



MEETING NOTICE & AGENDA

DATE: Thursday, April 19, 2018

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

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. 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 March 15, 2018. (Attachment)
- B. Disbursement List for March 2018. (Attachment)
- C. Monthly Performance Report for March 2018. (Attachment)

IV. Reports

- A. **Revised Draft Yuba-Sutter Transit Operating and Capital Budget for FY 2019.** Discussion and possible direction for consideration in final draft budget. (Attachment)

RECOMMENDATION: Direct staff as desired.

- B. One Year Indexed Extension of the Transdev Services, Inc. Transit Operations Agreement.**
Consideration of a one year indexed extension pursuant to the terms and conditions of the existing contract. (Attachment)

RECOMMENDATION: Direct staff as desired.

- C. Information Technology (IT) Support Services Contract Award.** (Attachment)

RECOMMENDATION: Authorize the execution of a contract with Alliant Networking Services, Inc. for IT support services as proposed.

- D. Back-Up Emergency Generator Contract Award.** (Attachment)

RECOMMENDATION: Award the project and authorize the execution of a contract with Day's Generator Service as proposed.

- E. Administrative Staff Salary and Benefit Adjustments.** (Attachment)

RECOMMENDATION: Approve staff salary and benefit adjustments effective July 1, 2018 as proposed or amended.

- F. Project & Program Updates.**

1. Connect Card Implementation
2. North Beale Road & Olivehurst Bus Stop Improvements
3. California Air Resources Board Innovative Clean Transit (Zero-Emission Bus) Initiative

RECOMMENDATION: Information only.

V. Correspondence/Information

VI. Other Business

VII. Adjournment

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, MAY 17, 2018
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

YUBA-SUTTER TRANSIT AUTHORITY MEETING MINUTES MARCH 15, 2018

I. Call to Order & Roll Call

Present: Cardoza, Cleveland, Fletcher, Leahy, McKenzie (for Whitmore), Pedigo, Sullenger, and Whiteaker

Absent: Whitmore

II. Public Business from the Floor

None

III. Consent Calendar

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

IV. Reports

A. Preliminary Draft Yuba-Sutter Transit Operating and Capital Budget for FY 2019.

Martin gave a brief overview of the current year budget noting that while Yuba-Sutter Transit's expenses are currently running just under budget, revenues are running behind budget due primarily to reduced farebox income due to declining ridership. The short-fall will be made up through the use of deferred revenue.

Martin continued by discussing the general budget projections for the preliminary draft FY 2019 budget highlighting some of the currently unknown factors for fuel, ridership and the impact of the new Connect Card system. Martin added that on the preliminary draft capital budget includes three vehicle replacement projects. Staff invited input on the preliminary draft budget, but stated that it will be discussed in detail including the various assumptions used in its development as part of the revised draft budget presentation at the April meeting.

B. Low Carbon Transit Operations Program (LCTOP) Funding Request.

Martin gave an over view of past projects for this annual funding program and listed possible future eligible projects noting that the recommended purchase of zero emissions buses over several funding cycles would be possible. He stated that the funding can be carried over and combined with future cycles, but that a project must be submitted to preserve the current cycle of funding and that the project can be modified in the future should priorities change. Director Leahy inquired as to how many electric buses the current facility can handle. Martin responded that staff hoped to do a study in the near future to answer that question.

Director Whiteaker made a motion to adopt Resolution No. 2-18 authorizing the execution of the related Certifications and Assurances including the designation of the Transit Manager as the Authorized Agent; and, authorizing the submission of the LCTOP funding request as proposed. Director Leahy seconded the motion and it carried unanimously.

C. **Connect Card Implementation Plan and Schedule.**

Martin reviewed the implementation status of the Connect Card electronic fare card program. Due to the progress that has been made to date, staff is recommending that full implementation of the Connect Card electronic fare card program be set for July 1, 2018. If approved as proposed, as of this date, Yuba-Sutter Transit would no longer issue or accept paper monthly pass or transfers.

After some discussion, Director Fletcher made a motion to approve the elimination of paper monthly passes and local fixed route transfers effective July 1, 2018 as proposed. Director Whiteaker seconded the motion and it carried unanimously.

D. **Authorizing Resolution for Federal Transit Administration (FTA) Grant Documents.**

Martin stated that this routine annual resolution would authorize the Transit Manager to submit FTA grants.

Director Whiteaker made a motion to adopt Resolution No. 3-18 authorizing the Transit Manager, or designee, to execute all federal grant and contract documents under Sections 5307, 5309, 5310, 5311, 5317 and 5339. Director Pedigo seconded the motion and it carried unanimously.

E. **Authorization for the Transit Manager to Certify as Counsel for Federal Transit Administration (FTA) Grants.**

Martin stated that this annual resolution would authorize the Transit Manager to sign as Legal Counsel for FTA Grants.

Director Whiteaker made a motion to adopt Resolution No. 4-18 authorizing the Transit Manager to certify as counsel for FTA grants. Director Cleveland seconded the motion and it carried unanimously.

F. **Grant Close-Out Report for the 2017 Discount Monthly Pass Program.**

Martin noted that this report completes the requirements for this grant funded program. There were no questions for staff.

G. **Project & Program Updates.**

1. Connect Card Implementation.

Martin noted this item has been previously discussed.

2. North Beale Road and Olivehurst Bus Stop Improvements

Martin noted that two new concrete bus stop shelter and bench pads have been installed in Olivehurst at Johnson Park and on southbound Olivehurst Avenue at Chestnut Road. A third pad will soon be installed on westbound North Beale Road at Woodland Drive. Martin added that shelters have been ordered for Johnson Park, North Beale and Lowe and North Beale and Woodland, and should arrive in the next two months.

3. California Air Resources Board Innovative Clean Transit (Zero-Emission Bus) Proposal

Martin referenced the staff comment letter that was passed out before the meeting earlier noting that staff continues to monitor this issue which is expected to be brought to the Air Resources Board this summer for action.

V. Correspondence/Information

None

VI. Other Business

None

VII. 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 4:29 p.m. The Board returned from closed session at 4:45 p.m. at which time Director Cardoza announced that no reportable action had been taken in closed session.

VII. Adjournment

The meeting was adjourned at 4:46 p.m.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, APRIL 19, 2018
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

**YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF MARCH 2018**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 7,380.04	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 1,596.38	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 273.41	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 30.92	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION
EFT	\$ 651.44	PG&E	ELECTRIC
EFT	\$ 2,674.44	PG&E	ELECTRIC #2
EFT	\$ 449.95	PG&E	GAS
EFT	\$ 219.11	ATT - SECURITY LINE	SECURITY LINE - MARCH
EFT	\$ 75.00	AT&T - UVERSE	INTERNET MARCH
EFT	\$ 801.28	TPX COMMUNICATIONS	TELEPHONE MARCH
EFT	\$ 112.70	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 300.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 82.47	CARDMEMBER SERVICES	RABOBANK CREDIT CARD
EFT	\$ 126.52	ELAVON	MERCHANT SERVICE FEE - MARCH
EFT	\$ 335.65	PRIMEPAY	PAYROLL FEE
EFT	\$ 34,468.88	PAYROLL	PAYROLL
15924	\$ 263.78	ADVANCED DOCUMENT CONCEPTS	COPY MACHINE - JANUARY
15925	\$ 10,455.24	AECOM TECHNICAL SERVICES, INC.	CORRIDOR ENHANCEMENT PROJECT
15926	\$ 175.00	ALL SEASON TREE & TURF CARE	LANDSCAPING MAINTENANCE
15927	\$ 5,257.40	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES
15928	\$ 2,580.94	FM GRAPHICS, INC.	TICKET SHEETS
15929	\$ 168.87	FRANCOYTP-POSTALIA, INC.	POSTAGE MACHINE RENTAL
15930	\$ 17,713.49	HUNT & SONS, INC.	BUS FUEL
15930	\$ 18,337.45	HUNT & SONS, INC.	BUS FUEL
15931	\$ 1,100.00	R.C. JANITORIAL SERVICE	JANITORIAL SERVICES
15932	\$ 169.80	SUTTER COUNTY LIBRARY	CONNECT CARD/TICKET SHEET COMMISSION
15933	\$ 136.92	TEHAMA TIRE SERVICE INC	TIRES/TUBES
15934	\$ 470,081.26	TRANSDEV SERVICES, INC.	CONTRACT SERVICES - DECEMBER
15935	\$ 200,000.00	YUBA COUNTY CDSA	NORTH BEALE ROAD BUS STOP ENHANCEMENTS
15936		VOID	
15937	\$ 464,683.43	TRANSDEV SERVICES, INC.	CONTRACT SERVICES - JANUARY
15938	\$ 46,000.00	YUBA COUNTY CDSA	NORTH BEALE ROAD BUS STOP ENHANCEMENTS
15939	\$ 40,000.00	YUBA COUNTY CDSA	NORTH BEALE ROAD BUS STOP ENHANCEMENTS
15940	\$ 37.01	AT&T	FIRE LINE
15941	\$ 214.93	ADVANCED DOCUMENT CONCEPTS	COPY MACHINE - FEBRUARY
15942	\$ 6,366.46	AECOM TECHNICAL SERVICES, INC.	CORRIDOR ENHANCEMENT PLAN PROJECT
15943	\$ 180.00	CHRIS JAEGER TESTING	BACK FLOW TESTING
15944	\$ 50.00	CHRISTOPHER PEDIGO	BOARD MEETING 3/15
15945	\$ 450.00	DIGITAL DEPLOYMENT	WEB SERVICES - MARCH
15946	\$ 18,408.48	FLYERS ENERGY	BUS FUEL
15947	\$ 95.00	HANCOCK PETROLEUM ENGINEERING	FUEL PUMP - SERVICE
15948	\$ 50.00	JIM WHITEAKER	BOARD MEETING 3/15
15949	\$ 50.00	MANNY CARDOZA	BOARD MEETING 3/15
15950	\$ 50.00	MICHAEL LEAHY	BOARD MEETING 3/15
15951	\$ 1,100.00	MR. SECURITY CAMERA, INC.	BOGUE PARK & RIDE - REPAIRS
15952	\$ 75.00	PASSENGER TRANSPORT	ANNUAL SUBSCRIPTION
15953	\$ 609.72	PREMIER PRINT & MAIL	NEWSLETTER LETTERHEAD PRINTING
15954	\$ 1,048.57	QU. EST	MAINTENANCE OF BUS STOPS/SHELTERS
15955	\$ 294.35	QUILL CORPORATION	JANITORIAL SUPPLIES
15956	\$ 50.00	RANDY FLETCHER	BOARD MEETING 3/15
15957	\$ 50.00	RON SULLENGER	BOARD MEETING 3/15
15958	\$ 45.00	SHELBY'S PEST CONTROL	PEST CONTROL
15959	\$ 50.00	STANLEY CLEVELAND	BOARD MEETING 3/15
15960	\$ 465.99	STANLEY SECURITY SOLUTIONS, INC.	SECURITY SERVICES
15961	\$ 50.00	STEPHANIE MCKENZIE	BOARD MEETING 3/15

15962	\$	7,483.50	SUTTER BUTTES COMMUNICATIONS, INC.	SERVICE AGREEMENT & REPEATER FEE
15963	\$	444,599.08	TRANSDEV SERVICES, INC.	CONTRACT SERVICES - FEBRUARY
15964	\$	384.29	U.S. BANK EQUIPMENT FINANCE	COPIER LEASE
15965	\$	147.08	VERIZON	CONNECT CARD WIRELESS
		<u>\$ 1,809,106.23</u>		

**LAIF
TRANSFERS**

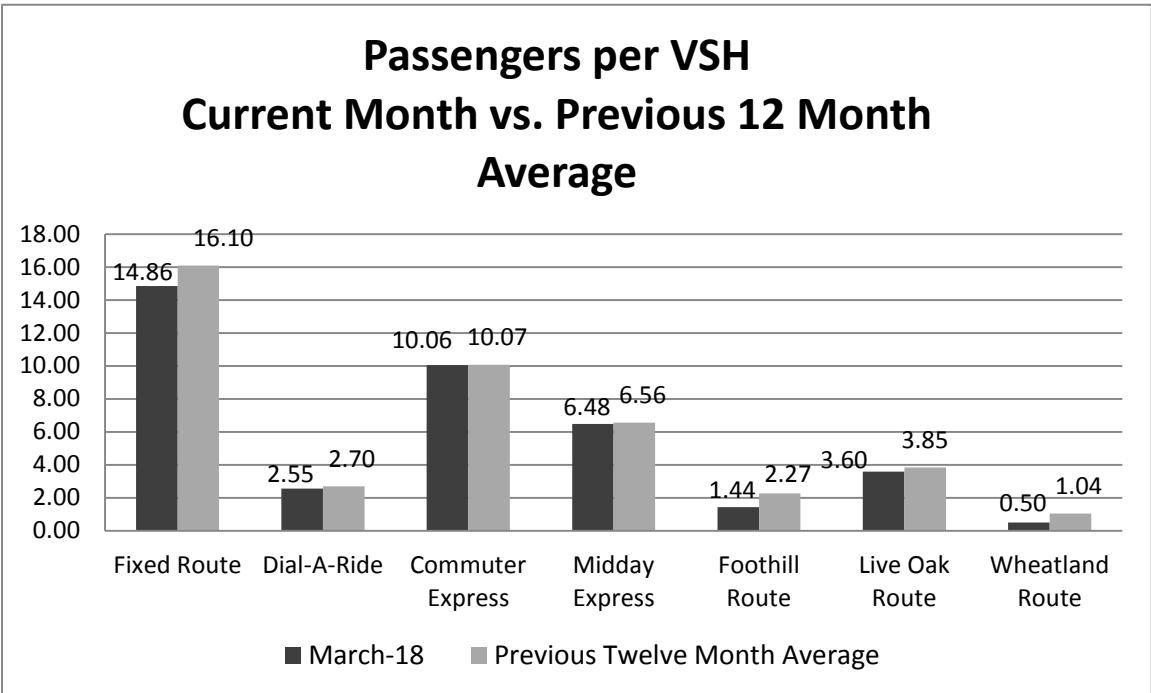
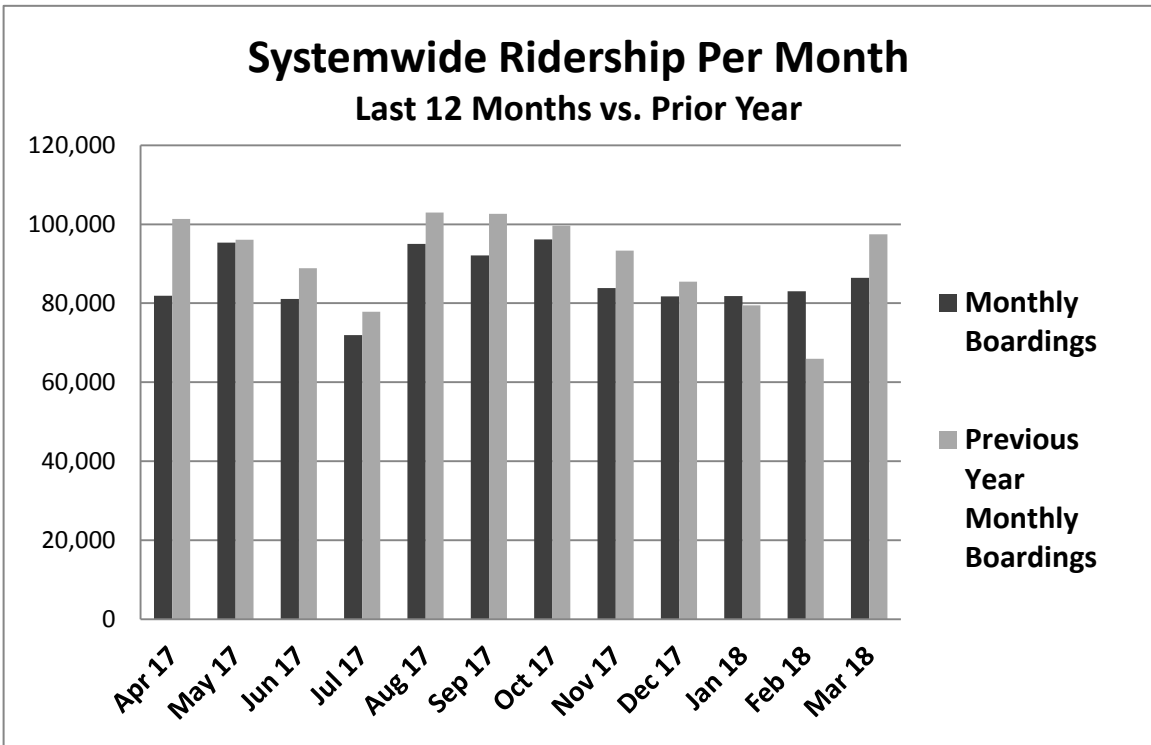
3/21/2018	\$	500,000.00	TRANSFER TO LAIF
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AGENDA ITEM III - C

