



**BOARD BUDGET AND FINANCE COMMITTEE MEETING
WEDNESDAY, MARCH 4, 2015, 2:00 P.M.
RIVERSIDE TRANSIT AGENCY BOARD ROOM
1825 THIRD STREET
RIVERSIDE, CA 92507**

<u>ITEM</u>	<u>RECOMMENDATION</u>
1. <u>CALL TO ORDER</u>	
2. <u>SELF-INTRODUCTIONS</u>	
3. <u>PUBLIC COMMENTS – NON-AGENDA ITEMS</u> 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.	RECEIVE COMMENTS
4. <u>APPROVAL OF MINUTES – FEBRUARY 4, 2015 COMMITTEE MEETING (P.3)</u>	APPROVE
5. <u>CASH FLOW PROJECTIONS (P. 6)</u>	RECEIVE AND FILE
6. <u>QUARTERLY CAPITAL STATUS (P.8)</u>	RECEIVE AND FILE
7. <u>QUARTERLY NATURAL GAS PROCUREMENT STATUS REPORT (P.9)</u>	RECEIVE AND FILE
8. <u>AUTHORIZATION TO RENEW ANNUAL SOFTWARE LICENSING AND SUPPORT SERVICES AGREEMENT WITH ORACLE AMERICA, INC. (ORACLE) FOR ENTERPRISE RESOURCE PLANNING (ERP) INFORMATION MANAGEMENT SOFTWARE (P.16)</u>	APPROVE

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.

<u>ITEM</u>	<u>RECOMMENDATION</u>
9. <u>AUTHORIZATION TO RENEW ANNUAL SOFTWARE LICENSING AND SUPPORT SERVICES AGREEMENT WITH TRAPEZE SOFTWARE GROUP, INC. (TRAPEZE), FOR PARATRANSIT SCHEDULING SOFTWARE SYSTEM (PASS) (P.18)</u>	APPROVE
10. <u>BOARD MEMBER COMMENTS AND REMARKS</u>	
11. <u>ANNOUNCEMENTS</u>	
12. <u>NEXT MEETING</u> BOARD BUDGET AND FINANCE COMMITTEE MEETING WEDNESDAY, APRIL 1, 2015 2:00 P.M. RTA HEADQUARTERS 1825 THIRD STREET RIVERSIDE, CA 92507	
13. <u>ADJOURN</u>	

RTA BOARD BUDGET AND FINANCE COMMITTEE MEETING
Minutes
February 4, 2015

1. CALL TO ORDER

Director Frank Johnston called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on February 4, 2015, in the RTA Board Room.

2. SELF-INTRODUCTIONS

Self-introductions were dispensed with. The Clerk of the Board recorded attendance.

Committee Members Attending

1. Chairman Andrew Kotyuk, City of San Jacinto, Council Member
2. First Vice-Chairman Frank Johnston, City of Jurupa Valley, Council Member
3. Director Brenda Knight, City of Beaumont, Mayor
4. Alternate Paul Raver, City of Hemet, Council Member
5. Director Berwin Hanna, City of Norco, Council Member
6. Director Randon Lane, City of Murrieta, Mayor Pro Tem
7. Alternate Deborah Rose, County of Riverside, District V, Legislative Assistant

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. Tammi Ford, Clerk of the Board
3. Tom Franklin, Chief Operating Officer
4. Craig Fajnor, Chief Financial Officer
5. Vince Rouzaud, Chief Procurement and Logistics Officer
6. Laura Camacho, Chief Administrative Services Officer
7. Rohan Kuruppu, Director of Planning
8. Virginia Werly, Director of Contract Operations
9. Bob Bach, Director of Maintenance
10. Jim Kneepkens, Director of Marketing
11. Rick Kaczerowski, Director of IT
12. Natalie Zaragoza, Contracts Manager
13. Brad Weaver, Marketing Manager
14. Eric Ustation, Government Affairs Representative
15. Rick Kaczerowski, Director of Information Technologies
16. Joan Hepworth, Deputy Clerk of the Board

Other Attendees:

1. Donna Johnston, County of Riverside District II, Alternate-at-Large
2. John Greene, GHI
3. Clarke Anderson, GHI

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

None.

4. APPROVAL OF MINUTES – JANUARY 14, 2015 COMMITTEE MEETING

M/S/C (HANNA/LANE) approving the January 14, 2015 committee meeting minutes.

