



MEETING NOTICE & AGENDA

DATE: Thursday, July 20, 2017

TIME: 4:00 P.M.

PLACE: Yuba County Board of Supervisors Chambers
Yuba County Government Center
915 8th Street
Marysville, California

I. Call to Order & Roll Call

Cardoza, Didbal (Chair), Fletcher, Leahy, Pedigo, Sullenger, Whiteaker and Whitmore (Vice-Chair)

II. Public Business from the Floor

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

III. Public Hearings

A. Federal Transit Administration (FTA) Sections 5307, 5311, 5317 and 5339 Grant Applications for FY 2018. (Attachment)

1. Staff Presentation
2. Open /Close Public Hearing
4. Board Discussion and Action

RECOMMENDATION: Authorize federal funding applications as submitted.

IV. Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff or public request specific items to be discussed or removed from the Consent Calendar for specific action.

- A. Minutes from the Meeting of June 15, 2017. (Attachment)
- B. Disbursement List for June 2017. (Attachment)
- C. Monthly Performance Report for June 2017. (Attachment)

V. Reports

A. Transit Advertising Program Contract Award. (Attachment)

RECOMMENDATION: Award the Transit Advertising Program Contract to Stott Outdoor Advertising under the proposed terms and conditions.

- B. Transportation Improvement Plan (TIP) for FY 2018 – FY 2022.** Review and consideration of proposed revisions to Yuba-Sutter Transit’s Capital Improvement Plan for inclusion in the FY 2018 – FY 2022 TIP. (Attachment)

RECOMMENDATION: Approve the FY 2018 Capital Improvement Plan and the FY 2018 – FY 2022 Transportation Improvement Plan as proposed.

- C. Feather River Air Quality Management District (FRAQMD) Blue Sky Grant Projects for FY 2017/2018.** Discussion and direction regarding priority projects for the preparation and submittal of annual grant applications. (Attachment)

RECOMMENDATION: Direct staff as desired.

VI. Correspondence/Information

VII. Other Business

VIII. Adjournment

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, AUGUST 17, 2017
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

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If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or (TTY) 634-6889 at least 72 hours in advance so such aids or services can be arranged.

AGENDA ITEM III – A
STAFF REPORT

**FEDERAL TRANSIT ADMINISTRATION (FTA) SECTIONS 5307, 5311, 5317, AND
5339 GRANT APPLICATIONS FOR FY 2018**

Federal funding requirements stipulate that a public hearing must be held prior to the submittal of grant applications. The purpose of the hearing is to provide an opportunity for public comment regarding the program or programs to be funded by the subject grants. This public hearing is for the federal grant applications to be submitted for FY 2018.

Attached is a copy of the public hearing notice which summarizes these applications for an estimated combined total of \$4,406,513 in federal funding for both operating (\$2,300,000) and capital (\$2,106,513) purposes. All of these projects for which federal funding will be requested are included in the adopted Yuba-Sutter Transit operating and capital budget for FY 2018.

The operating assistance portion of this program includes \$2,100,000 in Section 5307 (urban) funding and \$200,000 in Section 5311 (rural) funding. The capital portion of this program includes \$200,000 in Section 5307 (urban) funding and \$86,000 in Section 5317 (New Freedom) funding for access improvements on North Beale Road in Linda; \$526,573 in Section 5311 (rural) funding and \$458,940 in Section 5339 (urban capital) funding for the replacement of seven 2006/2007 model Blue Bird commuter buses; and, \$375,000 in Section 5311 (rural) funding and \$460,000 in Section 5339 (urban capital) funding for the replacement of ten 2010 model Starcraft demand response/rural route buses.

Staff will be prepared at the meeting to review the entire federal program as desired.

RECOMMENDATION: Authorize the federal funding applications as submitted.

7-20-17

**NOTICE OF PUBLIC HEARING
YUBA-SUTTER TRANSIT FEDERAL ASSISTANCE PROGRAM**

A public hearing will be held by the Yuba-Sutter Transit Authority in the Yuba County Board of Supervisors' Chambers at 915 Eighth Street, Marysville, California at 4:00 p.m. on Thursday, July 20, 2017 for the purpose of receiving comments on Yuba-Sutter Transit's proposed FY 2017-2018 operating and capital assistance projects to be partially funded by monies provided through Sections 5307, 5311, 5317 and 5339. This shall serve as the final program notice unless amended. The project is generally described as follows:

1. The projects include funding for the urbanized and non-urbanized area operating and capital expenses of Yuba-Sutter Transit including transportation, maintenance, administration, accessibility improvements, and other related expenses for the period July 1, 2017 to June 30, 2018. Yuba-Sutter Transit is the applicant and mass transportation operator to be assisted.
2. The projects will be administered at Yuba-Sutter Transit's headquarters at 2100 B Street, Marysville, but the projects will have area-wide implications.
3. The combined urbanized and non-urbanized federal operating and capital assistance for the period is estimated at \$4,406,513. The capital program includes \$200,000 in Section 5307 funds; \$901,573 in Section 5311 funds; \$86,000 in Section 5317 funds; and \$918,940 in Section 5339 funds. The operating program includes \$2,100,000 in Section 5307 funds and \$200,000 in Section 5311 funds. Local funds required to complete the proposed FY 2017-2018 project are estimated at \$9,570,987 for a total project cost of \$13,977,500. Local funding will be primarily derived from state and local Transportation Development Act funds, state bond funds and passenger fares.

No persons, families or businesses will be displaced by the projects. No significant environmental impact is anticipated by initiation of the proposed projects. The projects are in conformance with the comprehensive land use and transportation planning for the area and will be consistent with the adopted Transportation Improvement Program. The special needs of the elderly and persons with disabilities have been considered.

Interested persons or agencies will be given an opportunity to comment at the hearing on the social, environmental and economic aspects of the proposed projects. Interested persons may submit, orally or in writing, evidence and recommendations with respect to said projects.

A copy of the grant applications and the Transportation Improvement Program for the area will be available for public inspection at 2100 B Street, Marysville, California. Call (530) 634-6880 for more information.

AGENDA ITEM IV – A

**YUBA-SUTTER TRANSIT AUTHORITY
MEETING MINUTES
JUNE 15, 2017**

I. Call to Order & Roll Call

Director Didbal called the meeting to order at 4:00 p.m.

Present: Cardoza, Didbal, Fletcher, Leahy, McKenzie (Alternate), Sullenger (4:04) and Whiteaker (4:11)

Absent: Pedigo and Whitmore

II. Public Business from the Floor

None

III. Consent Calendar

Director Fletcher made a motion to approve the consent calendar with corrections. Director Cardoza seconded the motion and it carried unanimously.

IV. Reports

Director Sullenger arrived while this item was being discussed

At the request of staff, Director Cardoza made a motion to include an off-agenda item regarding the FY 2016/17 California Transit Security Grant Program Governing Body Resolution and Authorized Agent Designation because the need to take action was not known until after the agenda had been posted. Director Fletcher seconded the motion and it carried unanimously.

Off-Agenda Item: FY 2016/17 California Transit Security Grant Program Governing Body Resolution & Authorized Agent Designation.

Martin stated that this item is a resolution to designate the Transit Manager as the authorized agent to execute all documents related to this state funded project for the design, purchase and installation of an emergency generator for Yuba-Sutter Transit's Operations, Maintenance and Administration facility. The Board approved this project for submittal in February. Staff is now recommending the adoption of Resolution No. 8-17 as proposed.

Director Cardoza made a motion to adopt Resolution No. 8-17 and authorize the execution of the CalOES Authorized Agent Signature Authority Form to complete the FY 2016/2017 CTSGP application process. Director McKenzie seconded the motion and it carried unanimously.

Director Whiteaker arrived while this item was being discussed

A. Transportation Development Act (TDA) Claim for Fy 2017/2018.

With the adoption of the budget in May, Martin stated that staff is now prepared to submit a TDA claim to SACOG for FY 2018. Martin added that the proposed claim reflects the \$2.5 million in Local Transportation Funds (LTF) and a maximum of \$1 million in State Transportation Funds (STA) for Fiscal Year 2018. Staff is recommending the adoption of Resolution No. 7-17 authorizing the submittal of Yuba-Sutter Transit's FY 2017/18 TDA claim as proposed.

Director Fletcher asked for clarity regarding the use of the LTF revenue and if these funds are available for the maintenance of local streets and roads if they are not used by Yuba-Sutter Transit. Martin stated that this is correct and that SACOG conducts hearings and makes an annual determination that there are no unmet transit needs in the two county area that are reasonable to meet based on the proposed level of service and any LTF funds that remain are available for local streets and roads maintenance. Martin continued that this is the case in three of the four member jurisdictions with the City of Marysville being the only one that does not have any remaining LTF revenue.

Director Fletcher asked if Yuba-Sutter Transit's budget can support funding to improve roads in the City of Marysville. Martin stated that this issue has been discussed a few times over the years as to whether the transit budget should contribute funding for that purpose, but the member jurisdiction administrators and public works directors have not supported such an allocation. Martin noted that Marysville as the smallest of the four jurisdictions has by far the smallest amount of LTF available at just \$187,000 for FY 2017/18 and all of it is coming to Yuba-Sutter Transit. Fletcher suggested that a meeting with the City of Marysville and Yuba County be held to clarify how this piece of the budget works and how it might be modified in the future.

Director Fletcher made a motion to adopt Resolution No. 7-17 authorizing the submittal of Yuba-Sutter Transit's FY 2017/18 TDA claim as proposed or amended. Director Cardoza seconded the motion and it carried unanimously.

B. Administrative Staff Benefit Adjustment.

Martin stated that Yuba-Sutter Transit first adopted a rather modest two step longevity pay benefit program in 2014. During the recent recruitment process, staff became aware of a program that was recently adopted by the Feather River Air Quality Management District (FRAQMD) and is now proposing that a similar program be provided by Yuba-Sutter Transit. Martin noted that only one staff member would be eligible under the criteria outlined in the staff report and that it would be three years before the next staff member would be eligible for any program related salary increase. Staff is now recommending approval of the adjusted longevity pay benefit program as proposed and that legal counsel be allowed to make the appropriate language changes to the Personnel Manual effective July 1, 2017.

Director Cardoza asked why the Transit Manager is not eligible for the longevity program. Martin responded that the Transit Manager's salary is set by the Board independent of any designated salary scale and that process would presumably consider longevity as a factor.

Director Fletcher asked if staff had considered bonuses instead of an automatic percentage. Director Whiteaker stated that when looking at salary and benefit adjustments like longevity we want to reward people who stay in the community. Director Sullenger stated he agrees with

Director Fletcher that there is a way for rewarding people for a job well done without tying our hands to an automatic pay adjustment. Director McKenzie stated that the staff report does state that it is contingent upon a satisfactory performance so it would not be automatic. Director Didbal, also noting that any increase was contingent upon satisfactory performance, stated that for retention purposes those that have been trained and have done a good job should be rewarded.

Martin responded that bonuses are not uncommon in the public sector, but they are typically applied to executives. He continued by stating that the FRAQMD process is one that was used with another local agency of similar size to Yuba-Sutter Transit and that it would be contingent upon satisfactory performance.

Director Didbal inquired as to how bonus criteria would be developed and applied. Martin responded that he believes Director Fletcher intended that such bonuses be provided on an annual basis based on the budget rather than as an ongoing commitment. Director Fletcher then proposed that an ad hoc committee be established to study this issue for the purpose of making a recommendation to the Board.

Director Whiteaker made a motion to approve the adjusted longevity pay benefit program as proposed. Director Cardoza seconded the motion it carried with Directors Fletcher and Sullenger dissenting.

C. **Third Quarter Performance Report.**

Martin stated the numbers are not looking good in part due to the Oroville Dam related evacuations in February and the historic rainfall totals this winter.

D. **Projects & Program Updates.**

1. **New Staff Introduction (Isabelle Markoe, Program Analyst)**

Martin introduced Isabelle Markoe as the new Program Analyst. Isabelle is a 2016 graduate of U.C. Davis where she majored in English and worked for four years with Unitrans, the student operated bus system. At Unitrans, Isabelle served as a driver, trainer, road supervisor and finally a planner. The Board welcomed Isabelle to the agency.

2. **Connect Card Implementation**

Martin stated that Director Cardoza and he were at Raley's Field in Sacramento this morning for the regional Connect Card kick-off event where all nine participating agencies were represented. He noted that there are now around 2,100 active Connect Cards region wide and that 466 of those cards are from Yuba-Sutter Transit. Staff is also working to get both county libraries set up to become Connect Card outlets which will greatly assist our passengers.

3. **North Beale & Lowe Bus Stop Enhancement (Federal New Freedom Funded Project)**

Martin stated that construction on this project got underway last week. Staff is very excited to see this project, which has been in the books for more than five years, get underway and is glad to partner with Yuba County.

V. Correspondence/Information

None

VI. Other Business

None.

VII. Adjournment

The meeting was adjourned at 4:35 p.m.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, JULY 20, 2017
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

**AGENDA ITEM IV-B
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF JUNE 2017**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 5,153.87	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 1,131.41	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 265.18	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 38.04	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION
EFT	\$ 655.19	PG&E	ELECTRIC
EFT	\$ 2,660.08	PG&E	ELECTRIC BILL #2
EFT	\$ 47.27	PG&E	GAS
EFT	\$ 182.81	ATT - SECURITY LINE	SECURITY LINE - JUNE
EFT	\$ 70.00	AT&T - UVERSE	INTERNET JUNE
EFT	\$ 800.60	TPX COMMUNICATIONS	TELEPHONE
EFT	\$ 108.81	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 300.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 41.99	CARDMEMBER SERVICES	RABOBANK CREDIT CARD
EFT	\$ 139.01	DELUXE	BANK DEPOSIT SLIPS
EFT	\$ 135.78	ELAVON	MERCHANT SERVICE FEE - MAY
EFT	\$ 128.10	PRIMEPAY	PAYROLL FEE
EFT	\$ 27,257.90	PAYROLL	PAYROLL
15576	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING MAINTENANCE
15577	\$ 709.23	APPEAL DEMOCRAT	LEGAL NOTICES & ADVERTISING
15578	\$ 15,550.97	BOYETT PETROLEUM	BUS FUEL
15579	\$ 168.87	FRANCOYTP-POSTALIA, INC.	POSTAGE MACHINE LEASE
15580	\$ 15,061.37	HUNT & SONS, INC.	BUS FUEL
15581	\$ 369.56	QUILL CORP	JANITORIAL SUPPLIES
15582	\$ 1,100.00	R.C. JANITORIAL SERVICE	JANITORIAL SERVICE
15583	\$ 440.00	SACRAMENTO REGIONAL TRANSIT	MAY RT PASSES
15584	\$ 2,741.13	SMART MARKETING & PRINTING	ALL BROCHURES PRINTED
15585	\$ 33.64	AT&T	FIRE LINE
15586	\$ 409.11	ADVANCED DOCUMENT CONCEPTS	COPY MACHINE - MAY
15587		VOID	
15588	\$ 343.03	CETRA LANGUAGE SOLUTIONS	RIDE GUIDE TRANSLATION
15589	\$ 450.00	DIGITAL DEPLOYMENT	WEB SERVICES - JUNE
15590	\$ 50.00	JIM WHITEAKER	BOARD MEETING 6/15
15591	\$ 13,331.85	LAKEVIEW PETROLEUM CO.	BUS FUEL
15592	\$ 50.00	MANNY CARDOZA	BOARD MEETING 6/15
15593	\$ 50.00	MICHAEL LEAHY	BOARD MEETING 6/15
15594	\$ 50.00	PREET DIBBAL	BOARD MEETING 6/15
15595	\$ 114.76	PREMIER PRINT & MAIL	BUSINESS CARDS
15596	\$ 1,059.77	QU. EST	MAINTENANCE OF BUS STOPS/SHELTERS
15597	\$ 288.07	QUICK'S GLASS SERVICE	REPLACE BROKEN GLASS AT BUS SHELTER
15598	\$ 50.00	RANDY FLETCHER	BOARD MEETING 6/15
15599	\$ 8.96	RECOLOGY YUBA-SUTTER	HAZMAT FEE
15600	\$ 50.00	RON SULLENGER	BOARD MEETING 6/15
15601	\$ 250.00	SANDRA ANDERSON	VISION REIMBURSEMENT
15602	\$ 45.00	SHELBY'S PEST CONTROL	PEST CONTROL
15603	\$ 50.00	STEPHANIE MCKENZIE	BOARD MEETING 6/15
15604	\$ 448,794.08	TRANSDEV SERVICES, INC.	CONTRACT SERVICES - MAY
15605	\$ 384.29	U.S. BANK EQUIPMENT FINANCE	COPIER LEASE
15606	\$ 62.42	VERIZON	CONNECT CARD WIRELESS
15607	\$ 139.80	YUBA COUNTY LIBRARY	MAY COMMISSION
15608	\$ 9,370.37	AECOM TECHNICAL SERVICES, INC.	CORRIDOR ENHANCEMENT PROJECT
	\$ 550,867.32		

