreach

ongoing. Congressman Ruiz indicated that he has selected our request and will be submitting it in his package to the Appropriations Committee.

Congressional focus includes housing legislation and FY27 priorities, while transportation policy development continues ahead of reauthorization. Broader geopolitical and economic factors, including the Iran conflict and rising oil prices, may influence transportation costs.

With FY26 funding secured, attention is on upcoming Federal Transit Administration (FTA) grant opportunities and discretionary funding.

The Federal Legislative Report from Smith Garson includes additional details and is attached.

Community/Industry Engagement Events

SunLine: Rides Reimagined Outreach Events – Various Locations (March 2026)

Staff from Planning/Strategic Alignment, Marketing/Outreach, Operations, the Clerk's office, Finance, as well as other departments have been providing presentations at locations throughout the Valley, while also assisting community members with questions about the survey being conducted during the first phase of [SunLine: Rides Reimagined](#).

Since the last Board Meeting, the team has delivered presentations as follows:

- Desert Healthcare District and Foundation Board of Directors – February 24, 2026
- City of Desert Hot Springs City Council – March 3, 2026
- SunLine Access Advisory Committee – March 17, 2026

We are now in Phase 2 of the system reimagining process, and the Phase 1 Public Engagement Process and associated officially closed on March 11, 2026. Jarret Walker and Associates (JWA), along with SunLine staff, are now synthesizing and gleaning data from the survey process, which yielded approximately 1,800 validated surveys from all 9 cities and unincorporated areas of the Coachella Valley. Key findings from the survey and analyses of performance data will be used to develop two service scenarios/maps that will be based on two concepts: ridership and coverage. The ridership concept will propose a service design that focuses on maximizing ridership on fixed route and paratransit only. The coverage concept will present a new design that reaches across the entire Valley to serve as many areas as possible with fixed route, paratransit and SunRide. Both scenarios will be constrained by known funding, staffing, and capital resources.

In the next round of public engagement, the community members will be asked to provide feedback on the two proposed service scenarios, and this process is expected to start in early May 2026. Feedback will be primarily sought through a second survey that will be provided online and via hardcopy as requested. Mobile pop-ups, community presentations, and public meetings are also being planned, and feedback may be provided at these events as well. Information on upcoming events and the survey may be found on the SunLine website (www.SunLine.org), and the specific website for the “SunLine: Rides Reimagined” initiative is: <https://www.sunline.org/rides-reimagined>. The specific website will be updated regularly to reflect ongoing progress throughout this calendar year, and I encourage you to visit it often.

I want to thank everyone who participated in Phase 1 of the system reimagining process, and I look forward to continued engagement with the public, stakeholders, and our partner agencies.

American Public Transportation Association (APTA) Marketing, Communications & Customer Experience (MCX) Workshop – Savannah, GA (February 22 – 25, 2026)

Chief Transportation Officer, Isabel Vizcarra, and Chief of Human Relations, Tamara Miles, attended the APTA MCX Workshop in Savannah, GA. Key topics included: customer experience planning, digital and social media strategies, safety and crisis communications, ridership growth, workforce recruitment and retention, and strengthening both public outreach and internal communication.

The workshop emphasized collaboration, innovation, and practical solutions that transit agencies can implement to enhance service delivery, improve organizational performance, and build community trust.

SunLine Transit Agency Bus Roadeo – Palm Springs, CA (February 28, 2026)

SunLine hosted its annual Roadeo at the Palm Springs Convention Center. This year's theme was “Roadchella”. The event was a great success and highlighted the safe driving skills and professionalism of our participating operators. **Congratulations to our 1st place winners Rodolfo Arcos (Fixed Route) and Cyle Tisdale (Paratransit)!** Rodolfo will represent SunLine at the Regional Roadeo on April 18 at Omnitrans in San Bernardino, CA, and the International Roadeo on May 15 in Salt Lake City, Utah.

We would also like to recognize the other contestants who participated in this year’s competition: Marius Chiselencu, Rosario Aragon, Kartar Singh, Roberto Diaz Del Castillo,

Christina Lane (Fixed Route); and Hector Sanchez, Jesse Hill, and Davis Arangure (Paratransit).

Thank you to all contestants, as well as the judges, volunteers, and staff who helped make the event a success and continue to support SunLine's commitment to safety and excellence.

