



December 2, 2015
2:00 p.m.

AGENDA

**Board Budget and Finance Committee Meeting
Riverside Transit Agency – Board Room
1825 Third Street
Riverside, CA 92507**

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**

<u>ITEM</u>	<u>RECOMMENDATION</u>
3. PUBLIC COMMENTS – NON-AGENDA ITEMS 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 – NOVEMBER 4, 2015 COMMITTEE MEETING (P.3)</u>	APPROVE
5. <u>CASHFLOW 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 AWARD AGREEMENT NO. 15-041 TO KTU+A FOR A FIRST AND LAST MILE MOBILITY STUDY (P.16)</u>	APPROVE
9. BOARD MEMBER COMMENTS	
10. ANNOUNCEMENTS	
11. MEETING ADJOURNMENT	

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

1. **CALL TO ORDER**

Committee Chairwoman Krupa called the Board Budget and Finance Committee meeting to order at 2:00 p.m., on November 4, 2015, in the RTA Board Room.

2. **SELF INTRODUCTIONS**

Self-introductions, of those in attendance took place. Director Lane asked staff seated at the dais to state their years of service to RTA and the transit industry.

Committee Members Attending

1. Committee Chair Linda Krupa, City of Hemet
2. Director Brenda Knight, City of Beaumont
3. Second Vice-Chairman Frank Johnston, City of Jurupa Valley
4. Director Randon Lane, City of Murrieta
5. Director Berwin Hanna, City of Norco
6. Chairman Andrew Kotyuk, City of San Jacinto
7. Director Maryann Edwards, City of Temecula
8. Alternate Deborah Rose, County of Riverside, District V

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. James Donich, Agency General Counsel
3. Tammi Ford, Clerk of the Board of Directors
4. Tom Franklin, Chief Operating Officer
5. Craig Fajnor, Chief Financial Officer
6. Vince Rouzaud, Chief Procurement and Logistics Officer
7. Laura Camacho, Chief Administrative Services Officer
8. Rohan Kuruppu, Director of Planning
9. Jim Kneepkens, Director of Marketing
10. Virginia Werly, Director of Operations
11. Bob Bach, Director of Maintenance
12. Rick Kaczerowski, Director of Information Technologies
13. Natalie Zaragoza, Director of Contracts
14. Charlie Ramirez, Controller
15. Kelly Bach, Performance Analysis & Reporting Manager
16. Brad Weaver, Marketing Manager
17. Eric Ustation, Government Affairs Manager
18. Joe Forgiarini, Planning and Scheduling Manager
19. Joan Hepworth, Deputy Clerk of the Board of Directors
20. Kristin Warsinski, Planning and Programming Specialist
21. Joshua Palazzo, Planning and Programming Specialist

Other Attendees:

1. Ryan Nielsen, Brown Armstrong

3. **PUBLIC COMMENTS – NON-AGENDA ITEMS**

None.

4. **APPROVAL OF MINUTES – OCTOBER 7, 2015 COMMITTEE MEETING**

M/S/C (HANNA/LANE) approving the October 7, 2015 committee meeting minutes.

The motion carried unanimously.

5. **CASH FLOW PROJECTIONS**

Mr. Fajnor presented the cash flow projections.

6. **QUARTERLY INVESTMENT REPORT**

Mr. Fajnor presented the Quarterly Investment Report.

7. **AUTHORIZATION TO ENTER INTO AGREEMENT NO. 16-021 WITH THE RIVERSIDE COUNTY DEPARTMENT OF HEALTH SERVICES TO CONTINUE TO RECEIVE REIMBURSEMENT THROUGH THE MEDI-CAL ADMINISTRATIVE ACTIVITIES PROGRAM**

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

- Authorize staff to enter into Agreement No. 16-021 with the Riverside County Department of Health Services to continue to receive reimbursement through the Medi-Cal Administrative Activities Program.

The motion carried unanimously.

8. **AUTHORIZATION TO AWARD AGREEMENT NO. 15-036 TO MICHELIN NORTH AMERICA, INC. FOR BUS TIRE LEASING SERVICES**

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

- Authorize staff to award Agreement No. 15-036 to Michelin North America, Inc. for bus tire leasing services in an amount that shall not exceed \$1,542,177.87.

- Authorize staff to amend Agreement No. 10-038 with The Goodyear Tire and Rubber Company in the amount of \$170,147 to exercise the run-out provision on the existing tire inventory.