**LAIF
TRANSFERS**

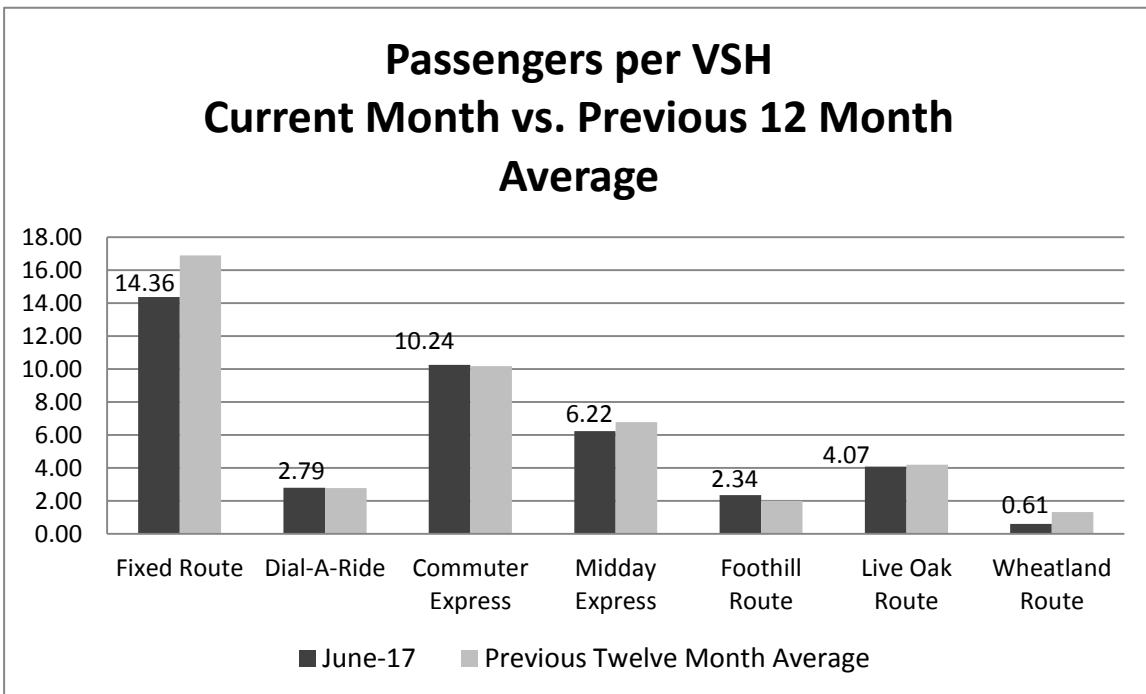
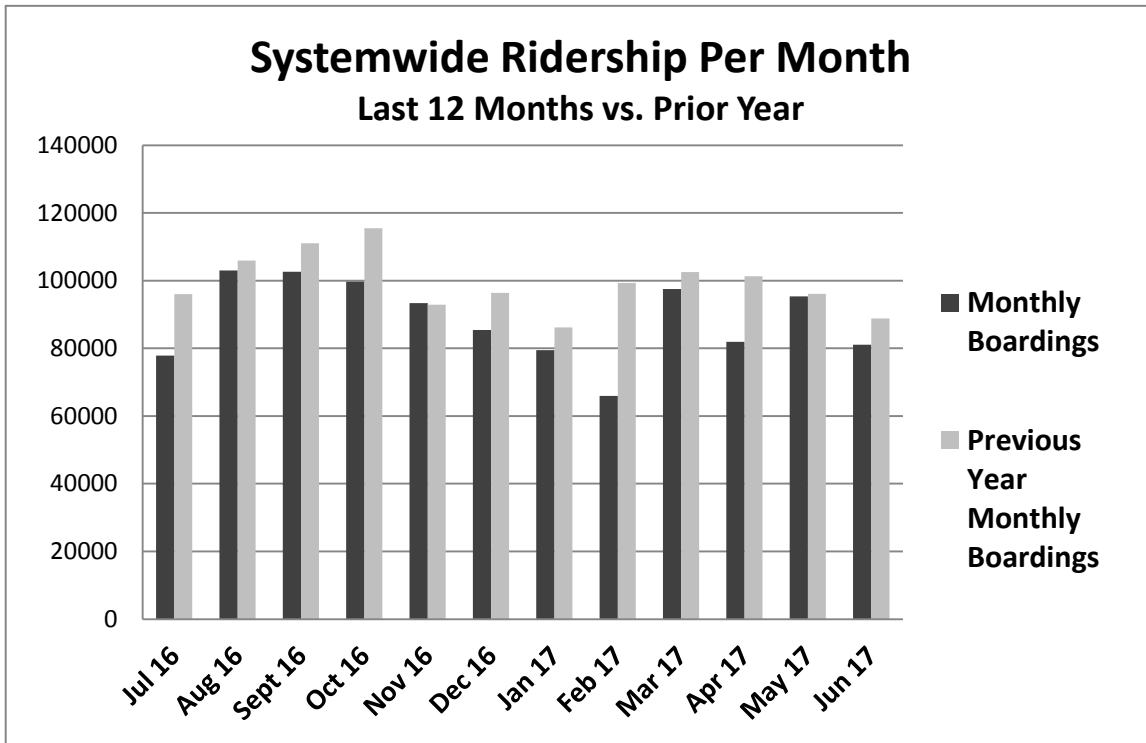
NO LAIF TRANSFERS

AGENDA ITEM III - E

JUNE 2017 PERFORMANCE REPORT

Ridership:	June-17	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Fixed Route	62,972	72,233	858,384	971,606
Dial-A-Ride	5,989	5,637	68,018	70,047
Commuter Express	10,563	9,837	118,307	130,850
Midday Express	1,004	1,025	12,320	13,477
Foothill Route	196	166	2,052	2,107
Live Oak Route	303	302	3,557	3,186
Wheatland Route	22	51	572	654
Total Ridership:	81,049	89,251	1,063,210	1,191,927
Vehicle Service Hours:				
Fixed Route	4,384.74	4,275.04	51,125.63	52,472.09
Dial-A-Ride	2,148.14	2,028.98	24,475.76	24,771.22
Commuter Express	1,031.40	966.86	11,630.71	11,632.42
Midday Express	161.30	151.56	1,818.32	1,897.51
Foothill Route	83.83	82.96	987.44	1,026.60
Live Oak Route	74.46	72.27	863.32	893.15
Wheatland Route	36.33	39.37	463.58	453.90
Total VSH's:	7,920.20	7,617.04	91,364.76	93,146.89
Passengers Per Hour:				
Fixed Route	14.36	16.90	16.79	18.52
Dial-A-Ride	2.79	2.78	2.78	2.83
Commuter Express	10.24	10.17	10.17	11.25
Midday Express	6.22	6.76	6.78	7.10
Foothill Route	2.34	2.00	2.08	2.05
Live Oak Route	4.07	4.18	4.12	3.57
Wheatland Route	0.61	1.31	1.23	1.44
Total Passengers Per VSH:	10.23	11.72	11.64	12.80

JUNE 2017 PERFORMANCE REPORT



AGENDA ITEM V – A
STAFF REPORT

TRANSIT ADVERTISING PROGRAM CONTRACT AWARD

Background

Yuba-Sutter Transit's 15 year agreement with Stott Outdoor Advertising for the provision of advertising related services on bus stop shelters, benches and bus exteriors expired on February 28, 2017 and is now continuing on a month-to-month basis. The Board authorized the release of the attached Request for Proposal (RFP) for a new agreement on May 25th. In addition to bus stop shelter and bench advertising, the new RFP allows for a significant expansion of advertising on bus exteriors consistent with the recommendations of an ad hoc advertising committee. In response to the RFP, which was posted on our website and sent to eight advertising firms, just one proposal was received and it was from the current contractor. A copy of that proposal is attached for Board information and reference.

Under the existing agreement, the contractor now provides, maintains and places advertising on 28 bus stop shelters and 69 bus stop benches at mutually agreeable locations throughout Yuba-Sutter Transit's service area. It also provides for the placement of advertising on the rear windows of 27 buses. In exchange, Yuba-Sutter Transit receives regular commission payments equal to 10 percent of the gross sales value for advertising placed on the shelters and benches and 33 percent for bus exterior advertising. The value of this contract has varied over the years with changes in the economy and changes in the number of advertising spaces available, but Yuba-Sutter Transit is budgeting for approximately \$37,000 in advertising revenue in FY 2017 under the current terms and conditions. Of this amount, 68 percent (\$25,300) is projected to be derived from bus exterior advertising while the remainder (\$11,700) would be from bench and shelter advertising.

As recommended by the ad hoc committee, the new contract would expand the bus exterior program significantly to allow advertising on all buses including the sides and rear of the local fixed route buses; the rear of the demand response buses; and, the rear of the intercity commuter buses. Side signs would be limited to "king" (144" X 30") and "queen" (88" X 30") sizes in the area generally under the windows and between the wheel wells on the local fixed route buses unless otherwise authorized in writing by the Transit Manager. Signs on the backs of buses shall be limited to either the rear window, if so equipped, or the engine hatch door(s) for buses without a rear window.

Proposal Review

As the incumbent contractor, Stott Outdoor Advertising is very familiar with the existing program and their proposal was complete and thorough. In addition to the current Yuba-Sutter Transit contract where they have been an excellent partner over the years, this Chico based firm now has considerable experience in the transit advertising industry with a total of ten contracts from central Oregon to central California. Key features of their proposal include an initial ten year term with a mutual five year extension option for a maximum term of fifteen years and a minimum annual revenue guarantee to Yuba-Sutter Transit of \$36,000 though annual payments are projected at nearly \$79,000 based on 60 percent occupancy. While the proposal did include an increase in Yuba-Sutter Transit's current commission on the sale of bus exterior advertising from 33 to 36 percent, it also

would reduce the commission rate on shelter and bench advertising from 10 to 5 percent. In practice, these adjustments to the current commission rates are likely to generally off-set each other as the vast majority of Yuba-Sutter Transit's revenue stream from this contract will come from the sale of advertising on bus exteriors.

Notably absent from the proposal was any new capital investment beyond the current contractor inventory of 28 shelters and 69 benches. The proposal also rejected the RFP requirement that all contractor insurance and indemnification requirements extend to advertisers as well based on this being problematic on a practical basis as well as inconsistent with industry practice. The proposal also took exception with Yuba-Sutter Transit's current advertising policy requirement that each advertisement be submitted to the Transit Manager for approval prior to its display.

After reviewing the proposal, staff met by conference call with Stott Outdoor Advertising to discuss a range of issues and concerns for which specific clarifications or modifications were requested. Following that meeting, the attached outline of those issues and the resulting associated staff recommendations was forwarded to the company for their review and acceptance which has since been provided. Key additions or modifications to the proposal that will be memorialized in the resulting agreement include a commitment to install solar powered "ad box" lighting in at least half of all contractor owned bus stop shelters over the next five years and an increase in the amount of unsold advertising space on shelters and benches that will be made available to Yuba-Sutter Transit for self-promotion purposes.

As a result, staff is now recommending award of the Transit Advertising Program contract to Stott Outdoor Advertising under the proposed terms and conditions of the RFP and the resulting proposal as modified in the attached issues outline. To expedite this process, staff is further recommending that the Board authorize the execution of a new Transit Advertising Program Agreement to be drafted and approved by legal counsel for this purpose effective August 1, 2017.

As noted above, this expanded advertising program is expected to result in a significant increase in advertising revenue potential to the agency while minimizing the impact of mobile advertising on Yuba-Sutter Transit's brand/image as well as on that of the Yuba-Sutter community as a whole. While some public transit providers in the greater region accept no exterior advertising (El Dorado County, Placer County and Elk Grove), Yuba-Sutter Transit has had an advertising program of some sort for well over 30 years. Still other operators allow advertising at varying degrees up to and including large format exterior advertising (Roseville, Redding and Sacramento). It comes down to a local policy decision regarding the appropriate balance between community values and revenue potential.

Staff will be prepared at the meeting to discuss this issue in detail as desired.

RECOMMENDATION: Award the Transit Advertising Program contract under the proposed terms and conditions.

Attachments: Transit Advertising Program RFP (Dated May 25, 2017)
Stott Outdoor Advertising Proposal (Dated June 29, 2017)
Stott Proposal Issues/Exceptions Outline (Dated July 12, 2017)



**YUBA-SUTTER TRANSIT AUTHORITY
MARYSVILLE/YUBA CITY, CALIFORNIA**

REQUEST FOR PROPOSALS (RFP)

TRANSIT ADVERTISING PROGRAM

RFP RELEASE: MAY 25, 2017
PROPOSALS DUE: 11:00 A.M., FRIDAY, JUNE 30, 2017
AWARD: JULY 20, 2017 (TENTATIVE)
CONTRACT APPROVAL: JULY 31, 2017 (PROJECTED)
CONTRACT START: AUGUST 1, 2017 (PROJECTED)

Notice is hereby given that the Yuba-Sutter Transit Authority is now accepting proposals from qualified firms for the provision of a transit advertising program in the Marysville/Yuba City Area. Proposals will be accepted for one, two or all three components of the envisioned program which will include exterior bus advertising, bus stop shelter advertising and bus stop bench advertising. The successful firm or firms will be solely responsible for the complete provision of each related component of the advertising program. This shall include, but not be limited to, the marketing, production and placement of all advertising materials and the acquisition, installation, maintenance and insurance of all related equipment or facilities during the term of the resulting agreement or agreements, if any, at no cost to Yuba-Sutter Transit.

In exchange, the selected firm or firms shall have the exclusive right to sell advertising space on Yuba-Sutter Transit's vehicles and at Yuba-Sutter Transit's bus stops to the extent provided herein and in the resulting contract agreement or agreements, if any. The number of vehicles and the extent of the permitted advertising on such vehicles; the number and location of advertising bus stop shelters; the number and location of advertising bus stop benches; agreement terms and conditions; the revenue sharing percentage; and, the method of calculation are generally defined herein and are all subject to negotiation with the recommended firm.

Proposals must be clearly marked "ADVERTISING PROGRAM" and received no later than 11:00 a.m. on Friday, June 30, 2017 at the address below:

Yuba-Sutter Transit
2100 B Street
Marysville, CA 95901
Attn: Transit Manager

Proposals received after that date and time will not be considered and will be returned to the sender unopened. A non-public opening of the proposals will be held at the location and time proposals are due. Yuba-Sutter Transit will accept only one proposal from each qualified supplier.

The decision to award a contract or contracts shall be made by the Yuba-Sutter Transit Board of Directors at their first duly called meeting following the proposal due date unless, at their sole discretion, there is adequate justification to delay said award. The selection of a contractor is tentatively scheduled to occur on or after July 20, 2017.

Yuba-Sutter Transit reserves the right to withdraw this RFP or to modify the schedule described above at any time without prior notice and makes no representation that an agreement will be awarded to any firm responding to this RFP. Yuba-Sutter Transit expressly reserves the right to reject any and all proposals, to waive any irregularity or informality in any proposal or in the RFP procedure, and to be the sole judge of the responsibility of any firm and of the suitability of the materials and services to be rendered.

Any changes to the RFP requirements will be made by written addenda and shall be considered part of the RFP. Upon issuance, such addenda shall be incorporated in the agreement documents, and shall prevail over inconsistent provisions of earlier issued documentation. No prior, current, or post-award verbal conversations or agreement(s) with an officer, agent, or employee of Yuba-Sutter Transit shall affect or modify any terms or obligations of this RFP or any contract resulting from this procurement.

With the exception of contacting staff to ask questions regarding this RFP, any party submitting a proposal shall not lobby any Yuba-Sutter Transit Board member, official, employee or agent regarding this RFP. Any party attempting to influence the proposal, submittal and review process through the ex parte contact of any Yuba-Sutter Transit official may have their proposal rejected.

Contact Keith Martin, Transit Manager, at (530) 634-6880 for more information.

BACKGROUND

Yuba-Sutter Transit is a Joint Powers Agency created by the Counties of Yuba and Sutter and the Cities of Yuba City and Marysville. It is the sole public transit provider in the region offering a wide range of services with a current fleet of 51 buses of various sizes and types. These services now include six local fixed routes and a local demand response service operating Monday through Saturday in the urbanized area; extensive weekday commuter and midday service between Marysville/Yuba City and downtown Sacramento; and, limited weekday rural route service to and from several surrounding communities. Service is not operated on Sundays or major holidays. Current service, route and schedule information is available on the agency website at www.yubasuttertransit.com.

Yuba-Sutter Transit now operates approximately 93,000 hours and 1.5 million miles of service annually with up to 1.3 million passenger boardings each year. The combined population of the two counties including the bi-county urbanized area of Yuba City and Marysville is approximately 172,000.

EXISTING ADVERTISING PROGRAM

Yuba-Sutter Transit's current advertising program is composed of one 15 year contract for all three components of the agency's advertising program. This contract expired on February 28,

2017 and now continues on a month-to-month basis. The existing advertising program includes advertising on the back windows of 27 agency buses; 28 contractor-owned bus stop shelters; two agency-owned shelters; and 69 contractor-owned bus stop benches.

Yuba-Sutter Transit currently receives commission payments equal to 33 percent of the gross advertising revenue on the sale of exterior advertising and 10 percent on the gross advertising revenue on the sale of bus stop shelter and bench advertising with no guaranteed minimum amount. The contract also provides for limited, no-fee (except for production costs) placement of Yuba-Sutter Transit advertising for self-promotion.

