

AGENDA ITEM III – A

**YUBA-SUTTER TRANSIT AUTHORITY
MEETING MINUTES
MARCH 17, 2016**

I. Call to Order & Roll Call

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

Present: Cleveland, Didbal, Fletcher, Samayoa, and Whitmore

Absent: Griego, Sullenger and Whiteaker

II. Public Business from the Floor

None

III. Consent Calendar

Director Cleveland made a motion to approve the consent calendar. Director Didbal seconded the motion and it carried unanimously.

IV. Reports

A. Preliminary Draft Yuba-Sutter Transit Operating and Capital Budget for FY 2017.

Martin stated that staff is now submitting the preliminary draft operating and capital budget for FY 2016/17 as required by the JPA by the end of March. He continued that for the current year staff is now projecting expenses around \$100,000 less than budgeted mainly due to lower than expected fuel costs which are partially off-set by higher than expected expenses elsewhere in the budget. Operating expenses are up in part due to an increase in service hours and changes in the billing and accounting procedures for staffing costs especially for the new consulting contract with the Regional Waste Management Authority (RWMA).

Director Samayoa asked which line item includes staffing costs. Martin responded that these are found under Administration Expenditures – Salaries and Wages and Fringe Benefits (Accounts #50102 and #50200) which are now projected higher than budgeted due to the changes that have been made. Martin noted that RWMA revenue is now found under Operating Revenue – Non-Transportation Revenue (Account #40709) where it shows a projected amount of \$69,000 compared to the budgeted amount of \$17,000. Martin noted that year-end revenues are projected to be lower than budgeted due to lower than expected fare receipts and a drop in State Transit Assistance (STA) funds. STA funds come from a tax on diesel fuel and lower diesel fuel prices have resulted in reduced tax receipts.

Martin continued to review the preliminary FY 2017 budget stating that it is status quo budget as no fare, service or organizational changes are being recommended at this time due to the decrease in ridership and the poor STA funding outlook. Despite this conservative approach, the

preliminary draft budget is up 3.1 percent increase over the current year budget mainly due to the extra service hours and cost increases in the third year of the Transdev Services, Inc. operating contract. He noted that the Transdev contract represents about 75 percent of the budget. Martin continued by referring to the bullet points listed in the staff report under Other Considerations. He called attention to the last bullet point regarding increasing the level of liability insurance coverage noting that a quote had just been received that would increase this expense by \$6,000 dollars for a \$4 million umbrella policy. The current policy is for \$1 million per occurrence with \$2 million aggregate coverage and Yuba-Sutter Transit has long been considered to be underinsured.

Director Fletcher commented that quoted cost for the increased coverage seems to be a good price. Director Samayoa asked if passenger fare revenue is a formula based on average fare times the number of expected passengers. Martin stated that the preliminary draft budget is based on a projection based on ridership and fare receipts to date, but that we do track every passenger by fare type.

The Board had no further questions or input on the preliminary draft FY 2017 budget.

B. Metropolitan Transportation Improvement Plan (MTIP) Update.

Martin stated that SACOG has issued a call to update all projects by April 1, 2016 in the current Metropolitan Transportation Improvement Plan (MTIP) because they are preparing a new 2017-2020 MTIP. Staff has attached the current and proposed five year plan of program and projects (Exhibits A and B) and the proposed and current capital improvement plan (Exhibits C and D) along with Federal funding projections through the end of the FAST Act (Exhibit E). Martin continued to state that the proposed five year plan mainly updates costs with another year added.

Director Cleveland stated that the State is looking at restructuring how carbon emission credits are going to be distributed between larger urban area and smaller urban areas and that there is a push from the League of Cities so that not just the big urban areas can qualify. He added that he would be advocating for that at the League of Cities. Director Cleveland also stated that a new study just came out stating that Yuba City has three or four designated disadvantaged areas and Martin asked Director Cleveland to forward that information.

Director Fletcher made a motion to amend the Yuba-Sutter Transit Capital Improvement Plan and Adopt the FY 2017 – FY 2021 Program of Projects as proposed. Director Cleveland seconded the motion and it carried unanimously.

