



**BOARD BUDGET AND FINANCE COMMITTEE MEETING
WEDNESDAY, JUNE 1, 2011, 2:00 P.M.
RIVERSIDE TRANSIT AGENCY BOARD ROOM
1825 THIRD STREET
RIVERSIDE, CA 92507**

1. **CALL TO ORDER**
2. **SELF-INTRODUCTIONS**
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 – MAY 4, 2011 COMMITTEE MEETING \(P.2\)](#) **APPROVE**
5. [CASH FLOW PROJECTIONS \(P.5\)](#) **RECEIVE AND FILE**
6. [QUARTERLY CAPITAL GRANTS’ STATUS \(P.7\)](#) **PRESENTATION**
7. [AUTHORIZATION TO AMEND AGREEMENT NO. 5-018 WITH SOUTHLAND TRANSIT INC., \(SOUTHLAND\) \(P.17\)](#) **APPROVE**
8. [AUTHORIZATION TO EXERCISE THE FINAL OPTION YEAR OF AGREEMENT NO. 7-011 WITH NATURAL GAS SYSTEMS INC., \(NGS\) FOR PREVENTATIVE MAINTENANCE AND REPAIR SERVICES FOR THE AGENCY’S COMPRESSED NATURAL GAS \(CNG\) FUELING STATIONS \(P.19\)](#) **APPROVE**
9. **BOARD MEMBER COMMENTS AND REMARKS**
10. **OTHER BUSINESS**
11. **ADJOURN**

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 RTA Board during the meeting should contact the RTA Clerk of the Board, telephone number (951) 565-5044, no fewer than two business days prior to this meeting to enable RTA to make reasonable arrangements to assure accessibility or language assistance for this meeting.

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING
May 4, 2011

1. CALL TO ORDER:

Committee Chairman Marion Ashley called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on May 4, 2011, in the RTA Board Room.

2. SELF-INTRODUCTIONS:

Self-introductions of those in attendance took place.

Board Committee Members Present:

1. Committee Chairman Marion Ashley, County of Riverside, District V
2. Chairman Bob Buster, County of Riverside, District I
3. Director Barry Talbot, City of Canyon Lake Mayor
4. Director Andrew Kotyuk, City of Hemet, Vice Mayor
5. Director Wallace Edgerton, City of Menifee Mayor
6. Director Joanne Evans, City of Perris Councilmember
7. Director Jeff Comerchero, City of Temecula Councilmember
8. Director Andy Melendrez, City of Riverside Councilmember
9. Alternate Andrea Puga, County of Riverside, District II
10. Alternate Ron Roberts, County of Riverside, District III

RTA Staff:

1. Larry Rubio, Chief Executive Officer
2. Tom Franklin, Chief Operating Officer
3. Craig Fajnor, Chief Financial Officer
4. Vince Rouzaud, Chief Procurement and Logistics Officer
5. Jim Kneepkens, Director of Marketing
6. Bob Bach, Director of Maintenance
7. Rick Kaczerowski, Director of Information Technologies
8. Mark Stanley, Director of Planning
9. Laura Murillo, Director of Human Resources
10. Natalie Gomez, Clerk of the Board
11. Kelly Bach, Manager of Performance Analysis
12. Brad Weaver, Marketing Manager
13. Lorelle Moe, Senior Planner
14. Natalie Zaragoza, Contracts Manager
15. Melaina Francis, Risk Manager

Other Attendees:

Robert Yates, RCTC

3. PUBLIC COMMENTS - NON-AGENDA ITEMS:

None.

4. APPROVAL OF MINUTES APRIL 6, 2011, COMMITTEE MEETING:
M/S/C (EDGERTON/EVANS) approving the April 6, 2011, Committee meeting minutes. The motion carried unanimously.
5. CASH FLOW PROJECTIONS:
Mr. Fajnor presented the Cash Flow projections.

Director Kotyuk arrived at the meeting during discussion of Item 5.

