



Regular Meeting of the Board of Directors

Tuesday, February 25, 2014

10:00 a.m.

Antelope Valley Transit Authority Community Room
42210 6th Street West, Lancaster, California
www.avta.com

OFFICIAL MINUTES

OATH OF OFFICE:

General Counsel D. Craig Fox administered the Oath of Office to Mike Dispenza and Laura Bettencourt, the City of Palmdale's Alternate Directors, prior to the meeting.

CALL TO ORDER:

Chairman Hickling called the meeting to order at 10:01 a.m.

PLEDGE OF ALLEGIANCE:

Senior IT Analyst Robert Keys led the Pledge of Allegiance.

ROLL CALL:

Present

Chairman Norm Hickling

Vice Chairman Marvin Crist

Alternate Director Laura Bettencourt (Director Tom Lackey absent)

Alternate Director Mike Dispenza (Director Steve Hofbauer absent)

Director Dianne Knippel

Director Sandra Johnson

APPROVAL OF AGENDA

Chairman Hickling requested that Old Business (OB) 1 – Report on Issues Pertinent to Potential Procurement of 12 Electric Buses and Consideration and Recertification of October 2013 AVTA Board Authorization to Purchase 12 Clean Diesel Buses from Gillig Corporation under Contract #2014-12 be heard at the beginning of the agenda and that staff reports and presentation items be addressed last.

Vice Chairman Crist requested that New Business (NB) 4 – Award Sole Source Contract #2014-22 to WAVE, Inc. for Two Inductive Charging Stations and Multiple Construction Contracts Required for Installation of BYD and WAVE Charging Systems be heard immediately following OB 1.

Motion: Approve the agenda as revised.

Moved by Chairman Hickling, seconded by Director Dispenza

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

PUBLIC BUSINESS FROM THE FLOOR:

There was no public business presented.

MISCELLANEOUS BUSINESS – NON-AGENDA ITEMS:

There were no miscellaneous business – non-agenda items presented.

OLD BUSINESS (OB):

OB 1 REPORT ON ISSUES PERTINENT TO POTENTIAL PROCUREMENT OF 12 ELECTRIC BUSES AND CONSIDERATION AND RECERTIFICATION OF OCTOBER 2013 AVTA BOARD AUTHORIZATION TO PURCHASE 12 CLEAN DIESEL BUSES FROM GILLIG CORPORATION UNDER CONTRACT #2014-12

Director of Operations and Maintenance Len Engel presented a summary of the Board's direction to staff at the January 28, 2014 meeting, diesel and electric bus procurement timelines, cost elements and lease considerations, procurement process, sole source issues, and elements to include in a Request for Proposals (RFP).

Director Knippel and Alternate Director Bettencourt requested information regarding the delivery timeline for the electric buses and the Gillig clean diesel buses, the full buy of the Gillig buses versus the buy/lease option for the electric buses, alternate funding if AVTA does not receive the Low or No Emission Vehicle Deployment Program (LoNo) grant, and status of the Altoona testing for the BYD bus.

Mr. Engel responded that BYD suggested that they could deliver the electric buses sooner than Gillig could deliver the clean diesel buses. The Gillig buses

are \$444K each and the BYD electric buses are \$860K each. The AVTA has the funds available for the 12 Gillig clean diesel buses. However, AVTA would need to develop financing to lease or some type of grant funding to cover the incremental difference of an outright purchase for the electric buses. The cost for an electric bus would possibly be net zero at the end of the 12-year period because AVTA could save on fuel and maintenance costs. With FTA approval, AVTA could also buy the electric buses without the battery and lease the battery under a capital lease program.

Executive Director Julie Austin added that for purposes of the cost comparisons that would be submitted to the Federal Transit Administration (FTA), the electric bus would cost about \$1.1 million under the lease agreement compared to \$860K for an outright purchase because the lease would include the estimated cost of fuel. The outright purchase would be about the same as the lease once fuel costs were included.