The motion carried with five affirmative votes and one abstention (RAVER).

5. CASH FLOW PROJECTIONS

Mr. Fajnor presented the cash flow projections.

6. QUARTERLY INVESTMENT REPORT

Mr. Fajnor presented the quarterly investment report.

7. AGENCY INVESTMENT POLICY – ANNUAL UPDATE

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

- Adopt the Agency Investment Policy for 2015.

The motion carried with five affirmative votes and one abstention (LANE).

Brenda Knight arrived to the meeting at 2:23 p.m.

8. RATIFY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION MEASURE A WESTERN RIVERSIDE SPECIALIZED TRANSPORTATION PROGRAM GRANT APPLICATION FOR THE PROPOSED DIAL-A-RIDE PLUS RIVERSIDE TRANSIT AGENCY LIFELINE SERVICE PROGRAM FY2015 – 2018; AND AMEND THIRD-PARTY AGREEMENT WITH NETWORK PARATRANSIT INC.

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

- Ratify the 2015 Measure A Western Riverside Specialized Transportation Program Grant Application for the Proposed *Dial-a-Ride Plus Riverside Transit Agency Lifeline Service* Program FY2015 – 2018 funding request.
- Contingent upon grant approval, authorize staff to amend the Agency's third-party agreement with taxi overflow provider Network Paratransit Inc. for this specialized transportation program.

The motion carried unanimously.

9. BOARD MEMBER COMMENTS AND REMARKS

There were no comments or remarks made.

10. ANNOUNCEMENTS

Mr. Rubio asked for support from the Board members that are RCTC commissioners for the grant application RTA has submitted for the Proposed Dial-a-Ride Plus Riverside Transit Agency Lifeline Service Program.

11. NEXT MEETING

Board Budget and Finance Committee Meeting
Wednesday, March 4, 2015
2:00 p.m.
RTA Headquarters
1825 Third Street
Riverside, CA 92507

12. MEETING ADJOURNMENT

The meeting was adjourned at 2:34 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 4, 2015

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 February 2015 with projections through April 2015. This reporting period covers the first ten months of FY15.

Recommendation:

Receive and file.

**Riverside Transit Agency
FY15 Cash Flow Projection**

	Actual											
1	General Account	2/20/2015	2/27/2015	3/6/2015	3/13/2015	3/20/2015	3/27/2015	4/3/2015	4/10/2015	4/17/2015	4/24/2015	5/1/2015
2	Est. Cash, Beg Balance (Book)	56,514	(538,266)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
3	Receipts:											
4	LTF Operating - recurring		2,386,512				2,386,512					
5	LTF GASB 43/45		133,333				133,333					
6	RIN's Credit				11,610				7,000			
7	LCFS			29,841						25,000		
8	Farebox	105,873	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
9	Total Other Farebox	102,799	3,829	64,727	89,112	212,500	107,143	14,954	35,500	1,705	93,632	29,060
10	Total Other Local	2,395	20,000	1,000	1,000	1,000	1,000	20,000	1,000	1,000	4,000	20,000
11	FTA Operating				189,539				72,000			
12	Capital - Local, State		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
13	Echo - FTA Capital	1,188	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
14	Transfer from Investment to Gen Acct.	652,029		2,741,201		525,000		2,668,547	66,040	720,795	667,606	2,649,440
15	Disbursements:											
16	Payroll = Net+Tax	(709,229)		(710,000)		(715,000)		(720,000)		(725,000)		(725,000)
17	A/P Wires	(2,768)	(378,275)	(2,121,769)	(174,345)	(18,500)	(558,283)	(1,978,500)	(176,540)	(18,500)	(760,238)	(1,968,500)
18	A/P Checks	(135,692)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)	(145,000)
19	Capital Expenditures	(611,375)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)	(90,000)
20	Transfer to Investment from Gen Acct.		(1,572,133)		(111,915)		(2,064,706)					
21	Transfer to GASB Trust Acct.											
22	Actual Ending Book Balance / Targeted Minimum Balance	(538,266)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