The motion carried unanimously.

9. FISCAL YEAR 2014/2015 (FY15) FINANCIAL AUDIT RESULTS

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

- Accept the Riverside Transit Agency's FY15 Audited Financial Statements and Single Audit Reports as final.

The motion carried unanimously.

10. PEPRA/13c UPDATE

Agency General Counsel, James Donich, and Mr. Rubio presented an update on PEPRA/13c.

11. BOARD MEMBER COMMENTS

Comments were made by the following Board members: Director Brenda Knight, Second Vice-Chairman Frank Johnston, Director Randon Lane, Director Maryann Edwards, and Committee Chair Linda Krupa.

12. ANNOUNCEMENTS

Larry Rubio made an announcement and asked additional staff members not seated at the dais to introduce themselves and state their years of service to RTA and in the transit industry.

13. NEXT MEETING

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

14. MEETING ADJOURNMENT

The meeting was adjourned at 2:53 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

December 2, 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 mid-November 2015 with projections through January 2016. This reporting period covers the first seven months of FY16.

There are no cash flow issues anticipated during this reporting period.

Recommendation:

Receive and file.

**Riverside Transit Agency
FY16 Cash Flow Projection**

	Actual												
1	General Account	11/13/2015	11/20/2015	11/27/2015	12/4/2015	12/11/2015	12/18/2015	12/25/2015	1/1/2016	1/8/2016	1/15/2016	1/22/2016	1/29/2016
2	Est. Cash, Beg Balance (Book)	(37,837)	260,376	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
3	Receipts:												
4	LTF Operating - recurring			4,088,131				4,088,131					4,088,131
5	LTF OPEB			281,667				281,667					281,667
6	RIN's Credit				7,000					7,000			
7	LCFS		80,326										
8	CalPERS CERBT Disbursement		94,283				97,173				100,000		
9	Farebox	133,778	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
10	Total Other Farebox	226,052	241,034	87,157	20,303	221,382	29,931	66,667	1,705	292,475	16,698	66,667	
11	Total Other Local	11,333	2,000	2,000	30,000	2,000	2,000	2,000	30,000	2,000	2,000	8,000	2,000
12	FTA Operating	65,845	19,861		26,228	9,241,935			437				
13	Capital - Local, State						38,422	5,000	5,000	5,000	5,000	5,000	5,000
14	Echo - FTA Capital	16,760	59,405	20,000		10,000	10,000	10,000	10,000	3,222,248	10,000	10,000	234,100
15	Transfer from Investment to Gen Acct.	750,000			2,145,684		105,374		343,146	4,809,874		820,302	
16	Disbursements:												
17	Payroll = Net+Tax	(728,448)		(745,000)		(900,000)		(750,000)		(760,000)		(780,000)	
18	A/P Wires	(17,330)	(193,272)	(245,000)	(2,179,215)	(1,638,000)	(232,900)	(25,000)	(405,250)	(2,045,000)	(340,560)	(25,000)	(686,460)
19	A/P Checks	(61,057)	(155,000)		(155,000)	(155,000)	(155,000)	(155,000)	(155,000)	(155,000)	(155,000)	(155,000)	(155,000)
20	Capital Expenditures	(98,720)	(45,000)		(45,000)	(3,360,000)	(45,000)	(45,000)	(45,000)	(5,237,827)	(50,000)	(50,000)	(3,148,796)
21	Transfer to Investment from Gen		(464,014)	(3,638,955)		(3,572,317)		(3,561,798)			(13,915)		(837,309)
22	Transfer to OPEB Trust Acct.												
23	Actual Ending Book Balance / Targeted Minimum Balance	260,376	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000

24 LAIF Account:

25	Beginning balance	7,848,990	7,098,990	7,563,004	11,201,959	9,056,275	15,943,592	15,838,218	19,400,016	19,056,870	16,061,823	16,085,355	15,265,052
26	Quarterly Interest Income										9,616		
27	Transfers to/from Gen Acct.	(750,000)	464,014	3,638,955	(2,145,684)	3,572,317	(105,374)	3,561,798	(343,146)	(4,809,874)	13,915	(820,302)	837,309
28	Transfers to/from County Pool	-	-	-	-	3,315,000	-	-	-	1,814,828	-	-	2,419,773
29	Ending balance	7,098,990	7,563,004	11,201,959	9,056,275	15,943,592	15,838,218	19,400,016	19,056,870	16,061,823	16,085,355	15,265,052	18,522,134

