



Regular Meeting of the Board of Directors

Tuesday, June 23, 2015

10:00 a.m.

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

AGENDA

For record keeping purposes, and in the event that staff may need to contact you, we request that a speaker card, located at the Community Room entrance, be completed and deposited with the AVTA Clerk of the Board. This will then become public information. Please note that you are not required to complete this form or to state your name in order to speak. A three-minute time limit will be imposed on all speakers other than staff members.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Clerk of the Board at (661) 729-2206 at least 72 hours prior to the scheduled Board of Directors meeting.

Limited English Proficiency (LEP) persons, if you require translation services, please contact the Clerk of the Board at (661) 729-2206 at least 72 hours prior to the meeting.

Please turn off, or set to vibrate, cell phones, pagers, and other electronic devices for the duration of this meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL:

Chairman Marvin Crist, Vice Chair Dianne Knippel, Director Steve Hofbauer, Alternate Director Mike Dispenza, Director Angela Underwood-Jacobs, Director Michelle Flanagan

APPROVAL OF AGENDA

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

If you would like to address the Board on any agendized or non-agendized item, you may present your comments at this time. Please complete a Speaker Card (available as you enter the Community Room) and provide it to the Clerk of the Board. Speaking clearly, state and spell your name for the record. **State law generally prohibits the Board of Directors from taking action on or discussing non-agenda items; therefore, your matter will be referred to the Authority's Executive Director for follow-up.** Each speaker is limited to three (3) minutes.

SPECIAL REPORTS and PRESENTATIONS (SRP):

During this portion of the meeting, information will be provided that would not normally be covered under regular meeting items. This information may include, but is not limited to budget presentations, staff conference presentations, or information from outside sources that relates to the transit industry. **These items are for discussion purposes only and do not require Board action.**

SRP 1 PRESENTATION OF TRANSDEV OPERATOR OF THE MONTH AND EMPLOYEE OF THE MONTH FOR MAY 2015 – HECTOR FUENTES, TRANSDEV

SRP 2 FEDERAL LEGISLATIVE UPDATE FOR JUNE 2015 – JUDY FRY

SRP 3 STATE LEGISLATIVE UPDATE FOR JUNE 2015 – WENDY WILLIAMS

SRP 4 ELECTRIC BUS PROGRAM PRESENTATION – LEN ENGEL

SRP 5 FISCAL YEAR 2015 (FY15) QUARTERLY KEY PERFORMANCE INDICATORS (KPI) REPORT – DIETTER ARAGON

Recommended Action: Receive and file the FY15 Quarterly KPI Report.

SRP 6 ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT SENIOR SUBSIDY GRANT PROGRAM – CHAIRMAN MARVIN CRIST

CONSENT CALENDAR (CC): Items 1 through 4 are consent items that may be received and filed and/or approved by the Board in a single motion. If any member of the Executive Board wishes to discuss a consent item, please request that the item be pulled for further discussion and potential action.

CC 1 BOARD OF DIRECTORS MEETING MINUTES FOR MAY 26, 2015 – KAREN DARR

Recommended Action: Approve the Board Meeting Minutes for May 26, 2015.

CC 2 FINANCIAL REPORTS FOR APRIL AND MAY 2015 – COLBY KONISEK

Recommended Action: Receive and file the Treasurer's Report for the month ended April 30 2015; the Payroll History Report for the three months ended May 31, 2015; the Cash Disbursements Reports for the months ended May 31 the Interim Financial Statements for the ten months ended April 30, 2015; and the Fiscal Year-to-Date Budget versus Actual Report for the month ended April 30, 2015.

CC 3 APPROVE RETROACTIVE CONTRACT #2015-23 WITH LOS ANGELES COUNTY SHERIFF'S DEPARTMENT (LASD) FOR TRANSIT LAW ENFORCEMENT SERVICES – LYLE BLOCK

Recommended Action: Authorize the director of operations and maintenance to execute a retroactive contract with the LASD for transit law enforcement services covering the term July 1, 2013 through January 26, 2015.

CC 4 RENEWAL OF AGREEMENT WITH LOS ANGELES COUNTY SHERIFF'S DEPARTMENT (LASD) FOR TRANSIT LAW ENFORCEMENT SERVICES (RESERVE UNIT) – LYLE BLOCK

Recommended Action: Authorize the director of operations and maintenance to renew the Letter of Understanding with the LASD transit law enforcement services covering the term July 1, 2015 through June 30, 2016.

NEW BUSINESS (NB):

NB 1 ELECTION OF BOARD OFFICERS FY16 – KAREN DARR

Recommended Action: Nominate and elect a Chair and Vice Chair for FY16.

NB 2 AWARD CONTRACT #2015-45 TO RALLY AUTO GROUP, INC. FOR NINE REPLACEMENT FULL-SIZED SEDANS – LYLE BLOCK

Recommended Action: Authorize the director of operations and maintenance to execute Contract #2015-45 for nine replacement full-sized sedans to Rally Auto Group, Inc., Palmdale, CA, for the amount of \$286,935.21, plus applicable sales tax.

NB 3 AWARD TASK ORDER NO. 3, TO KENNARD DESIGN GROUP, INC. UNDER MASTER CONTRACT #2014-46, FOR ENGINEERING & DESIGN, SPECIFICATIONS, BID AND CONSTRUCTION MANAGEMENT FOR ANTELOPE VALLEY MALL BUS STOP IMPROVEMENT PROJECT (BSIP) – LYLE BLOCK

Recommended Action: Authorize the director of operations and maintenance to execute Task Order No. 3, to Kennard Design Group, Inc. of Los Angeles, CA, under Master Contract #2014-46 in the amount of \$71,383 to design, engineer, create specifications and bid documents, and manage the construction of the Antelope Valley Mall BSIP.