C. Procurement Policies and Procedures Manual Revisions.

Martin noted that this item is to revise the Yuba-Sutter Transit's current Procurement Policy and Procedure Manual to bring the agency in line with that of similar agencies and the local jurisdictions consistent with Federal procurement requirements. He added that all procurements would still need to be consistent with the budget and Board direction.

Director Fletcher made a motion to adopt the Yuba-Sutter Transit Procurement Policies and Procedures Manual revisions as proposed or amended. Director Didbal seconded the motion and it carried unanimously.

D. Projects & Program Updates.

1. Connect Card Electronic Fare Card System

Martin noted that the Connect Card will not be going live before the end of this calendar year as there have been a lot of issues with the software and hardware. The system is being developed by consultants to SACOG and the Sacramento Regional Transit District, but staff is engaged with the project on a weekly basis.

2. Bogue Park & Ride Video Surveillance Project

Martin stated that this project is moving forward with a pre-construction meeting with Caltrans and the contractor set for tomorrow. The contract was awarded at the last meeting and the poles have been ordered so staff is hopeful that the project will be done by the end of this fiscal year.

3. North Beale Transit Center Enhancement Project

Martin stated that there has been interest from some concrete contractors even though it is a small job under \$10,000. Staff hopes to bring a contract award recommendation next month.

4. Pass and Ticket Outlet Commission Request

While not on the agenda, Martin stated that he wanted to update the Board on a recent request for a commission from one of our two pass outlets. He noted that our passes and tickets are available at just two locations outside of the Yuba-Sutter Transit office – the Yuba College Bookstore in Linda and the Bel-Air Market customer service center in Yuba City – and no commissions are provided on those sales. Martin continued by stating that Bel-Air recently requested a 5 percent commission on all sales which is the same amount that they receive from the Sacramento Regional Transit District. Based on current pass and ticket sales figures, this figure represents about \$1,200 a month. Staff has not yet responded to this request.

Martin continued that the new Connect Card will pay a negotiated regional commission rate, but this figure has not yet been set. The Clipper Card program in the Bay Area, however, pays a 2 percent commission rate to their outlets. While staff is also leaning toward offering Bel-Air a two percent commission, Board input is now being sought as there is obviously no policy on this issue.

Director Fletcher asked if the Connect Card would be an automated system where a consumer puts in cash and gets a ticket. Martin responded that the new system will not be an unattended kiosk as there will be no place to put cash in the machine. A counter person will have to be there to process credit card and cash transactions and load product onto the electronic fare card. Director Fletcher noted that society is moving toward not receiving cash and that staff should possibly consider doing the same. Martin responded that while he agrees with that assessment, Federal Title VI or Civil Rights requirements for disadvantage communities will still require that we accept cash.

Director Samayoa asked if there will be a bank transaction fee associated with the use of the new fare cards. Martin responded that there is a small fee for each transaction and that credit card fees will also be assessed on each credit transaction.

Director Fletcher asked if staff has considered using FREED as an outlet. Martin responded that staff has considered them and others, but that we are really looking for locations that are open evenings and weekends. Director Cleveland suggested that if necessary that staff should offer up to 3 percent to maintain the Bel-Air outlet. Martin responded that based on these comments that he will start with a 2 percent offer on a month to month.

Director Fletcher asked if staff has considered Save Mart who may look at it as an opportunity rather than an expense. Martin stated that staff had contacted Save Mart in the past without success, but we will begin knocking on doors again because the game will have changed once we start offering a commission.

V. Correspondence/Information

None

VI. Closed Session

A. Public Employee Performance Evaluation Pursuant to Government Code Section 54957. Position Title: Transit Manager

The meeting was adjourned to closed session at 4:50 p.m. The Board returned from closed session at 5:06 p.m. and Director Samayoa announced that no reportable action had been taken in closed session.

VII. Adjournment

The meeting was adjourned at 5:06 p.m.

**The next meeting of the Yuba-Sutter Transit Authority is scheduled for 4:00 p.m. on
Thursday, April 21, 2016 in the Yuba County Board of Supervisors Chambers**