Director Knippel stated that the Board received a letter from Stella Li, the president of BYD. Ms. Li proposes that the AVTA procure the Stanford E-bus, which has been a success in transit service at Stanford University in Northern California. Director Knippel inquired whether this is the same bus that is currently in Altoona testing for AVTA and how it may have been purchased by the university. Mr. Engel speculated that if Stanford University procured it using private money, they might not be required to follow the same FTA guidelines as the Authority. He would have to confirm that information as well as whether the Stanford E-bus is the same as the North American model that is currently in Altoona testing. Ms. Austin added that Altoona testing for the AVTA buses should be concluded by June 2014.

Chairman Hickling introduced the following motion:

A new Discretionary Funding opportunity has been introduced by the FTA entitled the Low or No Emission Vehicle Deployment Program (LoNo). This program will make \$24.9 million of FY13 funds available for the deployment of low or no emission transit buses. Of that amount, \$21.6 million is available for buses and \$3.3 million is available for supporting facilities and related equipment. In recognition of AVTA's commitment to moving toward a zero emission fleet, I hereby move that the Board of Directors do the following:

- A. Receive and file a report on issues pertinent to the possible procurement of 12 electric buses in lieu of diesel buses;**

- B. Direct staff to apply for FTA 5312 Low or No Emission Vehicle Deployment (LoNo) funding by March 3, 2014 in partnership with BYD and WAVE, Inc. This application shall request funds required for the incremental cost difference between the Gillig clean diesel buses and 12 electric buses plus necessary charging equipment;**
- C. Specific elements of the application shall include at least all of the following plus all items required by FTA as listed in the January 9, 2014 Federal Register:**
 - a. An explanation of infrastructure required based on number of buses, i.e. one inductive charging station is required for every four electric buses funded;**
 - b. Letters of support from community partners, including Lancaster, Palmdale, County of Los Angeles, AVAQMD, AV Board of Trade, and Greater Antelope Valley Economic Alliance; and**
 - c. Commitment letters from AVTA, BYD, WAVE, Inc. and a technical support consultant.**
- D. Upon FTA notification of a LoNo grant award, the executive director shall immediately take steps to procure electric buses and/or supporting infrastructure in accordance with FTA requirements and in a number consistent with the funds allocated; and**
- E. Upon notification by FTA of any funds awarded through the LoNo program, place a motion for the Board at an appropriate Board meeting to reconsider and recertify the Board's October 2013 authorization to purchase 12 clean diesel buses from Gillig Corporation under Contract #2014-12.**

Discussion continued.

Chairman Hickling stated that this motion gives staff clear direction that the Board wants to pursue the LoNo program for the purchase of 12 electric buses. Staff will proceed once the FTA makes a determination regarding the AVTA's funding allocation.

Vice Chairman Crist requested confirmation from Chairman Hickling that the motion clearly directs staff to move toward a zero emission fleet. In his opinion, the Board members clarified their intent to move toward procurement of a zero emission fleet at its July, October, and November 2013 meetings and voted on the issue at the January 2014 meeting.

Chairman Hickling reiterated that as money becomes available, staff should move forward as it fits the needs of the AVTA. The technology may not be feasible for a commuter electric fleet, but it may be in the future.

Vice Chairman Crist wanted the Chairman to add to his motion that staff immediately processes a RFP once the funds are available or Ms. Austin finds the funds, and wanted to ensure that a competitive procurement was conducted.

Chairman Hickling stated that for the LoNo application, you have to partner with a manufacturer. Ms. Austin replied that the applicant does not have to partner with a manufacturer, but the FTA is encouraging it. Chairman Hickling added that the Board is taking out the “may” and choosing BYD as a manufacturing partner. Vice Chairman Crist expressed concern that he does not want another electric bus company to protest that the Authority is not being open and competitive; thereby, disqualifying BYD as staff moves toward processing an RFP.

Mr. Engel added that under the LoNo program, the FTA is encouraging and expecting that agencies partner with one manufacturer; the program includes a waiver of FTA procurement requirements, including an RFP. Staff is waiting on a response from the FTA regarding whether that also affects the base amount, which would be funded with Section 5307 discretionary funds. FTA may respond that the procurement waiver will only cover the incremental cost above the \$444K.

Vice Chairman Crist emphasized that he wants to ensure that the record reflects that the Authority is doing this openly and competitively and moving toward a zero emission fleet. General Counsel answered that it is largely a statement of opinion, but without somebody objecting, it can be read consistently with the motion.

