



**BOARD BUDGET AND FINANCE COMMITTEE MEETING
WEDNESDAY, SEPTEMBER 7, 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 – JULY 1, 2011 COMMITTEE MEETING (P.2)** **APPROVE**
- 5. **QUARTERLY CAPITAL STATUS (P.5)** **PRESENTATION**
- 6. **QUARTERLY INVESTMENT REPORT (P7)** **RECEIVE AND FILE**
- 7. **CASH FLOW PROJECTIONS (P.9)** **RECEIVE AND FILE**
- 8. **AUTHORIZATION TO AWARD AGREEMENT NO. 11-027 TO SMARTDRIVE SYSTEMS, INC. (SMARTDRIVE) FOR THE AGENCY’S VEHICLE INCIDENT BASED VIDEO SURVEILLANCE SYSTEM (P.11)** **APPROVE**
- 9. **AUTHORIZATION TO AWARD AGREEMENT NO. 11-033 TO EMPIRE TRUCK & EQUIPMENT REPAIR (EMPIRE) FOR IN-FRAME ENGINE REBUILDING SERVICES (P.14)** **APPROVE**
- 10. **BOARD MEMBER COMMENTS AND REMARKS**
- 11. **OTHER BUSINESS**
- 12. **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.

Agenda related writings or documents provided to the Board of Directors are available for public inspection in the office of the Clerk of the Board and at the reception desk while the meeting is in session.

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING
July 6, 2011

1. CALL TO ORDER:

Committee Chairman Ashley called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on July 6, 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. Director Barry Talbot, City of Canyon Lake, Mayor
3. Director Joanne Evans, City of Perris Councilmember
4. Director Jeff Comerchero, City of Temecula, Councilmember
5. Director Andrew Kotyuk, City of San Jacinto, Vice-Mayor
6. Alternate Darcy Kuenzi, City of Menifee, Mayor Pro Tem
7. Alternate Donna Johnston, County of Riverside, District II
8. 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. Brad Weaver, Marketing Manager
12. Natalie Zaragoza, Contracts Manager
13. Tammi Ford, Contracts Administrator

Other Attendees:

Jaime Hurtado, Legislative Assistant, County of Riverside, District V

3. PUBLIC COMMENTS - NON-AGENDA ITEMS:

None.

4. APPROVAL OF MINUTES JUNE 1, 2011, COMMITTEE MEETING:

M/S/C (EVANS/MELENDREZ) approving the June 1, 2011, Committee meeting minutes. The motion carried with five affirmative votes and three abstentions (KOTYUK/KUENZI/JOHNSTON).

5. CASH FLOW PROJECTIONS:

Mr. Fajnor presented the Cash Flow projections.

6. AUTHORIZATION TO ENTER INTO COOPERATIVE AGREEMENT NO. 10-036 WITH THE CITY OF RIVERSIDE (CITY) FOR A TRANSIT SIGNAL PRIORITY (TSP) DEMONSTRATION PROJECT

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

- Authorize staff to enter into Cooperative Agreement No. 10-036 with the City of Riverside in the amount of \$4,800.00 for a Transit Signal Priority demonstration project.

7. AUTHORIZATION TO AMEND AGREEMENT NO. 9-039 WITH BARRY'S SECURITY SERVICES INC. (BARRY'S), RIVERSIDE, CA, FOR ON-CALL SECURITY GUARD SERVICES

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

- Authorize staff to amend Agreement No. 9-039 with Barry's Security Services, Inc., increasing the total not-to-exceed amount for the five year period from \$1,171,864.20 to \$1,211,864.20.

The motion carried unanimously.

8. APPROVAL OF RESOLUTION 2011-14 AUTHORIZING THE EXECUTION OF THE CERTIFICATIONS AND ASSURANCES FOR THE PROPOSITION 1B (PROP 1B) PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) BOND PROGRAM

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

- Approve Resolution 2011-14 authorizing the execution of the certifications and assurances in the utilization of Prop 1B PTMISEA funding.

The motion carried unanimously.

9. BOARD MEMBER COMMENTS AND REMARKS:

Director Evans noted that the past 4th of July fireworks show in Perris may be the last due to budget.

Director Kotyuk appreciated having the RTA flag bus in the San Jacinto parade.

Alternate Johnston thanked RTA for the flag bus for the Jurupa Valley parade on Saturday July 2. Jurupa Valley had four days of celebration and fireworks for the inauguration of the City. Committee Chair Ashley extended his congratulations to the new City of Jurupa Valley.

Mr. Rubio noted that the contractor for some of the fixed routes in rural areas changed over the weekend of July 2nd and RTA received a few customer complaints. Everything is pretty much on track now. Mr. Rubio apologized for any mishaps that may have occurred. Mr. Kneepkens is working to resolve the complaints to the satisfaction of each customer.