23 LAIF Account:

24	Beginning balance	15,300,000	14,650,000	16,222,133	13,480,932	13,592,847	13,067,847	15,132,553	12,464,007	12,397,967	11,686,703	11,019,098
25	Quarterly Interest Income									9,532		
26	Transfers to/from Gen Acct.	(652,029)	1,572,133	(2,741,201)	111,915	(525,000)	2,064,706	(2,668,547)	(66,040)	(720,795)	(667,606)	(2,649,440)
27	Transfers to/from County Pool	2,029	-	-	-	-	-	-	-	-	-	-
28	Ending balance	14,650,000	16,222,133	13,480,932	13,592,847	13,067,847	15,132,553	12,464,007	12,397,967	11,686,703	11,019,098	8,369,657

29 County Pool Account:

30	Beginning balance	7,977,725	7,975,696	7,975,696	7,975,696	7,975,696	7,982,695	7,982,695	7,982,695	7,985,276	7,985,276	7,985,276
31	Quarterly Interest Income					6,999			2,581			
32	Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-	-
33	Transfers to/from LAIF	(2,029)	-	-	-	-	-	-	-	-	-	-
34	Ending balance	7,975,696	7,975,696	7,975,696	7,975,696	7,982,695	7,982,695	7,982,695	7,985,276	7,985,276	7,985,276	7,985,276

<i>Restricted</i>	8,909,030	9,042,363	9,042,363	9,042,363	9,049,362	9,182,695	9,182,695	9,185,276	9,185,276	9,185,276	9,185,276	9,185,276
<i>Available for Operating</i>	13,178,400	15,205,466	12,464,265	12,576,180	12,051,180	13,982,553	11,314,007	11,247,967	10,536,703	9,869,098	7,219,657	

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 4, 2015

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. An example of such a scenario is the next generation Intelligent Transportation System (ITS) project.

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 ITS and 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.

A presentation will be given at the committee meeting which provides an update on the Agency's capital projects, focusing on the activities from December 2014 through February 2015. 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.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 4, 2015

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

Summary: Prior to August 1, 2013, the Agency had always purchased its natural gas (converted to compressed natural gas or CNG) requirements for fueling revenue and non-revenue vehicles from the southern California Gas Company (SoCal Gas). The cost of the gas from SoCal Gas included the commodity cost of the gas as well as the transmission costs and related taxes/fees.

In May 2013, the Board authorized staff to enter into a multi-year contract with GHI LLC for the Agency's natural gas commodity requirements for conversion to CNG. The highlights of the GHI contract are as follows:

- GHI provides a fixed 4% discount off the SoCal Gas commodity cost (in the contract base years; 1-3)
- GHI provides the Agency with 5% of the total Renewable Identification Number (RINs) Credit earned
- GHI will both opt-in on the Agency's behalf for the California Air Resources Board (CARB) Low Carbon Fuel Standards (LCFS) Credit program and financially administer the Agency's LCFS Credits
- GHI provides the Agency with 100% of the LCFS Credit value earned
- GHI will provide a fixed 6% discount off of the SoCal Gas commodity cost (in the contract option years; 4-5)

The current Board approved Agency Investment Policy includes language regarding the purchase of natural gas requirements for conversion to CNG. In summary, the natural gas purchase language outlines the acceptable ways staff can purchase natural gas requirements for use in fueling Agency vehicles, whether from

SoCal Gas or an approved Energy Services Provider (ESP). The policy also includes language that describes the discipline to purchase a long-term fixed price-per-therm contract provided certain parameters are met. The policy also states that if the Agency buys its CNG requirements from an entity other than SoCal Gas, then staff would prepare a quarterly report for the Board regarding the performance results under the new purchase arrangement and provide a performance comparison to the prior purchase arrangement.

Attachment A to this staff report identifies the cost savings the Agency has experienced by purchasing natural gas from GHI versus purchasing it from SoCal Gas. The savings are calculated and depicted for both a monthly and trailing quarter basis.

Attachment B to this staff report identifies the RINs Credit earned by the Agency under its natural gas purchase arrangement with GHI. RINs credits are earned and paid monthly. As a reminder, no such opportunity existed with SoCal Gas nor was it offered by the other responsible and responsive bidder during the formal procurement process.

Attachment C to this staff report identifies the LCFS Credits earned by the Agency under its natural gas purchase arrangement with GHI. LCFS credits are earned monthly but paid quarterly. As a reminder, no viable means to provide this credit to the Agency was offered by the other responsible and responsive bidder during the formal procurement process.

Attachment D to this staff report indicates the key statistics being measured and tracked to determine whether or not the Agency should convert from the current monthly floating index cost per therm purchase arrangement to a longer-term fixed price per therm purchase arrangement per the Investment Policy. The statistics are kept to follow and enact, if applicable, the discipline installed as part of the annual investment policy.