Alternate Director Bettencourt asked if the two BYD electric demonstration buses would be tested and whether under Chairman Hickling's proposal any additional clean diesel buses would be purchased immediately. She and Director Knippel expressed concern regarding buses breaking down and the effect this will have on service levels. Chairman Hickling responded that the AVTA bought the two demonstration buses with local money; they should be delivered by the end of June 2014. In addition, staff will not have a response from the FTA regarding the LoNo application until the middle of June possibly July; the bus procurement plan is going to work out in sequence. Ms. Austin clarified that the first two buses will arrive at the end of April, ready to be tested in a demonstration project.

Director Knippel asked Vice Chairman Crist if he is proposing that staff do an RFP once we receive the LoNo information. Chairman Hickling stated that funds need to be identified in the RFP, which will be part of staff's job when they attend the American Public Transportation Association (APTA) Conference in March.

Director Knippel inquired that if the AVTA is not successful in securing the LoNo funding, then item "E" of the motion is to start another procurement for the 12 clean diesel buses. Chairman Hickling confirmed that the Board would come back and reconsider that. Ms. Austin clarified that at the October 2013 meeting, the Board approved ordering three Gillig clean diesel buses (scheduled for delivery in June 2015) and issuing a Notice to Proceed (NTP) for 12 clean diesel buses (tentatively scheduled for delivery in September 2015). However, without providing Gillig with a purchase order (PO), AVTA still has the buses on order but they will keep moving back in the production queue. The AVTA needs seven replacement buses immediately. If the two new demonstration electric buses can be treated as replacement buses and put into service after testing, only five replacement buses would be needed because three were ordered in October 2013.

To answer Alternate Director Bettencourt's question, Chairman Hickling responded that the reason AVTA is not ordering six clean diesel buses and six electric buses is because the Authority wants to request the maximum amount of dollars from the LoNo program – enough to buy 12 electric buses. The Board can reassess the situation in June 2014 once the LoNo funds are allocated and that was why item "E" was included in the motion. The commitment the Authority has with Gillig is an ideal back-up plan.

Mr. Engel clarified that the bus that the AVTA would receive would be an Altoona tested bus. The Authority could not accept a bus that was purchased with federal money without it completing Altoona testing.

Director Johnson requested information regarding the AVTA's spare fleet. Ms. Austin commented that AVTA has a 15% spare ratio for regular service, but no contingency fleet.

Ms. Austin requested clarification regarding Vice Chairman Crist's revision to the motion regarding the RFP, stating that Item "D" of the motion states that upon notification of a LoNo grant award the executive director shall immediately take steps to procure electric buses and/or supporting infrastructure. She wanted to clarify that meant staff would immediately do an RFP for the number of buses approved for funding with LoNo.

Chairman Hickling confirmed that when the AVTA receives notification from the FTA regarding the funding allocation, the executive director has the direction to immediately contact BYD and begin the PO process to procure the electric buses. Item "E" is addressing the Board action that was taken at the October 2013 meeting when the request to purchase 12 clean diesel buses was continued to January 2014. The Board is further continuing this purchase until staff receives notification regarding the LoNo funding.

Moved by Chairman Hickling, seconded by Vice Chairman Crist

Vote: Motion carried (6-0-0-0)
Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza
Nays: None
Abstain: None
Absent: None

NB 4 AWARD SOLE SOURCE CONTRACT #2014-22 TO WAVE, INC. FOR TWO INDUCTIVE CHARGING STATIONS AND MULTIPLE CONSTRUCTION CONTRACTS REQUIRED FOR INSTALLATION OF BYD AND WAVE CHARGING SYSTEMS

Procurement Officer Lyle Block presented the staff report. The Board discussed the \$3.3 million for supporting facilities and related equipment, AVAQMD grants, and the discussions with the cities of Lancaster and Palmdale regarding the location of the charging stations. Mr. Block stated that staff would meet with the cities' public works directors to discuss additional details regarding the locations.

Motion: A) Authorize the Executive Director to execute Sole Source Contract #2014-22 with WAVE, Inc. for two in-ground inductive charging stations for the amount of \$670,000 plus applicable sales tax; and B) Provide additional authorization to award multiple construction contracts for installation of BYD and WAVE charging systems for an estimated amount of \$494,500 plus applicable sales tax. Staff will return to the Board with final pricing for all construction contracts. C) Contract awards are subject to AVTA's ability to identify and secure sufficient funding.