CLOSED SESSION (CS):

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

- CS 1 Conference with Legal Counsel – Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) – one potential case.
- CS 2 Public Employee Appointment (Government Code Section 54957(b))
Title: Executive Director
- CS 3 Public Employee Appointment (Government Code Section 54957(b))
Title: General Counsel

RECESS TO CLOSED SESSION

RECONVENE TO PUBLIC SESSION

REPORT BY LEGAL COUNSEL OF ACTION TAKEN IN CLOSED SESSION

- NB 4 APPROVE CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT – ALLISON BURNS

Recommended Action: Approve the final terms and conditions and execute the final Chief Executive Officer Employment Agreement with Norm Hickling.

REPORTS AND ANNOUNCEMENTS (RA):

- RA 1 Director of Operations and Maintenance

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

During this portion of the meeting, Board Members may address non-agenda items by briefly responding to statements made or questions posed by the public, asking a question for clarification, making a brief announcement, or making a brief report on their own activities. **State law generally prohibits the AVTA Board of Directors from taking action on or discussing items not on the agenda.** Matters will be referred to the Executive Director for follow-up.

ADJOURNMENT:

The meeting was adjourned to the next Regular meeting of the Board of Directors on July 28, 2015 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, California.

The Agenda was posted by 5:00 p.m. on June 18, 2015 at the entrance to the Antelope Valley Transit Authority, 42210 6th St. West, Lancaster, CA 93534.

Copies of the staff reports and attachments or other written documentation relating to each proposed item of business on the agenda presented for discussion by the Board of Directors are on file in the Office of the Executive Director. Additionally, any disclosable public records related to an open session item on a regular meeting agenda and distributed by the AVTA to the Board of Directors less than 72 hours prior to that meeting are on file in the Office of the Executive Director. These documents are available for public inspection during regular business hours at the Customer Service window of the AVTA located at 42210 6th Street West, Lancaster or by contacting the Clerk of the Board at (661) 729-2206.



DATE: June 23, 2015

TO: BOARD OF DIRECTORS

SUBJECT: Fiscal Year 2015 (FY15) Quarterly Key Performance Indicators (KPI) Report

RECOMMENDATION

That the Board of Directors receive and file the FY15 Quarterly KPI Report.

SUMMARY

The key performance indicators report provides an analysis of Antelope Valley Transit Authority's (AVTA) main goals on a monthly basis. Data is collected from a variety of sources such as the farebox, contractor reports, and financial performance reports.

ANALYSIS

AVTA's fixed route local and commuter performance is based on several key indicators. These include total monthly ridership, vehicle service hours, fare revenues, and total operating expenses. Following are highlights of the system performance and indicators correlating to each respective goal.

Boardings – A total of 2.6 million boardings were recorded through the third quarter of FY15. This reflects a decrease of 2.4% when compared to FY14 year-to-date boardings. Ridership fell below the previous fiscal during the second and third quarters, specifically between the months of December 2014 – March 2015, with local service taking the bulk of the decrease at 3% (-75,000) for the fiscal year. Below average gas prices of \$2.80 during the second and third quarter could have contributed to the ridership declines. Surprisingly, commuter express service has maintain relatively flat ridership ship levels during the third quarter at just under 1% (810).

Fare Revenue – Fare revenues received during the third quarter of FY15 totaled \$3.5 million, like boardings, revenues also saw a decrease during the thirds quarter due to a combination of holidays and the decrease in ridership. Year-to-date, we notice a dip in revenues of 1.4%

(\$50,614) coinciding with the dip in overall boardings for third quarter. This produced an average fare per boarding of \$1.37.

Operating Expenses – Expenditures during the second quarter totaled near \$10 million. This is equal to FY14 second quarter results.

Goal 1 – Operate a Safe Transit System – This is measured by the number of preventable accidents for every 100,000 miles of fixed route operation.

Accidents [Target – .50 preventable accidents/100,000 miles] –The performance target of .50 preventable accidents per 100,000 miles was decreased from the previous performance target of .90 (lower is better). During the third quarter a total of two preventable accidents were recorded. Resulting in an average of 0.36 preventable accidents per 100,000 miles.

Goal 2 – Provide Outstanding Customer Service – This is measured by complaints per 100,000 boardings, schedule adherence, average hold time, and average miles between service interruptions.

Customer Complaints [Target – 7 complaints/100,000 boardings] – Valid complaints recorded during the FY15 third quarter, were at an all-time low with only 33 complaints during the three month period (January-March), this is a 27% reductions when compared to the FY2015 first and third quarter average. Year-to-date, complaints continue to remain below the performing target of 7 complaints per 100,000 boardings at 5.6 complaints per 100,000 boardings.

Schedule Adherence [Target – 96%] –Approximately 5,500 time point checks were conducted by our road supervisors throughout the second quarter, producing an average on-time performance (OTP) of 96%. The most frequent delays have occurred on local routes, 11/12 and the commuter service 786. Our Avail system recorded approximately, 96,000 time point checks for the combined three months producing an OTP of 75%.

Average Hold Time [Target – 1:00 minutes] – One minute 4 seconds was the average hold time recorded during the third quarter. This is an improvement of 4% over the FY14 third quarter hold time of one minute 7 seconds. Of the 62,908 calls received during the through the third quarter, only 7,533 were abandoned before they could be answered by a customer service representative. Additional staffing has helped tremendously in handling more customer incoming calls.

Average Miles Between Service Interruptions [Target – 14,500 Miles] – A total of 2.5 million miles were operated throughout the FY15 third quarter with an average of 15,547 miles between service interruptions, almost 10% improvement when compared to the previous fiscal year and well above the new performance 14,500 mile between service interruptions.

Goal 3 – Operate an Effective Transit System – AVTA measures its overall effectiveness by monitoring boardings per vehicle service hour and average weekday boardings.

Boardings per Vehicle Service Hour [Target – 21.5] – The FY15 third quarter, decrease in total boardings coupled with an almost 4.5% increase in service hours has produced an average of 20.3 boardings per vehicle service hour during the third quarter of FY15, a decrease of 6.5% over the FY14 third quarter results (21.7). Also, just below the new performance target average of 21.5.

