



September 22, 2016
1:00 p.m.

AGENDA

**Board Executive Committee Meeting
Riverside County Administration Center
Board of Supervisors Conference Room C
4080 Lemon Street, Fifth Floor
Riverside, CA 92501**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the Riverside Transit Agency Board of Directors during the meeting, should contact the Riverside Transit Agency Clerk of the Board, telephone number (951) 565-5044, no fewer than two business days prior to this meeting to enable the Riverside Transit Agency to make reasonable arrangements to assure accessibility or language assistance for this meeting.

Agenda item descriptions are intended to provide members of the public a general summary of business to be conducted or discussed. Posting of any recommended action on an agenda item does not indicate what action will be taken. The Board of Directors may take any action it believes is appropriate on the agenda item and is not limited in any way by the notice of any recommendation.

All documents related to any agenda item are available for public inspection at www.riversidetransit.com or through the Clerk of the Board's office at the Riverside Transit Agency, 1825 Third Street, Riverside, CA 92507.

ITEM

RECOMMENDATION

- 1. CALL TO ORDER**
- 2. SELF-INTRODUCTIONS**

ITEM

RECOMMENDATION

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

RECEIVE COMMENTS

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

4. APPROVAL OF MINUTES – JULY 28, 2016, EXECUTIVE COMMITTEE MEETING (P.3)

APPROVE

5. GOVERNMENT RELATIONS REPORT (P.5)

RECEIVE AND FILE

6. PRELIMINARY FISCAL YEAR 2015 - 2016 (FY16) INDEPENDENT FINANCIAL AUDIT RESULTS

DISCUSS

7. VINE STREET TRANSFER AGREEMENT

DISCUSS

8. NEXT MEETING

Thursday, October 27, 2016, 1:00 p.m.
Riverside County Administration Center
Board of Supervisors Conference Room C
4080 Lemon Street, Fifth Floor, Riverside, CA 92501

9. MEETING ADJOURNMENT

RTA BOARD EXECUTIVE COMMITTEE MEETING
Minutes
July 28, 2016

1. CALL TO ORDER

Chairman Johnston called the Board Executive Committee meeting to order at 1:04 p.m. on July 28, 2016, in the Riverside Transit Agency Conference Room, 1825, Third St., Riverside, CA 92507.

2. SELF-INTRODUCTIONS

Self-introductions of those in attendance took place.

Committee Attendees

1. Chairman Frank Johnston, City of Jurupa Valley
2. First Vice-Chair Linda Krupa, City of Hemet
3. Second Vice-Chair Art Welch, City of Banning
4. Director Randon Lane, City of Murrieta

Absent

1. Immediate Past Chair Marion Ashley, County of Riverside District V
2. Director Brenda Knight, City of Beaumont

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. Craig Fajnor, Chief Financial Officer
3. Vince Rouzaud, Chief Procurement & Logistics Officer
4. Jim Kneepkens, Director of Marketing

Other Attendees

1. James Donich, Agency General Counsel

3. PUBLIC COMMENTS - NON-AGENDA ITEMS

None.

4. APPROVAL OF MINUTES – JUNE 23, 2016 EXECUTIVE COMMITTEE MEETING

M/S/C (KRUPA/WELCH) approving the minutes of the June 23, 2016 Executive Committee meeting.

The motion carried unanimously.

5. TRANSPORTATION NOW QUARTERLY ATTENDANCE REPORT

Mr. Kneepkens presented the Transportation NOW Quarterly Attendance Report.

6. FREE BUS RIDES FOR 67TH ASSEMBLY DISTRICT VETERANS EXPO

M/S/C (LANE/KRUPA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Authorize the Agency to offer free rides on all fixed-route buses on August 20, 2016 between 8:00 a.m. and 5:00 p.m. for veterans and their families with appropriate identification who are attending the Veterans Expo in Wildomar.

The motion carried unanimously.

7. VINE STREET RELOCATION PROJECT UPDATE

Mr. Rouzaud presented an update on the Vine Street Relocation Project.