6. QUARTERLY INVESTMENT REPORT
Mr. Fajnor presented the quarterly investment report.

Director Kotyuk gave kudos to Mr. Fajnor for the numbers on the county pool.

7. AUTHORIZATION TO AWARD AGREEMENT NO. 11-003 TO ALLIANT INSURANCE SERVICES, INC. (ALLIANT) FOR THE AGENCY'S INSURANCE BROKERAGE & CONSULTING SERVICES:
Director Roberts stated that he wished we could get more local companies to actually bid. Mr. Rubio stated RTA sent the information out to all the known insurance companies locally, all the chambers within RTA's service area and advertised in the local newspapers.

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

- Authorize staff to award a two-year agreement with three, one-year options to Alliant Insurance Services, Inc. for the Agency's Insurance Brokerage & Consulting Services in an amount not to exceed \$113,356.

The motion carried unanimously.

8. AUTHORIZATION TO AWARD AGREEMENT NO. 11-014 TO TREND OFFSET PRINTING FOR THE PRINTING OF THE AGENCY'S RIDE GUIDE BOOKLETS
Alternate Andrea Puga inquired if approving and recommending the item included both color and black and white copies and Mr. Rouzud replied that it did.

Mr. Rubio stated that this was the Invitation for Bid (IFB) that was originally thrown out due to lack of participation and had to be reissued. Committee Chairman Marion Ashley commented that only one Inland Empire company bid and they did not make it.

Director Comerchero stated he shared in the dismay that a lot of local companies do not bid and offered the Board's assistance in helping locate local companies and requested the Board be copies on Requests for Proposals (RFP's).

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

- Authorize staff to award a one-year agreement with two one-year options to Trend Offset Printing for printing of the Agency's Ride Guide booklets in an amount not to exceed \$342,423.00.

The motion carried unanimously.

9. AUTHORIZATION TO ISSUE A SOLE SOURCE PURCHASE ORDER TO ORACLE USA, INC., (ORACLE) FOR ANNUAL SOFTWARE MAINTENANCE AND SUPPORT SERVICES

Chairman Bob Buster left the meeting during this item.

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

- Authorize staff to issue a sole source purchase order to Oracle USA, Inc. for annual software maintenance and support services in an amount not to exceed \$35,293.36.

The motion carried unanimously.

10. REQUEST TO OPEN PUBLIC HEARING ON THE FISCAL YEAR 2011/2012 (FY12) OPERATING BUDGET, CAPITAL BUDGET, AND SHORT RANGE TRANSIT PLAN (SRTP)

Director Edgerton inquired as to what type of response he should provide when asked by a member of the press about RTA's budget. Mr. Fajnor stated the budget is about \$55 million dollars exclusive of capital improvements

Mr. Rubio stated RTA would be happy to prepare talking points that explain what it is we are proposing in case there are any questions, but he also asked that press calls be directed to Mr. Kneepkens.

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

- Open the public hearing on the FY12 operating budget, capital improvement budget, and SRTP, and continue this item to the June 23, 2012 Board of Directors Meeting.

The motion carried unanimously.

11. BOARD MEMBER COMMENTS AND REMARKS:

Director Kotyuk thanked Mr. Fajnor for his presentation in answering all his questions. This is the last weekend for Ramona, attendance is up 40 percent. He stated some of the other boards and county commissions are having presentations, most recently by the Riverside County Transportation Commission (RCTC) and it might be a good idea for RTA to do.

Director Evans stated on May 26 the City of Perris will be celebrating the 100th Anniversary of Perris at city hall. Committee Chairman Marion Ashley stated it was the 100th anniversary of the city and 125th anniversary of the community of Perris.

12. OTHER BUSINESS:

Mr. Rubio stated RTA just received an invitation to the Mount San Jacinto (MSJC) Bus shelter dedication on May 5 at 1:30 pm at the MSJC San Jacinto campus. Everyone is invited to attend if your schedule allows. The invitation will be e-mailed out to you after the meeting.

13. ADJOURN:

The meeting adjourned at 2:52 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

June 1, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Cash Flow Projections

Summary: The Agency develops cash flow projections for the entire fiscal year representing weekly increments. Due to the size of the report, it is difficult to portray the entire fiscal year.