Average Weekday Boardings [Target – 12,700] – Average weekday boardings during the second quarter of FY15 were 12,547, just below the performance target of 12,700. This is also a 1.5% decrease over the same time, previous fiscal year. Again, decrease on our local service boardings during the second and third quarter have impacted average weekday boardings, but have not dropped significantly due to continued support from our commuter service.

Goal #4 – Operate an Efficient Transit System – AVTA makes efficient use of available resources by monitoring farebox recovery ratio and average cost per vehicle service hour.

Average Cost Per Vehicle Service Hour [Target – \$125.69] – The average cost per vehicle service hour during the FY15 third quarter was \$113.12. This is well below the performance target of \$125.69 and a decrease of almost 5% when compares to the FY14 third quarter results.

Farebox Recovery Ratio [Target – 22.51%] – The average farebox recovery ratio during the third quarter of FY15 was 24.07%. Although, this reflects a slight decrease of less than 1% over the FY14 third quarter results, but is well above the performance target of 22.51%.

Prepared by:

Submitted by:

Dietter A. Aragón
Senior Planning Officer

Len Engel
Director of Operations and Maintenance

Attachments: A and B - Summary of System Goals and Performance

Antelope Valley Transit Authority | Attachment SRP 5.A: Key Indicators Report
Year-to-Date

Goal	Performance Indicator	Performance Target	FY 15 Year to Date	YTD Meets/Exceeds	FY 14 Year to Date	% Change
Overall System Performance	Total Boardings	N/A	2,644,689	N/A	2,709,584	-2.40%
	Vehicle Service Hours	N/A	130,495	N/A	124,915	4.47%
	Total Fare Revenue	N/A \$	3,553,440	N/A	\$3,604,054	-1.40%
	Total Operating Expense	N/A \$	14,761,323	N/A	\$14,845,570	0.57%
Safe Transit System	Preventable Accidents per 100,000 Miles	0.50	0.36	X	0.38	5.26%
Provide Outstanding Customer Service	Complaints per 100,000 Boardings	7.0	5.60	X	7.20	22.22%
	Schedule Adherence	96%	96%	X	97%	-1.03%
	Average Hold Time	1:00	1:04	DNM	1:07	4.48%
	Average Miles Between Service Interruptions	14,500	15,424	X	14,059	9.71%
Operate an Effective Transit System	Boardings per Vehicle Service Hour	21.5	20.3	DNM	21.7	-6.57%
	Average Weekday Boardings	12,700	12,547	DNM	12,746	-1.56%
Operate an Efficient Transit System	Average Cost per Vehicle Service Hour	\$125.69	\$113.12	X	\$118.85	4.82%
	Farebox Recovery Ratio	22.51%	24.07%	X	24.28%	-0.84%

DNM = Does Not Meet

Antelope Valley Transit Authority | Attachment SRP 5.B: Operations Report
Year-to-Date

Goal	Performance Target	FY 15 Year to Date	YTD Meets/Exceeds	FY 14 Year to Date	% Change
Average Fare per Boarding	\$1.37	\$1.34	X	\$1.33	1.01%
Average Cost per Boarding	\$6.11	\$5.58	X	\$5.48	-1.87%
Average Subsidy per Boarding	\$4.73	\$4.24	X	\$4.15	-2.15%
Revenue Miles	N/A	2,244,400	N/A	2,125,247	5.61%
Total Vehicle Miles	N/A	2,483,265	N/A	2,383,293	4.19%
Total Vehicle Hours	N/A	145,555	N/A	139,276	4.51%
In-Service Speed	N/A	17.2	N/A	17.0	1.09%
Boardings per Vehicle Service Mile	N/A	1.18	N/A	1.27	-7.58%



Regular Meeting of the Board of Directors

Tuesday, May 26, 2015

10:00 a.m.

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

UNOFFICIAL MINUTES

CALL TO ORDER:

Chairman Crist called the meeting to order at 10:05 a.m.

PLEDGE OF ALLEGIANCE

Vice Chair Knippel led the Pledge of Allegiance.

ROLL CALL:

Present

Chairman Marvin Crist
Vice Chair Dianne Knippel
Director Steve Hofbauer
Director Fred Thompson
Director Angela Underwood-Jacobs
Director Michelle Flanagan

APPROVAL OF AGENDA

Motion: Approve the agenda as comprised.

Moved by Vice Chair Knippel, seconded by Director Underwood-Jacobs

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

Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan

Nays: None

Abstain: None

Absent: None

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

Cathy Parrish, a member of the public, expressed her concerns regarding: 1) security at Lancaster City Park and the bus stop on Avenue I and Fern; and 2) overcrowding on the Route 10. Chairman Crist directed Senior Planning Officer Dieter Aragon to meet with Ms. Parrish following the Board meeting.

PUBLIC HEARING (PH):

PH 1 FINAL RECOMMENDATION ON PROPOSED SERVICE CHANGES FOR JUNE 29, 2015

Senior Planning Officer Dieter Aragon presented the staff report. Chairman Crist opened the public hearing. There was no public testimony. Chairman Crist closed the public hearing. The Board discussed service around the Antelope Valley Mall, a special express route between the Antelope Valley College campuses in Lancaster and Palmdale, and notifying the public regarding the proposed service changes.

Motion: Approve the final recommendation on the proposed service changes.

Moved by Director Hofbauer, seconded by Vice Chair Knippel

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

Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan

Nays: None

Abstain: None

Absent: None

PH 2 PROPOSED FARE STRUCTURE RECOMMENDATIONS

Chairman Crist opened the public hearing.

Testimony:

Charlotte Baxter presented a petition and letter in opposition of the fare increase. She stated that the increase would be a financial burden to low income riders and those on a fixed-income.

Charlene Richardson submitted an email and spoke in opposition of the commuter fare increase. She also inquired about the funding source that AVTA used to cover the financial gap when the Transit Access Pass (TAP) Program's discount ended.

Cathy Parrish opposed the increase; however, suggested that AVTA use the additional operating revenue to improve service.

Chairman Crist closed the public hearing.