Fiscal Impact:

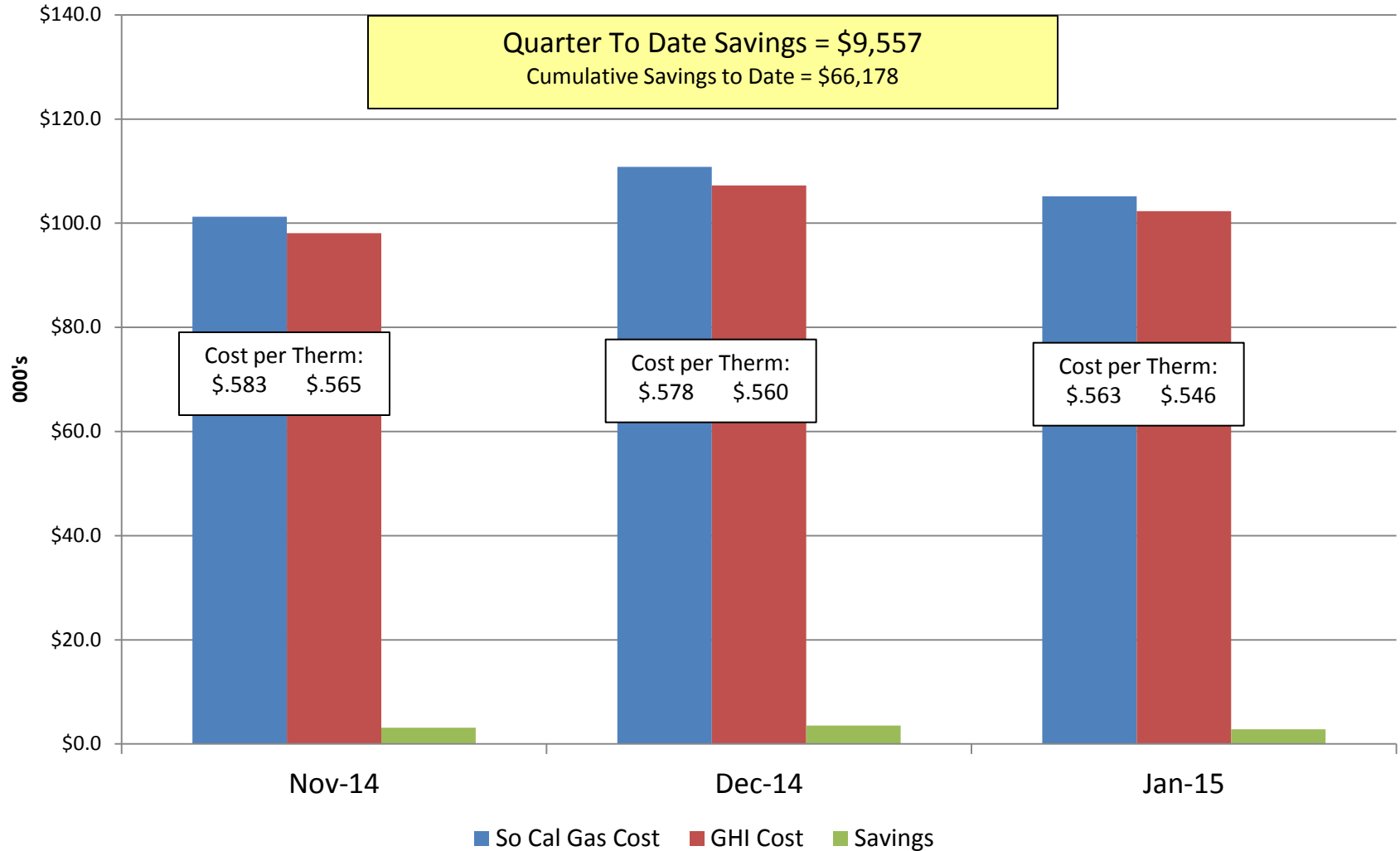
Under the current purchase arrangement with GHI, the Agency experienced \$9,557 of cost savings in the quarter covering November 2014 - January 2015 for its natural gas commodity requirements. In addition, the Agency earned a total of \$55,667 of combined revenue from the Federal RINs and State LCFS Credits' programs.