PROPOSED ADVERTISING PROGRAM

Yuba-Sutter Transit is now seeking proposals for one, two or all three components of the transit advertising program to include bus exteriors, bus stop shelters and bus stop benches for a period of at least five years. As envisioned, bus exterior program will be expanded significantly to allow advertising on the sides and rear of all 22 local fixed route buses; the rear of all 16 demand response buses; and, the rear of all 13 intercity commuter buses as shown on **Attachment A**. Side signs will be limited to “king” (144” X 30”) and “queen” (96” X 30”) sizes in the area generally under the windows and between the wheel wells on the local fixed route buses unless otherwise authorized in writing by the Transit Manager. Signs on the backs of buses shall be limited to either the rear window, if so equipped, or the engine hatch door(s) for buses without a rear window.

If any Yuba-Sutter Transit vehicle decals or signs are to be covered by exterior advertisements, contractor at their sole expense shall prepare and install new decals or signs of comparable size and quality at locations subject to the approval of the Transit Manager. In addition, contractor shall be solely responsible for all cost in connection with the maintenance, repair and/or replacement of advertising on Yuba-Sutter Transit’s buses including the restoration of any painted surfaces that may be damaged during the installation and/or removal of such advertising. Yuba-Sutter Transit shall be the sole judge in the determination of the extent of any needed repairs and whether the damaged areas have been restored to their original condition.

Any shelters and/or benches provided under any contract that may be granted under this RFP shall be, at a minimum, Tolar Manufacturing Model #12ALD-PM shelters and Tolar Manufacturing Model #7PMADBNCH benches (or an approved equivalent) in the same number, size and color as the units that are now located throughout the local service area. Advertising shelters and benches are located where appropriate and desirable based on land uses, traffic flows, space limitations and passenger boardings at each location. Yuba-Sutter Transit will assist the successful contractor in the site selection and approval process to the extent possible, but final siting authority shall remain with the jurisdiction in which each shelter is placed. The selected firm will be responsible for securing all necessary permits and for compliance with all siting requirements. In addition, Yuba-Sutter Transit would be willing to consider the replacement or relocation of agency-owned shelters as appropriate on a case by case basis.

Bus stop shelter advertising panels, which may be lighted, will be limited to one end of each shelter though shelters of up to over 20’ in length or multiple shelters may be desired at some locations allowing for more than one advertising panel. Shelters are to be constructed of commercial quality materials, aesthetically pleasing and designed for transit use. They shall

include a passenger bench and a transit information panel with adequate access in and around the shelter to meet Americans with Disabilities Act (ADA) accessibility standards. The degree to which a proposed shelter meets these criteria shall be determined solely by Yuba-Sutter Transit.

It is anticipated that the term of the contract(s), if any, that may be awarded as a result of this RFP shall be for a minimum period of five years commencing on or about August 1, 2017. Proposers may present justification for a longer award and Yuba-Sutter Transit may authorize a longer period if it is determined that such a period is in the best interest of the agency.

PROPOSAL REQUIREMENTS:

All proposals must, at a minimum, include the following:

1. Description of the proposing firm and any relevant experience of the firm and/or its principals including reference names and telephone numbers.
2. Location of the office that would be responsible for the program and the location from where advertising sales, placement and maintenance will be conducted if different.
3. General description of the proposed program identifying which requested components are included in the proposal. At a minimum, address each of the following issues as appropriate for the proposal.
 - A. Anticipated approach to the placement, maintenance and removal of bus exterior advertising including the specifications of the material that will be used.
 - B. Number of anticipated shelters and/or benches noting if the proposal is contingent in any way upon the siting of a minimum or maximum number of units.
 - C. Proposed shelter and/or bench installation schedule and policy including the anticipated role of the transit authority in the placement process.
 - D. Proposed shelter and/or bench cleaning and maintenance schedule.
 - E. Proposed advertising sales program and policy including the anticipated fee structure for each type of space included in the proposal. (A copy of the current Yuba-Sutter Transit advertising policy is included as **Attachment B.**)
 - F. Number or percentage of advertising spaces by type that would be made available to Yuba-Sutter Transit for self-promotion.
 - G. Picture or detailed drawing of the proposed shelter, if any, including a description of the proposed materials and colors, any design or feature options that might be available and any necessary utility hook-ups.
 - H. Certificate of insurance coverage and description of coverage limits of at least \$2 million per occurrence and \$5 million general aggregate.

- I. As part of the Standard Commercial General Liability Insurance, Contractor shall also include within such coverage insurance for advertising injury which shall insure the following offenses in connection with Contractor's advertising of goods or services: libel, slander, invasion of privacy, copyright infringement and misappropriation of advertising ideas. Yuba-Sutter Transit, its member jurisdictions, and their respective officers, employees, agents and volunteers shall all be additional insureds under such policy and the Contractor shall provide in its agreement with its advertisers that they maintain similar insurance.
4. Sample contract provisions including the proposed term, revenue sharing schedule and termination provisions by type of advertising if appropriate.
5. Any special considerations either requested by the proposing firm or to be given to Yuba-Sutter Transit including any optional services or contract approaches being proposed for consideration.
6. Name, title, telephone number, fax number and address of the authorized contact person for the proposing firm.

Attachments: A. Vehicle Inventory List
B. Yuba-Sutter Transit Advertising Policy

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ATTACHMENT A
EXTERIOR ADVERTISING SPACE

VEHICLE#	CURB SIDE	STREET SIDE	REAR
1670	N/A	N/A	WINDOW
1671	N/A	N/A	WINDOW
1672	N/A	N/A	WINDOW
1673	N/A	N/A	WINDOW
1674	N/A	N/A	WINDOW
1675	N/A	N/A	WINDOW
1676	N/A	N/A	WINDOW
1677	N/A	N/A	WINDOW
1678	N/A	N/A	WINDOW
1679	N/A	N/A	WINDOW
1681	N/A	N/A	WINDOW
1682	N/A	N/A	WINDOW
1683	N/A	N/A	WINDOW
1684	N/A	N/A	WINDOW
1685	N/A	N/A	WINDOW
1686	N/A	N/A	WINDOW
2721	QUEEN	QUEEN	WINDOW
2722	QUEEN	QUEEN	WINDOW
2723	QUEEN	QUEEN	WINDOW
2724	QUEEN	QUEEN	WINDOW
2725	QUEEN	QUEEN	WINDOW
2727	QUEEN	QUEEN	WINDOW
3161	KING	QUEEN	WINDOW
3162	KING	QUEEN	WINDOW
3163	KING	QUEEN	WINDOW
3164	KING	QUEEN	WINDOW
3165	KING	QUEEN	WINDOW
3230	KING	QUEEN	ENGINE HATCH
3231	KING	QUEEN	ENGINE HATCH
3232	KING	QUEEN	ENGINE HATCH
3233	KING	QUEEN	ENGINE HATCH
3234	KING	QUEEN	ENGINE HATCH
3235	KING	QUEEN	ENGINE HATCH
3236	KING	QUEEN	ENGINE HATCH
3237	KING	QUEEN	ENGINE HATCH
3238	KING	QUEEN	ENGINE HATCH
3239	KING	QUEEN	ENGINE HATCH
3240	KING	QUEEN	ENGINE HATCH
4151	N/A	N/A	ENGINE HATCH
4152	N/A	N/A	ENGINE HATCH
4153	N/A	N/A	ENGINE HATCH
4154	N/A	N/A	ENGINE HATCH
4155	N/A	N/A	ENGINE HATCH
4156	N/A	N/A	ENGINE HATCH
4157	N/A	N/A	ENGINE HATCH

ATTACHMENT A
EXTERIOR ADVERTISING SPACE

5701	N/A	N/A	ENGINE HATCH
5702	N/A	N/A	ENGINE HATCH
5703	N/A	N/A	ENGINE HATCH
5704	N/A	N/A	ENGINE HATCH
5705	N/A	N/A	ENGINE HATCH
5706	N/A	N/A	ENGINE HATCH

KEY:

KING - 144" X 30"

QUEEN - 96" X 30"

/Common/Advertising/2017 Advertising RFP/Exterior Advertising Space

ATTACHMENT B

YUBA-SUTTER TRANSIT AUTHORITY ADVERTISING POLICY Adopted May 18, 2017

The purpose of this policy is to define the standards by which the Yuba-Sutter Transit Authority will review advertising to be displayed on or in any vehicles, equipment, real property or publications, either owned or controlled by Yuba-Sutter Transit, and the conditions under which such advertising space will be made available free of charge. This policy includes, but is not limited to, the interior and exterior of buses, bus stop shelters, bus stop benches, facilities and publications.

The following types of advertising are found to be unacceptable for display on or in Yuba-Sutter Transit's vehicles, equipment, real property or publications:

1. Religious Advertising – material from any religious group or organization or material of a religious nature from any individual or organization.
2. Political Advertising – including, but not limited to, local, state or national elections or issues.
3. Sexually Explicit, Vulgar or Obscene Advertising – including any sexually explicit, obscene or vulgar graphic or written material which is judged to be inconsistent with local community standards of morality and decency.
4. Tobacco and Marijuana – any material that would directly or indirectly promote the sale or use of tobacco or marijuana in all forms including electronic cigarettes, vaping or related products; products that contain tobacco or marijuana; products that resemble tobacco, marijuana or illegal substances of all types.
5. Alcohol – any material that would directly or indirectly promote the sale or use of alcohol unless its inclusion in the ad is clearly incidental to the primary product of service be promoted for sale or use such as for a restaurant.
6. False, Misleading, Deceptive, or Defamatory Advertising

Any agency, organization, contractor or vendor proposing to advertise on or in Yuba-Sutter Transit vehicles, equipment, real property or publication shall submit copies of proposed advertising text and graphics to the Transit Manager prior to its display or publication. The Transit Manager or his/her designee will advise the contractor if the material is inconsistent with this policy within five (5) working days of the receipt of said material.

Except as limited by any third party agreements, unsold advertising space on or in Yuba-Sutter Transit's vehicles, equipment, real property or publications will be available for use by governmental agencies without charge for community purposes. Such advertising will also be judged by the above criteria and will be displayed for a reasonable period subject to the sale of the space or the need for said space by other governmental agencies.

The decision by the Transit Manager to allow or disallow any advertising pursuant to this policy may be appealed to the Yuba-Sutter Transit Board of Directors. The decision of the Board of Directors shall be final.

June 29, 2017

Mr. Keith Martin, Transit Manager
Yuba-Sutter Transit
2100 B Street
Marysville, CA 95901

RE: Response to RFP for Transit Advertising Program

Dear Keith,

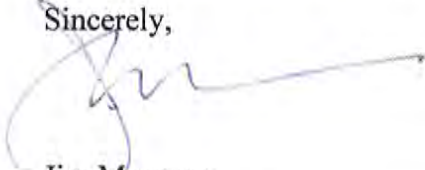
Stott Outdoor Advertising is pleased to respond to the Yuba Sutter Transit Request for Proposal for provision of a transit advertising program in the Marysville/Yuba City area. Included in our response, please find specific details as to how we propose to continue our mutually beneficial relationship enabling your authority to accomplish its objectives.

I believe our response meets and exceeds the requirements of the RFP. You will find that we put forth our proposal for all three components of the program including exterior bus advertising, bus stop shelter advertising and bus stop bench advertising. Our business plan does not allow for providing service for less than all three components.

As I believe has been the case for the past 15 years, should our relationship continue we will endeavor to work in an efficient manner minimizing the amount of time your staff spends coordinating this program. Currently Stott Outdoor Advertising is involved with 10 transit districts in Oregon and California providing services similar to those outlined in your RFP. We therefore have the experience, expertise and available resources to successfully fulfill the requirements of your proposal.

We welcome the opportunity to continue our role in public transit in Sutter and Yuba counties and look forward to assisting Yuba Sutter Transit accomplish your organizational intent.

Sincerely,



Jim Moravec
General Manager

JM:ac



Table of Contents

1. Company Profile
2. Experience in Transit Advertising
Geographic Coverage
Transit Agency References
3. Key Personnel
Organizational Structure
4. Staffing Overview
5. Marketing Plan
6. Quality Control Program
7. Transit Advertising Shelters
8. Transit Advertising Benches
9. Transit Advertising Buses
10. Contract Terms
Price Proposal
11. Required Forms
12. Exceptions to RFP

Stott Outdoor Advertising Company Profile

Home Office
700 Fortress Street
Chico, CA 95973
P.O. Box 7209
Chico, CA 95927
(530) 342-3235

Medford Office
319 E. Main Street, Ste. 2
Medford, OR 97501
(541) 734-8888

Stockton Office
1145 N. California St.
Ste. 201
Stockton, CA 95202
(209) 846-6946

Modesto Office
1231 8th Street, Ste. 715
Modesto, CA 95354
(209) 338-0858



Stott Outdoor Advertising is a Chico, CA based company and operates as a California General Partnership. The firm's day to day operation as well as strategic planning is lead by General Partner Jim Moravec who was a forming member of the partnership in 1991. The firm's additional partners are Joseph Zukin and his three sons Chris, John and Mike. While Moravec is the only partner directly involved in the day to day operation of Stott, the other partners are also engaged in the outdoor advertising business operating Meadow Outdoor Advertising in The Dalles, OR.

The partnership was conceived to purchase the assets of J. B. Stott Outdoor Advertising who had been in business since 1949. At the time of this acquisition, the company was operating nearly exclusively in Butte County, California and was comprised of 3 employees. Since that time the company has grown to become the largest independently owned outdoor advertising company in California. Stott now manages over 830 billboard facings in 24 California and 5 Nevada counties as well as street furniture and bus advertising in conjunction with 7 California and 3 Oregon transit districts.

Stott Outdoor operates from a 10,000 square foot facility constructed in 2007 with branch sales offices in Modesto, CA, Stockton, CA, and Medford, OR. Our 30 employees are distributed through various departments including sales, real estate, construction/maintenance, graphic design, operations, and administration. The company also has key, long term relationships with other companies producing and in some instances installing the variety of advertising displays which we operate.

The company places great emphasis on cultivating long term relationships with all whom it associates including employees, vendors and contractors. This fact, combined with our strong commitment to form mutually beneficial relationships with all whom we associate has resulted in the company achieving success in the endeavors it pursues.





Experience in Transit Advertising

Stott Outdoor Advertising has been involved in the transit advertising arena since 2000. Throughout the past sixteen years we have formed relationships with transit agencies throughout California and Oregon. Being the largest independently owned California based company that focuses not only on national, but local sales, puts Stott in a position to build strong lasting relationships with all businesses and advertising agencies. This focus has allowed us to hone in on our strategy and develop expertise in the area of transit advertising. As a result, we have been able to achieve success within each of these agencies often times surpassing initial projections which results in contract renewals and great references. We are excited to continue this service and apply these principles to the Yuba-Sutter transit program if given the opportunity.



Redding Area Bus Authority (RABA)

Our valued relationship with RABA began in 2000. The opportunity to become involved in transit in Redding initially was brought to our attention by a large, national company that owned and was operating transit shelters in Redding. After being in the market for a number of years, this company found it not to be a viable proposition and was interested in selling the operation. Despite our interest and best efforts, we were unable to reach an agreement with this company which soon thereafter defaulted on the contract and removed their shelters. Stott Outdoor Advertising successfully responded to the subsequent RFP that was issued by RABA initially placing 16 advertising shelters. The placement of these shelters included all site preparation work (inclusive of pouring concrete pads and in some instances retaining walls). Additional shelters were placed over the next several years to now total 45. The last 6 shelters placed actually exceeded the number of shelters required by the RFP. Stott Outdoor is also responsible for all routine maintenance and repair services on these shelters.

In 2005, our relationship with RABA was expanded to include the sale of advertising on the backs of their fixed route busses. To date, revenue and amenities provided have exceeded original expectations.

As of January 2011, RABA renewed our agreement to continue transit advertising services in the Redding Area Market. We are proud of this accomplishment and believe that renewal of the contract is confirmation of our overall success with the agency. Also in 2011, our relationship with RABA was even further expanded to include the sale of mural advertising products on the backs and sides of their buses. Within four months' time of the initial agreement, occupancy rates had climbed to near sold out levels, enabling us to deliver even greater revenue to RABA.



Yuba-Sutter Transit (YST)

Stott Outdoor Advertising began its relationship in 2002 with Yuba-Sutter Transit. A number of years earlier we were an unsuccessful proposer for an RFP requesting advertising services and maintenance for transit shelters and bus benches. A national company, the successful proposer to this RFP, did operate advertising benches and did some bus advertising however, never fulfilled their commitment for the placement of transit shelters. Therefore, YST re-issued the RFP and we were the successful proposer. Stott Outdoor immediately began selling bus advertising (on bus backs only per contract terms) creating an instant additional stream of revenue to YST. We also immediately placed 16 transit shelters, a number which soon grew to 28.

In 2006, after the provider of bus benches left the market, Stott Outdoor Advertising stepped up to place 70 advertising bus benches at sites agreed upon between YST and Stott Outdoor at a capital cost of over \$50,000.00. These new Tolar Manufacturing benches tied into the existing color scheme of the shelters and were a significant improvement in the branding of the system and a great benefit to the ridership. Both the revenue generated and the amenities provided exceed the initial expectations of Yuba-Sutter Transit.