10. OTHER BUSINESS:

None.

11. ADJOURN:

The meeting adjourned at 2:16 p.m.

DRAFT

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 7, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Craig Fajnor, Chief Financial Officer

SUBJECT: Quarterly Capital Status

Summary: The Agency has, at any one time, a multitude of capital projects in progress or pending as circumstances and funding dictate. These 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, Facility Improvements, and Information Systems.

Depending on the nature of the project, it can take multiple years to accumulate the required funding to complete the project. It can also take multiple years to complete the project once it has commenced. Examples of such a scenario are the Corona and Riverside Transit Centers.

The Agency will always have capital needs due to replacement of retired assets, acquisition and/or maintenance of Agency infrastructure, and unique needs such as 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 of the Agency.

Staff will present an update on the Agency's capital projects, focusing on the activities from June through August 2011. The Agency is required to provide quarterly reporting to the Federal Transportation Administration (FTA) and the Riverside County Transportation Commission (RCTC) one month after the end of each quarter. This reporting was submitted.

Recommendation:

Receive and file.

ITEM 5

Quarterly Capital Status

Presentation: Craig Fajnor, CFO

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 7, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Craig Fajnor, Chief Financial Officer
SUBJECT: Quarterly Investment Report

Summary: The Agency has two (2) investment vehicles for its cash balance above and beyond immediate need. The first is the Local Agency Investment Fund (LAIF) which is managed by the Treasurer of the State of California. While the balance earns interest on a daily basis, investment results are only published on a quarterly basis – fifteen (15) days after the end of each calendar quarter. The second is the Riverside County Treasurer’s Pooled Investment Fund (County Pool) which is managed by the Treasurer of the County of Riverside. While the balance earns interest on a daily basis, investment results are provided on a quarterly basis as well. However, different from LAIF, County Pool results are provided as follows: approximately 30% five (5) days after the end of the quarter and the remaining 70% forty-five (45) days after the end of the quarter.

In addition, the Agency currently maintains a restricted cash reserve of at least \$1,892,000 which represents the reserve requirement of 10% at the time of closing of the Certificate of Participation (COP) transaction. This COP was utilized to purchase 57 40’ buses for revenue service. This reserve is held in the California Asset Management Pool (CAMP) as it is an approved investment of the COP agreement.

The attached report presents investment performance for the 4th quarter of FY11 (as of June 30, 2011).

Recommendation:

Receive and file.

**RIVERSIDE TRANSIT AGENCY
Investment Report
For the Quarter Ended June 30, 2011**

Investment Type	Institution	Amount of Investment at 6/30/11	Current Market Value at 6/30/11	Quarter to Date Average Rate of Interest Earned	Effective Interest Rate for the Quarter	Quarter to Date Interest Earned
Local Agency Investment Fund (LAIF)	State of California	\$ 2,400,000.00	\$ 2,403,783.53	0.483%	0.475%	\$ 3,765.42
Riverside County Treasurer Pooled Investment Fund	County of Riverside	\$ 19,705,227.87	\$ 19,705,227.87	0.623%	0.623%	\$ 22,160.36
California Transit Fixed Rate RTA COP 2003A Reserve Fund	California Asset Management Program-CAMP	\$ 1,907,693.95	\$ 1,907,693.95	0.130%	0.128%	\$ 612.04

Note: Sufficient funds are available to meet the next 90 days' operating and 90 days' capital obligations. Additionally, the above portfolio conforms with the Agency's Investment Policy.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 7, 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 late-August 2011 with projections through October 2011 – encompassing the first trimester of the FY12. No cash flow issues are anticipated during this reporting period.

Recommendation:

Receive and file.