30 County Pool Account:

31	Beginning balance	26,568,491	26,568,491	26,568,491	26,568,491	26,583,690	23,268,690	23,268,690	23,268,690	23,268,690	21,464,002	21,464,002	21,464,002
32	Quarterly Interest Income				15,199					10,139			
33	Transfers to/from Gen Acct.	-	-	-	-	-	-	-	-	-	-	-	-
34	Transfers to/from LAIF	-	-	-	-	(3,315,000)	-	-	-	(1,814,828)	-	-	(2,419,773)
35	Ending balance	26,568,491	26,568,491	26,568,491	26,583,690	23,268,690	23,268,690	23,268,690	23,268,690	21,464,002	21,464,002	21,464,002	19,044,229

<i>Restricted</i>	27,425,159	27,425,159	27,706,826	27,722,025	24,407,025	24,407,025	24,688,692	24,688,692	22,884,004	22,884,004	22,884,004	20,745,898
<i>Available for Operating</i>	6,502,698	6,756,336	10,113,624	7,967,940	14,855,257	14,749,883	18,030,014	17,686,868	14,691,821	14,715,353	13,895,050	16,870,465
Avg Operating expenses per month =	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000
No. of months Oper Cash On Hand =:	1.13	1.18	1.76	1.39	2.58	2.57	3.14	3.08	2.56	2.56	2.42	2.93

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

December 2, 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. Examples of such a scenario are the heavy-duty CNG bus fleet replacement/expansion and the Intelligent Transportation System (ITS) enhancement/expansion projects.

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.

A presentation will be given at the committee meeting which provides an update on the Agency's capital projects, focusing on the activities from September through November 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

December 2, 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

Background: 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. The natural gas purchase language outlines the acceptable ways staff can purchase natural gas requirements for use in fueling Agency vehicles.

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 natural gas requirements from an entity other than SoCal Gas, 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.

Summary: 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.

It should be noted that, based on the investment policy discipline and market conditions, the Agency has executed contract purchases for three months of natural gas requirements (80%) commencing in October 2015, January 2016 and April 2016. The contracts cover the periods of October through December 2015, January through March 2016, and April through June 2016, respectively.

Fiscal Impact:

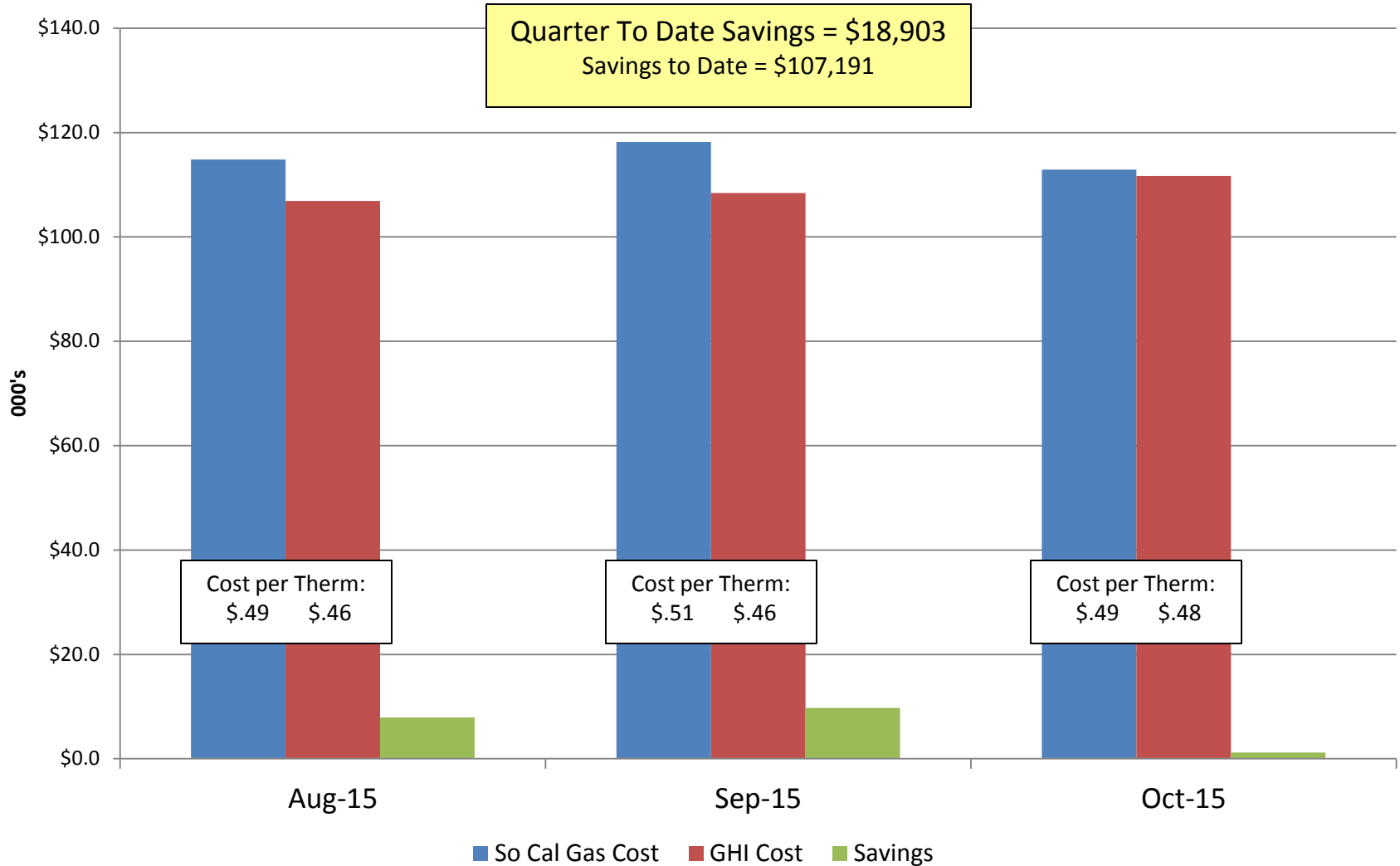
Under the current purchase arrangement with GHI, the Agency experienced \$18,903 of cost savings in the quarter covering August - October 2015 for its natural gas commodity requirements. In addition, the Agency earned a total of \$117,162 of combined revenue from the Federal RINs and State LCFS Credits' programs.