MARCH 2018 PERFORMANCE REPORT

Ridership:	March-18	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Fixed Route	68,455	69,568	619,845	653,672
Dial-A-Ride	5,817	5,696	49,987	50,203
Commuter Express	10,619	9,979	88,547	87,215
Midday Express	1,092	1,031	9,263	9,230
Foothill Route	121	186	1,464	1,404
Live Oak Route	294	284	2,570	2,703
Wheatland Route	20	40	343	472
Total Ridership:	86,418	86,784	772,019	804,899
Vehicle Service Hours:				
Fixed Route	4,608.21	4,320.65	38,866.42	38,089.37
Dial-A-Ride	2,279.72	2,109.00	19,002.90	18,149.91
Commuter Express	1,055.33	990.56	8,840.32	8,630.80
Midday Express	168.42	157.08	1,420.13	1,345.64
Foothill Route	84.06	81.86	725.88	737.34
Live Oak Route	81.76	73.78	671.23	643.55
Wheatland Route	39.63	38.27	343.28	350.04
Total VSH's:	8,317.13	7,771.20	69,870.16	67,946.65
Passengers Per Hour:				
Fixed Route	14.86	16.10	15.95	17.16
Dial-A-Ride	2.55	2.70	2.63	2.77
Commuter Express	10.06	10.07	10.02	10.11
Midday Express	6.48	6.56	6.52	6.86
Foothill Route	1.44	2.27	2.02	1.90
Live Oak Route	3.60	3.85	3.83	4.20
Wheatland Route	0.50	1.04	1.00	1.35
Total Passengers Per VSH:	10.39	11.17	11.05	11.85

MARCH 2018 PERFORMANCE REPORT



AGENDA ITEM IV – A
STAFF REPORT

**REVISED DRAFT YUBA-SUTTER TRANSIT
OPERATING AND CAPITAL BUDGET FOR FY 2019**

Background

Attached for Board review and discussion is the revised draft Yuba-Sutter Transit operating and capital budget for FY 2019 which includes a detailed description of each revenue and expense account. The Yuba-Sutter Transit Authority Joint Powers Agreement (JPA) stipulates that a proposed budget be submitted to the Board by the end of March prior to the start of each fiscal year and that a final budget be adopted by the end of May. This adoption schedule is designed to provide early notice to the member jurisdictions of the annual apportionment of Local Transportation Fund (LTF) contributions for inclusion in their own budget process.

The revised draft budget varies slightly from the preliminary version that was presented in March with budgeted operating expenses up by \$108,500 and no change in capital expenses. Much of this increase was due to extraordinary expenses for outside Maintenance Services due to vehicle repairs and an allowance for diesel fuel prices which are trending higher. Based on any comments that are received at this meeting and any further revisions that may be necessary due to changes in conditions or assumptions, a final draft version of the budget is scheduled for Board consideration at the May 17th meeting.

Current Year Budget Projections

Projected year-end operating expenses of \$7,227,700 for FY 2018 are expected to be slightly higher (\$46,400) than the amount budgeted. While there are variances in a number of major line items, most of the negative impact is due to higher than expected bus engine and transmission repairs/replacements activity (Accounts #010.50300 & #010.50499); tire prices; and, operating expenses. While year-end fuel expenses are still expected to be below the amount budgeted, the recent price trend is a factor in next year's budget. Representing nearly 10 percent of the operating budget, fuel is the most volatile line item over the years and this situation can change quickly so any projected year-end savings could erode quickly if prices suddenly spike even higher. The most significant revenue figures are still the projected drop in passenger fare receipts due to decreased ridership. As a result, a significant contribution from Yuba-Sutter Transit's deferred Local Transportation Fund (LTF) revenue (\$281,000) is now expected to be needed to balance the year-end budget.

FY 2019 Budget Projections

The revised draft FY 2019 budget is essentially still a status quo document for further Board review and discussion. It does not include any service or fare changes for FY

2019 due to the operational and financial uncertainty surrounding the now three year negative ridership trend; the effort to repeal Senate Bill (SB) 1 and the resulting uncertainty of State Transit Assistance (STA) funding; and, the still unknown ultimate ridership and fare revenue impact of full implementation of the Connect Card system. Even with this conservative approach, the revised draft operating budget of \$7,428,800 for FY 2019 still represents an increase of 3.4 percent (\$247,500) over the adopted FY 2018 budget and an increase of 2.8 percent (\$201,100) over the now projected year end figure for FY 2018.

As always, the largest piece of the operating budget is the service contract with Transdev Services, Inc. The initial three year contract expired on September 30, 2017 and is now in the first of two possible indexed one year extension options. The draft budget assumes approval of the second extension option which will be presented for consideration at this same meeting. For some perspective, all of the expenses related to the service contract combine to represent 73 percent of the proposed FY 2019 operating budget. Diesel fuel, which represents the next largest expense at 10 percent of the budget, will still be the largest risk factor in FY 2019, but the delivery of new commuter and demand response buses in 2018 and 2019 respectively should result in decreased tire and component repair/replacement expenses for the 17 older and increasingly unreliable vehicles that are being replaced.

The most significant revenue assumptions in the revised draft operating budget include the hoped for stabilization of ridership and the resulting impact on fare revenue; and, the relative distribution between operating and capital uses for the available STA and Federal funding. The uncertainty that was noted in the preliminary draft budget regarding Yuba-Sutter Transit's use of STA funds for FY 2019 operating expenditures has been resolved satisfactorily. Based on these and other preliminary draft assumptions, the amount of the Local Transportation Fund (LTF) contributions from the member jurisdictions is expected to increase by 11 percent (\$281,800) in FY 2019 over the budgeted amount for FY 2018.

The preliminary draft capital budget of nearly \$12.2 million includes two previously programmed vehicle replacement projects (commuter and demand response buses) that are now expected to be completed in FY 2019 along with the programming of a major fixed route bus replacement project that will not be completed until FY 2020. Other major capital projects include an emergency back-up generator and facility security enhancements funded by the State Transit Safety and Security Grant program; and, bus stop enhancements and a computer assisted dispatch / automatic vehicle location passenger information system (CAD/AVL) being funded by the State Low Carbon Transit Operations Program and the State Transit Safety and Security Grant Program.

Other Considerations

In addition to the above, the revised draft FY 2019 budget includes several other significant expense and revenue assumptions for consideration:

- Due to reduced ridership since FY 2015, most of the major service enhancement recommendations from the 2015 Yuba-Sutter Short Range Transit Plan (SRTP) have been delayed indefinitely. Other recommendations for specific technology improvements, bus stop enhancements, planning studies and fleet replacements are included in the revised draft budget.
- Continuation of the consulting agreement with the Regional Waste Management Authority in FY 2019.
- No fare increases or service reductions are included in the preliminary draft budget, but such consideration during the fiscal year for possible implementation in FY 2020 will likely be necessary given the budgeted farebox recovery ratio of just 15.9 percent (compared to a 20 percent goal and a minimum requirement of 14.6 percent) for FY 2019.
- Full implementation of the Connect Card regional fare card system will begin July 1, 2018. Even though the system has been operational since January 2017, the net operational and financial impacts will not be fully known until well after it is fully implemented when paper monthly passes and fixed route transfers will no longer be issued or accepted. As a result, staff is budgeting for both Connect Card revenues and expenses rather conservatively with the understanding that this will be an unavoidable budget risk.
- Includes the proposed on-going consulting contract for outside IT support services that will be considered at this same meeting and potential consulting contracts for the development and release of a new Request for Proposals for the systemwide operating and maintenance service contract in 2019.
- Continued funding from the Feather River Air Quality Management District (FRAQMD) for the deeply discounted monthly youth, senior and disabled discount pass program at a level similar to what is being provided for 2018. This program will otherwise expire on March 31, 2019. Higher passenger out of pocket costs would likely have a significant impact on both ridership and fare revenue.

Recommendation

While certainly more refined than the previous version, the revised draft budget remains a work in progress that will be still further reviewed and refined over the next month for presentation to the Board at the May 17th meeting for formal consideration. Because this is essentially a status quo budget, staff is not recommending a special budget workshop this year. For this reason, it is especially important that the Board provide feedback and any desired direction at this meeting so the final draft version adequately reflects that input. Alternatively, a special meeting could be scheduled in early May for a more focused discussion if so desired.

Staff will be prepared at the meeting to discuss the above issues and all of the budget assumptions in as much detail as desired.

RECOMMENDATION: Direct staff as desired.