Modesto Area Express (MAX)

2005 brought an opportunity to become involved in a system offering bus advertising only. The MAX system operates a total of 52 buses covering a service area with a population in excess of 300,000. Stott Outdoor, competing against two national companies, was the successful responder to the RFP by offering a larger guaranteed monthly payment than our competitors. Nearly immediately however, the percentage of revenue paid exceeded the guaranteed amount. Our success in this endeavor has been predicated by our ability to attract national and regional advertisers while demonstrating the effectiveness of bus advertising to local businesses and organizations. Our initial offerings of traditional products only has since expanded to larger mural products sold on an annual basis to further enhance revenue and strengthen the stability of the advertising program benefits for our clients. Stott Outdoor maintains a field office in Modesto to provide superior service to our advertisers and to Modesto Area Express.

In November 2010, Stott Outdoor Advertising was proud to announce the award of a long term renewal agreement to continue advertising efforts in the Modesto market. We believe this opportunity resulted from previous year's success, positive partnership with the transit authority, and forecasts of ongoing success into the coming years.

Once again, in October of 2015 Stott was awarded another 5 (five) year contract by the City of Modesto to continue the transit advertising efforts with MAX. Stott Outdoor prides itself on the fact that no contract has been ever defaulted nor terminated early in any market. The proof of performance is in the continual renewals and acceptance of proposals put forth by Stott Outdoor Advertising.



Butte County Association of Governments (BCAG)

B-Line marked one of our largest transit endeavors to date in terms of capital expense. In March 2010, 76 new advertising shelters were installed throughout the communities of Chico, Paradise and Oroville. This deployment included concrete work at over 40 sites, four of which were located in Caltrans Right of Way. In addition to B-Line receiving a portion of the advertising revenue, Stott Outdoor is also performing maintenance at the over 180 transit stops in the county. This relationship provided the first opportunity to use solar lighting where applicable for both the illumination of the advertising panels as well as the provision of security lighting. Stott Outdoor is also selling Supertail advertising on the backs of B-Line's 31 fixed route buses. Within three months of the beginning of our agreement with B-Line, we reached 90% occupancy on the back of the buses. Stott Outdoor is proud to serve B-Line and support our local businesses of Chico, CA and Butte County.



Rogue Valley Transit District (RVTD)

Our association with RVTD commenced in the fall of 2011. Stott was awarded this opportunity as a replacement of a large national company for transit advertising on buses only. The opportunity involved our establishing a field office in Medford. The representative in this office leads the local sales effort on RVTD's fleet of fixed route and demand response buses as well as the fixed route and demand response busses at Basin Transit in Klamath Falls. Bus advertising has gained acceptance as a viable advertising medium by local business and sales are currently meeting original expectations. At the end of the original 5 year contract term Stott Outdoor and RVTD gladly entered into an optional extension of contract.



Basin Transit Service (BTS)

Stott Outdoor was awarded the contract with Basin Transit Service through a competitive bidding process with the incumbent provider of advertising services which was a local broadcast company. Our relationship commenced in the fall of 2011 and although this is one of the smaller of the agencies with which we partner, our sales effort is meeting and exceeding expectations. By providing a solid advertising medium to local advertisers with creative & visual appealing designs Stott consistently provides much welcomed revenue to Basin Transit. Just like with most all agencies, upon contract expiration BTS graciously offered an extension to Stott Outdoor in which we gladly accepted. Stott has since agreed to several contract extensions and are happy to continue working with BTS.



City of Manteca Transit

Our involvement with Manteca Transit began in the fall of 2013. Manteca Transit owned a number of advertising transit shelters however the sales performance had been poor. Stott Outdoor was the successful proposer to takeover both the routine maintenance of the transit shelters as well as the sales effort. To date the sales effort has exceeded expectations and our performance of maintenance duties has relieved the transit district of this concern. Our relationship has transformed Manteca's responsibility from advertising sales, advertising installation, and transit shelter maintenance to simply depositing a monthly check from Stott Outdoor Advertising.



Corvallis Transit System (CTS)

In 2014 Stott Outdoor Advertising was awarded the transit advertising service contract by the City of Corvallis. Even with offices in Eugene and Portland, Oregon Stott successfully out-bidding the national incumbent advertising company. This venture developed into a very successful partnership in a very short period of time. The program entails transit advertising on a fixed route system. Advertising spaces include all four sides of the buses as well as interior. The Corvallis market is sold by our Southern Oregon based sales representative with additional support by Stott's General Sales Manager and staff at the main office in Chico, CA. Stott Outdoor was very pleased to enter into a two year extension which will carry our successful working relationship into 2019.



City of Turlock Transit

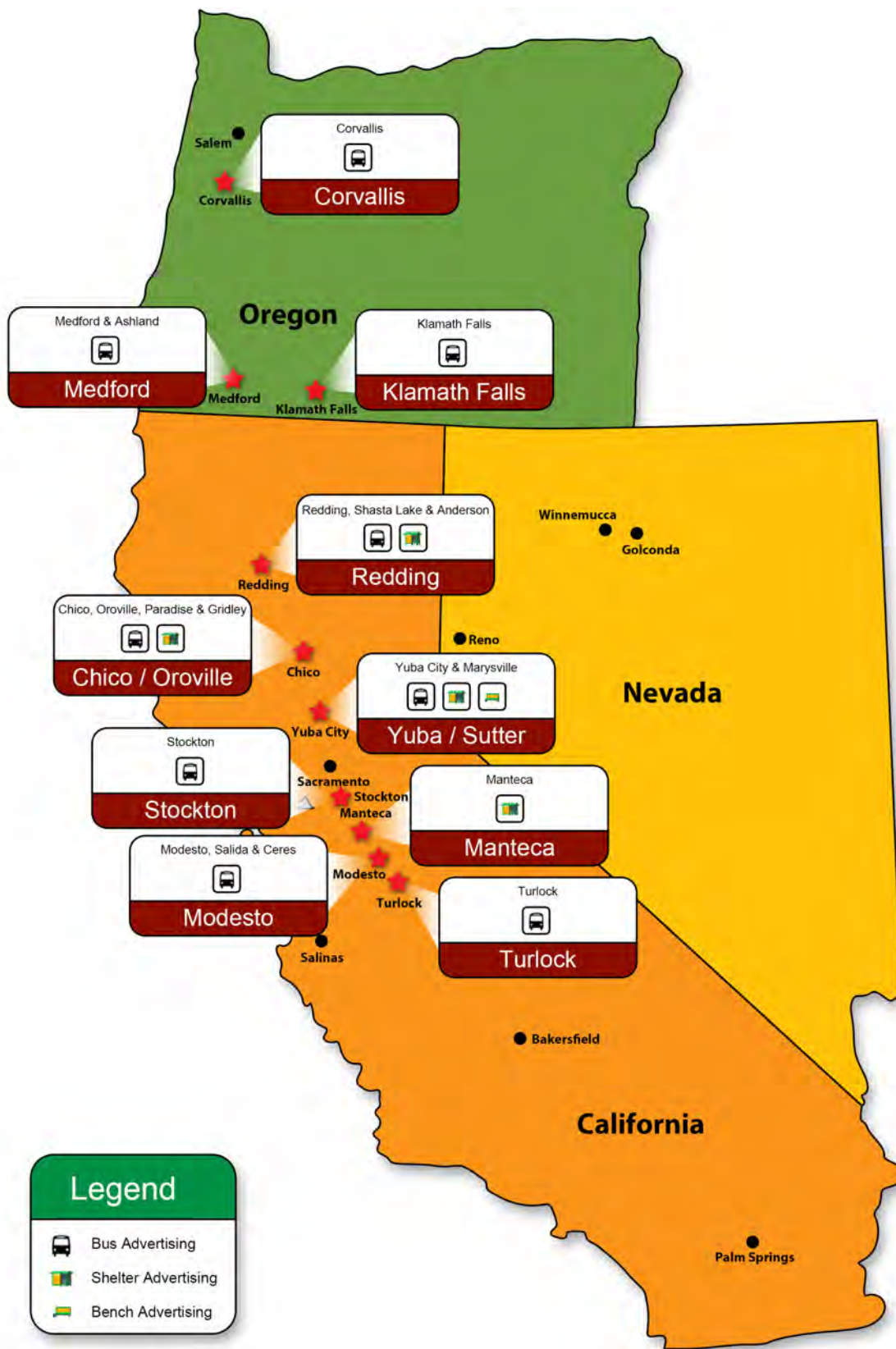
Our relationship the City of Turlock commenced in August of 2015 and is generating much greater revenue gains than the city has ever experienced. This program entails transit exterior advertising on a fixed route and demand response fleet. Advertising space includes three sides of the buses using traditional and mural products. The city is currently working with Stott to develop a transit shelter advertising program which will enhance the system from a ridership standpoint and greatly increase revenue gains even more so.



San Joaquin Regional Transit District (RTD)

The most recent contract awarded to Stott Outdoor Advertising was by the San Joaquin Regional Transit District based in Stockton, CA. This relationship commenced in July of 2016 and has gotten off to an excellent start already showing great potential to meet and exceed the expectations of the transit district. This program entails transit exterior & interior advertising on a fixed route fleet as well as exterior on the regional commuter fleet. A total fleet of over 80 buses. Exterior advertising space on most vehicles encompass three sides of the bus using traditional and mural products. We look forward to a long and successful relationship with the San Joaquin Regional Transit District!

Stott Transit Coverage



P.O. Box 7209 | Chico, CA 95927 | (530) 342-3235 | Fax: (530) 342-0712

www.stottoutdoor.com



Current Transit Agency References

Corvallis Transit Services

Mr. Timothy Bates
Transit Coordinator
(541) 754-1761

timothy.bates@corvallisoregon.gov

Contracted with since July 2014

Rogue Valley Transit District

Ms. Julie Brown
General Manager
(541) 608-2413

j.brown@rvtd.org

Contracted with since November 2011

Basin Transit Service

Mr. Ernie Palmer
General Manager
(541) 883-2877

bts@ccountry.net

Contracted with since January 2012

Redding Area Bus Authority

Mr. Chuck Aukland
Assistant Director of Public Works
(530) 245-7156

c.aukland@ci.redding.ca.us

Contracted with since December 2000

Butte County Association of Governments

Mr. Jim Peplow
Senior Transit Planner
(530) 879-2468

jpeplow@bcag.org

Contracted with since July 2009

San Joaquin Regional Transit District

Mr. Terry Williams
Marketing Manager
(209) 467-6695

twilliams@sanjoaquinrtd.com

Contracted with since October 2016

Modesto Area Express

Mrs. Kay Dillon
Transit Analyst
(209) 571-5121

kdillon@modestogov.com

Contracted with since October 2005

Turlock Transit

Mr. Scott Medeiros
Transit Planner
(209) 668-5599

SMedeiros@turlock.ca.us

Contracted with since January 2015



Key Personnel

Listed below are the individuals currently employed at Stott Outdoor Advertising who will be key in contributing to the effort to make our involvement with Yuba-Sutter Transit a success.

Jim Moravec – General Partner

An original partner leading the acquisition of Stott Outdoor Advertising (formerly known as Jay B. Stott Outdoor Advertising) in 1991. Jim has led the expansion of the company since that time making Stott Outdoor the largest independent, outdoor advertising company in the State of California. Jim holds the ultimate responsibility for the success of the Stott Outdoor & YST relationship.

Janine Curtin – General Operations Manager

A 12 year employee of Stott Outdoor, Janine came to us from the accounting field. Her attention to detail developed in this field has been proven invaluable in coordinating the installation and maintenance of advertising media on nearly 2000 advertising displays the company operates.

Corey Shumway – General Sales Manager

Corey brings 25 years of experience in all phases of the outdoor advertising business. His career has been focused on the successful implementation and operation of transit advertising programs. Corey and his sales team has a long history of success in the YST markets selling transit products.

Russ Raburn – Transit Operations & Development Manager

Russ brings over 20 years of operations experience and will coordinate all day-to-day activities between Stott Outdoor and YST. Russ assures that our installations and advertising maintenance reflects our company and, more importantly, transit district standards.

Ryan Fitzpatrick – Creative Director

Employed at Stott Outdoor since 2008, Ryan is responsible for the supervision of Stott's in-house design department. Although he has been trained in various design techniques, outdoor is his specialty. His expertise in this field is second to none!

Michael Schwartz – National Sales Manager

Employed at Stott Outdoor since 1996. Michael has been key in the growth & success of the company through training of personnel and overseeing our sales efforts on a national level. National agencies are attracted to traditional products (kings & queens), which makes the addition of the YST bus sides a very valuable commodity.

Victor Stockbridge; Salesperson, employed at Stott Outdoor since 1995.

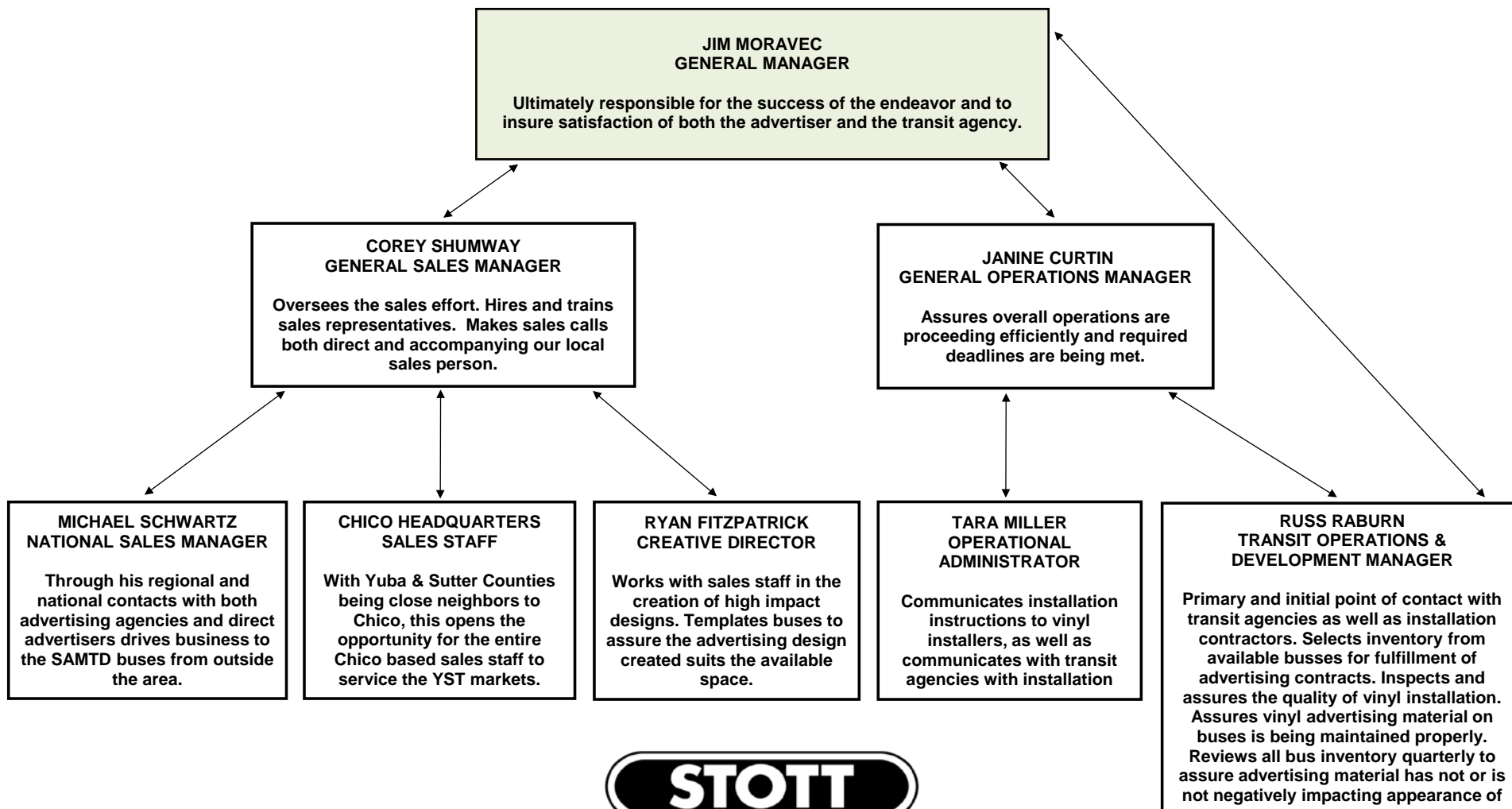
John Scribner; Salesperson, employed at Stott Outdoor since 1998.

Karen Smith; Salesperson, employed at Stott Outdoor since 2011.

Jerry Urban; Salesperson, employed at Stott Outdoor since 2014.

Steve Emmons; Salesperson, employed at Stott Outdoor since 2015.

STOTT OUTDOOR ADVERTISING ORGANIZATIONAL STRUCTURE FOR SERVICE AND CONTRACT FULLFILLMENT TO SALEM AREA MASS TRANSIT DISTRICT





Staffing Overview

Sales & Marketing Staff

Stott Outdoor's main office headquarters is located in Chico, CA which presents a tremendous advantage from a sales and marketing standpoint. This makes the Yuba-Sutter markets easily accessible to our entire sales staff based in Chico and allows the salesperson to service the client on an even more personal level.

Stott's General Sales Manager conducts the training and direct oversight of our Yuba-Sutter marketing efforts while applying his own sales efforts as well – A market in which Stott has over 15 years of experience in selling transit advertising. Travel to the area is routine and will occur often and regularly. Stott's National Sales Manager has over 18 years of experience representing out-of-home media and will continue to focus on placing national and regional advertisers on YST buses.