Recommendation:

Receive and file.

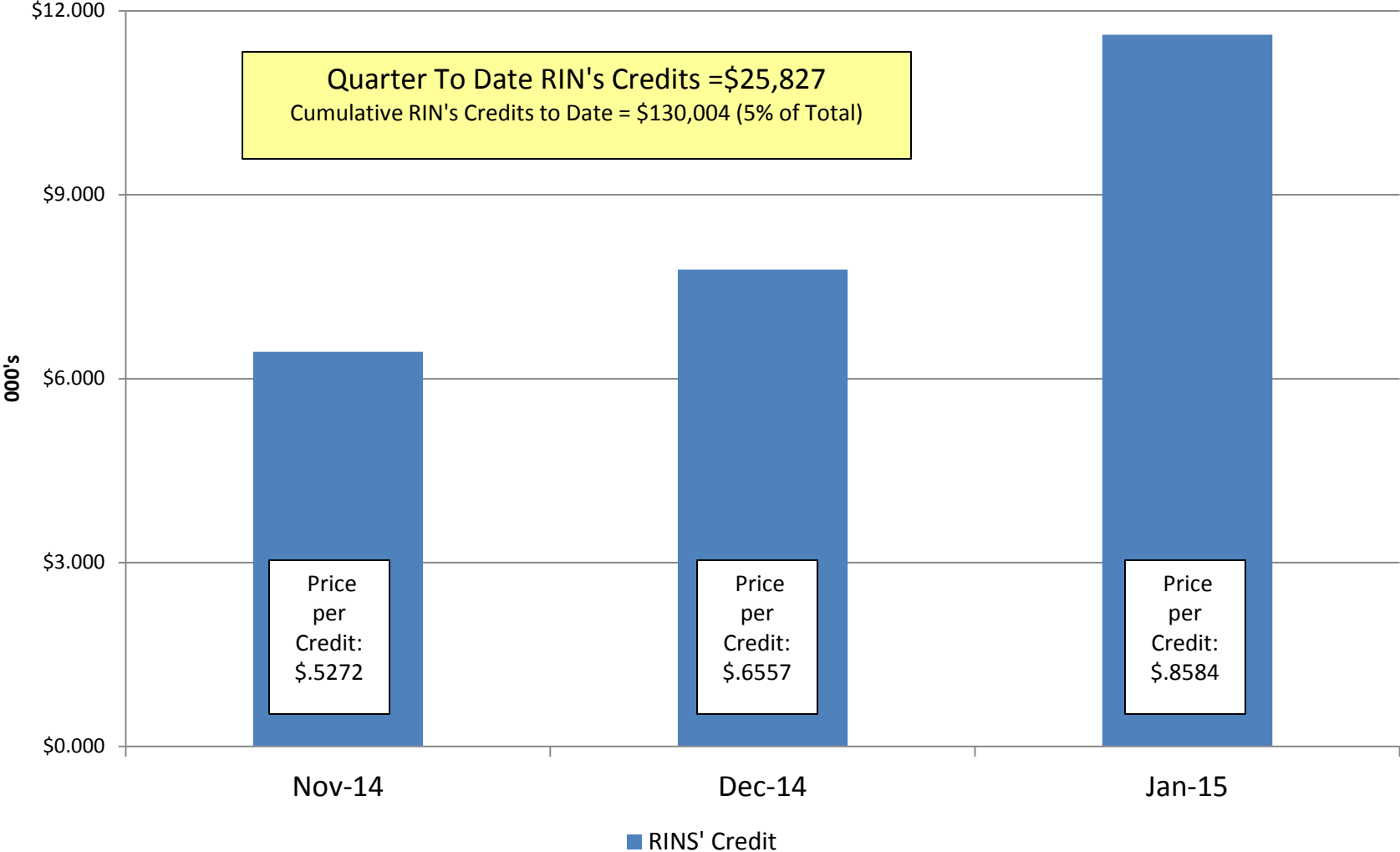
Attachment A

CNG Cost Savings - So Cal Gas vs. GHI



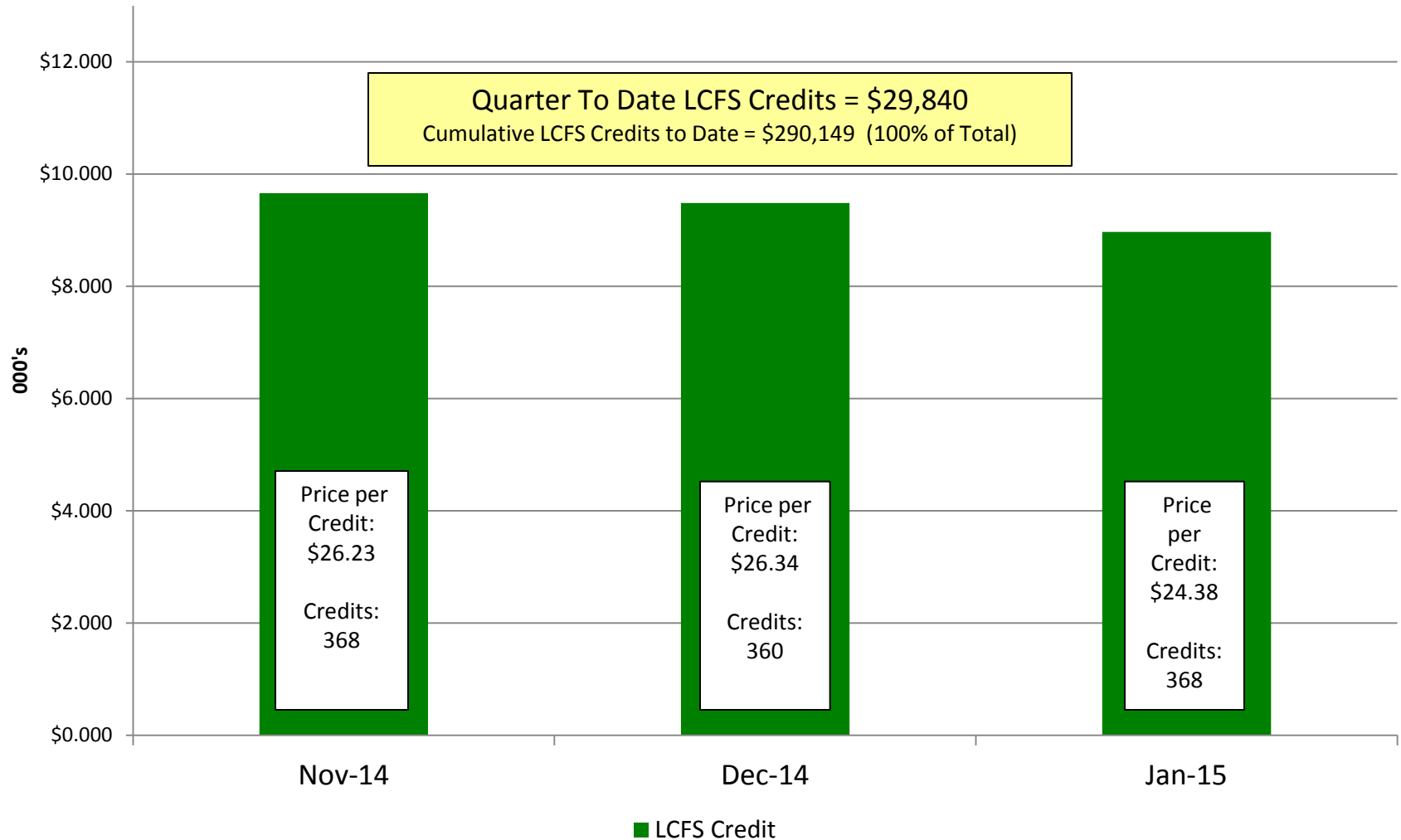
Attachment B

Renewable Identification Number (RIN's) Credit



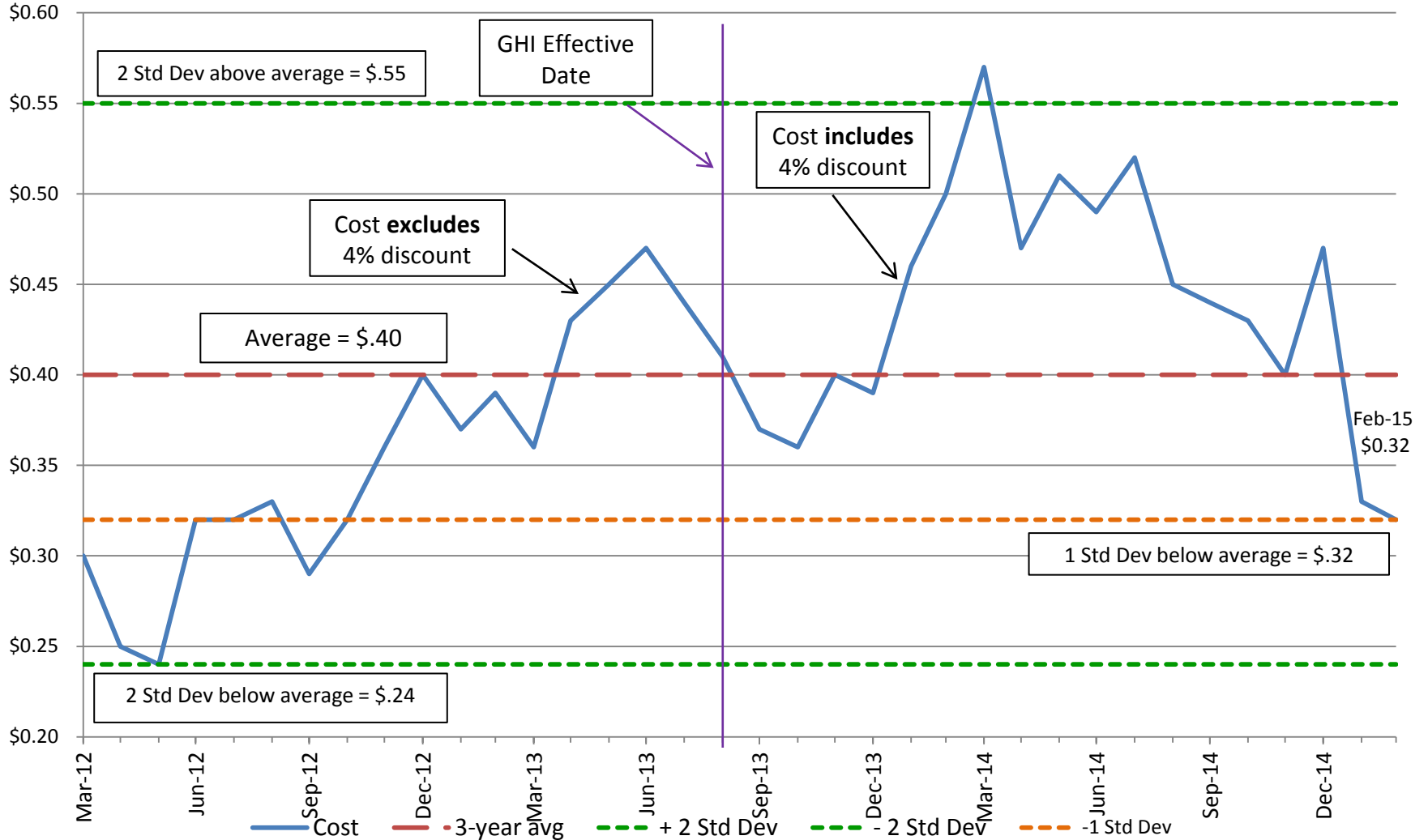
Attachment C

Low Carbon Fuel Standards (LCFS) Credit



Attachment D

CNG Cost per Therm Trailing 3 Years (commodity cost only)



RIVERSIDE TRANSIT AGENCY
1825 Third St.
Riverside, CA 92507

March 4, 2015

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Renew Annual Software Licensing and Support Services Agreement with Oracle America, Inc. (Oracle) for Enterprise Resource Planning (ERP) Information Management Software

Summary: Staff is requesting authorization to renew its annual software licensing and technical support services agreement with Oracle for its Enterprise Resource Planning (ERP) information management software. The current agreement is due to expire on June 30, 2015.

Background

In FY2000, the Board of Directors authorized the award of a competitively bid enterprise-wide information management system. At a cost of approximately \$2.5 million, the system is comprised of two fully integrated software platforms: Oracle financial applications used for the Agency's accounting, budgeting, fixed assets, purchasing and human resources and Infor software which is used for materials and maintenance management. The system was expanded in FY03 with the addition of an Oracle grants management module to automate and improve the management of the Agency's various federal, state and local grants. On December 18, 2014, the Board of Directors authorized staff to renew the annual license and technical support services agreement with Infor for the materials and maintenance management software.