The attached report represents actual cash performance through mid-May 2011 with projections through July 2011 – the end of the current fiscal year and the first month of FY12. There are no cash flow issues anticipated during this reporting period.

Recommendation:

Receive and file.

**Riverside Transit Agency
FY 2011 Funds Projection**

	Actual	Actual										
1	5/13/2011	5/20/2011	5/27/2011	6/3/2011	6/10/2011	6/17/2011	6/24/2011	7/1/2011	7/8/2011	7/15/2011	7/22/2011	7/29/2011
2	General Account											
2	Est. Cash, Beg Balance (Book)	(34,853)	82,151	(147,994)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
3	Receipts:											
4	LTF Operating - recurring											2,889,144
5	LTF GASB 43/45											71,667
6	FET Credit (Capital)			87,334			82,779				80,000	
7	CalPERS CERBT Receipt											
8	Farebox	94,285	177,604	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
9	Total Other Farebox	156,003	29,725	55,699	1,242	1,179	190,645	33,969		2,421	45,569	401,490
10	Total Other Local	2,333	3,865								3,500	
11	FTA Operating	55,869				52,000	9,440,624		55,000			
12	Capital - Local, State				50,000		50,000	77,000	40,000	40,000	40,000	83,000
13	Echo - FTA Capital			32,490	290,000	50,000	57,000	50,000	95,190	66,000	66,000	66,000
14	Transfer from Investment to Gen Acct.	1,531,805	400,000	426,699	1,650,008	827,921		327,752	900,560	2,498,550	682,329	429,481
15	Disbursements:											
16	Payroll = Net+Tax		(552,830)		(555,000)		(555,000)		(555,000)		(555,000)	(565,000)
17	A/P Wires	(110,826)	(16,161)	(234,228)	(1,266,250)	(449,500)	(16,250)	(234,500)	(20,750)	(1,744,550)	(20,750)	(259,550)
18	A/P Checks	(194,993)	(210,745)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(240,000)	(235,000)	(235,000)	(235,000)
19	Capital Expenditures	(17,473)	(61,603)	(150,000)	(150,000)	(461,600)	(150,000)	(317,000)	(310,000)	(810,000)	(110,000)	(300,000)
20	Transfer to Investment from Gen Acct.	(1,400,000)					(8,997,019)					(2,554,551)
20	Transfer to GASB Trust Acct.							(1,000,000)				
21	Actual Ending Book Balance / Targeted Minimum Balance	82,151	(147,994)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

22	23	24	25	26	27	28	29	30	31	32	33	34
LAIF Account:	Beginning balance	1,600,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
	Quarterly Interest Income									4,153		
	Transfers to/from Gen Acct.	(131,805)	(400,000)	(426,699)	(1,650,008)	(827,921)	8,997,019	(327,752)	(900,560)	(2,498,550)	(682,329)	(429,481)
	Transfers to/from County Pool	1,531,805	400,000	426,699	1,650,008	827,921	(8,997,019)	327,752	900,560	2,498,550	678,176	429,481
	Ending balance	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000

28	29	30	31	32	33	34	35	36	37	38	39	40
County Pool Account:	Beginning balance	16,131,805	14,600,000	14,200,000	13,773,301	12,123,293	11,300,600	20,297,619	19,969,867	19,069,307	16,570,757	15,912,387
	Quarterly Interest Income					5,228					19,807	
	Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-	-
	Transfers to/from LAIF	(1,531,805)	(400,000)	(426,699)	(1,650,008)	(827,921)	8,997,019	(327,752)	(900,560)	(2,498,550)	(678,176)	(429,481)
	Ending balance	14,600,000	14,200,000	13,773,301	12,123,293	11,300,600	20,297,619	19,969,867	19,069,307	16,570,757	15,912,387	18,037,457

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

June 1, 2011

TO: BOARD BUDGET & FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Quarterly Capital Projects Status

Summary: The Agency has, at any one time, a multitude of capital projects in progress or pending as circumstances and funding dictate. Capital projects are funded through a variety of funding sources including, but not limited to, Federal, State, and Local grants. Capital items funded with these grants include, but are not limited to, Revenue and Non-Revenue Vehicles, Transit Centers, Bus Stop Amenities, and Information Systems.