Stott's in-house graphic design department, also based at the Chico office as well, is responsible for the creative design of advertising messages on the buses and street furniture - abiding by the advertising standards set forth by YST.

Operational Staff

Operational staffing is comprised of both Stott internal staff and a Yuba-Sutter area vinyl contractor, for which has been performing installations for Stott on YST buses for over 15 years. Stott's Transit Operations & Development Manager, Russ Raburn, is dedicated to ensuring the highest level of service provided to YST. Responsibilities include, but are not limited to, clear communication with the transit district and vinyl contractor, monitoring installation schedules and mileage reports to ensure contract terms are upheld, regular onsite quality control assessments, and oversight of all operational functions.

Stott Outdoor prides itself on partnering with the "best in the business" when it comes to vinyl production and installation. The local company currently used has done well with upholding to the standards set forth by Stott Outdoor and YST, but it is understood that ultimate responsibility of quality of work rests upon Stott Outdoor Advertising and if at any time it is determined otherwise another qualified installer shall be selected.

Administrative Staff

All administrative function will be handled at the Stott Outdoor Advertising home office in Chico, CA. These tasks include, but are not limited to, contract processing, billing & collections, vinyl work order processing and scheduling of installations. Stott's in-house CPA will manage the monthly statements and quarterly payments to the district. YST will continue to receive a monthly statement and bi-monthly payment for either the guaranteed payment or percentage of revenue – whichever is higher. At any point in time YST may request an audit of transit advertising sales for which Stott Outdoor will provide copies of all contracts and statements for the time frame requested.



Marketing Plan

Marketing Strategy

Emphasis will be directed in each of two distinct areas: Local Direct Advertising Sales and National/Regional Account Selling. While either of these two areas can be pursued successfully, they must both be equally pursued to achieve maximum revenue. Stott Outdoor prides itself on utilizing the best marketing tools made available to the outdoor advertising world, such as GeoPath. With detailed demographic knowledge of the Yuba City, Marysville, and Linda markets Stott's sales team can position themselves to achieve success!

Local Direct Sales

Stott utilizes a consultant or solution oriented approach to advertising sales. Through individual meetings with local business owners and decision makers, we learn of the challenges and obstacles they face. It is through this knowledge that we then propose solutions and ideas to meet the challenges and seize opportunities to utilize the YST buses and street furniture to promote their business. To achieve this objective, the advertising design must have a creative impact and the longer the schedule the greater the opportunity for success. For this reason, we strive to sell annual campaigns utilizing mural products which attract significant attention while generating adequate exposure and adding stability to the revenue flow paid to the transit district.

National/Regional Sales

The National Sales Manager's primary focus for the Yuba-Sutter markets will be placing national and regional advertisers on YST buses and street furniture. This is accomplished by ensuring the agencies involved in the Sacramento designated market area (DMA), which incorporates the Yuba-Sutter area, are aware of Stott Outdoor's presence for when advertising opportunities present themselves. Through an ongoing outbound sales effort we are well positioned to drive both regional and national ad buys to the Yuba-Sutter markets.

In summary, it is our belief and experience that our local sales effort provides an effective communication tool for local businesses while providing a strong revenue base to YST. National/Regional advertisers are less likely to buy long term, however do invest more heavily for short periods of time while utilizing the traditional King and Queen products. If one were to forego local sales, one would lose stability and be vulnerable to the fluctuations of national advertisers. If, on the other hand, one lacked the national/regional sales, one would not be maximizing revenue.

Local sales, through direct communication with decision makers, provides the advertising company greater control of sales volume. National/Regional sales with their corresponding removed decision makers are much more difficult to influence. Stott Outdoor is uniquely positioned to focus on both local and National/Regional sales.



Quality Control Program

The quality with which our advertiser's message is portrayed, and therefore consumed by the public, is always of the utmost concern. Our preventative maintenance and quality control plan begins with all personnel being committed to the concept of advertising material we place in the public domain being of the highest quality and properly maintained. The Transit Operations & Development Manager will ensure this program is upheld to the highest standards possible and meets the expectations of the transit district.

The quality control measures that would be implemented specifically for YST would be as follows.

Maintenance of Advertising Material

The heart of a strong bus advertising maintenance plan is preventative in nature. This includes utilizing high quality self-adhesive vinyl specifically designed for transit applications and proper installation by trained professionals. Stott Outdoor, through its contractors, installs vinyl on over 800 bus sides within nine different transit agencies throughout California and Oregon. By installing quality vinyl on a clean surface by a trained installer, and NEVER layering vinyl, maintenance issues are kept to a minimum.

With an understanding that transit vinyl applications are subject to sometimes severe environments, it is of great importance to conduct regular inspections to ensure the highest level of quality and that the integrity and appearance of the buses themselves are not compromised.

Advertising Content

Stott Outdoor shall review each advertisement submitted for installation on YST buses, shelters, and benches to ensure the advertisement conforms to the categories set forth in "Attachment B – Advertising Policy" of the YST RFP. If it determined the advertising does not conform to the advertising policies, then Stott will work with the client to ensure they do. If at any time there is question of the advertisements position in regards to the standards, YST will be consulted before going to production.

Product Performance

Quality also comes in the form of product performance to the advertiser. The performance of each paid advertisement will be monitored by way of a monthly mileage report provided to the Transit Operations & Development Manager by YST. This report shall include the previous month's mileage by bus and shall be emailed as soon as it becomes available. This monitoring procedure ensures that Stott Outdoor is upholding the contract terms to the client.

A necessary component to this process is clear communication between YST and Stott Outdoor in regards to new arrivals, projected retirements, and alterations to fleet vehicles which will impact the monthly mileage or advertising inventory. It is very understood that transit operations is very dynamic and the unexpected can, and will, occur. In the unfortunate event YST experiences mechanical failures or accidents which could result in an extended out of service period (those lasting 2-3 weeks or longer) it will be the responsibility of YST to alert Stott Outdoor of said incidents. The Transit Operation's Manager will then determine a course of action which may include the relocation of paid advertisements or alterations to contracts.

Graffiti on Bus Advertisements

Stott will respond promptly to notification of any problem with the vinyl advertising as a result of graffiti. Upon notice of graffiti from YST we will endeavor to remove immediately, but no later than 24-48 hours from notice given by YST, any graffiti on the vinyl not removed during the district's regular cleaning schedule. Stott will also make necessary repairs by either replacing or repairing the damaged vinyl to ensure the bus is presentable and ready to be put into service.

Damage to Shelters or Benches

Stott will respond promptly when notified of any problems with advertising shelters and/or benches that fall within the scope of this contract. Upon notification, the Stott maintenance department will respond within 24-48 hours to rectify the problem and initialize a solution.

Emergency Number

An emergency number will be provided allowing YST to reach Stott's Transit Operations & Development Manager, Russ Raburn, directly for the prompt resolution of the rare emergency situation.



Transit Advertising Shelters



Inventory – 30 Shelters Total

28 – Stott Outdoor Advertising owned (13' long, 2 advertising panels each)

2 – Yuba-Sutter Transit Owned (26' long, 2 advertising panels each)

Model – Tolar Manufacturing 13ALD-PM

See attached for Tolar Manufacturing advertising shelter specifications (Color: RAL 6002 Leaf Green). Note; some shelters currently installed in the YST system have a V-box style ad box and others a back-to-back style as seen in specs. All have a 5 foot bench located inside with anti-vagrant bars. Each is equipped with a route map box for YST use and a trash receptacle.

Locations

See attached for detailed map of currently installed transit shelters in the Yuba-Sutter Transit system.

Relocation

In the event a shelter is requested to be relocated by YST, both parties must mutually agree upon the new location. The cost of the relocation (materials & labor) shall be responsibility of YST (including any necessary site work) unless otherwise agreed by both parties.

Maintenance *

Stott Outdoor will continue to perform weekly maintenance of the above 30 advertising shelters. Weekly services include: removal of trash & recycling, removal of graffiti, cleaning of shelter/bench/trash receptacle, removal of liter & debris within 3 feet of shelter, removal of vegetation within 3 feet of shelter, pressure washing as needed.

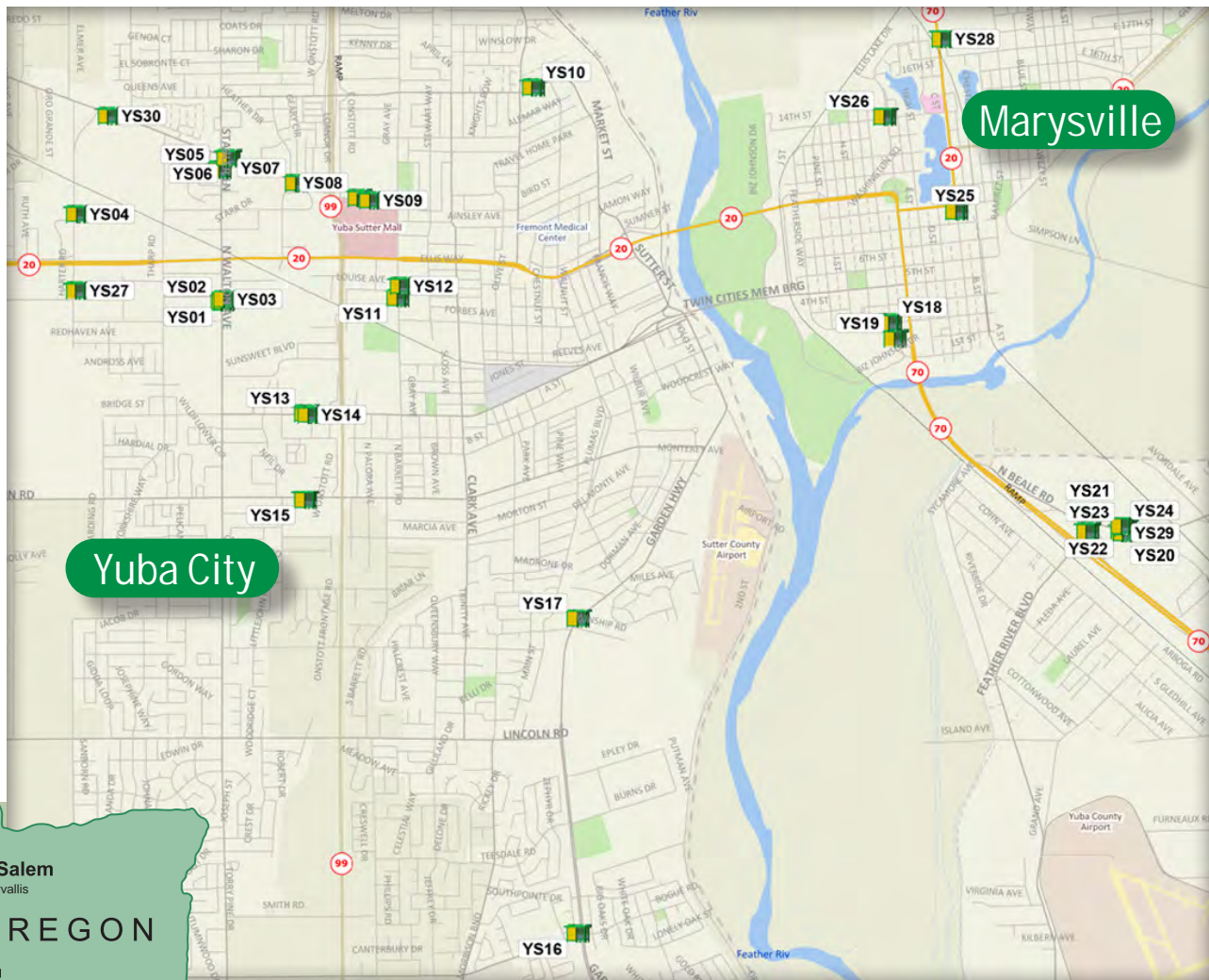
Emergency Services *

Stott Outdoor will respond promptly (within 24-48 hours) to emergency conditions such as broken glass, biohazard conditions (i.e. vomit, feces, used needles), extreme or offensive graffiti, or major structural damage.

*** Stott Outdoor bears the cost of all materials and labor necessary to perform weekly and emergency maintenance services.**

Transit Shelter Locations

Yuba City and Marysville Communities



Benefits

- Shelters are where your customers are at - malls, stores, and high-traffic intersections
- Communicate directly to all travelers
- High impact surface streets - low to the ground, close to the road
- Eye level for direct line-of-sight impact to the driver while passing by
- Often in hard to reach areas where little other Outdoor Advertising exists
- Powerful and dramatic displays draw immediate audience attention



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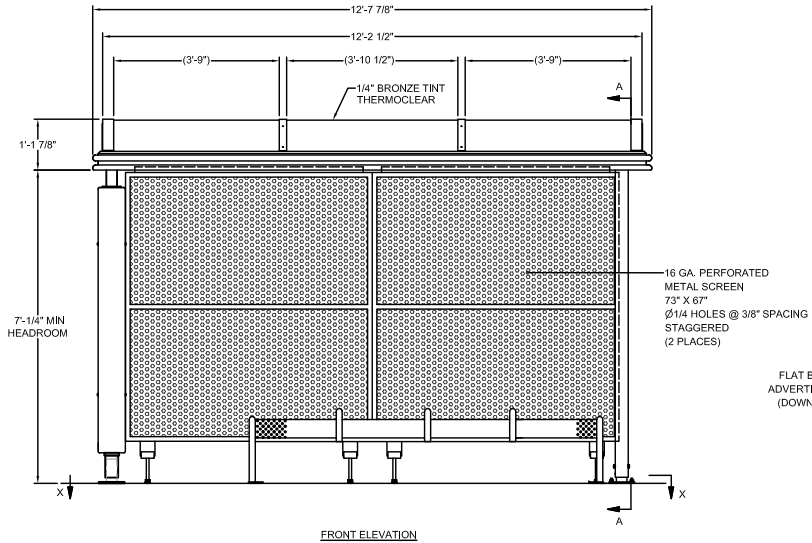
THIS DRAWING HAS BEEN GENERATED AND/OR REVISED BY AUTOCAD SOFTWARE. ALL DIMENSIONS SHALL COMPLY WITH THE INCORPORATED AS BIDDING BY THE MANUFACTURING COMPANY'S ENGINEERING DEPT.

GENERAL NOTES:

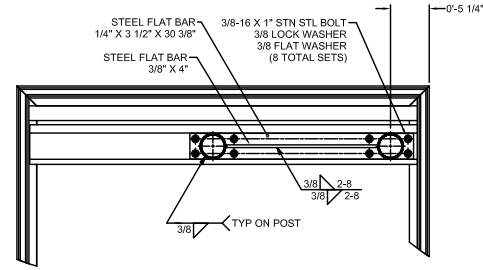
1. ALL STRUCTURAL STEEL, UNLESS OTHERWISE NOTED, SHALL BE ASTM A-36, MINIMUM YIELD STRENGTH 36,000 PSL.
2. ALL ALUMINUM MEMBERS, UNLESS OTHERWISE NOTED, SHALL BE OF ALLOY 6063-T5.
3. ALL HOLES TO BE DRILLED OR PUNCHED.
4. STEEL WELDING SHALL CONFORM TO AMERICAN WELDING SOCIETY STANDARD D1-1-80.
5. ALUMINUM WELDING SHALL CONFORM TO AMERICAN WELDING SOCIETY STANDARD D1, 2-97. ELECTRODES SHALL CONFORM TO AWS/SFA 5.10 CLASS ER4043.
6. ALL WELDING TO BE DONE AT TOLAR MANUFACTURING COMPANY, INC. FACILITY.



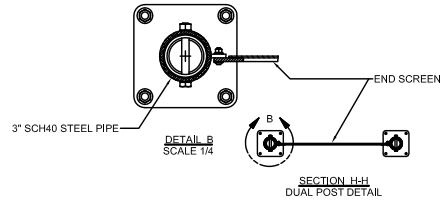
SECTION X-X
SHOE LAYOUT DETAIL



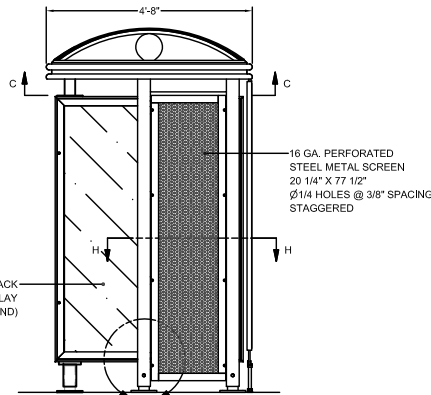
FRONT ELEVATION



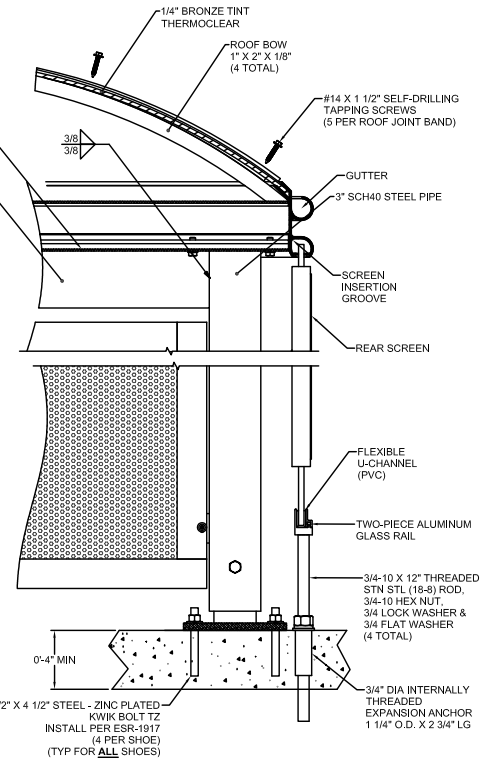
SECTION C-C
SCALE 1/8



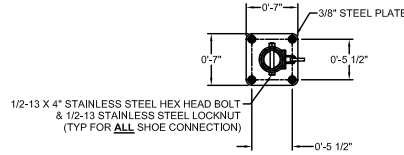
SECTION H-H
DUAL POST DETAIL



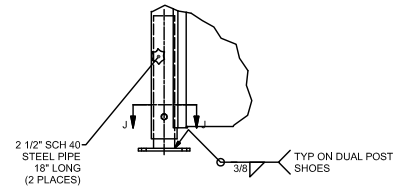
SIDE ELEVATION



SECTION A-A
SCALE 1/4



SECTION L-L
SCALE 1/8
(TYP PLATE FOR DUAL POST SHOES)



DETAIL E
SCALE 1/8

REVISIONS		DATE	APPROVED
ZONE	REV	DESCRIPTION	

TOLAR Tolar Manufacturing Company, Inc. 258 Monahan Circle, Corona, CA 92679 (951) 235-1111 www.tolar.com	CHICO, CA 34490-00 01/28/15 EM
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Transit Advertising Benches



Inventory – 69 Advertising Benches Total

69 – Stott Outdoor Advertising owned (7' long, 1 advertising panels each)

Model – Tolar Manufacturing 4801-00

See attached for Tolar Manufacturing specifications for a 7 foot advertising bench with anti-vagrant bars (Color: RAL 6002 Leaf Green).