**Riverside Transit Agency
FY 2012 Cash Flow Projection**

	Actual	Actual									
1	8/19/2011	8/26/2011	9/2/2011	9/9/2011	9/16/2011	9/23/2011	9/30/2011	10/7/2011	10/14/2011	10/21/2011	10/28/2011
2	General Account	294,719	1,901	(152,311)	50,000	50,000	50,000	50,000	50,000	50,000	50,000
3	Est. Cash, Beg Balance (Book)										
4	Receipts:										
5	LTF Operating - recurring			2,889,143			2,889,143				2,889,143
6	LTF GASB 43/45			71,667			71,667				71,667
7	FET Credit (Capital)	83,554				79,785			80,000		
8	CalPERS CERBT Receipt									210,000	
9	Farebox	202,424	103,009	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
10	Total Other Farebox	166,046	55,993	12,875		15,630	12,000	187,474	15,605	25,750	17,067
11	Total Other Local	11,789	1,496								3,500
12	FTA Operating	(1,971)		350,000		55,000		676,718	360,000	55,000	
13	Capital - Local, State				50,000		50,000	294,495	50,000		50,000
14	Echo - FTA Capital		73,205	50,000	50,000	50,000	1,545,869	50,000	154,000	66,000	66,000
15	Transfer from Investment to Gen Acct.		1,100,000		1,543,750	5,002,460			1,997,145	130,201	479,183
16	Disbursements:										
17	Payroll = Net+Tax		(539,449)	(13,000)	(560,000)		(565,000)		(570,000)		(590,000)
18	A/P Wires	(121,151)	(739,847)	(1,422,062)	(340,750)	(140,350)	(140,750)	(126,150)	(1,640,750)	(141,950)	(20,750)
19	A/P Checks	(126,148)	(175,457)	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)	(235,000)
20	Capital Expenditures	(7,362)	(33,163)	(110,000)	(638,000)	(4,957,525)	(110,000)	(528,000)	(261,000)	(110,000)	(110,000)
21	Transfer to Investment from Gen Acct.	(500,000)		(1,521,312)			(3,647,929)	(449,537)			(8,214,497)
22	Transfer to GASB Trust Acct.										
23	Actual Ending Book Balance / Targeted Minimum Balance	1,901	(152,311)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

22	LAIF Account:										
23	Beginning balance	1,000,000	1,500,000	400,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
24	Quarterly Interest Income								1,781		
25	Transfers to/from Gen Acct.	500,000	(1,100,000)	1,521,312	(1,543,750)	(5,002,460)	3,647,929	449,537	(1,997,145)	(130,201)	(479,183)
26	Transfers to/from County Pool	-	-	1,078,688	1,543,750	5,002,460	(3,647,929)	(449,537)	1,997,145	128,419	479,183
27	Ending balance	1,500,000	400,000	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	County Pool Account:										
29	Beginning balance	21,714,870	21,727,388	21,727,388	20,648,700	19,104,950	14,102,491	17,750,420	18,199,957	16,210,984	16,082,565
30	Quarterly Interest Income	12,518							8,172		
31	Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-
32	Transfers to/from LAIF	-	-	(1,078,688)	(1,543,750)	(5,002,460)	3,647,929	449,537	(1,997,145)	(128,419)	(479,183)
33	Ending balance	21,727,388	21,727,388	20,648,700	19,104,950	14,102,491	17,750,420	18,199,957	16,210,984	16,082,565	15,603,382

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 7, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Award Agreement No. 11-027 to SmartDrive Systems, Inc. (SmartDrive) for the Agency's Vehicle Incident Based Video Surveillance System

Summary: In April of 2007, the Board authorized staff to award a contract to SmartDrive to install an Incident Based Video Surveillance System (system) on the Agency's paratransit vehicle fleet. The system is comprised of two cameras mounted on the windshield to capture video and audio both inside and outside the vehicle. Forces such as hard braking, swerving, collisions and other similar events trigger the equipment to record audio and video footage both 15 seconds before and after the actual event. It also provides real-time vehicle speed monitoring to identify and eliminate behaviors that can increase the likelihood of collisions and other safety related events.

The Agency's paratransit fleet of 87 vehicles is equipped with the SmartDrive video surveillance system that was installed four years ago. These vehicles are operated by Southland Transit, Inc. who provides service to seniors and persons with disabilities. The Agency also contracted with SmartDrive for monitoring services and this contract expires on December 7, 2011.

With four-year old equipment needing replacement and with the managed services contract expiring, staff needed to competitively reprocur the system equipment and services. To ensure a competitive process, all proposal submittals were required to discuss the proposed systems and submit costs for initial equipment installation through acceptance and operation. This ensures all firms are evaluated on a level basis.

On May 11, 2011 the Agency issued Request for Proposal (RFP) No.11-027 for an '*Incident Based Video Surveillance System*'. The RFP was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency's website along with a copy of the RFP document. The Agency also sent notices to the Chambers' of Commerce for those cities that are members of the Joint Powers Agreement (JPA) for distribution to their membership.

On June 24, 2011 the Agency received proposals from the following three vendors:

- DriveCam, Inc., San Diego, CA
- SmartDrive Systems, Inc., San Diego, CA
- Majestyc Construction, Inc., Palmdale, CA

The proposals were reviewed by an evaluation committee representing staff from contract operations, maintenance, information technology and purchasing departments. The submittal from Majestyc was considered outside the competitive range and was eliminated from further consideration, see Table 1 below.