Attachment: Revised Draft FY 2019 Operating and Capital Budget
Revised Draft FY 2019 Budget Assumptions

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**YUBA-SUTTER TRANSIT AUTHORITY
REVISED DRAFT FY 2018/2019 OPERATING BUDGET**

REVISED APRIL 11, 2018

	FY 2015/2016 Budget	FY 2015/2016 Audited	FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Projected	FY 2018/2019 Revised Draft Draft
Operations Expenditures							
010.50300 Services - Other Maintenance	100,000	127,934	120,000	158,284	190,000	200,000	220,000
010.50401 Fuel and Lubricants	828,000	513,681	651,000	540,844	699,000	680,000	717,000
010.50402 Tires and Tubes	64,400	71,218	70,000	62,040	70,000	95,000	92,500
010.50499 Other Materials and Supplies Consumed	70,000	121,744	120,000	185,514	60,000	135,000	90,000
010.50500 Utilities - Electric and Gas	48,000	43,929	48,000	46,067	50,000	52,000	53,000
010.50501 Utilities - Water and Sewer	5,500	4,752	5,500	4,711	5,500	5,500	5,500
010.50600 Casualty and Liability Costs - Operations	268,600	269,037	277,300	276,788	284,500	284,500	292,000
010.50800 Services - Contract Operations	4,647,000	4,697,981	4,856,000	4,795,226	4,960,000	4,980,000	5,093,000
010.50801 Services - Out of Contract	12,500	9,782	12,000	16,050	12,000	13,200	13,500
Subtotal - Operations	\$6,044,000	\$5,860,058	\$6,159,800	\$6,085,524	\$6,331,000	\$6,445,200	\$6,576,500
Administration Expenditures							
160.50102 Salaries and Wages - Admin. Staff	278,000	312,600	355,000	348,031	383,700	383,700	400,000
160.50200 Fringe Benefits - Admin. Staff	150,000	123,423	165,000	137,056	186,300	186,300	185,000
160.50301 Services - Accounting	2,000	2,067	2,300	2,031	2,500	2,500	2,500
160.50302 Services - Legal	12,000	9,266	12,000	4,389	12,000	10,000	12,000
160.50303 Services - Printing and Copying	35,000	36,119	40,000	29,020	40,000	32,000	32,000
160.50309 Services - Miscellaneous Professional	20,000	1,301	20,000	35,716	114,000	80,000	118,000
160.50499 Materials and Supplies - Office & Postage	15,000	9,123	15,000	10,472	15,000	15,000	15,000
160.50502 Utilities - Telephone & Internet	9,000	11,169	13,000	12,526	15,000	15,000	20,000
160.50900 Miscellaneous Expense - Insurance and Bond	33,000	22,552	33,000	28,225	33,000	33,000	33,000
160.50901 Miscellaneous Expense - Dues & Subscriptions	4,800	3,507	6,000	4,505	6,000	5,000	5,000
160.50902 Miscellaneous Expense - Travel and Meetings	6,000	4,675	7,000	3,504	7,000	5,000	5,000
160.50903 Miscellaneous Expense - Board of Directors	4,800	3,650	4,800	3,900	4,800	4,000	4,800
160.50904 Miscellaneous Expense - Media Adv. and Promo.	20,000	5,481	20,000	5,450	20,000	5,000	10,000
160.50909 Miscellaneous Expense - Other	3,500	2,840	5,000	8,919	11,000	6,000	10,000
Subtotal - Administration	\$593,100	\$547,773	\$698,100	\$633,744	\$850,300	\$782,500	\$852,300
Total Expenditures	\$6,637,100	\$6,407,831	\$6,857,900	\$6,719,268	\$7,181,300	\$7,227,700	\$7,428,800

		FY 2015/2016 Budget	FY 2015/2016 Audited	FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Projected	FY 2018/2019 Revised Draft Draft
Operating Revenue								
40100	Passenger Fares	1,430,000	1,310,781	1,375,000	1,255,421	1,275,000	1,156,000	1,160,000
40200	Special Transit Fares	20,000	24,027	21,500	23,227	21,000	21,000	21,000
40600	Auxiliary Revenue (Bus, Shelter & Bench Advertising)	25,000	27,414	28,000	37,872	50,000	37,000	45,000
40700	Non-Transportation Revenue (Interest)	1,000	1,152	1,000	5,353	2,000	5,000	2,500
40709	Non-Transportation Revenue (RWMA, Misc.)	17,000	68,018	65,000	63,255	67,000	59,000	60,000
40900	Local Transportation Funds (LTF)	2,336,100	2,125,725	2,491,500	2,391,378	2,500,000	2,780,895	2,781,800
40901	Local Cash Grants/Reimbursements	0	20,333	23,400	27,738	34,500	34,500	34,500
41100	State Transit Assistance Funds (STA)	480,000	487,720	488,900	496,694	755,000	755,000	950,000
41109	State Cash Grants/Reimbursements	0	14,405	13,600	151,000	93,600	22,000	47,800
41300	General Operating Assistance - FTA Sect. 5307 (Urban)	2,000,000	2,000,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
41301	General Operating Assistance - FTA Sect. 5311 (Rural)	228,000	229,256	250,000	139,617	200,000	200,000	200,000
41309	Job Access Grant - FTA Sect. 5316 (JARC)	100,000	99,000	0	0	0	0	0
41310	Rural/Small Urban Planning Grant - FTA Sect. 5304 (Planning)	0	0	0	23,058	83,200	57,000	26,200
41399	Other Federal Financial Assistance	0	0	0	4,655	0	305	0
	Total Operating Revenue	\$6,637,100	\$6,407,831	\$6,857,900	\$6,719,268	\$7,181,300	\$7,227,700	\$7,428,800

		FY 2015/2016 Budget	FY 2015/2016 Audited	FY 2016/2017 Budget	FY 2016/2017 Audited	FY 2017/2018 Budget	FY 2017/2018 Projected	FY 2018/2019 Revised Draft Draft
	Deferred TDA Revenues, July 1	\$1,383,042	\$1,358,293	\$1,761,843	\$2,013,110	\$2,003,900	\$2,093,011	\$2,106,535
	LTF Revenues Received	2,336,100	2,336,100	2,491,500	2,491,500	2,500,000	2,500,000	2,781,800
	STA Revenues Received	932,162	932,162	760,000	476,373	1,000,000	1,099,419	1,281,568
	LTF Revenues Allocated - Operating	(2,336,100)	(2,125,725)	(2,491,500)	(2,391,378)	(2,500,000)	(2,780,895)	(2,781,800)
	STA Revenues Allocated - Operating	(480,000)	(487,720)	(488,900)	(496,694)	(755,000)	(755,000)	(950,000)
	LTF Revenues Allocated For Local Capital Outlays	0	0	0	0	0	0	0
	STA Revenues Allocated For Local Capital Outlays	(100,000)	0	(100,000)	0	(467,747)	(50,000)	(1,147,317)
	Proceeds from Sale of Vehicles	0	0	0	100	0	0	0
	Deferred TDA Revenues, June 30*	\$1,735,204	\$2,013,110	\$1,932,943	\$2,093,011	\$1,781,153	\$2,106,535	\$1,290,786
	Local Transportation Funds (LTF)	1,164,777	1,326,003	1,319,778	1,426,125	1,347,093	1,145,230	1,145,230
	State Transit Assistance Funds (STA)	570,427	687,107	613,165	666,886	434,060	961,305	145,556

Deferred STA Detail								
	Yuba-Sutter Transit Portion		\$584,730	\$569,070	\$618,793	\$365,760	\$918,211	\$97,340
	City of Live Oak Portion		89,353	44,095	50,117	56,200	39,826	37,354
	City of Wheatland Portion		13,024	0	(2,024)	12,100	3,268	10,862
	Total Deferred STA Revenue		\$687,107	\$613,165	\$666,886	\$434,060	\$961,305	\$145,556

*Carryover revenues available and required for cash flow, contingencies and local capital match

YUBA-SUTTER TRANSIT AUTHORITY
REVISED DRAFT CAPITAL BUDGET
FY 2018/2019
REVISED APRIL 11, 2018

	FY 2016/2017 BUDGET	FY 2016/2017 AUDITED	FY 2017/2018 BUDGET	FY 2017/2018 PROJECTED	FY 2018/2019 DRAFT BUDGET
<u>EXPENDITURES</u>					
Maintenance and Operations Facility (1)	\$ -	\$ 38,810	\$ 162,500	\$ 2,000	\$ 156,618
Vehicle Purchase/Replacement (2)	\$ 4,425,000	\$ -	\$ 5,875,000	\$ -	\$ 11,601,068
Miscellaneous Capital (3)	\$ 785,000	\$ 47,767	\$ 758,700	\$ 420,872	\$ 467,507
	<u>\$ 5,210,000</u>	<u>\$ 86,577</u>	<u>\$ 6,796,200</u>	<u>\$ 422,872</u>	<u>\$ 12,225,193</u>
<u>REVENUES</u>					
Federal (5307,5310,5311,5317,5339)	\$ 1,271,513	\$ -	\$ 2,106,513	\$ 286,000	\$ 6,200,513
Transportation Development Act (Local)	\$ 100,000	\$ -	\$ 467,747	\$ 50,000	\$ 1,147,317
State of Good Repair (SGR)	\$ -	\$ -	\$ -	\$ -	\$ 489,107
Low Carbon Transit Operation Program	\$ 180,400	\$ 47,767	\$ 180,400	\$ 35,472	\$ 371,013
Other Local	\$ -	\$ -	\$ -	\$ 30,000	\$ -
Proposition 1B (PTMISEA/Safety)	\$ 3,658,087	\$ 38,810	\$ 4,041,540	\$ 21,400	\$ 4,017,243
	<u>\$ 5,210,000</u>	<u>\$ 86,577</u>	<u>\$ 6,796,200</u>	<u>\$ 422,872</u>	<u>\$ 12,225,193</u>