Locations

See attached for detailed map of currently installed transit shelters in the Yuba-Sutter Transit system.

Relocation

In the event a bench is requested to be relocated by YST, both parties must mutually agree upon the new location. The cost of the relocation (materials & labor) shall be responsibility of YST (including any necessary site work) unless otherwise agreed by both parties.

Maintenance

Stott Outdoor does not perform weekly maintenance for advertising benches, but will provide emergency services listed below.

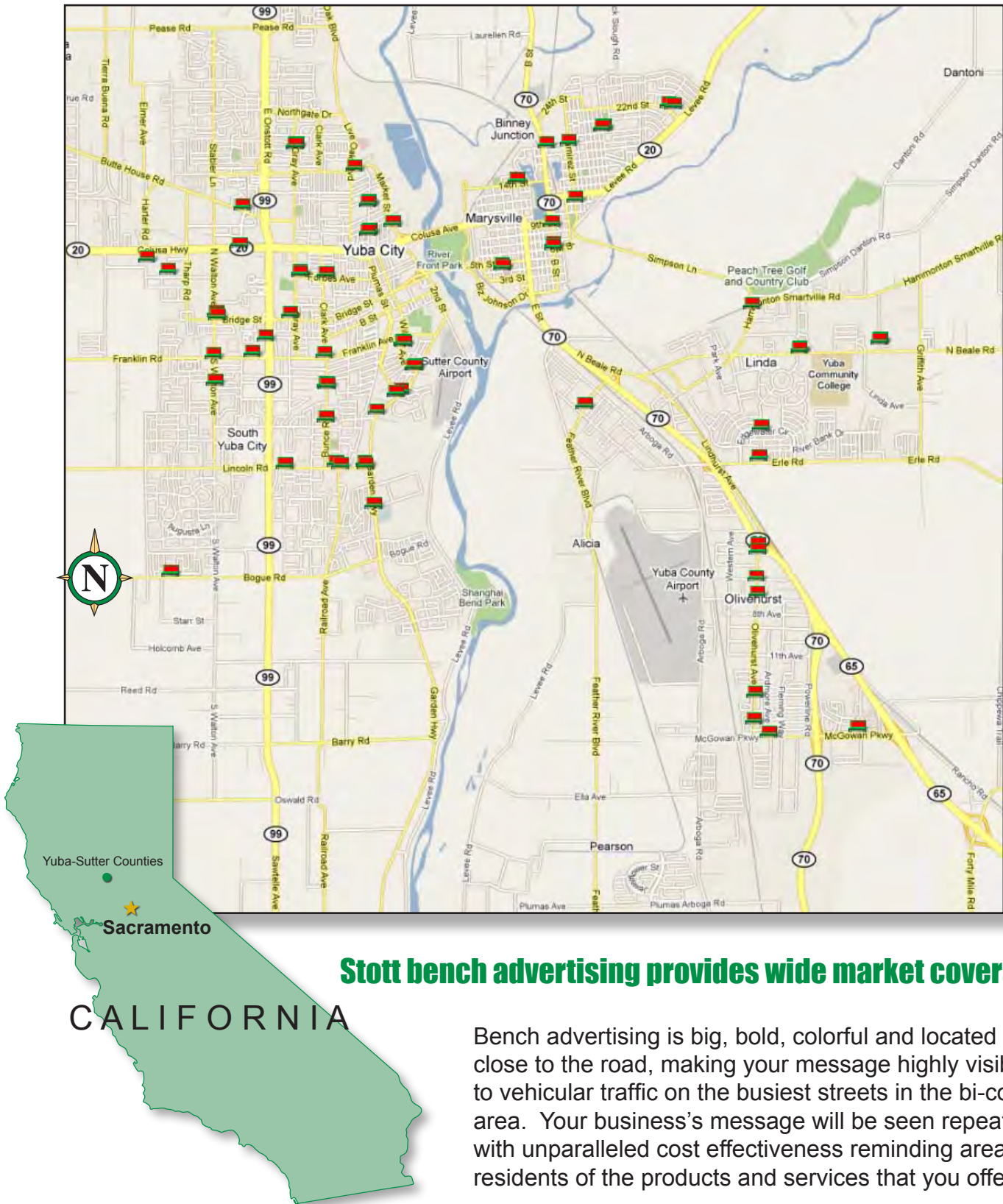
Emergency Services *

Stott Outdoor will respond promptly (within 24-48 hours) to emergency conditions such as broken glass, extreme or offensive graffiti, or major structural damage.

*** Stott Outdoor bears the cost of all materials and labor necessary to perform emergency maintenance services.**

Yuba-Sutter Bus Bench Coverage

Yuba City, Marysville and Olivehurst Communities



Stott bench advertising provides wide market coverage.

Bench advertising is big, bold, colorful and located close to the road, making your message highly visible to vehicular traffic on the busiest streets in the bi-county area. Your business's message will be seen repeatedly with unparalleled cost effectiveness reminding area residents of the products and services that you offer.



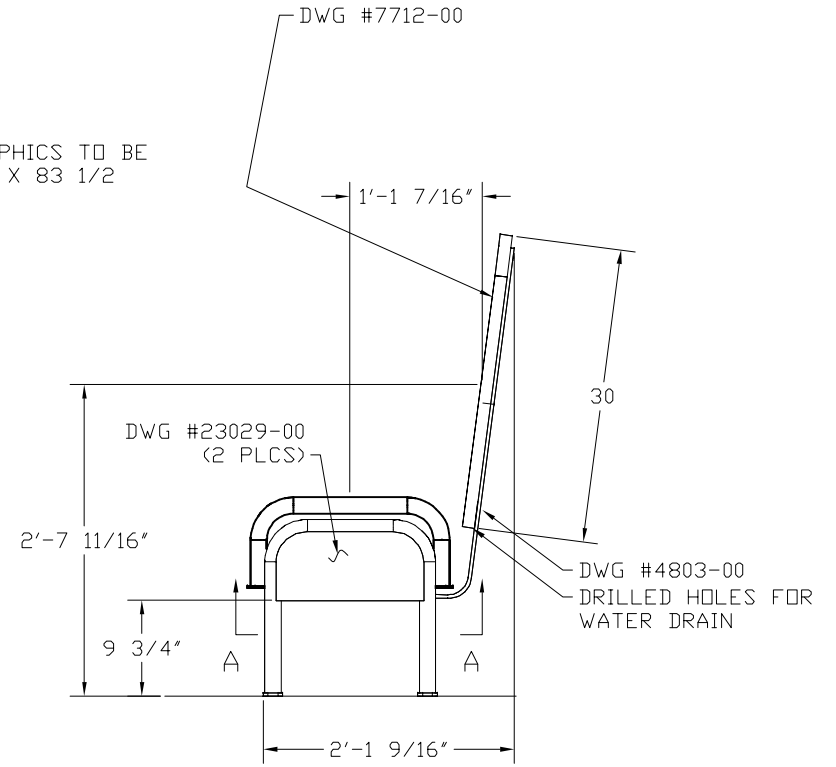
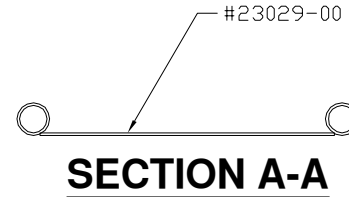
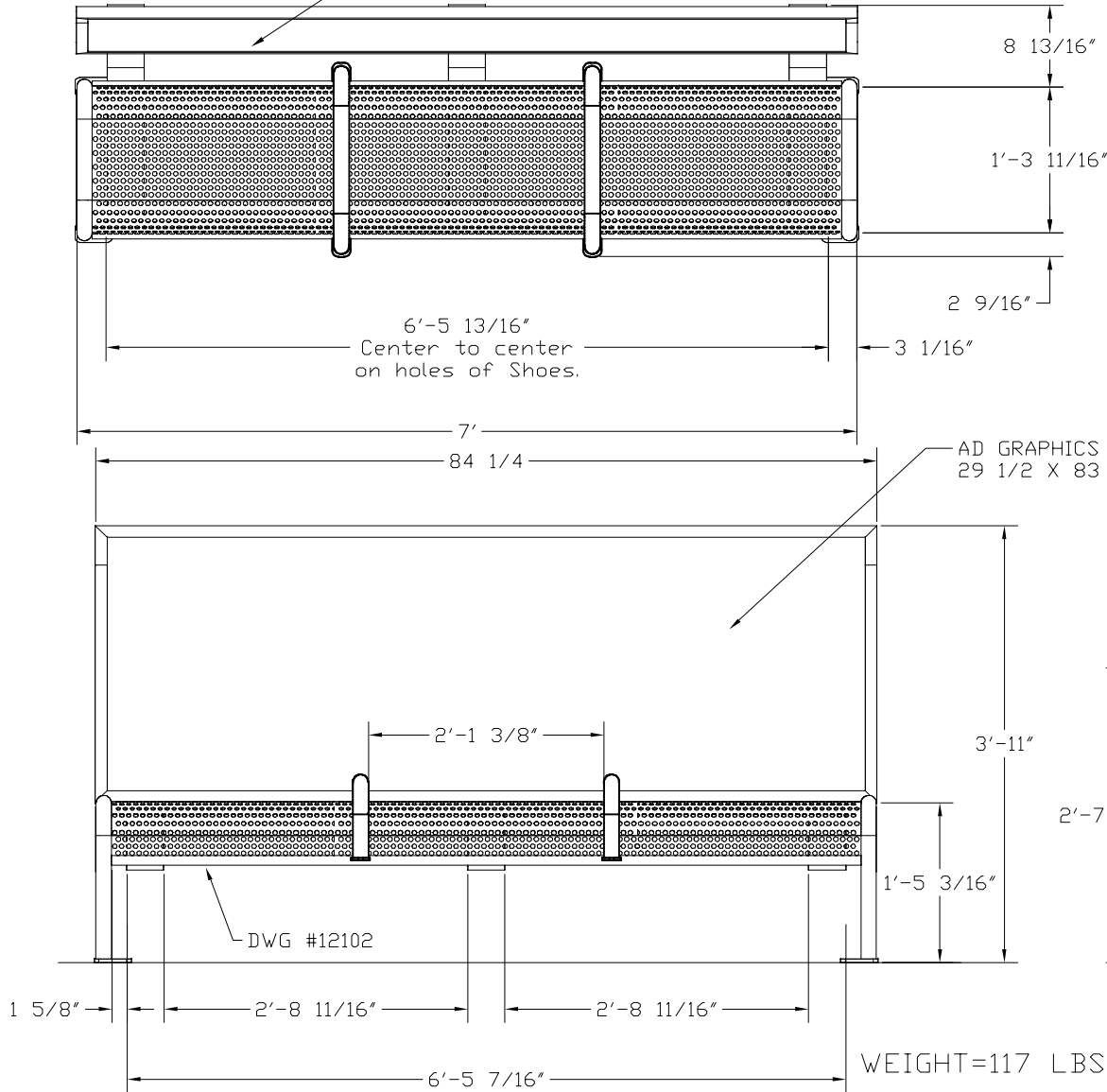
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ALL DIMENSIONS UNLESS OTHERWISE SPECIFIED ARE IN INCHES AND DECIMALS THEREOF.

ZONE		REV	DESCRIPTION	DATE	APPROVED
A			ADD HOLES ON BOTTOM AD FRAME	04/20/06	
B			ADDED 9 3/4" DIM	05/15/06	
C			FILE WAS: SCH 7 PM AD 2	07/25/07	
D			ASSY. CREATED FOR AD #7712-00	11/26/07	
E			1768-00 SUPERCEDED BY 23029-00	08/14/14	MF
			4802-00 SUPERCEDED BY 12102		

DRILL THREE 1/4" HOLES IN BOTTOM CHANNEL



Tolar Manufacturing Company, Inc 258 Mariah Circle, Carona, CA 92879	
DESCRIPTION: BENCH, PERF 7 AD BACK & BARS	
CUSTOMER/VENDOR: MTA - NASHVILLE	DWG NO: 14501-00
SIZE: D	REV: D
SCALE: 1/12	DATE: 1/20/05
DRAWN BY: CN	APPROVED:

Fixed Route Fleet



Bus Numbers: 2721-2727

Quantity: 6

Available Ad Space

- **Tail:** Window only using clear view perforated vinyl
- **Curbside:** Traditional Queen
- **Streetside:** Traditional Queen

Tail Window



Queen



Queen

Fixed Route Fleet



Bus Numbers: 3161-3165

Quantity: 5

Available Ad Space

- **Tail:** Window only using clear view perforated vinyl
- **Curbside:** Traditional Queen
- **Streetside:** Traditional King

Tail Window



Queen



King

Fixed Route Fleet



Bus Numbers: 3230-3240

Quantity: 11

Available Ad Space

- **Tail:** Supertail
- **Curbside:** Traditional Queen
- **Streetside:** Traditional King

Supertail



Queen



King

Commuter Route Fleet



Commuter Tail



Bus Numbers: 5701 – 5706

Quantity: 6

Available Ad Space

Tail: Engine Hatch

Demand Response Fleet



Bus Numbers: 1670-1679

Quantity: 10

Available Ad Space

Tail: Window only using clear view perforated vinyl

Tail Window



Bus Numbers: 1681-1686

Quantity: 6

Available Ad Space

Tail: Window only using clear view perforated vinyl

Tail Window

EXTERIOR ADVERTISING SPACE

VEHICLE#	CURB SIDE	STREET SIDE	REAR
1670	N/A	N/A	WINDOW
1671	N/A	N/A	WINDOW
1672	N/A	N/A	WINDOW
1673	N/A	N/A	WINDOW
1674	N/A	N/A	WINDOW
1675	N/A	N/A	WINDOW
1676	N/A	N/A	WINDOW
1677	N/A	N/A	WINDOW
1678	N/A	N/A	WINDOW
1679	N/A	N/A	WINDOW
1681	N/A	N/A	WINDOW
1682	N/A	N/A	WINDOW
1683	N/A	N/A	WINDOW
1684	N/A	N/A	WINDOW
1685	N/A	N/A	WINDOW
1686	N/A	N/A	WINDOW
2721	QUEEN	QUEEN	WINDOW
2722	QUEEN	QUEEN	WINDOW
2723	QUEEN	QUEEN	WINDOW
2724	QUEEN	QUEEN	WINDOW
2725	QUEEN	QUEEN	WINDOW
2727	QUEEN	QUEEN	WINDOW
3161	QUEEN	KING	WINDOW
3162	QUEEN	KING	WINDOW
3163	QUEEN	KING	WINDOW
3164	QUEEN	KING	WINDOW
3165	QUEEN	KING	WINDOW
3230	QUEEN	KING	ENGINE HATCH
3231	QUEEN	KING	ENGINE HATCH
3232	QUEEN	KING	ENGINE HATCH
3233	QUEEN	KING	ENGINE HATCH
3234	QUEEN	KING	ENGINE HATCH
3235	QUEEN	KING	ENGINE HATCH
3236	QUEEN	KING	ENGINE HATCH
3237	QUEEN	KING	ENGINE HATCH
3238	QUEEN	KING	ENGINE HATCH
3239	QUEEN	KING	ENGINE HATCH
3240	QUEEN	KING	ENGINE HATCH
4151	N/A	N/A	ENGINE HATCH
4152	N/A	N/A	ENGINE HATCH
4153	N/A	N/A	ENGINE HATCH
4154	N/A	N/A	ENGINE HATCH
4155	N/A	N/A	ENGINE HATCH
4156	N/A	N/A	ENGINE HATCH
4157	N/A	N/A	ENGINE HATCH
5701	N/A	N/A	ENGINE HATCH
5702	N/A	N/A	ENGINE HATCH
5703	N/A	N/A	ENGINE HATCH
5704	N/A	N/A	ENGINE HATCH
5705	N/A	N/A	ENGINE HATCH
5706	N/A	N/A	ENGINE HATCH

KEY: KING = 144" X 30"
QUEEN = 88" X 30"



Contract Terms

Length of Agreement

The term of this agreement shall be for a period of ten (10) years beginning **August 1, 2017** and terminating on **July, 31, 2026**, unless earlier terminated pursuant to the terms to follow. At the conclusion of the ten-year term, this agreement may be extended with mutual consent by both Stott Outdoor and YST for an additional five (5) year term.