Community Transportation Association of America (CTAA) 2026 Legislative Fly-in - Washington D.C. (March 4-6, 2026)

As a Board Member of the California Association of Coordinated Transportation (CALACT), I participated in CTAA meetings with congressional representatives on March 5, 2026. Along with other members from Southern California transit agencies, I highlighted key interests and concerns as they relate to continued federal funding for operations and capital investments; the importance of passing a new surface transportation funding bill that will support growing funding needs; the impacts of tariffs and global events on access to parts, supplies and equipment and the increased cost of doing business, and; regulatory relief as appropriate considering the varying sizes and complexities of transit agencies. I also had the opportunity to discuss SunLine's investment in hydrogen technology and challenges faced by all California agencies due to funding uncertainty and recissions for zero emission technology. (Note: Travel expenses were covered by CALACT.)



March 12, 2026

TO: Board of Directors
SunLine Transit Agency

FM: Matt Robinson, Michael Pimentel & Brendan Repicky
Shaw Yoder Antwih Schmelzer & Lange

RE: STATE LEGISLATIVE UPDATE – March 2026

General Update

The deadline for legislators to introduce new bills in the second year of the 2025-26 Regular Legislative Session was February 20. In total, legislators introduced 1,800 bills this year, which must be acted on before the Legislature adjourns for final recess on August 31. As is typical, legislators introduced many bills as “spot” bills (i.e. placeholder legislation), which will need to be amended before they can be heard in the Legislature’s policy committees. The Assembly requires spot bills to be amended by March 16 and the Senate by March 25. Also, bills must be in print for 30 days before they may be heard in a policy committee. As of the drafting of this report, the rules committees in each house have referred most bills to their policy committee(s) and these committees are beginning to hold hearings, which will inform which bills move forward this year.

Alongside this early activity on new state legislation, the Legislature’s budget committees and subcommittees are beginning to hold hearings to review the proposals included in the Governor’s proposed Fiscal Year 2026-27 budget. Already, these committees are beginning to discuss the impact of the state’s improved fiscal outlook on these proposals. In mid-May, the Governor will release his “May Revise,” an update to his January proposed budget. This will kick off final negotiations between the Governor, Senate, and Assembly to finalize the budget agreement. The budget must be passed by June 15, in advance of the new fiscal year, which begins on July 1.

For information about key legislative and budget deadlines for next year, please see the 2026 Legislative Calendar [here](#).

Legislators Push Back on Governor’s Proposed Budget

Last month, we reported that the Governor’s proposed FY 2026-27 budget projected decreased funding for the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program and zeroed out \$230 million in planned funding for the Zero-Emission Transit Capital Program.

On March 6, a dozen legislators, acting in response to the Governor’s proposed budget, submitted

statewide budget requests to budget leadership in their respective houses, urging the Legislature to include critical transit funding in the FY 2026-27 budget.

These letters, which mirror the priorities of the California Transit Association (the trade association to which SunLine belongs), as well as the letter submitted by SunLine. Specifically, these letters call on the Legislature to:

- Appropriate the planned investment of \$230 million in Greenhouse Gas Reduction Fund (GGRF) dollars for the Zero-Emission Transit Capital Program in FY 2026-27;
- Reaffirm the state's commitment to appropriate \$460 million in GGRF dollars to the ZETCP in FY 2027-28; and,
- Establish funding certainty for the Transit and Intercity Capital Program and Low Carbon Transit Operations Program.

As noted above, budget and budget subcommittee hearings are just getting underway and no final decisions on the budget will be made until this summer.

CalSTA Releases TIRCP Cycle 8 Guidelines and Call for Projects

On February 23, the California State Transportation Agency (CalSTA) released [final guidelines](#) and a [call for projects](#) for the Transit and Intercity Rail Capital Program (TIRCP) Cycle 8.

The call for projects details the application requirements and procedures to apply for funding under the program. TIRCP Cycle 8 will program projects starting with the Fiscal Year (FY) 2026-27 and ending with the FY 2030-31. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of the FY 2025-26 fiscal year, and projects selected from Cycle 8. The new capacity available for Cycle 8 is currently estimated at least \$950 million, but could be adjusted based on auction proceeds and changing cash flow requirements of already awarded projects between now and the September 2026 award announcement.

On March 3, SunLine's state advocates facilitated a meeting between CalSTA and SunLine staff where CalSTA staff offered guidance for SunLine's upcoming TIRCP grant application to fund a new maintenance facility. Applications are due May 18, 2026, and CalSTA expects to announce awards no later than September 18, 2026.