8. NEXT MEETING

Thursday, September 22, 2016, 1:00 p.m.
Riverside County Administration Center
Board of Supervisors Conference Room C
4080 Lemon Street, Fifth Floor
Riverside, CA 92501

9. MEETING ADJOURNMENT

The meeting was adjourned at 1:25 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 22, 2016

TO: BOARD EXECUTIVE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Eric Ustation, Government Affairs Manager
SUBJECT: Government Relations Report

Summary: Following is a synopsis of federal and state legislative events and issues affecting the Riverside Transit Agency (RTA).

Federal Events and Issues

FY17 Transportation Appropriations

FY17 begins on October 1, 2016. At this time it is not likely that the twelve appropriations bills will be enacted into law. The appropriations bills fund the day-to-day government operations. One of two things is likely to occur, either a continuing resolution (CR) which normally funds the government for less than a year at the previous funding levels, or an omnibus bill. An omnibus could put some or all the twelve spending measures into one bill and fund the government for a full year.

It is considered more likely that a CR will be enacted at this time. CRs do not generally alter policy or funding levels from the last year. A CR is the easiest to draft and would give the Obama administration little voice in funding their priorities.

State Events and Issues

Transportation Proposal

Governor Brown called a special session on transportation funding in late 2015 to find solutions to repair and expand California's transportation and transit infrastructure. Legislators have been working on various versions of legislation since that time, and ultimately in August Senate Transportation Committee Chair Jim Beall and Assembly Transportation Committee Chair Jim Frazier released a joint proposal. They are proposing a \$7.4 billion annual funding package to repair and maintain our state and local roads, improve our trade corridors, and support public transit and active transportation. It would authorize a \$706 million repayment of

outstanding transportation loans for state and local roads. The proposal indexes transportation taxes and fees to the California Consumer Price Index to keep pace with inflation and protects transportation revenue from being diverted for non-transportation purposes. The proposal also includes a Constitutional Amendment to help local governments raise funds by lowering the voter threshold for transportation tax measures to 55 percent (from the current 2/3).

The funding would mostly be divided into:

- State - \$2.9 billion annually for maintenance and rehabilitation of the state highway system.
- Local - \$2.5 billion annually for maintenance and rehabilitation of local streets and roads.
- Transit - \$516 million annually for transit capital projects and operations.
- Freight - \$900 million annually for goods movement.
- Active Transportation - \$80 million annually for bicycle and pedestrian projects.

Proposed Funding Sources include (among others):

- Gasoline Excise Tax - \$2.5 billion (17 cents per gallon increase).
- Diesel Excise Tax - \$900 million (30 cents per gallon increase).
- Vehicle Registration Fee - \$1.3 billion (\$38 per year increase).
- Truck Weight Fees - \$1billion
- Diesel Sales Tax - \$216 million (3.5 percent increase).
- Zero Emission Vehicle Registration Fee - \$16 million (\$165 per year new fee).

As one can imagine, raising that many different taxes and fees at one time is sure to draw a lot of opposition. It is yet to be seen whether the transportation committee chairs have the votes needed to pass their proposal, but given that 2016 is an election year it would be surprising to see any movement on this proposal until after early November. Passage during the lame-duck session is a possibility.

Cap and Trade Funding

Governor Brown and legislative leaders announced an agreement on a Cap and Trade expenditure plan to allocate \$900 million in previously unallocated Cap and Trade auction proceeds to various clean vehicle, climate resiliency, urban greening, public transit, forestry, and efficiency programs.

With recent Cap and Trade auctions bringing in dramatically less auction proceeds than projected by the Department of Finance and the Legislative Analysts' Office at the start of the fiscal year, the expenditure plan allocates \$900 million of the \$1.4 billion in Cap and Trade auction proceeds that was generated from auctions in FY 15 and FY 16, but left unspent due to disagreement between the Assembly and Senate. The recently approved expenditure plan retains \$462 million for allocation in future years.