Notes:

- The facility security projects include an emergency generator system (\$107,428) and the completion of facility security projects (\$49,190) that began in FY 2017. These projects are funded by a State Proposition 1B Transit Safety and Security Grants. Other than the FY 2017 parking lot lighting project, the last major facility project was the remodel and expansion of the facility that was completed in FY 2012.
- The FY 2019 vehicle projects include the replacement of the seven 2006/2007 model Blue Bird commuter buses (PTMISEA - \$3,389,487 / Section 5311 - \$526,573 / Section 5339 - \$458,940), the replacement of ten 2010 model Starcraft demand response/rural route buses (PTMISEA - \$248,576 / Section 5311 - \$375,000 / Section 5339 - \$460,000 / STA - \$170,203 / SGR - \$246,221), and the programmed replacement of eleven 2008 model NABI/Opus fixed route buses (Section 5307 - \$3,920,000 / Section 5339 - \$460,000 / STA - \$877,114 / SGR - \$242,886 / LCTOP - \$226,068). The commuter bus and demand response bus projects are carried over from the FY 2017 and FY 2018 budgets for completion in 2019. The fixed route bus project is being identified in the FY 2019 budget for funding purposes, but it will be completed in 2020. The last major vehicle projects were the purchases of six demand response/rural route buses and eleven heavy duty local fixed route buses that were both completed in FY 2014.
- Planned miscellaneous capital expenditures for FY 2019 include an allowance for facility and office equipment & furnishings (STA - \$100,000); the completion of bus stop enhancements (LCTOP - \$144,945); and the following State Proposition 1B Transit Safety and Security Grant funded system technology (AVL/CAD) upgrade projects Phase I (\$44,302) and Phase II (\$134,302) and completion of the mobile video surveillance and mobile video retrofit projects (combined \$43,958). Projected FY 2018 expenses include the completion of the North Beale Road accessibility improvements (Section 5317 - \$86,000 / Section 5307 - \$200,000); bus stop enhancements (LCTOP \$35,472); continuation of the mobile video surveillance project (\$19,400); the Evelyn Drive bus stop enhancements funded through the Sacramento Metropolitan Air Quality Management District (\$30,000); and, an allowance for office equipment & furnishings (STA - \$50,000).

**YUBA-SUTTER TRANSIT
FY 2018/2019 OPERATING & CAPITAL BUDGET ASSUMPTIONS
PREPARED APRIL 11, 2018**

OPERATIONS EXPENDITURES

Services – Other Maintenance (Acct. #010.50300)

This account is available to fund a variety of outside maintenance and operations related services. These services include radio maintenance and repeater contracts; CHP inspection certificates; minor facility repairs and services; landscape maintenance; janitorial expenses; bus stop shelter and sign maintenance, repairs and relocations; mechanical warranties; and, storm water/pollution prevention related planning, permitting, monitoring and reporting expenditures. This account also includes an estimated \$48,000 for Yuba-Sutter Transit's share of operating expenses for the regional Connect Card electronic fare card system which is expected to be covered with state funds from the Low Carbon Transit Operations Program (LCTOP). Though not included in the budget or year-end projections, the audited amounts may include the labor portion of state grant funded project expenditures below the capitalization threshold.

Fuel & Lubricants (Acct. #010.50401)

This account is based on the operation of 92,500 vehicle service hours (VSH) in FY 2019 with consumption of approximately 280,000 gallons of off-road (red-dye) diesel fuel at a net average base price of about \$2.75 per gallon including diesel emission additives and applicable taxes. Because fuel expenses are volatile and represent about 10 percent of the proposed budget, this account will always be the greatest expenditure risk each year.

Tires & Tubes (Acct. #010.50402)

This account is based on the projected year-end expenditures for FY 2018. In addition to changes in tire prices which have increased significantly over the past few years, this figure can vary from year to year depending on if and when vehicles are replaced. The last new buses were delivered in early 2014 and the next new buses are now expected by the end of June 2018.

Other Materials & Supplies Consumed (Acct. #010.50499)

This account is available to fund miscellaneous maintenance and operations materials and supplies such as the purchase of replacement vehicle components and non-capital maintenance equipment as necessary. The amount budgeted is based on recent expenditure levels with an allowance for major unforeseen expenses during the fiscal year. Of particular concern are the repair and replacement costs for major components (engines, transmissions and differentials) on Yuba-Sutter Transit's older buses that are nearing the end of their life cycle. Though not included in the budget or year-end projections, the audited amounts may include non-labor state grant funded project expenditures below the capitalization threshold.

Utilities – Electric & Gas (Acct. #010.50500)

Based on the projected year-end expenditures for FY 2018 which includes the new employee parking lot lights at the Allyn Scott Youth and Community Center (ASYCC) adjacent to Yuba-Sutter Transit’s maintenance, operating and administration facility in Marysville that were placed in service in June 2017.

Utilities – Water & Sewer (Acct. #010.50501)

Based on the projected year-end expenditures for FY 2018.

Casualty & Liability Costs – Operations (Acct. # 010.50600)

This account is based on the current fleet of 51 revenue vehicles and the vehicle insurance rates that are provided in the current operating contract with Transdev Services, Inc. with a 2.21 percent indexed price adjustment for the second of two option years effective October 1, 2018.

Services – Contract Operations (Acct. #010.50800)

This figure is based on the current operating contract assuming the operation of 92,500 annual VSH for FY 2019 with a 2.21 percent indexed price adjustment for the second of two option years effective October 1, 2018.

Services – Out of Contract (Acct. #010.50801)

This account is available for the provision of out-of-contract service hours for special events and community services that are provided in partnership with a wide variety of community groups and organizations consistent with the applicable service procedures. This figure can vary from year to year depending on community demand.

ADMINISTRATIVE EXPENDITURES

Salaries & Wages – Administrative Staff (Acct. #160.50102)

The budgeted amount is based on a projected total salary figure for the five administrative staff positions assuming a two percent cost of living adjustment (COLA) for FY 2019. It also includes any available step increases and longevity adjustments and an allowance for the pay out of a portion of accrued annual leave.

This line item has increased over the last four years due to an FY 2016 consultant agreement with the Regional Waste Management Authority that was offset by an increase in miscellaneous Non-Transportation Revenue; an FY 2017 salary increase of 7.53% that was offset by a decrease

in Fringe Benefits due to the elimination of Employer Paid Member Contributions to CalPERS; the addition of a fifth staff member in FY 2018; and, required accounting adjustments for accrued compensated absences.

Fringe Benefits – Administrative Staff (Acct. #160.50200)

Fringe benefit expenses, which have been adjusted to account for known increases in health and retirement expenses, represent an estimated 47 percent of salary expenditures based on the above salary assumptions.

Recent fluctuations in this account are due to an one-time retirement credit from CalPERS in FY 2016; reclassification of Worker’s Compensation insurance into this account; the new RWMA consultant agreement; and, annual GASB 68 year-end adjustments.

Services – Accounting (Acct. #160.50301)

Based on past expenditures including payroll and miscellaneous accounting services.

Services – Legal (Acct. #160.50302)

An allowance for contract legal services and notices based on recent expenditures with an allowance for unforeseen future legal services.

Services – Printing & Copying (Acct. #160.50303)

This account is for the lease and operating expenses for two office copiers as well as for the outside printing of ticket sheets, brochures and other miscellaneous materials based on projected expenses for FY 2018 with an increase for a new copier lease, which is due for renewal in June 2018, and an allowance for all new passenger information materials related to the implementation of the new Connect Card electronic fare system. These later expenses, which had been budgeted for FY 2018 were slightly offset by the reduction in the printing of paper monthly passes and paper fixed route transfers as their use has been reduced over the year leading up to their elimination effective July 1, 2018.