CARB Releases ICT Exemption Request Templates

On February 14, the California Air Resources Board released [templates to support California transit agencies in claiming an exemption](#) from the Innovative Clean Transit (ICT) regulation's zero-emission bus purchase requirements for reasons that include:

- 1) The unavailability of zero-emission buses that meet the operational and performance needs of transit agencies.
- 2) The unavailability of zero-emission buses due to the necessary vehicle not completing / passing required Altoona testing, the vehicle not meeting applicable ADA requirements, the physical characteristics of the vehicle violating any federal, state, or local laws, regulations, or ordinances.

- 3) Financial hardship at the transit agency that makes it impossible for the transit agency to offset the incremental cost of purchasing ZEBs or offset managed, net electricity costs for depot charging.

To receive an exemption from the ICT regulation, transit agencies must submit their exemption requests: (1) annually or (2) once every three years with an annual update to CARB that stipulates the continued need for the exemption. CARB will grant exemptions on an annual basis.

Business and Taxpayer Advocates Submit Signature to Qualify the Local Taxpayer Protection Act

On February 25, a coalition of business and taxpayer advocates announced that they had submitted signatures to the Secretary of State to qualify the [Local Taxpayer Protection Act](#) for the November 2026 statewide ballot.

According to the coalition, the measure would "reaffirm voter protections against higher local taxes and ensure greater transparency and accountability before new taxes are imposed." Specifically, the act would prohibit local governments from imposing special taxes, including those taxes passed by way of a voter initiative, from being approved unless these taxes secure a two-thirds vote of the electorate. Additionally, the measure would nullify any prior taxes passed at a lower threshold two years from the approval of the act. The coalition is comprised of the California Business Roundtable, California Business Properties Association, Howard Jarvis Taxpayers Association, and California Taxpayers Association. For more information, see the press release [here](#).

Bills of Interest

AB 1198 (Haney) Prevailing Wage – WATCH

This bill impacts public works contracts by requiring that any change in prevailing wage rates be applied biannually to *all* public works contracts awarded, until the projects' completion, as determined by the Director of Industrial Relations. The bill also allows contractors, awarding bodies, or their representatives to file a verified petition within 20 days to review a rate determination. The Director must then investigate or hold a hearing and issue a final determination within 20 days, which is sent to the awarding body and interested parties. ***In the Senate, pending referral to policy committee.***

AB 1383 (McKinnor) PEPPRA Compensation Limits – WATCH

This bill makes several changes to the Public Employees' Pension Reform Act (PEPPRA) of 2013, a bill passed in 2012 to reform public employee retirement systems and help local agencies better manage future pension costs. First, AB 1383 authorizes a public employer and labor organization to negotiate an increase to Defined Benefit retirement formulas for *safety* plan members. This change would impact only public safety employees (e.g. police, firefighters) and would not impact most transit agencies, unless they manage their own police force. However, the bill also requires retirement systems subject to PEPPRA *which are not enrolled in the social security program* to increase their compensation limit from 120% to 135% -- thus increasing those systems' pension obligations. Systems with employees enrolled in social security would see no change. ***In the Senate, pending referral to policy committee.***

AB 1421 (Wilson) Vehicles: Road Usage Charge Technical Advisory Committee – WATCH

This bill would require the California Transportation Commission, in consultation with the California State Transportation Agency, to consolidate and prepare research and recommendations related to a

road user charge or a mileage-based fee system. This bill would require the commission to submit a report to the Legislature on the research and recommendations by no later than January 1, 2027. ***In the Senate, pending referral to policy committee.***

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 December 31, 2026. 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. ***In the Assembly Transportation Committee.***

AB 1837 (Mark Gonzalez) Forward Facing Camera Reauthorization – SUPPORT

Sponsored by the California Transit Association, this bill would extend the existing authorization for transit agencies to install forward-facing automated parking cameras to combat the issue of cars parked in bus lanes and help ensure transit reliability. This authorization – originally enacted in 2022 – is set to expire on January 1, 2027. ***In the Assembly Transportation Committee.***

AB 1855 (Jeff Gonzalez) Expanding CEQA Exemption for Passenger Rail – WATCH

This bill would expand existing law to exempt all projects which improve or increase passenger rail service, including station maintenance or construction, from the California Environmental Quality Act (CEQA). Current law provides a CEQA exemption until 2040 for passenger rail service projects but limits it to projects used exclusively by zero-emission or Tier 4 locomotives. ***In the Assembly Natural Resources Committee.***

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

Also 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 Innovative Clean Transit (ICT) regulation. ***In the Assembly Transportation Committee.***

For a full list of bills we are tracking for SunLine, please click [here](#).