Both DriveCam and SmartDrive submitted responsive and responsible proposals that met all of the Agency’s technical requirements. Staff followed up the committee evaluations with a check on references and heard favorable comments from both SmartDrive and DriveCam customers. Staff then evaluated pricing which included installation of new camera/recorder equipment in 87 vehicles and managed services for a four-year period. The following table identifies pricing year-by-year as well as cumulatively for the four-year period.

Table 1

<i>Annual Costs</i>	<i>DriveCam</i>	<i>SmartDrive</i>	<i>Majestyc</i>
Year 1	\$ 110,210.37	\$ 92,047.25	\$ 1,516,440.00
Year 2	\$ 31,770.00	\$ 33,224.25	\$ 52,500.00
Year 3	\$ 31,770.00	\$ 33,224.25	\$ 52,500.00
Year 4	\$ 31,770.00	\$ 33,224.25	\$ 52,500.00
TOTALS	\$ 205,520.37	\$ 191,720.00	\$ 1,673,940.00

After careful consideration, it is staff’s conclusion that the proposal submitted by SmartDrive is overall the best value to the Agency.

Fiscal Impact:

The project is fully funded with Proposition 1B California Transit Security Grant Program – California Transit Assistance Fund (CTSGP-CTAF) (aka Prop. 1B Security) funds, which are managed through the California Emergency Management Agency (Cal EMA).

Recommendation:

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

- Authorize staff to award Agreement No. 11-027 to SmartDrive in an amount that will not exceed \$191,720.00 for the equipment installation and the four-year managed services period beginning December 8, 2011 and ending December 7, 2015.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 7, 2011

TO: BOARD BUDGET AND FINANCE COMMITTEE
THRU: Larry Rubio, Chief Executive Officer
FROM: Vince Rouzaud, Chief Procurement and Logistics Officer
SUBJECT: Authorization to Award Agreement No. 11-033 to Empire Truck & Equipment Repair (Empire) for In-Frame Engine Rebuilding Services

Summary: The Agency's fleet of 40-foot compressed natural gas (CNG) buses have been in revenue service for over 10-years and have accumulated a fleet-mileage average in excess of 480,000 miles. The Federal Transit Administration (FTA) defines the useful service life of a 40-foot heavy duty bus as 12-years or 500,000 miles.

Staff is in the early stages of procuring new buses that will replace this aging fleet; however, this process is lengthy and new buses are not expected to arrive until FY15 at the earliest.

In order to minimize mechanical failures and ensure safe and reliable operations until new replacement buses are delivered, it is necessary to continue the Agency's engine rebuilding campaign. Over the next 12-month period, staff estimates that up to 25 buses will require engine rebuilding services. A rebuilt engine extends the vehicle's life, improves performance and reliability, and also has the added benefit of increasing fuel mileage.

On June 24, 2011 the Agency issued Invitation for Bid (IFB) No.11-033 for '*In-Frame Engine Rebuilding Services*'. The rebuilding requirements identified those components that must be replaced on every in-frame engine rebuild with Original Equipment Manufacturers (OEM) parts only. In addition, vendors were asked to provide parts and labor costs for supplemental work that may be necessary on a case-by-case basis, as determined by the Agency's Director of Maintenance.

The IFB was publicly advertised in a newspaper of general circulation and a notice was posted on the Agency's website along with a copy of the IFB document. The Agency also sent notices to the Chambers' of Commerce for those cities that are members of the Joint Powers Agreement (JPA) for distribution to their membership.

On July 21, 2011 the Agency received bids from the following vendors:

Vendor	Per Engine Cost	Extended Amount
Empire Truck & Equipment Repair, Bloomington, CA	\$ 18,095.11	\$ 452,377.75
Complete Coach Works, Riverside, CA	\$ 19,911.84	\$ 497,796.00
Ironman Renewal, LLC, Santa Fe Springs, CA	\$ 21,438.00	\$ 535,950.00
Valley Power Systems, Inc. City of Industry, CA	\$ 22,101.70	\$ 552,542.50

In addition to the above pricing, staff reviewed the parts and labor costs associated with the supplemental work and, overall, found Empire’s costs to be competitive. Staff is recommending awarding an agreement to Empire Truck & Equipment Repair, the lowest responsive and responsible vendor.

If approved, the agreement will include a contingency amount of approximately \$67,344.00 to cover supplemental work, on a case by case basis, as determined by the Agency’s director of maintenance.

Fiscal Impact:

Funding for this procurement was included in the Agency’s FY12 capital budget.

Recommendation:

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

- Authorize staff to award Agreement No. 11-033 to Empire Truck & Equipment Repair in an amount that will not exceed \$519,721.75 for engine rebuilding services.