Oracle software is proprietary and licensing and technical support services are available only through Oracle. Since all software is considered copyright protected, software developers will grant a third-party permission to use their software in ways that would otherwise be considered copyright infringement. In exchange for granting permission to use the software, the third-party is required to enter into a software license agreement with the developer. Renewal of the software services agreement will enable the Agency

to continue to receive software updates, bug fixes and other technical support services.

If the Agency chose to not renew the annual license and support services agreement with Oracle, the alternative would be to re-procure a new ERP system. The initial capital investment for a new ERP system is estimated to be a minimum of \$3.5 million. Additional costs would likely be incurred for system customization, integration with other systems, training, and costs for the conversion of existing data. However, after the initial software license expired, the Agency would still be required to enter into an annual license and support services agreement with the new vendor for their proprietary software.

Staff solicited a quotation from Oracle to continue their software licensing and technical support services; the resulting quote for the next 12-month period beginning July 1, 2015, was \$39,769.56, an increase of 3 percent. Staff reviewed Oracle's proposed pricing and determined it to be fair and reasonable.

Fiscal Impact:

Sufficient funds to cover this request will be included in the Agency's FY16 operating budget.

Recommendation:

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

- Authorize staff to renew its annual software licensing and support services agreement with Oracle America, Inc. for the Agency's Enterprise Resource Planning (ERP) Information Management software for the period from July 1, 2015 through June 30, 2016 in an amount not-to-exceed \$39,769.56.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

March 4, 2015

TO: BOARD BUDGET AND FINANCE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Chief Procurement and Logistics Officer

SUBJECT: Authorization to Renew Annual Software Licensing and Support Services Agreement with Trapeze Software Group, Inc. (Trapeze), for Paratransit Scheduling Software System (PASS)

Summary: Staff is requesting authorization to renew its annual software licensing and technical support services agreement with Trapeze for the Agency's Paratransit Scheduling Software System (PASS). The current agreement is due to expire on April 30, 2015.

Background

The Agency provides complementary paratransit Dial-a-Ride service in compliance with the Americans with Disabilities Act (ADA) legislation. This service is an origin to destination advanced reservation service and provides transport for approximately 1,600 seniors and/or persons with disabilities each weekday. Service is provided during the same hours of operation as local fixed-route bus service with customers scheduling rides from one to three days in advance.

Trapeze PASS is a scheduling and dispatching software application developed to support the transportation management efforts of paratransit services while following the guidelines promulgated under the ADA. PASS is used for client registration, ADA eligibility certification, trip booking, real-time scheduling and dispatching. PASS integrates with GIS mapping enabling users to precisely geocode client addresses and destinations to calculate trip lengths and distances for effective scheduling. In addition, real-time vehicle location and mobile data communications are integrated into PASS allowing dispatch to track vehicles and communicate with drivers.

In the mid-1990's the Agency purchased a paratransit scheduling and dispatching software system developed by Multisystems Inc. (Multisystems). In 2002, Trapeze acquired Multisystems Information Technology Group, the software division of Multisystems, Inc.

As a software license holder of Multisystems, the Agency was provided the opportunity to upgrade to Trapeze PASS with no additional costs or licensing fees. Both software systems provided the same basic applications, with Trapeze offering a higher level of functionality and expanded features not available in the Multisystems software. PASS is the industry standard for managing demand response paratransit operations and has been used by the Agency since FY03. The current cost to replace PASS with new scheduling and dispatching software is estimated at approximately \$500,000 to \$750,000, excluding system customization, system integration, training as well as the costs for conversion of existing data.

Renewal of the software services agreement will enable the Agency to continue to receive software updates, bug fixes and other technical support services.

PASS software is proprietary and the license and support are available only through Trapeze. Staff solicited a quotation from Trapeze to continue to provide software licensing and support services. Trapeze responded with a quote for the next 12-month period in the amount of \$75,995, an increase of 7 percent overall. It should be noted that the increase over last year's cost is due in large part to the expansion of the Agency's paratransit fleet size; from 83 vehicles to 98 vehicles. Staff reviewed Trapeze's proposed pricing and determined it to be fair and reasonable.

Fiscal Impact:

Sufficient funds to cover this request are included in the Agency's FY15 operating budget.

Recommendation:

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

- Authorize staff to renew its annual software licensing and support services agreement with Trapeze Software Group, Inc. for PASS software for the period from May 1, 2015 through April 30, 2016 in an amount not-to-exceed \$75,995.