Price Proposal

PRODUCT	REVENUE SHARE PERCENTAGE
Buses (Fixed/Demand Response/Commuter)	36%
Bus Shelters	5%
Bus Benches	5%

- **Minimum Annual Guarantee to YST = \$36,000.00**
- **Projected Total Annual Revenue to YST = \$78,948.00**
(Based on 60% Occupancy)

This contract, minimum annual guarantee, and projected total annual revenue are based on this contract consisting of all three components set forth by the YST RFP for transit advertising services – As listed below. This proposed business plan does not allow for providing service for less than all three components.

YST will continue to receive a monthly statement and bi-monthly payment of revenue share percentage or guaranteed payment - whichever is higher.

Transit Advertising Inventory

- 1) Transit shelter advertising inventory shall consist of 30 total transit shelters (60 advertising panels) – Twenty-Eight (28) owned by Stott Outdoor, and two (2) owned by Yuba-Sutter Transit. All of which shall continue to be maintained on a weekly basis by Stott Outdoor performing tasks detailed in Section 7 of this proposal.
- 2) Transit bench advertising inventory shall consist of sixty-nine (69) total benches (69 advertising panels) – All owned by Stott Outdoor Advertising. Stott Outdoor maintenance responsibilities detailed in Section 8 of this proposal.
- 3) Exterior bus inventory is detailed on YST's "Attachment A – Exterior Advertising Space" found in Section 9 of this proposal.

YST Self-Promotion

Yuba-Sutter Transit is allowed, for its own use of transit self-promotion, 10% of unsold exterior bus inventory, 10% of unsold shelter, and 15% bench inventory. YST will not be charged for the ad space, but will be responsible for all production & installation costs associated. Paid advertisements shall supersede any transit self-promotion materials when all other inventory is sold and space is needed. Self-Promotion materials used in shelters and benches will also be rotated on a random basis and will not be guaranteed specific location placement. YST is encouraged to print for stock inventory YST posters for benches and shelter to rotate on a monthly basis as space is available.

Fleet Changes

If for any reason the advertising inventory of the YST bus fleet, transit shelters, or transit benches experiences an increase or decrease of 20%, both parties will be given the opportunity to reevaluate and renegotiate the revenue share and guaranteed payment schedule as stated in this proposal.

Early Termination

Neither party may terminate this contract early without reasonable cause and notification. Early termination must be mutually agreed upon. In the event both parties agree to terminate this contract early, both shall be allowed to exit this agreement without penalty.

Primary Contact Information

Russ Raburn
Transit Operations & Development Manager
Stott Outdoor Advertising
P.O. Box 7209
Chico, CA 95927
Office: (530) 342-3235
Fax: (530) 342-0712
Cell: (530) 717-2704

ATTACHMENT B

YUBA-SUTTER TRANSIT AUTHORITY ADVERTISING POLICY Adopted May 18, 2017

The purpose of this policy is to define the standards by which the Yuba-Sutter Transit Authority will review advertising to be displayed on or in any vehicles, equipment, real property or publications, either owned or controlled by Yuba-Sutter Transit, and the conditions under which such advertising space will be made available free of charge. This policy includes, but is not limited to, the interior and exterior of buses, bus stop shelters, bus stop benches, facilities and publications.

The following types of advertising are found to be unacceptable for display on or in Yuba-Sutter Transit's vehicles, equipment, real property or publications:

1. Religious Advertising – material from any religious group or organization or material of a religious nature from any individual or organization.
2. Political Advertising – including, but not limited to, local, state or national elections or issues.
3. Sexually Explicit, Vulgar or Obscene Advertising – including any sexually explicit, obscene or vulgar graphic or written material which is judged to be inconsistent with local community standards of morality and decency.
4. Tobacco and Marijuana – any material that would directly or indirectly promote the sale or use of tobacco or marijuana in all forms including electronic cigarettes, vaping or related products; products that contain tobacco or marijuana; products that resemble tobacco, marijuana or illegal substances of all types.
5. Alcohol – any material that would directly or indirectly promote the sale or use of alcohol unless its inclusion in the ad is clearly incidental to the primary product of service be promoted for sale or use such as for a restaurant.
6. False, Misleading, Deceptive, or Defamatory Advertising

Any agency, organization, contractor or vendor proposing to advertise on or in Yuba-Sutter Transit vehicles, equipment, real property or publication shall submit copies of proposed advertising text and graphics to the Transit Manager prior to its display or publication. The Transit Manager or his/her designee will advise the contractor if the material is inconsistent with this policy within five (5) working days of the receipt of said material.

Except as limited by any third party agreements, unsold advertising space on or in Yuba-Sutter Transit's vehicles, equipment, real property or publications will be available for use by governmental agencies without charge for community purposes. Such advertising will also be judged by the above criteria and will be displayed for a reasonable period subject to the sale of the space or the need for said space by other governmental agencies.

The decision by the Transit Manager to allow or disallow any advertising pursuant to this policy may be appealed to the Yuba-Sutter Transit Board of Directors. The decision of the Board of Directors shall be final.

ATTACHMENT A
EXTERIOR ADVERTISING SPACE

VEHICLE#	CURB SIDE	STREET SIDE	REAR
1670	N/A	N/A	WINDOW
1671	N/A	N/A	WINDOW
1672	N/A	N/A	WINDOW
1673	N/A	N/A	WINDOW
1674	N/A	N/A	WINDOW
1675	N/A	N/A	WINDOW
1676	N/A	N/A	WINDOW
1677	N/A	N/A	WINDOW
1678	N/A	N/A	WINDOW
1679	N/A	N/A	WINDOW
1681	N/A	N/A	WINDOW
1682	N/A	N/A	WINDOW
1683	N/A	N/A	WINDOW
1684	N/A	N/A	WINDOW
1685	N/A	N/A	WINDOW
1686	N/A	N/A	WINDOW
2721	QUEEN	QUEEN	WINDOW
2722	QUEEN	QUEEN	WINDOW
2723	QUEEN	QUEEN	WINDOW
2724	QUEEN	QUEEN	WINDOW
2725	QUEEN	QUEEN	WINDOW
2727	QUEEN	QUEEN	WINDOW
3161	KING	QUEEN	WINDOW
3162	KING	QUEEN	WINDOW
3163	KING	QUEEN	WINDOW
3164	KING	QUEEN	WINDOW
3165	KING	QUEEN	WINDOW
3230	KING	QUEEN	ENGINE HATCH
3231	KING	QUEEN	ENGINE HATCH
3232	KING	QUEEN	ENGINE HATCH
3233	KING	QUEEN	ENGINE HATCH
3234	KING	QUEEN	ENGINE HATCH
3235	KING	QUEEN	ENGINE HATCH
3236	KING	QUEEN	ENGINE HATCH
3237	KING	QUEEN	ENGINE HATCH
3238	KING	QUEEN	ENGINE HATCH
3239	KING	QUEEN	ENGINE HATCH
3240	KING	QUEEN	ENGINE HATCH
4151	N/A	N/A	ENGINE HATCH
4152	N/A	N/A	ENGINE HATCH
4153	N/A	N/A	ENGINE HATCH
4154	N/A	N/A	ENGINE HATCH
4155	N/A	N/A	ENGINE HATCH
4156	N/A	N/A	ENGINE HATCH
4157	N/A	N/A	ENGINE HATCH

ATTACHMENT A
EXTERIOR ADVERTISING SPACE

5701	N/A	N/A	ENGINE HATCH
5702	N/A	N/A	ENGINE HATCH
5703	N/A	N/A	ENGINE HATCH
5704	N/A	N/A	ENGINE HATCH
5705	N/A	N/A	ENGINE HATCH
5706	N/A	N/A	ENGINE HATCH

KEY:

KING - 144" X 30"

QUEEN - 96" X 30"

/Common/Advertising/2017 Advertising RFP/Exterior Advertising Space

See corrections made to Attachment A - Exterior Advertising Space
in Section 9 of this proposal.

Corrections:

- Ad types/sizes on sides buses 3161-3240
- Traditional queen ad dimensions in KEY



Exceptions to RFP

Attachment B - Yuba-Sutter Transit Advertising Policy

- 1) Stott Outdoor shall review each advertisement submitted for installation on YST buses, shelters, and benches to ensure the advertisement conforms to the categories set forth in "Attachment B – Advertising Policy" of the YST RFP. If determined the advertising does not conform to the advertising policies, Stott will then work with the client to make the necessary changes. If at any time there is question of the advertisements position in regards to the policies, YST will be consulted before going to production, but only on a case by case situation. This is the standard procedure for the majority of transit districts Stott contracts with and allows for better efficiency in meeting contract deadlines.

- 2) Yuba-Sutter Transit is allowed, for its own use of transit self-promotion, 10% of unsold exterior bus inventory, 10% of unsold shelter inventory, and 15% bench inventory. YST will not be charged for the ad space, only production & installation costs associated. Paid advertisements shall supersede any transit self-promotion materials when all other inventory is sold and space is needed. Self-Promotion materials used in shelters and benches will also be rotated on a random basis and will not be guaranteed specific location placement. YST is encouraged to print for stock inventory YST posters for benches and shelter to rotate on a monthly basis as space is available. This "self-promotion" space may not be used by any other government agency free of charge.

In the event a non-profit organization is interested in utilizing shelters or benches to promote a cause or message, they can do so through a standard application process with Stott Outdoor Advertising.

Proposal Requirements – Page 5, Item 3, Section I

- 1) While Stott Outdoor Advertising holds all necessary insurance to fulfill the requirements set forth by the Yuba-Sutter Transit RFP, it will not be required that the advertisers also maintain similar insurance.

Stott Proposal Issues/Exceptions

July 12, 2017

Consistent with their proposal dated June 29, 2017 except as noted below, staff is recommending that the Yuba-Sutter Transit Authority Board of Directors award a Transit Advertising Program contract to Stott Outdoor Advertising effective August 1, 2017 pending the execution by both parties of an agreement satisfactory to Authority legal counsel.

Proposal Related Issues:

1. Stott proposed a change in dimensions for a standard “Queen” sign from 96” to 88” wide.

Staff Recommendation: Acceptable

2. Stott proposed correctly that the sign sizes in Attachment A of the RFP be reversed on the sides of the 11 Gillig buses (3500s) from Queen to King sized signs.

Staff Recommendation: Acceptable

3. Stott took exception to the requirement for additionally insured language to be extended to advertisers as being problematic and not standard industry practice.

Staff Recommendation: Acceptable

4. Stott took exception to the Advertising Policy requirement that all ad copy be submitted for review prior to display suggesting that this would be done only on a case-by-case basis after their own internal review.

Staff Recommendation: Acceptable providing that the Transit Manager can require the removal of any copy that is later deemed unacceptable after posting. The existing Advertising Policy should be revised with language noting the exception to this requirement such as: “Except as otherwise provided by contractual agreement . . .”

5. Stott proposed limited use of unsold space for Yuba-Sutter Transit’s own self-promotion purpose only (at the full cost of production and installation) for a maximum number of un-sold spaces not to exceed 10% for bus exteriors, 10% for shelters and 15% benches.

Staff Recommendation: This is generally consistent with the current agreement though there is no specific limitation for benches in the existing agreement, but staff is recommending that this provision be modified only for bus shelters and benches to allow for the placement of self-promotion ads on at least 20% of unsold shelter and bench space and that expenses for these ads be limited only to the actual cost of production since there is little cost for installation.

6. Stott proposed a first-time guarantee of \$36,000 annually with commission rates of 36% for bus exteriors and 5% for both shelters and benches which varies from the 33% and 10% commissions in the current agreement.

Staff Recommendation: Acceptable.

7. Stott proposed a 10 year term with a 5 year option by mutual consent.

Staff Recommendation: Acceptable assuming that all other recommended terms and conditions are accepted by the contractor.

8. Stott proposed no change in the number of shelters (30 including two agency owned ad shelters) or benches (69) over the life of the agreement.

Staff Recommendation: The final agreement should provide an allowance for the installation of up to 35 shelters and 80 benches over the initial 10 year agreement at mutually agreeable locations.

9. Stott proposed that the cost (labor and materials) for any relocations initiated by Yuba-Sutter Transit be paid by the Authority. These costs are split 50/50 in the current agreement.

Staff Recommendation: Acceptable

10. Stott proposed that any change (up or down) in the vehicle inventory of 20% or more will allow either party an opportunity to renegotiate the revenue share and/or guaranteed payment schedule.

Staff Recommendation: Acceptable providing that any changes in the revenue share and/or guaranteed payment schedule must be by mutual consent.

11. Proposed that all future advertising shelters be identical to the current advertising shelters except with “flat” or “back-to-back” two-sided advertising panels versus the “v-style” panels that have been used previously.

Staff Recommendation: Acceptable

Other Agreement Related Issues:

12. The current contract provides for the relocation of a shelter (presumably benches as well) due to “chronic vandalism” which is defined as damage inflicted during one year with a cumulative cost of replacement/repair in excess of the original cost of purchase and installation of the shelter.

Staff Recommendation: Acceptable providing that the contractor bears all costs for such relocations.

13. The contractor is willing to add solar “advertising box” lighting in up to 50 percent of all existing and new shelters at mutually agreeable locations.

Staff Recommendation: Acceptable providing that the locations can only be denied for technical reasons (solar orientation, overhangs, etc.) and that a minimum of 20 percent of the installations occur annually over the first five years of this agreement.

14. The contractor is willing to accept full maintenance and ad inventory responsibilities on a case-by-case basis for advertising shelters that are purchased and installed by Yuba-Sutter Transit just as they would for any contractor supplied shelters similar to the 2016 installation of two large shelters at the North Beale Transit Center.

Staff Recommendation: Acceptable

15. Unless otherwise required due to reported damage due to accident, graffiti or vandalism; advertising bus stop shelters are routinely inspected on a weekly basis and advertising bus stop benches are routinely inspected on a quarterly basis.

Staff Recommendation: This routine inspection schedule should be memorialized in the final agreement.

16. The minimum annual revenue guarantee of \$36,000 is payable on a monthly basis of \$3,000 per month.

Staff Recommendation: Acceptable

AGENDA ITEM IV – B
STAFF REPORT

TRANSPORTATION IMPROVEMENT PLAN (TIP) FOR FY 2018 – FY 2022

Attached for Board review and consideration is the proposed Transportation Improvement Program (TIP) Program of Projects (POP) for Yuba-Sutter Transit for the five-year period FY 2018 through FY 2022 (Exhibit A). This draft program would replace the FY 2017 version that was adopted in March 2016 (Exhibit B). All projects for which Federal funding will be requested must be identified in this program which will be incorporated into the three-year Sacramento Area Council of Governments (SACOG) Metropolitan Transportation Improvement Plan (MTIP). Also attached is the proposed Yuba-Sutter Transit Capital Improvement Plan (Exhibit C) from the SACOG Metropolitan Transportation Plan (MTP 2035). Projects are supposed to flow from the long range MTP to the short-range MTIP, but approval of the draft program does not restrict the Board's future options as program amendments are possible should funding availability or priorities change.

The proposed Program of Projects is consistent with the FY 2018 operating and capital budget that was adopted on May 18th. Other than reflecting the current fleet replacement schedule for projects that had been programmed for completion in FY 2017 and FY 2018, the proposed program is essentially a status quo document compared to the previous program and it still includes a high level of Federal funding for operating purposes though the percentage declines over time as budgets increase. This policy, which began in FY 2009, was made possible by replacing all of the Section 5307 funds that had previously been programmed for a variety of major capital projects with State Proposition 1B (November 2006) bond funds from the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) line item of Proposition 1B. Despite the end of this State bond program in FY 2017, staff is proposing that the annual allocation of Section 5307 funding for operations remain unchanged through the five year planning period.

For the proposed five year program, staff is projecting only minor increases in the total amount of Section 5307 funding available for the first three years through FY 2020 with no increases in the out years. While Federal support for public transportation is uncertain at best under the current administration, this approach is consistent with the appropriation limits of the current five year authorization measure known as the Fixing America's Surface Transportation (FAST) Act. This measure, however, will expire on September 30, 2020 so any increase in this critical source of Federal funding is highly uncertain beyond this date. As a result, Yuba-Sutter Transit's annual Section 5307 apportionments for FY 2021 and FY 2022 have been held flat in the updated Section 5307 fund balance projections shown in Exhibit D.

The proposed FY 2018 Capital Improvement Plan (Exhibit D) is virtually unchanged from the FY 2017 version which did vary somewhat from the recommendations in the 2015 Yuba-Sutter Short Range Transit Plan (SRTP). The SRTP anticipated continued system growth building upon the record FY 2015 ridership figures resulting in a recommended two bus expansion of the local fixed route fleet in FY 2020 and a one bus expansion of the Dial-A-Ride fleet in FY 2019. Staff has since taken a more conservative approach due to declining ridership on the local fixed route and Sacramento services; continued flat population growth; much higher cost for new buses due to both changes in the bus manufacturing industry and new air quality requirements; and, a consistently gloomy federal, state and local economic outlook.