Recommendation:

Receive and file.

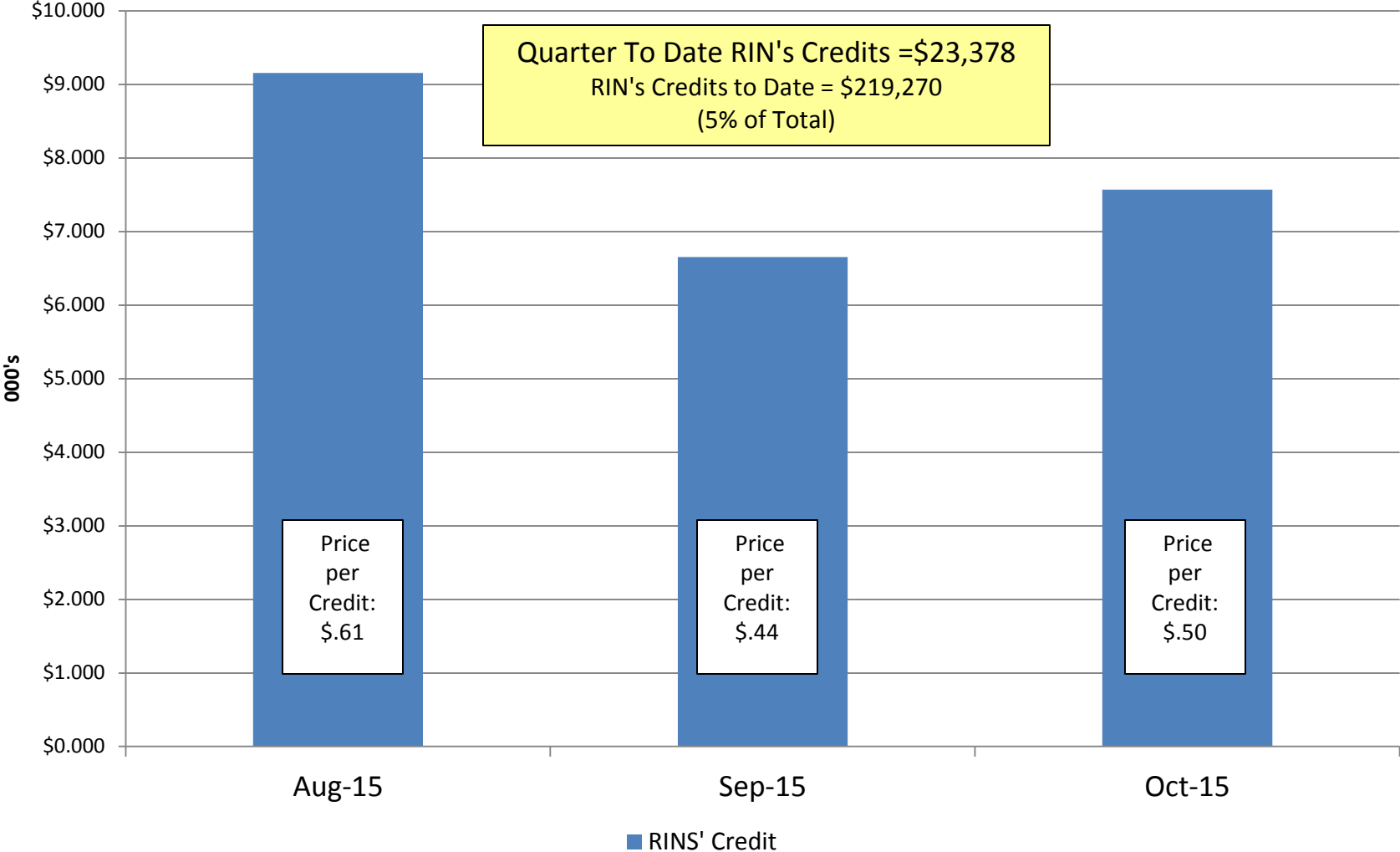
Attachment A

CNG Cost Savings - So Cal Gas vs. GHI

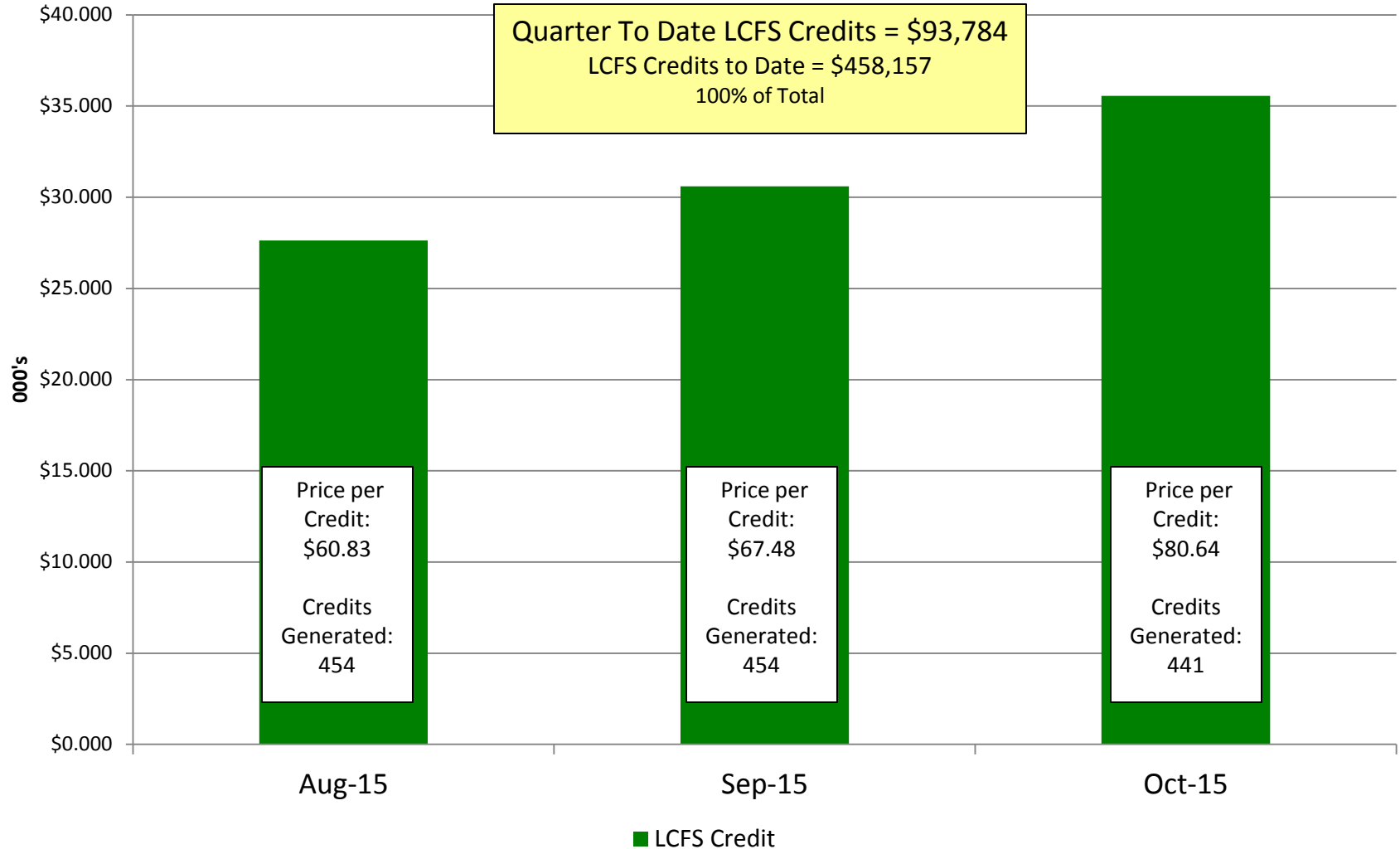


Attachment B

Renewable Identification Number (RIN's) Credit

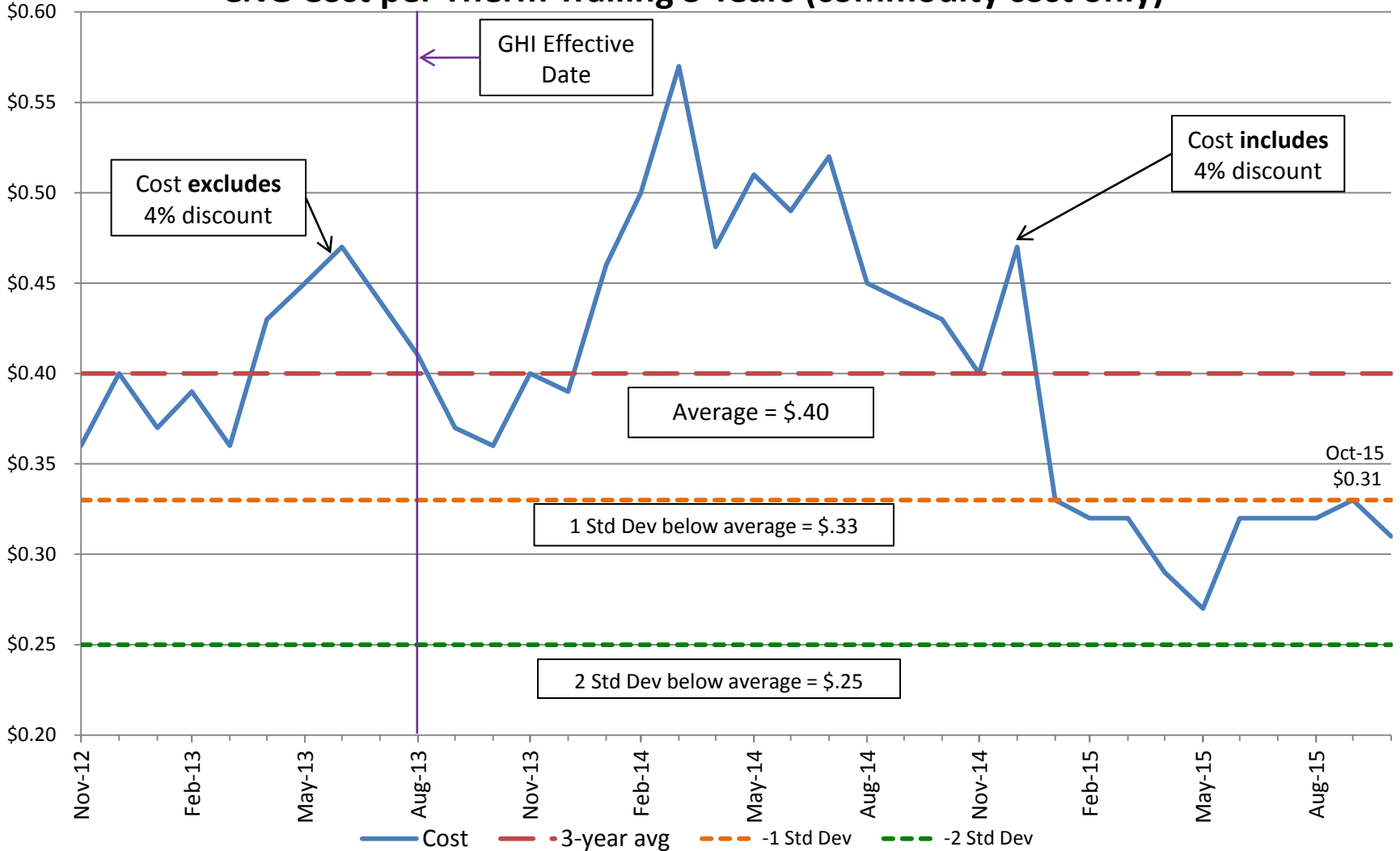


Attachment C Low Carbon Fuel Standards (LCFS) Credit



Attachment D

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



RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

December 2, 2015

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. 15-041 to KTU+A for a First and Last Mile Mobility Study

Summary: In February of this year, the Agency's Board of Directors authorized staff to enter into a Memorandum of Understanding (MOU) with the Southern California Association of Governments (SCAG). The MOU was a pre-requisite in order to receive federal grant funds under the California Department of Transportation's (Caltrans) *Transit Planning for Sustainable Communities* Statewide Planning Program.

The grant will be used to fund a study that addresses the first and last mile obstacles faced by many commuters when traveling from home to a transit facility, and then from a transit facility to their final destination. While these funds are administered through Caltrans and the Southern California Association of Governments (SCAG), it is the Agency that is responsible for selecting a consultant and completing the study.