Moved by Vice Chairman Crist, seconded by Director Johnson

Vote: Motion carried (6-0-0-0)
Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza
Nays: None
Abstain: None
Absent: None

CONSENT CALENDAR (CC):

CC 1 BOARD OF DIRECTORS MEETING MINUTES FOR JANUARY 28, 2014– KAREN DARR

General Counsel stated that the item would need to be continued to the next meeting due to a lack of a quorum.

Motion: Continue item CC 1 to the March 25, 2014 Board meeting.

Moved by Vice Chairman Crist, seconded by Director Johnson

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

- CC 2 FINANCIAL REPORTS FOR NOVEMBER 2013 THROUGH JANUARY 2014– COLBY KONISEK
- CC 3 REPORT FINAL TERMS AND CONDITIONS FOR CONTRACT #2014-18 TO BYD COMPANY, LTD. (BYD) FOR PURCHASE OF TWO ELECTRIC BUSES – LYLE BLOCK
- CC 4 FY14 SECOND QUARTER CAPITAL RESERVES REPORT (OCTOBER 1 – DECEMBER 31, 2013) – COLBY KONISEK
- CC 5 FY14 SECOND QUARTER GRANT STATUS REPORT (OCTOBER 1 – DECEMBER 31, 2013) – JUDY VACCARO-FRY
- CC 6 FY14 CERTIFICATION AND ASSURANCES FOR CALIFORNIA EMERGENCY MANAGEMENT AGENCY (CALEMA) PROGRAM – JUDY VACCARO-FRY
- CC 7 DESTRUCTION OF THE AVTA'S RECORDS PER RECORDS RETENTION POLICY – CHERYL LOVE

Motion: Approve item CC 2-7.

Moved by Vice Chairman Crist, seconded by Director Johnson

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

NEW BUSINESS (NB):

- NB 1 PROPOSED FISCAL YEAR 2014 (FY14) MID-YEAR BUSINESS PLAN ADJUSTMENTS

Director of Finance Colby Konisek presented the staff report. There was no discussion regarding this item.

Motion: Approve the proposed FY14 Mid-Year Business Plan adjustments.

Moved by Director Johnson, seconded by Director Knippel

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

NB 2 APPROVAL OF THE FISCAL YEAR 2015 (FY15) PRELIMINARY BUSINESS PLAN AND SHORT RANGE TRANSIT PLAN ASSUMPTIONS

Mr. Konisek presented the staff report. The Board discussed funding for the TRANSporter after FY14.

Motion: Approve the FY15 Preliminary Business Plan and Short Range Transit Plan (“Business Plan”) assumptions and provide direction to staff regarding priorities for the final FY15 Business Plan.

Moved by Director Knippel, seconded by Director Johnson

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

NB 3 APPROVE ASSIGNMENT OF DIAL-A-RIDE CONTRACT WITH ALC (CONTRACT NUMBER 2013-33) TO VEOLIA INTELLIRIDE (CONTRACT NUMBER 2014-38) EFFECTIVE MAY 1, 2014

The Board waived the presentation of the staff report. There was no Board discussion regarding this item.

Motion: Authorize the Executive Director to approve the transfer of all contractual interests, rights, duties and responsibilities from AVTA's existing contract number 2013-033 with American Logistics Company (ALC) to Veolia IntelliRide under contract number 2014-38 to provide services for AVTA Dial-A-Ride paratransit service and the JARC Voucher Program for the remaining term of the existing contract which ends December 31, 2015.

Moved by Vice Chairman Crist, seconded by Director Knippel

Vote: Motion carried (6-0-0-0)

Yeas: Chairman Hickling, Vice Chairman Crist, Directors Knippel and Johnson, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: None

Vice Chairman Crist and Director Johnson were excused from the meeting at 10:50 a.m.

SPECIAL REPORTS and PRESENTATIONS (SRP):

SRP 1 PRESENTATION OF VEOLIA OPERATOR OF THE MONTH AND EMPLOYEE OF THE MONTH FOR JANUARY 2014

Veolia Interim Operations Manager Eduardo Sobalvarro and Executive Director Julie Austin presented plaques to Rene Rodriguez, Operator of the Month and Florence Brewton, Employee of the Month for January 2014.