Depending on the nature and value of a capital project, it can take multiple years to accumulate the required funding to complete the project. Further, it can take multiple years to complete a project once it has commenced. Examples of such a scenario are the Twin Cities and Riverside Transit Centers, and heavy-duty bus replacement.

The Agency will always have capital requirements due to the need to replace retired assets, acquire and/or maintain Agency infrastructure, and fulfill unique needs such as the construction of transit centers to serve the transportation needs of our customers. As such, the Agency should always have a backlog of open projects that preserve the future viability of the Agency.

Attached is an update of the Agency's capital projects through May 2011, focusing on the activities from March through May 2011. In addition, a 3-month outlook is also provided.

Recommendation:

Receive and file.

Quarterly Capital Projects Status

Riverside Transit Agency
Board Budget & Finance Committee Meeting
June 1, 2011

- Board actions

- Ratified Letter of Participation for UCR submission of USDOE funding opportunity (driving feedback systems on paratransit vehicles to reduce fuel cost and increase efficiency)
- Opened public hearing on FY12 budget which includes significant funding toward heavy-duty bus replacement

- Transit Centers
 - Corona
 - worked punch list down to 1 item (elevator camera)
 - Solar panel system was commissioned by SCE
 - Riverside
 - Continued efforts on Site Feasibility Study
 - Twin Cities
 - Meetings held with city to identify alternate site location (across street from previous location; adjacent to French Valley interchange)
 - Hemet

- Vehicles
 - Revenue Vehicles
 - Non-Revenue Vehicles

- Facility Improvements
 - Significant progress (65% complete) on Riverside Site Perimeter Wall/Fence project
 - Completed concrete repair at Riverside site
 - Commenced and completed parallelogram lift rebuild
 - Completed Riverside Maintenance Lighting Retrofit (Phase 2)
 - Roof repairs (all sites) SOW preparation commenced and completed
 - Commenced bus wash overhaul

- Bus Stops and Amenities
 - Continued work on project plans and necessary contractual agreements for Signal Priority Demonstration Program on University Avenue
 - Continued discussions with Moreno Valley Mall and Tyler Galleria management on transfer point enhancements
 - Received I-Stops

- Information Systems
 - Purchased and installed 49 PCs
 - Upgraded virtualization system capacity

June – August Outlook

- 100% completion of Corona Transit Center
- Identify site location for Twin Cities Transit Center
- Take delivery / place into service 14 E-Lo's (21-passenger revenue vehicles)
- Completion of Riverside Site perimeter wall/fence project
- Complete the re-build / refurbishment of the Bus Wash in Riverside

June – August Outlook



- Commence Phase 3 Lighting Retrofit at Riverside site (Admin and Durahart Buildings)
- Commence installation of I-Stops
- Commence procurement process for roof repairs
- Commence procurement process for heavy-duty bus replacement
- Upgrade Email system

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

June 1, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Vince Rouzaud, Chief Procurement and Logistics Officer
SUBJECT: Authorization to Amend Agreement No. 5-018 with Southland Transit Inc., (Southland)

Summary: At the March 25, 2010 Board of Directors meeting, the Board approved a 90-day time extension to Agreement No. 5-018 with Southland to continue to provide ADA/Dial-A-Ride (DAR) Transportation and Call Center services. The 90-day extension means the agreement now expires on June 30, 2011.

As noted at the March 2010 Board of Directors meeting, staff was in the early stages of beginning the procurement process for the next DAR Transportation and Call Center Services contract. The extension allowed staff to take additional time, prior to the issuance of the procurement in June of 2010, to gather performance data so that projected revenue service hours and miles could be accurately assessed.