Director of Communications Wendy Williams presented the staff report and clarified how AVTA funded the cost differential once the six-month promotional TAP discount ended. The Board discussed the elimination of the free fare, implementation of the reduced fare for seniors and people with disabilities, and the percentage of grant funding that AVTA receives.

Motion: Adopt Resolution No. 2015-006 approving the proposed fare changes.

Moved by Director Hofbauer, seconded by Director Thompson

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

Yeas: Vice Chair Knippel, and Directors Hofbauer, Thompson, and Flanagan

Nays: Chairman Crist and Director Underwood-Jacobs

Abstain: None

Absent: None

SPECIAL REPORTS and PRESENTATIONS (SRP):

SRP 1 PRESENTATION OF TRANSEDEV OPERATOR OF THE MONTH AND EMPLOYEE OF THE MONTH FOR APRIL 2015

Transdev General Manager Hector Fuentes announced that the Employee of the Month was Keith Humpreys and the Operator of the Month was Tyrone Montgomery. Mr. Humpreys and Mr. Montgomery were not present at the meeting to receive their award.

SRP 2 FEDERAL LEGISLATIVE UPDATE FOR MAY 2015

Grants Administrator Judy Fry presented information regarding the Highway Trust Fund and FY16 Federal Budget. There was no Board discussion regarding this item.

SRP 3 STATE LEGISLATIVE UPDATE FOR MAY 2015

Ms. Williams provided an update regarding revisions to the FY16 State Budget, increased funding for the Cap and Trade Programs, Senate Bill 9 (SB 9), factors that designate an area as a Disadvantaged Community (DAC) and the agenda items that were presented at the California Transit Association Spring Legislative Conference. The Board discussed the revisions to the programs' guidance.

SRP 4 UPDATE ON OPERATOR AUDIT PROGRAM

Director of Operations and Maintenance Len Engel clarified which type of employees the consultant used to perform the operator audits, employee training, and using senior citizens to conduct the audits. The Board discussed the amount of training that the auditors receive.

The Board took a break at 11:16 a.m. and returned at 11:20 a.m.

CONSENT CALENDAR (CC):

- CC 1 BOARD OF DIRECTORS MEETING MINUTES FOR APRIL 21, 2015 – KAREN DARR**
Approve the Board Meeting Minutes for April 21, 2015.
- CC 2 BOARD OF DIRECTORS MEETING MINUTES FOR APRIL 28, 2015 – KAREN DARR**
Approve the Board Meeting Minutes for April 28, 2015.
- CC 3 FINANCIAL REPORTS FOR MARCH AND APRIL 2015 – COLBY KONISEK**
Receive and file the financial reports for March and April 2015.
- CC 4 FY15 THIRD QUARTER CAPITAL RESERVES REPORT (JANUARY 1 – MARCH 31, 2015) – COLBY KONISEK**
Receive and file the FY15 Third Quarter Capital Reserves Report for the period covering January 1 through March 31, 2015.
- CC 5 GRANT STATUS REPORT (FEBRUARY 19, 2015 – MAY 6, 2015) – JUDY FRY**
Receive and file the Grant Status Report for the period covering February 19, 2015 through May 6, 2015.
- CC 6 RECORDS AND INFORMATION MANAGEMENT PROGRAM REVISIONS – LYLE BLOCK**
Approve the Records and Information Management Program revisions.
- CC 7 FISCAL YEAR 2016 (FY16) PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) BOND PROGRAM – JUDY FRY**
Adopt Resolution No. 2015-007, the “Authorization for the Execution of the Certifications and Assurances for the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) Bond Program” (the “Authorization”).

Motion: Approve the Consent Calendar.

Moved by Vice Chair Knippel, seconded by Director Hofbauer

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

Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan

Nays: None

Abstain: None

Absent: None

NEW BUSINESS (NB):

NB 1 FY16 WORKERS' COMPENSATION, PROPERTY AND CASUALTY INSURANCE POLICIES UNDER CONTRACT #2013-022 WITH VINSA, INC. – LYLE BLOCK

The Board waived the presentation of the staff report.

Motion: Authorize the director of operations and maintenance to spend an amount not to exceed \$356,000 under Contract #2013-022 with Vinsa, Inc.

Moved by Vice Chair Knippel, seconded by Chairman Crist

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

Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan

Nays: None

Abstain: None

Absent: None

NB 2 CHANGE ORDER NO. 1, TO ARROW ENGINEERING SERVICES, INC., UNDER TASK ORDER NO. 1, OF MASTER CONTRACT #2014-46, FOR FINAL DESIGN AND BID SPECIFICATIONS FOR TWO WAVE EN-ROUTE CHARGING STATIONS – LYLE BLOCK

Motion: Authorize the director of operations and maintenance to execute Change Order No. 1 under Task Order #1 of Master Contract 2014-046 with Arrow Engineering Services, Inc., for a total amount of \$265,080, plus expenses.

Moved by Vice Chair Knippel, seconded by Chairman Crist

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

Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan

Nays: None

Abstain: None

Absent: None

OLD BUSINESS (OB):

OB 1 ADOPTION OF PROPOSED FY16 BUSINESS PLAN

Director of Finance Colby Konisek presented the FY16 Business Plan. Chairman Crist directed Mr. Engel to provide an update regarding the procurement and performance data for the electric buses at the June 23, 2015 Board meeting.

Motion: Adopt the Proposed FY16 Business Plan.
Moved by Director Hofbauer, seconded by Director Thompson

Vote: Motion carried (6-0-0-0)
Yeas: Chairman Crist, Vice Chair Knippel, and Directors Hofbauer, Thompson, Underwood-Jacobs, and Flanagan
Nays: None
Abstain: None
Absent: None

CLOSED SESSION (CS):

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

Lancaster City Attorney as Special Counsel Allison Burns presented the items for discussion during closed session.

- CS 1 Conference with Legal Counsel – Anticipated Litigation: significant exposure to litigation pursuant to Government Code Section 54956.9(d) – one potential case.
- CS 2 Public Employee Appointment (Government Code Section 54957(b))
Title: Executive Director
- CS 3 Public Employee Appointment (Government Code Section 54957(b))
Title: General Counsel

RECESS TO CLOSED SESSION

The Board recessed to closed session at 11:30 a.m.