Staff, along with assistance from SCAG and Caltrans as stakeholders, formulated the following goals for the study:

- Evaluate first and last mile transit connectivity at facilities with existing or forecasted high ridership concentrations throughout western Riverside County;
- Identify strategic, sustainable improvements needed to maximize connectivity options to and from transit facilities; and
- Ensure the study includes recommendations for the integration of diverse modes of first and last mile travel.

The key elements of the study and the resulting expectations of the successful consultant include:

- An extensive analysis and site evaluation of key transfer points and highly utilized trip origins and destinations, such as major

employment zones, park and ride locations, transit centers, and rail stations;

- The development of a toolbox of strategies to improve the first and last mile experience for transit in the RTA service area; Stakeholder outreach activities to gain input on site specific strategies with the best potential to increase ridership and intermodal connectivity by improving the first and last mile leg of the transit commute; and
- The final provision of a first and last mile plan with short and long term recommendations and how these can be applied to locations throughout the RTA service area.

On August 28, 2015 the Agency issued Request for Proposals (RFP) No. 15-041. The procurement 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. In addition, the Agency sent notices to the Chambers’ of Commerce of those cities that are members of the Joint Powers Agreement (JPA).

On September 30, 2015, six proposals were received from the following vendors:

Vendor	Price
Transpogroup / Newport Beach, CA	\$185,347
KOA Corporation / Monterey Park, CA	\$194,200
Ch2M Hill / Los Angeles, CA	\$194,618
KTU+A / San Diego, CA	\$194,875
Transportation Management & Design / Carlsbad, CA	\$194,905
IBI Group / Irvine, CA	\$194,982

The proposals were evaluated by a committee representing staff from the planning and purchasing departments, as well as representatives from SCAG and Caltrans. Vendors were rated in three general areas; qualifications and related experience, staffing and project organization, and an understanding of the Agency’s requirements.

Upon completion of the technical review, the three highest technically ranked firms were invited for in-person interviews. The three firms were

Transpogroup, KTU+A, and IBI Group.

The interview process gives staff the opportunity to ask proposers specific questions to clarify their proposals. In addition, staff can gauge the firm's approach and commitment to items such as their understanding of the Agency's goals and expectations for the project, as well as the practicality of their technical approach and proposed work plan.

At the conclusion of the evaluation process, the committee determined that KTU+A was the most technically responsive and responsible vendor and would provide the best value to the Agency. Their submittal included a solid work plan along with a well-credentialed project team with experience in first and last mile planning efforts. As such, staff is recommending the award of an Agreement to the firm of KTU+A for this project.

Fiscal Impact:

This item was included in the Board approved FY16 capital budget. The following is the funding profile:

Funding Source		
Federal Section 5304	LTF	Total
\$ 171,600	\$ 23,400	\$ 195,000

Recommendation:

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

- Authorize staff to award Agreement No. 15-041 to KTU+A for a first and last mile mobility study in the not to exceed amount of \$194,875.00.