SRP 2 RESULTS OF APOLLO VIDEO PILOT PROJECT

Mr. Keys presented information regarding the AVTA's Apollo Video Security Project. Staff confirmed for the Board that there is signage on the buses that inform riders that they are being video/audio taped. There was no further discussion regarding this item.

SRP 3 FY14 SECOND QUARTER KEY PERFORMANCE INDICATORS REPORT (OCTOBER 1 – DECEMBER 31, 2013)

Senior Transit Analyst Dieter Aragon presented the Key Performance Indicators report for October 1 through December 31, 2013. The Board discussed the schedule adherence information.

Motion: Receive and file the FY14 second quarter Key Performance Indicators report for October 1 – December 31, 2013.

Moved by Director Knippel, seconded by Alternate director Bettencourt

Vote: Motion carried (4-0-0-2)

Yeas: Chairman Hickling, Director Knippel, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: Vice Chairman Crist and Director Johnson

SRP 4 QUARTERLY COACH OPERATOR AUDIT RESULTS – SEPTEMBER THROUGH NOVEMBER, 2013

Mr. Aragon presented the results of the Coach Operator Audit for September through November 2013. The Board discussed the results concerning coach operator courtesy and Americans with Disabilities Act (ADA) stop announcements.

Motion: Receive and file the quarterly Coach Operator Audit results for the period September through November 2013.

Moved by Director Knippel, seconded by Alternate Director Bettencourt

Vote: Motion carried (4-0-0-2)

Yeas: Chairman Hickling, Director Knippel, and Alternate Directors Bettencourt and Dispenza

Nays: None

Abstain: None

Absent: Vice Chairman Crist and Director Johnson

PRESENTATION BY LEGAL COUNSEL OF ITEM(S) TO BE DISCUSSED IN CLOSED SESSION (CS):

- CS 1 Conference with Legal Counsel- Existing Litigation
G.C. section 54956.9(d) (1)
People v. Jorge: Case no. BA405021
People v. Floyd: Case no. BA405021

General Counsel Fox reported that the District Attorney's office dismissed the cases but could refile the charges at a later date.

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 Executive Director's Report

- AVTA's 2nd Annual Bus Rodeo will be held on March 29, 2014 at 8:30 a.m. The Board members and their families are invited. There are currently 15 qualified contestants who meet the National Rodeo criteria. The winner will compete at the National Bus Rodeo in Kansas City in May. Director Knippel suggested inviting the media and community to the event.
- Judy Vaccaro-Fry, Julie Austin, Chairman Hickling, and Director Lackey will be attending the APTA Legislative Conference in Washington DC March 8 through March 12, 2014 to discuss AVTA's electric bus initiatives and Bus Rapid Transit. They will also meet with FTA General Counsel and Congressman McCarthy's office.
- Lyle Block and Len Engel will travel to Salt Lake City, Utah on March 18, 2014 to see a demonstration of the WAVE inductive charger in revenue service at the University of Utah.

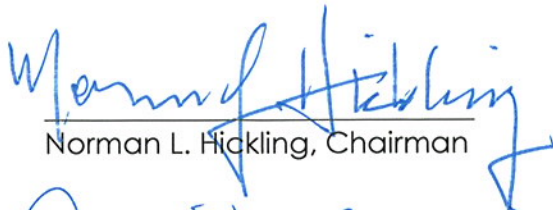
MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

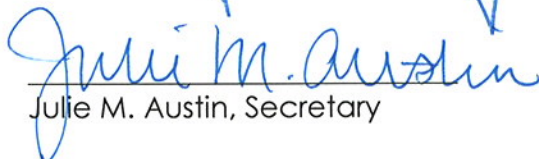
There were no miscellaneous business – non-agenda Board of Directors items presented.

ADJOURNMENT:

Chairman Hickling adjourned the meeting at 11:20 a.m. to the Regular Meeting of the Board of Directors on March 25, 2014 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, California.

PASSED, APPROVED, and ADOPTED THIS 25th DAY OF MARCH 2014.


Norman L. Hickling, Chairman


Julie M. Austin, Secretary

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