RECONVENE TO PUBLIC SESSION

The Board reconvened to public session at 11:47 a.m.

REPORT BY LEGAL COUNSEL OF ACTION TAKEN IN CLOSED SESSION

Special Counsel Burns stated that the Board discussed CS 2; however, no reportable action was taken.

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 Director of Operations and Maintenance

Mr. Engel provided an update regarding the WAVE installation, TIGER grant, and Metrolink Station Coordination staff meeting on June 2, 2015.

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

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

ADJOURNMENT:

Chairman Crist adjourned the meeting at 11:50 a.m. to the next Regular meeting of the Board of Directors on June 23, 2015 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, California.

PASSED, APPROVED, and ADOPTED this 23rd day of JUNE 2015.

Marvin Crist, Chairman

Len Engel, Acting Secretary

Audio recordings of the Board of Directors Meetings are maintained in accordance with state law and AVTA's Records Retention Policy. Please contact the Clerk of the Board at 661/729-2206 to arrange to review a recording.



DATE: June 23, 2015
TO: BOARD OF DIRECTORS
SUBJECT: Financial Reports for April and May 2015

RECOMMENDATION

Receive and file the Treasurer's Report for the month ended April 30, 2015 (Attachment A); the Payroll History Report for the three months ended May 31, 2015 (Attachment B); the Cash Disbursements Report for the month ended May 31, 2015 (Attachment C); the Interim Financial Statements for the ten months ended April 30, 2015 (Attachment D); and the Fiscal Year-to-Date Budget versus Actual Report dated April 30, 2015 (Attachment E).

FISCAL IMPACT

Payroll: May payroll of \$257,245 represents an increase of \$46,979 or 22.3% from the prior month's salary expense.

Cash Disbursement: \$103,720.

Interim Financial Statements: Change in Net Assets: \$533,052, which includes YTD depreciation expense of \$4,451,066.

BACKGROUND

To comply with the provisions required by Sections 37202, 37208 and 6505.5 of the Government Code, the Director of Finance prepares the Treasurer's Report, Payroll History Report, Cash Disbursements Report, Interim Financial Report and Budget versus

Actual report, and submits them to the Acting Executive Director/Treasurer who certifies the availability of funds for all the reports presented herein. These reports are hereby submitted to the Board of Directors for ratification.

AVTA's gross payroll for employees for the month of May 2015, exclusive of benefits, payroll taxes and service charges, is shown below:

Payroll Period	Amount	Journal #
04/19/15-05/02/15	\$85,853.60	PYPKT00663
05/06/15-05/16/15	\$84,960.30	PYPKT00665
05/21/15-05/21/15	\$611.34	PYPKT00667
05/17/15-05/30/15	\$85,819.90	PYPKT00671
Gross Pay, May 2015	\$257,245.14	

There was an increase of \$46,979 in payroll expense from April to May, due to three pay periods included in the month ended May 31, 2015.

The Register of Demands authorized the issuance of warrants in the following amount:

Register Date	Amount
05/01 - 05/31/15	\$103,720.12

During the month of May, 2015, there were no large payments made. Per Generally Accepted Accounting Principles, known but unpaid operating expenses were accrued.

As of April 2015, the total cash per the general ledger is \$19,451,499. After deducting restricted funds, the operating cash balance is \$4,709,372. The net of receivables inflows and accounts payables outflows is projected to be a net use of cash of \$4,605,264; the total expected cash available for operations in the next 30 days is \$9,314,636. The available cash is equal to 3.1 times the Authority's minimum cash balance target of \$3 million.

BUDGET TO ACTUAL SUMMARY NARRATIVE

Attachment E – Budget to Actual Report (BAR) shows the result for the ten months ended April 30, 2015.

Net Income (net of depreciation) was favorable to budget by \$2,699K.

Revenues were favorable to budget by \$1,199K.

Proposition 1B revenue of \$1,011K was not budgeted.

Expenses were favorable to budget by \$1,499K.

Fuel expenses continue to be less than budgeted, and operating expense was lower than budgeted.

I, Len Engel, Director of Operations and Maintenance of AVTA, declare that the attached reports are accurate and correct.

Prepared by:

Submitted by:

Colby Konisek
Director of Finance

Len Engel
Director of Operations and Maintenance

Attachments: A – Treasurer’s Report for the Month Ended April 30, 2015
B – Payroll History Comparison Report (March, 2015 - May, 2015)
C – Cash Disbursements Report (May 1 - May 31, 2015)
D – Interim Financial Statements as of April 30, 2015
E – Budget Versus Actual report as of April 30, 2015

ANTELOPE VALLEY TRANSIT AUTHORITY
Treasurer's Report
Month Ended April 2015

Investment Type	Description	Starting Balance	Deposits	Disbursements	Ending Balance
Cash and Investments Under the Direction of the Treasurer					
Local Agency Investment Fund (LAIF) - Capital Reserv		\$ 5,382,466.44	\$ -		
Interest (earned quarterly)			\$ -		
B of A - Proposition 1B* Restrict		\$ 1,640,372.57	\$ -		
Interest earned for the month			\$ 202.24		
* Deferred revenue, recorded as liability until associated expense incurred.					
TOTAL CAPITAL RESERVE AND RESTRICTED FUNDS					\$ 7,023,041.25
Wells Fargo and Broker's CDs		\$ 1,002,179.67			
Wells Fargo CDs - In Transit		\$ 1,000,000.00	\$ -		
Wells Fargo - OP Staging		\$ 523,312.33	\$ (38,089.02)		
TOTAL OPERATING RESERVE					\$ 2,487,402.98
Payroll, Payable & General Acct		\$ 13,039,385.91			
Operating Accounts Analysis	Cash Fares		\$ 159,368.29		
	Vendor Pass Sales Revenue		\$ 266,619.13		
	MTA Revenue		\$ 665,923.41		
	Non-Transportation Revenue		\$ 35,378.93		
	Monthly OP Staging account Jan to Mar 15		\$ 38,100.98		
	Operating Reserve - in transit			(\$1,000,000.00)	
	Accounts Payable for the Month			\$ (3,025,790.09)	
	Employee Net Pay			\$ (157,568.00)	
	Employee Taxes			\$ (31,509.71)	
	Employee Deductions			\$ (12,784.78)	
	Employer Payroll Taxes			\$ (3,565.25)	
	CalPERS - AVTA paid			\$ (30,205.70)	
	Equipment Lease - TAP card sales machine			\$ (65.06)	
	Sales tax for quarter ended March 31, 2015			\$ (999.00)	
	Bank Fees --- Monthly and Quarterly			\$ (1,983.86)	
	Net Operating Funds	\$ 13,039,385.91	\$ 1,165,390.74	(\$4,264,471.45)	\$ 9,940,305.20
	Petty Cash				\$ 750.00
TOTAL CASH AND INVESTMENTS					\$ 19,451,499.43