In addition to the expected 2018 replacement of seven commuter buses that were fully funded in the FY 2017 budget, the proposed capital plan over the next five years includes three significant projects for which Federal funding will be requested. The first is the planned FY 2019 replacement of ten 2009 model demand response buses with ten low floor demand response buses as recommended in the SRTP. This

\$1.5 million project will be funded primarily with Federal funding from a variety of sources matched with the last of the Proposition 1B funds and local transportation funds. While the 2015 SRTP did recommend that this purchase include one expansion bus, this is not being recommended at this time for all of the above reasons. The largest project is the replacement of eleven 2008 model medium duty local fixed route buses with eleven heavy duty local fixed route buses in FY 2020. This \$5.5 million project was originally recommended to include two expansion buses, but it is also being scaled back. This will be the first project in many years to require a contribution from Federal Section 5307 formula funds (\$3.9 million) with most of the balance coming from local transportation funds. The final project is the scheduled replacement of six 2014 model demand response buses in FY 2022 with seven low floor buses. The specific funding package and scope of these important projects will be the subject of further discussion as each will require specific Board approval for actual implementation.

Staff will be prepared at the meeting to review the proposed program in detail.

RECOMMENDATION: Approve the FY 2018 Capital Improvement Plan and the FY 2018 – FY 2022 Transportation Improvement Plan Program of Projects as proposed.

EXHIBIT A

YUBA-SUTTER TRANSIT TRANSPORTATION IMPROVEMENT PROGRAM Federally Funded Projects Only FY 2017/2018 - FY 2021/2022

Proposed July 20, 2017

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FIVE YEAR TOTAL
OPERATING ASSISTANCE							
Urbanized Area							
FTA Section 5307 (Small Urban)	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000	\$10,500,000
FTA Section 5316 (Job Access Funds)	0	0	0	0	0	0	0
Local (All Sources)	4,228,295	4,542,703	4,874,500	5,226,000	5,596,000	5,984,500	26,223,703
Urban Subtotal	\$6,328,295	\$6,642,703	\$6,974,500	\$7,326,000	\$7,696,000	\$8,084,500	\$36,723,703
Rural Area							
FTA Section 5311 (Rural)	\$250,000	\$200,000	\$250,000	\$260,000	\$270,000	\$280,000	\$1,260,000
Local (All Sources)	263,105	338,598	315,500	334,000	354,000	375,500	1,717,598
Rural Subtotal	\$513,105	\$538,598	\$565,500	\$594,000	\$624,000	\$655,500	\$2,977,598
Total Operating Assistance	\$6,841,400	\$7,181,300	\$7,540,000	\$7,920,000	\$8,320,000	\$8,740,000	\$39,701,300
CAPITAL ASSISTANCE							
Vehicle Replacement/Minor Expansion							
FTA Section 5307 (Small Urban)	\$0	\$0	\$3,940,000	\$0	\$260,000	\$0	\$4,200,000
FTA Section 5311 (Rural)	0	901,573	0	0	120,000	0	1,021,573
FTA (CMAQ)	0	0	0	0	0	0	0
FTA (Section 5339)	0	918,940	460,000	0	460,000	0	1,838,940
Local (TDA)	0	417,747	1,100,000	0	210,000	0	1,727,747
Other Local (FRAQMD, Prop. 1B, etc.)	0	3,636,740	0	0	0	0	3,636,740
Vehicle Subtotal	\$0	\$5,875,000	\$5,500,000	\$0	\$1,050,000	\$0	\$12,425,000
Property/Facility/Equipment/Furnishings							
FTA Section 5307 (Small Urban)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Congestion Mitigation & Air Quality Funds	0	0	0	0	0	0	0
FTA Section 5317 (New Freedom)	0	286,000	0	0	0	0	286,000
Local (TDA)	0	0	0	0	0	0	0
Other Local (FRAQMD, Prop. 1B, etc.)	0	0	0	0	0	0	0
Facility/Equipment Subtotal	\$0	\$286,000	\$0	\$0	\$0	\$0	\$286,000
Total Capital Assistance	\$0	\$6,161,000	\$5,500,000	\$0	\$1,050,000	\$0	\$12,711,000

NOTES:

- Capital projects are listed in the year that funding authority will be requested with completion typically occurring in the following year.
- Operating costs are estimated based on the adopted FY 2018 Budget escalated 5 percent annually thereafter and capital costs are estimated at current dollar value.

EXHIBIT B

YUBA-SUTTER TRANSIT TRANSPORTATION IMPROVEMENT PROGRAM Federally Funded Projects Only FY 2016/2017 - FY 2020/2021

Adopted March 17, 2016

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FIVE YEAR TOTAL
OPERATING ASSISTANCE							
Urbanized Area							
FTA Section 5307 (Small Urban)	\$2,000,000	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000	\$2,100,000	\$10,500,000
FTA Section 5316 (Job Access Funds)	100,000	0	0	0	0	0	0
Local (All Sources)	3,883,390	4,228,295	4,541,500	4,874,500	5,226,000	5,596,000	24,466,295
Urban Subtotal	\$5,983,390	\$6,328,295	\$6,641,500	\$6,974,500	\$7,326,000	\$7,696,000	\$34,966,295
Rural Area							
FTA Section 5311 (Rural)	\$228,000	\$250,000	\$260,000	\$270,000	\$280,000	\$290,000	\$1,350,000
Local (All Sources)	425,710	263,105	278,500	295,500	314,000	334,000	1,485,105
Rural Subtotal	\$653,710	\$513,105	\$538,500	\$565,500	\$594,000	\$624,000	\$2,835,105
Total Operating Assistance	\$6,637,100	\$6,841,400	\$7,180,000	\$7,540,000	\$7,920,000	\$8,320,000	\$37,801,400
CAPITAL ASSISTANCE							
Vehicle Replacement/Minor Expansion							
FTA Section 5307 (Small Urban)	\$0	\$0	\$3,920,000	\$0	\$0	\$260,000	\$4,180,000
FTA Section 5311 (Rural)	526,573	0	375,000	0	0	120,000	495,000
FTA (CMAQ)	0	0	0	0	0	0	0
FTA (Section 5339)	458,940	0	920,000	0	0	460,000	1,380,000
Local (TDA)	0	0	1,537,747	0	0	210,000	1,747,747
Other Local (FRAQMD, Prop. 1B, etc.)	3,389,487	0	247,253	0	0	0	247,253
Vehicle Subtotal	\$4,375,000	\$0	\$7,000,000	\$0	\$0	\$1,050,000	\$8,050,000
Property/Facility/Equipment/Furnishings							
FTA Section 5307 (Small Urban)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Congestion Mitigation & Air Quality Funds	0	0	0	0	0	0	0
FTA Section 5317 (New Freedom)	0	0	0	0	0	0	0
Local (TDA)	0	0	0	0	0	0	0
Other Local (FRAQMD, Prop. 1B, etc.)	0	0	0	0	0	0	0
Facility/Equipment Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Capital Assistance	\$4,375,000	\$0	\$7,000,000	\$0	\$0	\$1,050,000	\$8,050,000

NOTES:

1. Capital projects are listed in the year that funding authority will be requested with completion typically occurring in the following year.
2. Operating costs are estimated based on the Preliminary Draft FY 2017 Budget escalated 5 percent annually thereafter and capital costs are estimated at current dollar value.

EXHIBIT D

Projected Section 5307 Balances FY 2016 Through FY 2022 Based on the Adopted FY 2018 Budget and the Proposed FY 2022 Program of Projects Revised July 6, 2017

Published and projected apportionments (based on authorized annual increases) through the end of FAST-Act (FFY 2020)

FTA Grant # or MTP #	Section 5307 Totals	Explanatory Notes
Available Balance (7/1/15)	\$2,966,789	
Five Year Reauthorization (FAST Act) Signed December 4, 2015 for FFY 2016 through FFY 2020		
FFY 2016 Apportionment (Published 2/9/16)	2,356,456	Increase of 1.9% over FFY 15 in 1st year of the FAST Act
FY 2016 Oper. Assist. CA-2016-004-01	(2,000,000)	Federal Operating Match (\$655,194 from FFY 14 & \$1,344,806 from FFY 15)
FY 2016 Cap. Assist.	0	<i>FFY -- \$213,586 in FFY 16 Section 5339 Formula Capital Funds thru Caltrans</i>
Proj. Available Balance (7/1/16)	\$3,323,245	MATCHES SACOG SPREADSHEET PER AZADEH DOHERTY 3/30/16
FFY 2017 Apportionment (Published 7/5/17)	2,582,641	Increase of 9.6% over FFY 16 in 2nd year of the FAST Act
FY 2017 Oper. Assist. CA-2017-005	(2,100,000)	Federal Operating Match (\$966,789 from FFY 15 & \$1,133,211 from FFY 16)
FY 2017 Cap. Assist. YST 10445	0	Commuter Bus Replacement (7) in FY 18 -- \$4,375,000 Total Cost Section 5311 (\$526,573) / Section 5339 (\$458,940) / PTMISEA (\$3,389,487)
Proj. Available Balance (7/1/17)	\$3,805,886	
Proj. FFY 2018 Apportionment	2,636,876	Assumes 2.1% increase over FFY 17 in 3rd year of the FAST Act
Proj. FY 2018 Oper. Assist. YST 10448	(2,100,000)	Federal Operating Match (\$1,361,371 from FFY 16 & \$738,629 from FFY 17)
Proj. FY 2018 Cap. Assist. YST 10446	0	DAR Fleet Replacement (10) in FY 19 -- \$1,500,000 Total Cost Section 5311 (\$375,000) / Section 5339 (\$460,000) / PTMISEA (\$247,253) / STA
Proj. Available Balance (7/1/18)	\$4,342,762	
Proj. FY 2019 Apportionment	2,692,251	Assumes 2.1% increase over FFY 18 in 4th year of the FAST Act
Proj. FY 2019 Oper. Assist. YST 10449	(2,100,000)	Federal Operating Match
Proj. FY 2019 Cap. Assist. YST 10444	(3,940,000)	Fixed Route Fleet Replacement (11) in FY 20 -- \$5,500,000 Total Cost Section 5307 with Section 5339 (\$460,000) & STA \$1,120,000
Proj. Available Balance (7/1/19)	\$995,013	
Proj. FY 2020 Apportionment	2,748,788	Assumes 2.1% increase over FFY 19 in 5th and last year of the FAST Act
Proj. FY 2020 Oper. Assist. YST 10450	(2,100,000)	Federal Operating Match
Proj. FY 2020 Cap. Assist.	0	<i>FFY -- Projected \$215,000 in FFY 20 Section 5339 Formula Capital Funds thru Caltra</i>
Proj. Available Balance (7/1/20)	\$1,643,801	
Proj. FY 2021 Apportionment	2,748,788	Assumes No Increase During a Continuing Resolution of the FAST Act
Proj. FY 2021 Oper. Assist.	(2,100,000)	Federal Operating Match
Proj. FY 2021 Cap. Assist. YST 10370	(260,000)	DAR Fleet Replacement/Expansion (7 for 6) in FY 22 -- \$1,050,000 Total Cost Section 5311 (\$120,000) / Section 5339 (\$460,000) / STA (\$210,000) / STA
Proj. Available Balance (7/1/21)	\$2,032,590	
Proj. FY 2022 Apportionment	2,748,788	Assumes No Increase During a Continuing Resolution of the FAST Act
Proj. FY 2022 Oper. Assist.	(2,100,000)	Federal Operating Match
Proj. FY 2022 Cap. Assist.	0	
Proj. Available Balance (7/1/22)	\$2,681,378	

1. Funding for capital projects is shown in the year in which it is to be requested with the purchase typically completed in the following year.

AGENDA ITEM V – C
STAFF REPORT

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT (FRAQMD)
BLUE SKY GRANT PROJECTS FOR FY 2017/2018**

ISSUE

The Feather River Air Quality Management District (FRAQMD) is expected to soon issue a Request for Proposals (RFP) for the FY 2017/2018 cycle of Blue Sky (AB 2766) grants. The funding amount for this next cycle has not yet been announced, but \$230,000 was allocated for FY 2017; \$200,000 was allocated for both FY 2016 and RY 2015; and, a high of \$300,000 was allocated for the FY 2014 cycle. Applications are typically due in September so staff is now requesting early Board input on concepts that could be developed into formal grant applications for Board review and consideration at the August or September meetings.

BACKGROUND

AB 2766 funds come from a \$4 annual Motor Vehicle Registration Fee that is collected on vehicles registered in Yuba and Sutter Counties to support a wide variety of air pollution reduction activities. Yuba-Sutter Transit has received FRAQMD funding for many projects over the years including discount bus pass programs for youth, seniors and persons with disabilities; local matching funds for expansions of the commuter and local fixed route bus fleets; local matching funds for the expansion of the Bogue Road Park & Ride Lot; non-advertising bus stop benches and shelters; bike racks for buses; bike lockers at bus stops; a multi-year vanpool subsidy program; enhanced bus stop passenger information materials; and, a Downtown Trolley demonstration service.

Yuba-Sutter Transit submitted three applications last year with a combined value of \$166,000 and was awarded two grants. The largest of these grants was for \$140,000 for a one year extension of the Discount Monthly Pass Program for youth, seniors and persons with disabilities. The second grant was for \$10,000 toward the annual cost of operating an expanded level of service on the Live Oak Route which was increased in July 2015 from three to five days a week. A third application to purchase and install bus stop benches at up to 24 local fixed route bus stops was not awarded.

Over the last five years, Yuba-Sutter Transit has been awarded an average of \$141,900 annually from this program (\$150,000 in FY 2017, \$148,100 in FY 2016, \$136,203 in FY 2015, \$170,000 in FY 2014 and \$105,000 in FY 2013). Because funding is limited, it is important that Yuba-Sutter Transit's proposals be limited in number and ranked in priority as the program is typically over subscribed and some proposals may be rejected outright or funded at a level lower than requested.

DISCUSSION

Based on the long-term success of the combined discount monthly bus pass program, staff is again recommending that the highest priority project be to continue this program for another twelve month period after the existing grant expires in December. In 2016, a total of 13,928 discount monthly passes were sold and 349,545 discount monthly pass boardings were taken representing 38 percent of all local fixed route trips. Of these discount monthly pass boardings; 45 percent were made by persons with disabilities, 35 percent by youth (ages 5 to 18) and 20 percent by seniors (age 64 and over).

Based on the first five months of 2017, staff is now projecting the sale of approximately 13,000 discount monthly passes (down 6.7 percent from 2016) and the provision of 300,000 discount monthly pass boardings. For comparison, overall fixed route ridership for the first six months of 2017 is down 14 percent compared to the same period in 2016 for what is likely a variety of reasons from past route and service policy changes; relatively low fuel prices; and, lack of population growth. Despite the recent decrease in the sale and use of discount monthly passes, what began as a discount monthly youth pass program in September 2005 is still an extremely cost effective method of encouraging transit ridership with each discount pass now being used about 26 times a month.

Based on this experience to date, staff is now projecting the sale of 13,500 discount monthly passes in 2018. This 5 percent increase over the projected year-end figure for 2017 is due to the expectation that some discount cash passengers will convert to monthly passes in 2018 as free transfers are phased out with full implementation of the Connect Card system. To maintain the current subsidy of \$10 for each \$15 discount pass, staff would recommend requesting \$135,000 from FRAQMD with all other program expenses to again be provided by Yuba-Sutter Transit. An alternative approach would be to increase the out-of-pocket cost for each pass to reduce the FRAQMD subsidy by an equal amount. Depending on the amount of the increase, however, this could have a significant impact on the program through reduced pass sales and ridership.

Another project for consideration is the purchase and installation of additional bus stop furniture (shelters and/or benches) at locations throughout the service area where advertising shelters and benches are not likely to be installed. Prime candidate locations would be along the recently rejuvenated Olivehurst Avenue and North Beale Road corridors, but there are potential locations throughout the service area. If desired, staff will develop specific site and cost estimates for Board consideration, but a good example would be the proposed demonstration project that was not funded by FRAQMD last year for the installation of unique, two-seat bus stop benches where there is no bus stop furniture due to the lack of a sidewalk or inadequate right-of-way clearance. Designed for easy and relatively inexpensive installation at especially challenging locations, these seats were projected to cost an average of \$1,000 per stop (bench, pole, hardware, delivery, site preparation and installation) last year for a minimum of 24 stops. The cost per unit would be higher at any level below 24 units and the minimum project size would be 12 units due to minimum purchase requirements by the manufacturer.

In addition, because Yuba-Sutter Transit has received three FRAQMD grants to fund a portion of the cost to expand the Live Oak Route from three to five days a week since July 2015, the Board may want to consider requesting additional funds for that purpose for 2018. If so, while staff would not recommend it as a high priority project, a minimum request of \$10,000 toward another 12 months of the expanded Live Oak service may be appropriate.

Staff will be prepared at the meeting to discuss these and any other project concepts that Board members may wish to introduce for consideration.

RECOMMENDATION: Direct staff as desired.

/Common/YST Agenda Items/FRAQMD Item V-C 7-17/