Services – Miscellaneous Professional (Acct. #160.50309)

This account is for miscellaneous professional services such as computer/internet/website support services, graphic design work and other administrative support services. It also includes grant funded professional service projects such the continuation and completion of the Route 1 Corridor Enhancement Plan (\$29,000). For FY 2019, this account also includes allowances for anticipated transit contracting and fleet inspection consultants (estimated at a combined \$50,000) and a first year allowance for the new IT consultant contract including projected first year projects (\$30,000).

Materials & Supplies – Office & Postage (Acct. #160.50499)

This account is for supplies, postage and express mail expenses based on past expenditures with an allowance for increased costs associated with implementation of the Connect Card system.

Utilities – Telephone & Internet (Acct. #160.50502)

This account is based on projected year-end expenditures for FY 2019 assuming some increase for a long-needed Internet upgrade by the end of FY 2018. The FY 2018 amount includes temporary modem to modem expenditures associated with the Connect Card which is offset by state funds from LCTOP.

Miscellaneous Expense – Insurance & Bond (Acct. #160.50900)

This account is based on the existing facility damage and liability insurance policy coverage limits.

Miscellaneous Expense – Dues & Subscriptions (Acct. #160.50901)

This account is based on past expenditures. Current memberships include the California Transit Association, the California Association for Coordinated Transportation (CalACT) and the Association of Government Accountants (AGA). This account also includes biennial CPA renewal fees. Paid subscriptions include the weekly publication from the American Public Transportation Association (APTA) and a weekly digest related to compliance with the Americans with Disabilities Act (ADA).

Miscellaneous Expense – Travel & Meetings (Acct. #160.50902)

This account is available to fund travel, lodging and meeting expenses on an as needed basis for Yuba-Sutter Transit staff and board. The budgeted amount is based on past expenditures and an allowance for expected future staff travel and training expenses.

Miscellaneous Expense – Board of Directors (Acct. #160.50903)

This account is based on an average of 12 meetings a year for each member. Current policy limits compensation to a maximum of 20 meetings per member each fiscal year.

Miscellaneous Expense – Media Advertising & Promotion (Acct. #160.50904)

This account is an allowance for a wide range of marketing and promotional expenses including specialized point of use passenger informational materials for bus stop shelters and information panels; special event promotional pieces; telephone directory advertising; and, other marketing opportunities. FY 2018 is experiencing lower than budgeted marketing expenses due in part to conservative and delayed promotion of the new Connect Card system that is now projected for full implementation in FY 2019. While Yuba-Sutter Transit's marketing activities have always

been modest, for comparison such expenses are typically 1 – 2 percent of the operating budget at similarly sized systems which would represent a marketing budget of at least \$75,000 or more annually for Yuba-Sutter Transit. With declining ridership, Yuba-Sutter Transit may need to revisit this historic approach in the future.

Miscellaneous Expense – Other (Acct. #160.50909)

This account is an allowance for miscellaneous expenses such as banking fees, check charges and otherwise undesignated expenses. It has been increasing in recent years due to credit/debit card merchant account fees, commissions paid to pass and ticket sales outlets and new annual CalPERS report expenses to comply with new accounting requirements.

OPERATING REVENUES

Passenger Fares (Acct. #40100)

With no major service or fare changes, the budget assumes stabilization of ridership and fare revenue in FY 2019. This assumption is being made despite a now three year decline in ridership and full implementation of the Connect Card Transition Plan effective July 1, 2018. The budget also assumes the continuation of the Feather River Air Quality Management District (FRAQMD) sponsored discount monthly pass program for all of FY 2019.

Special Transit Fares (Acct. #40200)

This account is based on current year revenue projections for direct fare payments by Yuba County Employment Services, Yuba County Child Protective Services (CPS) and other miscellaneous special transit service revenues.

Auxiliary Transportation Revenue – Advertising (Acct. #40600)

This account is for bus exterior, bus stop shelter and bus stop bench advertising program revenues. This figure is based on the projected year end figure for FY 2018 with an allowance for additional revenue resulting from the recent expansion of the bus exterior program. A total of 30 advertising bus stop shelters and 69 advertising bus stop benches are located throughout the service area and exterior ads will now be available on all 51 buses.

Non-Transportation Revenue – Interest (Acct. #40700)

This account represents the estimated interest earnings on available cash for FY 2019 which can vary significantly from year to year for a variety of reasons. Interest income is derived from the investment of operating and capital reserves that are available for cash flow, contingencies and future capital expenditures such as fleet replacement/expansion and the repair or replacement of major facility items.

Non-Transportation Revenue – FRAQMD, RWMA & Miscellaneous (Acct. #40709)

This account includes receipts from the consulting agreement with the Regional Waste Management Authority and miscellaneous income from photo I.D. fees, bike locker rentals, special grants and surplus property sales. It also contains miscellaneous revenues allocated from the Connect Card consortium. For FY 2019, this account assumes the waiver of all initial Connect Card I.D. fees (approximately \$3,000 annually) to encourage conversion to the new Connect Card system.

Local Transportation Funds (Acct. #40900)

The allocation of Local Transportation Fund (LTF) revenues is based on the amount required to balance the budget after all other revenues are calculated. Despite just a 3.4 percent (\$247,500) increase in budgeted operating costs over FY 2018, the draft budget assumes a \$281,800 increase in the annual LTF allocation for FY 2019 due to no increase in the use of Federal funding for operating support and the lack of significant growth of other revenue sources. This figure is essentially the same as the projected current year (FY 2018) short-fall between the budgeted amount of LTF and what is now expected to be needed to balance the year-end budget. For reference, SACOG's adopted FY 2019 LTF apportionment is up by 32.6 percent (\$1,371,371) across the four member jurisdictions compared to the FY 2018 apportionment.

The current year LTF short-fall (the first since FY 2011), due primarily to higher than anticipated operating costs and lower than expected passenger fare receipts, will be covered from deferred LTF revenues that are retained in a contingency fund for such a purpose. These reserves are shown at the bottom of the operating budget as deferred TDA revenue (LTF and STA) with the STA further broken out to include the amounts that are restricted for Live Oak and Wheatland. Yuba-Sutter Transit's STA reserves are typically used for capital purposes while LTF reserves constitute Yuba-Sutter Transit's contingency and cash flow fund. The FY 2019 LTF reserve is being budgeted at 18.8 percent of total operating expenditures which is identical to the budgeted percentage for FY 2018. In addition to providing a contingency fund for unforeseen expenses or wildly escalating fuel prices, an adequate cash reserve is essential due to the high level of Federal funding being used for operations (31.3 percent of all budgeted revenue) since most of these funds are not received until the end of the fiscal year or even beyond.

Local Cash Grants/Reimbursements (Acct. #40901)

This account is available for local contract service payments and other contributions for services or programs. For FY 2016 through FY 2019, this account includes grants from the Feather River Air Quality Management District (FRAQMD) to partially off-set the cost to expand the Live Oak Route from three to five days a week effective July 2015 and reimbursements from Mercy Housing that are received from the City of Wheatland to off-set the cost to expand the Wheatland Route from three to five days a week effective December 2015. This account increased in FY 2018 due to an increase in the Mercy Housing share of the Wheatland Route.

State Transit Assistance (STA) Funds (Acct. #41100)

State Transit Assistance (STA) revenue is the often threatened single source of on-going State transit funding that has historically been used as the primary source of local matching funds for Federal capital grants. In just the last decade, STA funding has been eliminated once, restored once and significantly reworked three times – most recently in Senate Bill (SB) 1 in 2017. STA funding is now tied to a sales tax on diesel fuel and is generally available with only minimal restrictions exclusively for transit operating or capital purposes.

While this funding source still faces some uncertainty because of the on-going effort to repeal SB 1, SACOG's adopted FY 2019 STA apportionment includes a total of \$1,281,568 in STA funds for Yuba-Sutter Transit. This figure is up 16.6 percent (\$182,000) over the amount that is expected for FY 2018. The draft budget assumes the use of \$950,000 in STA funding for operations with the balance to be used for capital expenditures through FY 2020 and beyond. It should be noted that a portion of the STA funding budgeted for operating expenses is derived from specific allocations to Live Oak and Wheatland for the operation of the contract services that Yuba-Sutter Transit provides to these non-member jurisdictions. While the SB 1 related increase in STA funding did provide immediate security for both of these services, the current effort to repeal SB 1 does put these services at risk in the future.

State Cash Grants/Reimbursements (Acct. #41109)

This account is available for the receipt or accrual of miscellaneous grant related reimbursements for state grant funded project expenditures such as the regional Connect Card electronic fare card system operating expenses reimbursed through the Low Carbon Transit Operations Program (LCTOP) and the year-end posting of state funding for capital expenditures below the capitalization threshold.