I hereby certify that the investment portfolio of AVTA complies with its investment policy and the California Government Code Sections pertaining to the investment of local agency funds and Bank of America. Pending any future actions by the AVTA Board or any and unforeseen catastrophe, AVTA has an adequate cash flow to meet its expenditure requirements for the next six months.

Prepared by:

Submitted by:

Rong Nemeschy
Finance Supervisor

Colby Konisek
Director of Finance

ANTELOPE VALLEY TRANSIT AUTHORITY
Treasurer's Report Addendum: Cash Flow Projection
Month Ended April 2015

Descriptions	\$ Subtotal	\$ Total
BALANCE FROM TREASURER'S REPORT		\$ 19,451,499
<u>Less Restricted Funds</u>		
Proposition 1B (Deferred Revenue)		(1,640,575)
Capital Reserve		(5,382,466)
Operating Reserve		(2,487,403)
Electric Bus Project Funds Remaining		(731,684)
Restricted for Operations		(4,500,000)
UNRESTRICTED CASH		\$ 4,709,372

ACCOUNTS RECEIVABLE AND PAYABLE AS OF APRIL 30, 2015

Add Accounts receivable:

MTA Revenue	92,736	
Jurisdiction Contributions	274,325	
Vendor Pass Sales	171,895	
A/R Federal Funding draws	5,009,767	5,548,723

Less Current Payable:

Accounts Payable	(255,374)	
Accrued invoice payable	1,198,832	943,458

NET INFLOW/(OUT FLOW) OF CASH: **4,605,264**

PROJECTED CASH AVAILABLE IN THE NEXT 30 DAYS: **\$ 9,314,636**

TOTAL OPERATING CASH MINIMUM TARGET: **\$ 3,000,000**

Operating Cash Coverage of AVTA Minimum Target: **3.1**

**ANTELOPE VALLEY TRANSIT AUTHORITY
PAYROLL HISTORY REPORT
MARCH TO MAY, 2015**

	March TOTAL	April TOTAL	May TOTAL
<u>NUMBER OF CHECKS</u>	76	75	111
<u>Pay periods in the month (Pay ending day)</u>	2	2	3
<u>EARNINGS</u>			
Regular Pay	\$ 172,118.78	\$ 165,484.54	\$ 223,824.37
Overtime Pay	525.15	954.73	176.40
Vacation Pay	4,187.33	4,588.80	12,425.09
Sick Pay	7,660.86	3,872.01	8,046.53
Bereavement Pay	0.00	0.00	0.00
Holiday Pay	0.00	0.00	9,972.33
Floating Holiday Pay	223.03	3,761.75	1,034.68
Retroactive Pay	127.55	3,956.46	745.74
Vacation/Sick Cash Out	9,191.34	26,452.14	0.00
Deferred Income 457	955.14	477.57	0.00
Stipend --- Cell phone reimbursements	756.00	718.00	1,020.00
TOTAL	\$ 195,745.18	\$ 210,266.00	\$ 257,245.14
Inc(Dec)-Current month over previous month		\$ 14,520.82	\$ 46,979.14
% Inc(Dec)-Current month over previous month		7.4%	22.3%