March 13, 2026

TO: Board of Directors - SunLine Transit Agency

FM: Smith Garson

RE: Federal Legislative and Regulatory Update – March 2026

General Update

Federal activity in early March centered on housing legislation, the ongoing partial shutdown of the Department of Homeland Security (DHS), and the expanding U.S. military conflict with Iran. While the House is out of session this week, the Senate is expected to devote significant floor time to housing legislation, with final action possible by the end of the week. At the same time, the administration's focus remains on the Iran conflict and its related diplomatic, military, and economic implications, including rising oil prices.

For transportation and infrastructure stakeholders, the month continues to reflect a broader shift away from FY26 appropriations uncertainty and toward policy development, agency oversight, and the early stages of the FY27 appropriations process.

White House Update

The Trump Administration's immediate focus remains the war with Iran. The conflict has now resulted in seven confirmed American deaths, while reported Iranian casualties exceed 1,300, though those figures have not been independently verified. Mojtaba Khamenei, son of the late Ayatollah Ali Khamenei, has reportedly been selected as Iran's new supreme leader, signaling continued instability in the region.

On March 8, the State Department ordered non-emergency U.S. government employees and family members to leave Saudi Arabia due to safety risks. The order followed reported Iranian strikes near the U.S. Embassy compound in Riyadh and marked the first ordered departure since U.S. and Israeli strikes on Iran began on February 28.

The conflict is also beginning to affect domestic economic conditions. Oil prices rose sharply over the weekend, with crude briefly surpassing \$100 per barrel and nearing \$120 at one point. Continued volatility in energy markets could have downstream impacts on inflation, fuel costs, and federal transportation policy discussions.

President Trump also spoke to House Republicans at their annual retreat in Doral, Florida. Most of the President's address focused on his effort to push Congressional Republicans to advance the SAVE Act, a comprehensive elections and voter ID law. Although already passed by the House along party lines, Senate Republicans have thus far balked at passing the legislation. The bill is such a priority for the White House that President Trump has threatened to not sign anymore legislation until the SAVE Act is passed.

Congressional Activity

The Senate returns this week while the House remains out of session until March 16. Senate floor activity is expected to focus primarily on H.R. 6644, the Housing for the 21st Century Act. Senate Majority Leader John Thune has filed cloture on both the substitute amendment and the underlying bill, and a vote on final passage is possible by week's end. The Senate substitute combines provisions from the Senate Banking Committee's bipartisan housing package with elements of the House-passed measure.

The Senate is also expected to consider the nomination of Lieutenant General Joshua Rudd, U.S. Army, for elevation to the rank of General.

Although the House is out this week, House Republicans are meeting in Doral for their annual retreat. Topics expected to be discussed include a possible second budget reconciliation package, FY27 budget priorities, and sector-specific legislative agendas across financial services, housing, homeland security, transportation, and appropriations.

The DHS partial shutdown also remains unresolved. The House passed H.R. 7744 last week to fund much of DHS through the remainder of fiscal year 2026, but Senate action remains uncertain. Negotiations continue to be affected by disagreements over immigration enforcement policies tied to ICE and Customs and Border Protection.

Housing

Housing remains one of the Senate's primary legislative priorities this week. The Senate substitute to H.R. 6644 is intended to increase housing supply, lower development barriers, and streamline federal housing programs. While the subject matter is outside SunLine's immediate operating mission, it remains relevant to broader regional planning and local government priorities, particularly where housing, land use, and infrastructure planning intersect.

Transportation and Infrastructure

The House remains out of session this week, so transportation activity on the floor will be limited. However, transportation remains part of the broader policy discussion at the House Republican retreat, particularly as lawmakers begin to look ahead to FY27 funding and surface transportation reauthorization.

Recent congressional activity also continues to signal interest in transportation safety, aviation oversight, and infrastructure modernization. These early March discussions are likely to continue feeding into broader transportation policy conversations over the remainder of the year, especially as Congress moves closer to work on the next surface transportation bill.

Appropriations

Smith Garson worked with SunLine throughout the last few weeks to identify and prepare relevant projects for submission through the California delegation's Fiscal Year 2027 Congressional Directed Spending (CDS) portals. As of March 12, Smith Garson successfully submitted \$5 million funding requests for SunLine's new maintenance facility to Rep. Raul Ruiz,

Sens. Alex Padilla, and Sen. Adam Schiff. Smith Garson will continue working with Rep. Calvert's office to identify potential funding opportunities through that office.