Federal General Operating Assistance – FTA Section 5307 (Acct. #41300)

This account is for Federal operating assistance that is provided to transit systems in small urban areas through the Fixing America's Surface Transportation (FAST) Act that was signed on December 4, 2015. After annual increases of 1.9 and 9.6 percent in the first two years of this reauthorization measure, Yuba-Sutter Transit's expected FY 2018 allocation is down a total of 12.8 percent due in part to an overall drop in the nationwide apportionment in the final Federal budget. While higher funding levels and annual increases were authorized in the FAST Act, this significant reduction for FY 2018 now leads staff to assume no increase in this funding source at least through FY 2020. FY 2020 will be the last year of the FAST Act funding authorization though continuing resolutions to extend such authorizations are typical. Historically used primarily for capital projects, a greater percentage of these flexible Federal funds have been used for operations over the last 12 years due to the availability of various one-time/discretionary and limited term State and Federal capital funding sources.

Consistent with Yuba-Sutter Transit's current five year Federal funding plan, the draft budget assumes that \$2.1 million of the \$2.253 million now being projected from this source for FY

2019 will be programmed for operating support. The remainder and the prior year carryover balance was previously programmed for capital expenses most notably the critical upcoming replacement of eleven 2008 model local fixed route buses in 2020. This project is budgeted at \$5.5 million including \$3.94 million in Section 5307 funds to complete this critical purchase.

Federal General Operating Assistance – FTA Section 5311 (Acct. #41301)

This account is for Federal operating assistance that is provided specifically to rural transit systems. Yuba-Sutter Transit’s rural services include the Foothill, Live Oak and Wheatland Routes and the Plumas Lake stop on the Sacramento Commuter and Midday Express service. These funds can be used for both operating and capital assistance subject to a 55.33 percent Federal funding limitation (88.53 percent for capital expenditures). This funding source has grown significantly in recent years, but the limited amount of rural service provided by Yuba-Sutter Transit limits its use for operating use though the balance can be used for capital needs as is being done for the purchase of a replacement commuter bus in FY 2018 and three demand response buses in FY 2019.

Federal Job Access Grant – FTA Section 5316 (Acct. #41309)

This funding source was eliminated in MAP-21 (the Federal funding reauthorization measure prior to the current FAST Act measure), but previously awarded grants were used to fund the weekday evening general public Dial-A-Ride service level through FY 2016.

Federal Rural/Small Urban Planning Grant – FTA Section 5304 (Acct. #41310)

This account was for a Federal grant for the Route 1 Corridor Enhancement Plan which first incurred expenditures in FY 2017 and will now be fully expended in FY 2019.

DEFERRED REVENUE DETAIL

1. Deferred TDA Revenues (July 1) – Carried forward from projected year-end figures for FY 2018 with LTF and STA revenues combined.
2. LTF Revenues Received – Amount set in annual apportionment adjusted for any prior year audit findings.
3. STA Revenues Received – Amount of STA revenues that are available to Yuba-Sutter Transit, Live Oak and Wheatland.
4. LTF Revenues Allocated (Operating) – Maximum local share of actual or projected expenditures as set by the budget.
5. STA Revenues Allocated (Operating) – Amount allocated in the budget for operating expenditures, if any.

6. LTF Revenues Allocated for Local Capital Outlays – Amount of deferred or current year LTF revenues budgeted for capital acquisitions during the fiscal year, if any.
7. STA Revenues Allocated for Local Capital Outlays – Amount of deferred or current year STA revenues budgeted for capital acquisitions during the fiscal year, if any.
8. Proceeds from Sale of Vehicles (As Necessary).
9. Deferred TDA Revenues (June 30) – Amount available for cash flow, contingencies and future local capital expenditures itemized by LTF and STA share of the total available.

CAPITAL PROGRAM SUMMARY

The draft capital budget of approximately \$12.2 million includes two bus replacement projects (seven commuter and ten demand response buses) that were programmed in prior years and are now expected to be completed in FY 2019. It also includes the programming for funding purposes of a fixed route bus replacement project that will not be completed until FY 2020.

Other major capital projects include an emergency back-up generator and facility security enhancements funded by the State Transit Safety and Security Grant program; and, bus stop enhancements and a computer assisted dispatch / automatic vehicle location (CAD/AVL) passenger information system funded by the State Low Carbon Transit Operation Program. The remainder of the capital program is an allowance for miscellaneous office and shop equipment (such as a fall prevention system) or for unforeseen facility repairs.

AGENDA ITEM IV – B
STAFF REPORT

**ONE YEAR INDEXED EXTENSION OF THE TRANSDEV SERVICES, INC.
TRANSIT OPERATIONS AGREEMENT**

Yuba-Sutter Transit's current operating agreement with Transdev Services, Inc. was effective October 1, 2014. The agreement provides for an initial three year term that expired on September 30, 2017 followed by two option years, exercised at the sole discretion of Yuba-Sutter Transit, for a maximum five year term through September 2019. The first option year was exercised and will expire on September 30, 2018. Pursuant to the terms and conditions of the agreement, the price formulas during any option year shall be adjusted by applying the percentage year-to-year change (February to February rounded to two decimal places) in a specified consumer price index providing that the adjustment shall not be less than two percent or greater than four percent in any one year. Furthermore, the contractor is to be notified by May 1st prior of the decision to exercise an option term.

The All Urban Consumers U.S. City Average All Items (Series ID CUUR0000SA0) was 243.603 for February 2017 and 248.991 for February 2018 which calculates to an increase of 2.21 percent. The resulting adjusted Contract rates for the period October 1, 2018 through September 30, 2019 are denoted on Attachment A. When this percentage adjustment is applied to the current contractual price factors assuming no change in vehicle service hours or the size of the revenue fleet, the contract cost would increase by \$116,847 to \$5,393,376 in year five.

Staff is now recommending that the Board conditionally authorize the second one year extension of the Transdev Services, Inc. agreement based on the continued satisfactory performance of the contractor and the relatively low percentage change in the contract price compared to the minimum and maximum allowed adjustment percentages. Such authorization would be conditional upon Caltrans concurrence with this extension as required by current funding agreements. Alternatively, the Board could choose to not exercise this second option year and proceed immediately with the development and release of a new Request for Proposals (RFP).

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

RECOMMENDATION: Conditionally authorize a one year indexed extension of the existing Transdev Services, Inc. agreement as proposed.

Attachment A

Yuba-Sutter Transit Authority

One year Contract Extension of Agreement Dated September 4, 2014.

Contract Extension from October 1, 2018 to September 30, 2019.

Transit Contractor: Transdev Services, Inc.

CPI: All Urban Consumers U.S. City Average All Items (Series ID CUUR0000SA0)

Adjustment: 2.21% (February 2017 to February 2018)

Categories	Rate	Change + or (-)
Current Hourly Variable Rate	\$37.88	
Adjusted Hourly Variable Rate	\$38.72	\$0.84
Current Hourly Extra Services Rate	\$37.88	
Adjusted Hourly Extra Services Rate	\$38.72	\$0.84
Current Fixed Monthly Rate	\$125,437	
Adjusted Fixed Monthly Rate	\$128,209	\$2,772
Current Insurance Monthly Rate (Per Bus)	\$467.81	
Adjusted Insurance Monthly Rate (Per Bus)	\$478.15	\$10.34
Current Insurance Annual Rate (Per Bus)	\$5,613.71	
Adjusted Insurance Annual Rate (Per Bus)	\$5,737.80	\$124.09

AGENDA ITEM IV – C
STAFF REPORT

**INFORMATION TECHNOLOGY (IT)
SUPPORT SERVICES CONTRACT AWARD**

Background

Support for Yuba-Sutter Transit's information technology (IT) activities have been provided since around 2001 through an informal hourly agreement with local IT professional Brian Hansen in cooperation with his employer the City of Yuba City. While this arrangement has worked extremely well in the past, Mr. Hansen's increasing responsibilities with Yuba City and Yuba-Sutter Transit's increasing IT support needs long ago combined to make this relationship problematic for all parties. After a realistic assessment of Yuba-Sutter Transit's growing technology needs and plans compared to Mr. Hansen's shrinking availability, all agreed that a new approach is needed in the near future. To address this issue, the Board approved the release of a Request for Proposals (RFP) at the December 21, 2017 meeting for managed IT support services.

Discussion

Four proposals were received from the following firms in response to the IT support services RFP:

- Adept Solutions of Yuba City
- Alliant Networking Services, Inc. of Yuba City
- Apex Technology Management, Inc. of Redding
- Leverage IT Consulting of Sacramento

The analysis of the prospective firms began with a comprehensive review of the written proposals. Proposals were evaluated independently by the evaluation committee based on the following four primary criteria.