Antelope Valley Transit Authority

Expense Report

By Vendor Name

Payment Dates 5/1/2015 - 5/31/2015

Payment Number	Payment Date	Description (Item)	Account Number	Amount
Vendor: V0803 - Adelman Broadcasting				
7771	05/12/2015	Radio Advertising Contract -2 for 1 Special	100-5CS-5-G1-9501003	\$ 500.00
Vendor V0803 - Adelman Broadcasting Total:				\$ 500.00
Vendor: V0380 - Alpha Numeric				
7786	05/20/2015	3-1/2" manila expansion pocket folders	100-3FS-5-G1-9501009	\$ 70.80
Vendor V0380 - Alpha Numeric Total:				\$ 70.80
Vendor: V0017 - Anthem Blue Cross				
7787	05/20/2015	Health Insurance (EE Portion), June 2015	100-000-2-B1-4011013	\$ 6,525.20
7787	05/20/2015	Health Insurance (ER Portion), June 2015	100-1ZZ-5-G1-9701612	\$ 25,881.80
Vendor V0017 - Anthem Blue Cross Total:				\$ 32,407.00
Vendor: V0135 - Aramark Uniform Services				
7788	05/20/2015	uniform service	100-2FF-5-G1-9401036	\$ 110.39
7788	05/20/2015	uniform service	100-2FF-5-G1-9401036	\$ 113.01
Vendor V0135 - Aramark Uniform Services Total:				\$ 223.40
Vendor: V0013 - AV Press				
7772	05/12/2015	Ad for Digital Color Printing Press RFP	100-3FS-5-G1-9501002	\$ 795.60
7772	05/12/2015	Antelope Valley Press FY 15 Blanket PO	100-5CS-5-G1-9501003	\$ 2,398.90
Vendor V0013 - AV Press Total:				\$ 3,194.50
Vendor: V0857 - Blue Goose Uniforms				
7789	05/20/2015	AVTA Logo Shirts (3)	100-2FF-5-G1-9401020	\$ 89.89
7789	05/20/2015	lrg shirts Ltblue, Navy and Yellow	100-2FF-5-G1-9401020	\$ 58.83
7789	05/20/2015	logo setups and application	100-2FF-5-G1-9401020	\$ 72.74
7789	05/20/2015	xlrg shirts... ltblue,navy and yellow	100-2FF-5-G1-9401020	\$ 58.83
7789	05/20/2015	2xl shirts Lt blue, Navy, Yellow and White	100-2FF-5-G1-9401020	\$ 169.95
Vendor V0857 - Blue Goose Uniforms Total:				\$ 450.24
Vendor: V0239 - BOHN'S Printing				
7773	05/12/2015	Dial-A-Ride Brochures	100-5CS-5-G1-9501018	\$ 1,585.95
Vendor V0239 - BOHN'S Printing Total:				\$ 1,585.95
Vendor: V0149 - Brinks Incorporated				
7790	05/20/2015	Daily cash pick up - money room	100-2FF-5-G1-9401005	\$ 234.36
7790	05/20/2015	Daily cash pick up - money room	100-2FF-5-G1-9401005	\$ 504.99
Vendor V0149 - Brinks Incorporated Total:				\$ 739.35
Vendor: V1012 - Clean Source				
7791	05/20/2015	hand soap	100-2FF-5-G1-9401036	\$ 29.04
7791	05/20/2015	drum liners	100-2FF-5-G1-9401036	\$ 100.59
7791	05/20/2015	toilet tissue	100-2FF-5-G1-9401036	\$ 403.45
7791	05/20/2015	roll towels	100-2FF-5-G1-9401036	\$ 298.22
7791	05/20/2015	air freshener ...hot shots	100-2FF-5-G1-9401036	\$ 64.35
7791	05/20/2015	can liners med	100-2FF-5-G1-9401036	\$ 82.45
7791	05/20/2015	toilet seat covers	100-2FF-5-G1-9401036	\$ 59.60
7791	05/20/2015	vinyl gloves	100-2FF-5-G1-9401036	\$ 47.07
7791	05/20/2015	mop heads	100-2FF-5-G1-9401036	\$ 96.92
7791	05/20/2015	2 ply kitchen towels	100-2FF-5-G1-9401036	\$ 54.54
7791	05/20/2015	citrus degreaser	100-2FF-5-G1-9401036	\$ 73.27
7791	05/20/2015	boraxo	100-2FF-5-G1-9401036	\$ 43.43
Vendor V1012 - Clean Source Total:				\$ 1,352.93
Vendor: V0154 - Dell Marketing				
7774	05/12/2015	Dell 3130cn Black Toner Cartridge	100-2FF-5-G1-9401009	\$ 144.96
7774	05/12/2015	Dell 3765dnf Black Toner Cartridge	100-2FF-5-G1-9401009	\$ 139.78
7774	05/12/2015	Dell C1765nf Cyan Toner Cartridge	100-2FF-5-G1-9401009	\$ 144.95



Payment Number	Payment Date	Description (Item)	Account Number	Amount
7774	05/12/2015	Dell 5130cdn Black Toner Cartridge	100-2FF-5-G1-9401009	\$ 141.85
7774	05/12/2015	Dell 1320c Black Toner Cartridge	100-2FF-5-G1-9401009	\$ 77.65
7774	05/12/2015	Dell 1320c Cyan Toner Cartridge	100-2FF-5-G1-9401009	\$ 198.79
7774	05/12/2015	Dell C1765nf Black Toner Cartridge	100-2FF-5-G1-9401009	\$ 144.95
7774	05/12/2015	Dell C1765nf Yellow Toner Cartridge	100-2FF-5-G1-9401009	\$ 144.95
Vendor V0154 - Dell Marketing Total:				\$ 1,137.88
Vendor: V0940 - Diana Industries International Inc.				
7792	05/20/2015	HS-1000 Degreaser 55 Gallon drum	100-2FF-5-G1-9401036	\$ 1,949.80
Vendor V0940 - Diana Industries International Inc. Total:				\$ 1,949.80
Vendor: V1098 - Emergency Planning Consultants				
7793	05/20/2015	Hazard Mitigation Plan	600-1XX-5-J1-9909068	\$ 10,000.00
Vendor V1098 - Emergency Planning Consultants Total:				\$ 10,000.00
Vendor: V0489 - Eugene Greene				
7794	05/20/2015	Test and certify 3 ea. backflow devices	100-2FF-5-G1-9401036	\$ 135.00
Vendor V0489 - Eugene Greene Total:				\$ 135.00
Vendor: V0913 - Evault Inc				
7775	05/12/2015	Monthly Backup Fee for 11/14 - 6/15	100-2FF-5-G1-9401012	\$ 1,384.86
Vendor V0913 - Evault Inc Total:				\$ 1,384.86
Vendor: V0125 - Grainger				
7795	05/20/2015	Soap Dispenser; Bushing; Black close Pipe nipple	100-2FF-5-G1-9401036	\$ 63.57
7795	05/20/2015	Reducer, Galvanized Steel	100-2FF-5-G1-9401036	\$ 6.78
7795	05/20/2015	Carton Sealing Tape - 6pk	100-2FF-5-G1-9401036	\$ 30.98
Vendor V0125 - Grainger Total:				\$ 101.33
Vendor: V0492 - Interstate Battery System				
7796	05/20/2015	Rotary Lift Batteries	100-2FF-5-G1-9401036	\$ 290.87
Vendor V0492 - Interstate Battery System Total:				\$ 290.87
Vendor: V0157 - Iron Mountain Records Mgmt Inc				
7797	05/20/2015	document shredding	100-2FF-5-G1-9401005	\$ 73.57
Vendor V0157 - Iron Mountain Records Mgmt Inc Total:				\$ 73.57
Vendor: V0846 - Judy Vaccaro				
7776	05/12/2015	Reimbursement- APTA Legislative Conference	100-1EX-5-G1-9501019	\$ 301.98
Vendor V0846 - Judy Vaccaro Total:				\$ 301.98
Vendor: V1062 - Kaizen Infosource				
7777	05/12/2015	Consulting Services for Records Retention	100-1EX-5-G1-9501013	\$ 3,419.00
Vendor V1062 - Kaizen Infosource Total:				\$ 3,419.00
Vendor: V1080 - Kennard Design Group				
7798	05/20/2015	Engineering and Design for BS 266	100-1EX-5-G1-9501013	\$ 4,952.05
Vendor V1080 - Kennard Design Group Total:				\$ 4,952.05
Vendor: V0863 - Kids Charities of the Antelope Valley				
7778	05/12/2015	Kids Charities of the AV Sponsorship	100-5CS-5-G1-9501039	\$ 5,000.00
Vendor V0863 - Kids Charities of the Antelope Valley Total:				\$ 5,000.00
Vendor: V0916 - Mail America 3				
7799	05/20/2015	CPOS Reimbursement	100-3FS-5-G1-9501037	\$ 150.00
Vendor V0916 - Mail America 3 Total:				\$ 150.00
Vendor: V0169 - Mar-Co Equipment Company				
7800	05/20/2015	Sandwich Mount	100-2FF-5-G1-9401036	\$ 117.16
7800	05/20/2015	Rack-Rear Wheel	100-2FF-5-G1-9401036	\$ 98.18