The expenditure plan makes the following allocations:

- \$368 million to the Air Resources Board (ARB), including:
 - \$150 million for heavy-duty vehicles and off-road equipment investments.
- \$140 million to the Office of Planning and Research for the Strategic Growth Council to provide transformative climate communities grants.
- \$135 million to the Transportation Agency for the Transit and Intercity Rail Program.
- \$80 million to the Natural Resources Agency for Urban Greening.
- \$65 million to the Department of Food and Agriculture.
- \$40 million to the Department of Forestry and Fire Protection.
- \$40 million to the Department of Resources, Recycling and Recovery.
- \$20 million to the Department of Community Services and Development.
- \$10 million to the Department of Transportation for the Active Transportation Program.
- \$2 million to the Office of Planning and Research for the Strategic Growth Council to provide technical assistance to disadvantaged communities.

On August 23, ARB released the results of the first auction of FY17 and the state's share of revenue from the allowances sold was extremely disappointing. Early estimates indicate the state took in roughly \$8.5 million. This marks the second consecutive auction that produced far less revenue than originally anticipated. The Governor's May Revise Budget estimated approximately \$2 billion in revenue would be collected over the four auctions held in FY 17. There are three auctions remaining, but the trend of minimal auction proceeds certainly puts a cloud of uncertainty over any future guarantees of cap and trade funds.

Transit Legislation

September 30, 2016 is the last day for legislation to be signed by Governor Brown. The following are brief summaries of priority transit legislation that RTA is following.

SB32

On September 8, Governor Brown signed SB 32, climate change legislation that creates a greenhouse gas emission reduction target for 2030, effectively extending the core provisions of California's Global Warming Solutions Act of 2006 – AB 32. While this bill did not explicitly extend the state's cap and trade program, it does set the stage for a discussion moving forward on how the state will continue using the market-based compliance mechanism beyond 2020 in order to help achieve the goals set forth in SB 32. The recent disappointing auction results also complicates the optimistic cap and trade revenue projections that Governor Brown is relying on to fund a number of high-visibility projects, including high speed rail.

AB 1595

This bill would require a private or public employer that provides mass transportation services in the state to train employees who are likely to interact or come into contact with victims of human trafficking, in recognizing the signs of human trafficking and how to report those signs to the appropriate law enforcement agency. The bill would require that, by January 1, 2018, the training be incorporated into the initial training process for all new employees and that all existing employees receive the training. The bill would require the Department of Justice to develop guidelines for the training, including, but not limited to, guidance on how to report human trafficking. *This bill died in committee.*

SB 824

This bill proposed to make changes to the Low Carbon Transit Operations Program (LCTOP) to give recipient transit agencies more flexibility. Specifically, it would authorize transit agencies to:

- Use funds for the costs to operate new or expanded service in the fiscal year in which the service is first implemented, and in any subsequent year if the agency demonstrates additional greenhouse gas (GHG) emission reductions.
- Use funds for any expenditure with demonstrated GHG emission reductions.
- Retain funding allocations in a given year for an unlimited number of fiscal years and use accumulated funds in a future year for a larger expenditure.

- Loan or transfer funding shares to another recipient transit agency in the same region for any identified eligible expenditure.
- Enter into an agreement with other transit agencies to pool respective funding shares of each member for any identified eligible program expenditure.
- Apply to Caltrans to reassign any savings or surplus amounts allocated for an expenditure that has been completed to another eligible expenditure.

This bill is on the Governor's desk waiting his signature.

SB 882

This bill would prohibit a minor from being charged with an infraction or misdemeanor for fare evasion. The author of the bill argued that failure to pay is the number one citation for youth in several counties and that once a child appears in court, the likelihood that they will drop out of school and receive another court appearance greatly increases. The California Transit Association argued that decriminalizing youth fare evasion would allow youth passengers to ride free without fear of penalty; essentially, fare payment would become merely a suggestion. Ultimately, Governor Brown signed SB 882 into law on August 22.

Recommendation:

Receive and file.