1. Technical experience in performing work of a closely similar nature; experience working with public agencies; record of completing work on schedule and within budget; strength and stability of the firm; technical experience and strength and stability of proposed sub consultants; assessments by client references.
2. Qualifications of project staff, particularly key personnel (i.e. project manager); key personnel's level of involvement in performing related work; logic of project organization; adequacy of labor commitment; concurrence in the restrictions on changes in key personnel.

3. Project understanding and methodology with a detailed and individualized technical approach to a small special district and tasks tailored to specific RFP requirements; and,
4. Reasonableness of the billing rates and overall price submitted and competitiveness of these rates with other offers received.

The committee scored all four proposals and the top firms, Alliant Networking and Apex Technology Management, were invited for a formal presentation and interview with the evaluation committee on March 23rd. Staff also checked the provided references for both firms for inclusion in the final scores for the evaluation process. While both firms are well qualified and easily met or exceeded the requirements of the RFP, it was the unanimous recommendation of the evaluation panel that Alliant Networking Services, Inc. should be awarded this contract as they represent the best overall value for meeting Yuba-Sutter Transit's current and future IT support needs.

Alliant is a small, but well established local firm with relevant experience with both public agencies and private companies and received very positive comments from all who were contacted for a reference. Alliant's proposal would provide assistance with all of our IT support needs including computer servers and workstations along with the related equipment on buses and other infrastructure such as the security camera systems at three park and ride locations. Pursuant to the RFP, the contract would be for three years with two one year extension options. Alliant's cost proposal, which was very similar to the Apex proposal, would be \$1,750 per month (\$21,000 annually) with no start-up fee. Special projects and after-hour support would be billed separately.

Recommendation

Staff is now recommending the selection of Alliant Networking Services, Inc. for Yuba-Sutter Transit's IT support services under the proposed terms and conditions and authorization for staff to execute a related contract subject to legal counsel approval. Staff will be prepared at the meeting to discuss the proposals, scoring process and the overall project scope in detail.

RECOMMENDATION: Authorize the execution of a contract with Alliant Networking Services, Inc. for IT support services as proposed.

AGENDA ITEM IV – D
STAFF REPORT

BACKUP EMERGENCY GENERATOR CONTRACT AWARD

Background

The Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006 (Proposition 1B) included authorization for \$1 billion (\$100 million annually) for the Transit System Safety, Security and Disaster Response Account for eligible transit projects. Sixty percent of each year's allocation is designated for the California Transit Assistance Fund (CTAF) for eligible transit safety, security and emergency response capital projects. The CTAF grant program is administered by the California Office of Emergency Services (CalOES).

CalOES issued a final call for eligible projects under the FY 2016-17 round of CTAF grants from which \$107,428 was available to Yuba-Sutter Transit. On February 16, 2017, the Board authorized the submission of an application for these funds to install a Backup Emergency Generator at the Yuba-Sutter Transit facility in Marysville. Following the award of this funding, the Board authorized the release of a Request for Proposals (RFP) for this project in January 2018.

The proposed emergency generator would be engineered to supply automatic fail-over power sufficient to maintain transit operations in the event of any short-term or prolonged electrical power outage. The value of this project has become increasingly evident in recent years as our facility has experienced several extended power outages that have compromised our operating ability despite existing battery back-up systems. The independent ability to maintain full or nearly full operations including both fleet and public communications during a failure of the local power grid will significantly enhance Yuba-Sutter Transit's capability to support the community especially during emergency events or natural disasters that require the evacuation of local residents.

Discussion

The RFP was released on January 22, 2018 and proposals three proposals were received by the March 1st deadline – Day's Generator Service of Brentwood, Ledbetter Electric of Marysville and Richall Electric of Yuba City. The proposals were then scored by staff based on the following criteria:

1. Cover Letter with Professional Qualifications/References/Appendix A (15 points)
2. Project Narrative addressing Section II B and D which included specifications of generator, proposed design, description of site preparation work and methods to be used to complete project (35 points)

3. Appendix B: Proposal Compliance with Section II Specifications, which includes description of exceeded specifications or descriptions of why specifications were not met (25 points)
4. Fee Proposal (25 points)

After a review of the proposals which included contacting proposers for clarifications and checking references, it was determined that all three proposals were from qualified firms though the price proposals ranged from \$129,558 to \$169,662 with the desired options. Based on the scoring criteria provided in the RFP, it was determined that Day's Generator Service with the lowest overall price proposal had adequate experience and expertise; met the qualifications of the proposal; proposed an acceptable installation plan/location; and, provided the lowest overall price. The next lowest overall price was \$150,175.

Because the proposed contract is over budget by \$22,130, staff has been in contact with Day's Generator Service to discuss potential cost savings on the project. Staff is proposing that any short-fall from this cycle of CTAF funding be covered by shifting excess funds from an earlier CTAF grant for several facility safety and security projects. Those projects are now nearing completion and staff expects that there will be an adequate amount of excess funding available that can be transferred to this related facility project.

Recommendation

Staff is now recommending that the Board award this project to Day's Generator Service in the amount of \$129,558 and authorize staff to execute a related contract subject to legal counsel approval. Staff will be prepared to discuss the proposals, scoring process and the overall project in detail at the meeting.

RECOMMENDATION: Award the project and authorize the execution of a contract with Day's Generator Service as proposed.

AGENDA ITEM IV – F
STAFF REPORT

ADMINISTRATIVE STAFF SALARY AND BENEFIT ADJUSTMENTS

Yuba-Sutter Transit periodically reviews the compensation package (salary and benefits) for the agency's five employees to determine if any equity or cost of living adjustments are warranted. This review traditionally occurs in conjunction with the development and adoption of Yuba-Sutter Transit's annual budget so the resulting changes, if any, can be included. Pursuant to the Yuba-Sutter Transit Joint Powers Agreement (JPA), the annual budget is to be adopted by the end of May with an effective date of July 1st each year.

While the last general cost of living adjustment (COLA) was effective in July 2008, Yuba-Sutter Transit has since made a number of targeted position, salary and benefit changes. These include the establishment of two Program Manager positions in 2013 and a new Program Analyst position in 2017; several enhancements to the overall employee benefit package in 2014; a significant equity adjustment for the Administrative Assistant position in 2015; and, in lieu of any COLA in 2016, the Board chose to better align the agency with the Public Employee Pension Reform Act (PEPRA) by eliminating Employer Paid Member Contributions (EPMC) for Classic PERS members in exchange for an equivalent increase in all base salaries for FY 2017. No salary or benefit changes were made for FY 2018.

Based on actions taken in 2017 and 2018 by several related organizations including Yuba City, Sutter County, the Feather River Air Quality Management District (FRAQMD) and the Sacramento Area Council of Governments (SACOG) – some more than once – along with increases in the Consumer Price Index over the last two years; a general salary adjustment of 2.0 percent (the first true COLA in 10 years) is now being recommended for FY 2019. As proposed, this adjustment would also apply to the Transit Manager whose salary is set by the Board and not subject to a range. The total first year cost (salary and salary related benefits) for this proposed adjustment would be approximately \$9,000.

In addition to the proposed salary adjustment, staff is recommending changes to the benefit provisions of the personnel manual that are generally consistent with those of comparable member jurisdictions and regional agencies. The first proposal is to change the existing car allowance, which was established in 1987 and available only to the Transit Manager, from \$200 a month for travel within Yuba and Sutter Counties, to \$300 per month for travel within 50 highway miles of the agency office. Because much of the currently reimbursable mileage is for travel to downtown Sacramento, the actual net cost of this change would be much less than the \$1,200 annual value of the increase. The second proposal is to add another level to the annual leave (vacation and sick leave) accrual schedule that currently tops out at 22 hours a month after 20 years of service. Adding another hour of accrual each month after 25 years of service would have a first year cost of \$725. The final proposal is to increase the agency contribution to the

deferred compensation accounts of each employee from \$100 to \$200 each month for the Transit Manager and from \$50 to \$100 each month for the four other permanent employees at an annual cost of \$3,600. The projected first year cost of these proposed benefit adjustments would be approximately \$5,300.

The combined first year cost of approximately \$14,300 for the above salary and benefit recommendations has been included in the revised draft FY 2019 budget that will be discussed earlier on this same agenda. Any changes to this recommendation would be made in the final draft budget to be presented for adoption consideration at the May 17th meeting. Any language necessary to incorporate the approved revisions to the Yuba-Sutter Transit Personnel Manual would be subject to the approval of legal counsel.

Staff will be prepared at the meeting to discuss these recommendations in detail.

RECOMMENDATION: Approve staff salary and benefit adjustments effective July 1, 2018 as proposed or amended.