The data collected over the ensuing six month period was then included in the Agency's Request For Proposal (RFP) as a basis for firms to estimate pricing. In addition, the extension period aligned the agreement with the Agency's fiscal year cycle.

At the time the report was presented to the Board, staff felt no additional funding would be necessary because improvements to passenger-per-hour productivity (PPH) and lower than expected fuel costs had kept monthly expenses (approx. \$650,000) below the original Board authorized amount.

Since that time, DAR ridership, along with fixed-route ridership, has increased. Staff estimates the additional amount needed for the extension period ending June 30, 2011 is \$119,615.

Fiscal Impact:

The current not-to-exceed amount for DAR services under this five-year contract is \$38,977,141.33. The revised projections would result in a new not-to-exceed value of \$39,096,756.33. Sufficient funding to cover this increase is included in the FY11 operating budget.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to amend Agreement #5-018 with Southland Transit Inc. and increase the final option year amount from \$9,261,259.95 to \$9,380,874.95. An increase of \$119,615.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

June 1, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Vince Rouzaud, Chief Procurement and Logistics Officer
SUBJECT: Authorization to Exercise Final Option Year of Agreement No. 7-011 with Natural Gas Systems Inc., (NGS) for Preventative Maintenance and Repair Services for the Agency's Compressed Natural Gas (CNG) Fueling Stations

Summary: The Agency operates three CNG fueling stations that provide fuel for its fleet of 40-foot and CommuterLink buses. Combined, the three stations produce approximately 2.7 million therms of CNG fuel annually, or roughly the equivalent of 2.4 million gasoline gallons.

Preventative maintenance and repair of the three fueling stations is provided by Natural Gas Systems Inc. (NGS), a third party contractor that specializes in maintaining complex fueling systems.

On July 11, 2007, the Board authorized staff to award a contract to NGS for station maintenance and repair services for a three-year base period with two one-year options. The agreement was subsequently amended by the Board in November 2008 due to an increase in usage of CNG. Station maintenance is directly related to the consumption of natural gas compressed for fuel.

The cost the Agency pays for its CNG is made up of three separate components as illustrated in the following example:

Monthly Usage (Mar '11)	NG Cost Per-therm	Electricity Cost Per-therm	Maint. Cost Per-Therm	Total Cost Per-Therm	Monthly Cost
213,463	\$0.53	\$0.06	\$0.08	\$0.66	\$141,099

On June 24, 2010, staff requested Board authorization to exercise option year one (FY11) in the amount of \$196,489. As noted in the staff report, this amount was based on usage of roughly 2.6 million therms multiplied by \$.075 per-therm. As of this writing the Agency is on track to finish the year approximately \$30,000 below the FY11 budget.

Staff further projected the maintenance costs for FY12 would increase to approximately \$.085 per-therm for a total cost of \$222,688. The primary driver for the increase in the next 12-months is both the Riverside and

Hemet CNG station compressors are expected to need major overhauls as the stations are nearing seven and nine years old respectively. The need for major overhauls was not included in the original contract and will add to the cost of maintaining the CNG stations.

In addition, recently passed legislation requires pressure relief devices (PRD's) to be tested and inspected on an annual basis; previously, these devices were tested and inspected every five years. This new requirement will also add to the cost of maintaining the CNG stations.

Based on projected usage of 2,619,860 therms, the total maintenance cost estimated for FY12 will be \$222,688.

This estimate represents the additional maintenance associated with the new annual PRD test and inspection requirement, along with the costs for replacing or rebuilding the cylinders, pistons, valves, rings, and seals. These items are not normal wear and tear maintenance items but are needed to keep the Agency's equipment in optimal operating condition.

Staff has reviewed the original submittals from 2007 and based upon the average annual costs for the last four years (\$185,561), find the pricing for FY12 to be fair and reasonable.

Fiscal Impact:

Upon approval of the FY12 operating budget, sufficient funding will be available to cover this request.

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Authorize staff to exercise the final option year of Agreement No. 7-011 with Natural Gas Systems Inc., for CNG Station Maintenance and Repair Services in the amount of \$222,688.