Payment Number	Payment Date	Description (Item)	Account Number	Amount
			Vendor V0169 - Mar-Co Equipment Company Total:	\$ 215.34
Vendor: V0783 - Mobile Relay Associates				
7801	05/20/2015	commuter air time	100-2FF-5-G1-9401036	\$ 1,224.30
7801	05/20/2015	commuter air time	100-2FF-5-G1-9401036	\$ 1,224.30
			Vendor V0783 - Mobile Relay Associates Total:	\$ 2,448.60
Vendor: V0987 - OPSEC Specialized Protection				
7802	05/20/2015	Security Services for the Lobby	100-5CS-5-G1-9501034	\$ 4,799.00
			Vendor V0987 - OPSEC Specialized Protection Total:	\$ 4,799.00
Vendor: V0688 - Our Weekly Publications				
7779	05/12/2015	Advertising RFP for Digital Color Printing Press	100-3FS-5-G1-9501002	\$ 248.74
			Vendor V0688 - Our Weekly Publications Total:	\$ 248.74
Vendor: V0915 - PPG Architectural Coatings				
7803	05/20/2015	Board Room Hall Paint	100-2FF-5-G1-9401036	\$ 56.96
			Vendor V0915 - PPG Architectural Coatings Total:	\$ 56.96
Vendor: V0348 - SignWarehouse, Inc.				
7804	05/20/2015	ORACAL 651 24X50 RED	100-5CS-5-G1-9501018	\$ 98.00
7804	05/20/2015	ENDURA PERFECT TEAR 24" X 100 YD	100-5CS-5-G1-9501018	\$ 200.00
7804	05/20/2015	ORACAL 651 24X50 WHITE	100-5CS-5-G1-9501018	\$ 85.00
7804	05/20/2015	ORACAL 651 24X50 BLACK	100-5CS-5-G1-9501018	\$ 170.00
7804	05/20/2015	SPEEDCLIP XXL- 10 PACK	100-5CS-5-G1-9501018	\$ 22.99
			Vendor V0348 - SignWarehouse, Inc. Total:	\$ 575.99
Vendor: V0493 - Standard Insurance Company				
7780	05/12/2015	Dental Insurance (EE Portion), May 2015	100-000-2-B1-4011014	\$ 701.66
7780	05/12/2015	Vision Insurance (EE Portion), May 2015	100-000-2-B1-4011016	\$ 130.80
7780	05/12/2015	Dental Insurance (ER Portion), May 2015	100-1ZZ-5-G1-9701614	\$ 2,205.66
7780	05/12/2015	Vision Insurance (ER Portion), May 2015	100-1ZZ-5-G1-9701616	\$ 448.28
			Vendor V0493 - Standard Insurance Company Total:	\$ 3,486.40
Vendor: V0684 - Strategies				
7781	05/12/2015	(Cobra Admin)	100-3FS-5-G1-9501027	\$ 200.00
			Vendor V0684 - Strategies Total:	\$ 200.00
Vendor: V1094 - Temps Incorporated				
7805	05/20/2015	Temporary Staff for Fare Study Surveys	100-1EX-5-G1-9501013	\$ 4,078.46
			Vendor V1094 - Temps Incorporated Total:	\$ 4,078.46
Vendor: V0505 - The Customer Service Experts				
7806	05/20/2015	CPOS Reimbursement	100-3FS-5-G1-9501037	\$ 50.00
			Vendor V0505 - The Customer Service Experts Total:	\$ 50.00
Vendor: V0189 - United Parcel Service				
7807	05/20/2015	Shipping-	100-3FS-5-G1-9501010	\$ 382.44
			Vendor V0189 - United Parcel Service Total:	\$ 382.44
Vendor: V0776 - Universal Electronic Alarms				
7782	05/12/2015	annual alarm monitoring	100-2FF-5-G1-9401005	\$ 300.00
			Vendor V0776 - Universal Electronic Alarms Total:	\$ 300.00
Vendor: V0302 - US Bank				
7783	05/12/2015	K. Darr & Board member- Registration- APTA	100-000-1-A1-0401004	\$ 1,390.00
7783	05/12/2015	F. Tobar- ARMA Annual Membership	100-1EX-5-G1-9501006	\$ 215.00
7783	05/12/2015	AVTA Directors (3)- Palmdale Chamb. Luncheon	100-1EX-5-G1-9501019	\$ 50.00
7783	05/12/2015	C. Konisek- GFOA Budget Webinar	100-1EX-5-G1-9501019	\$ 85.00
7783	05/12/2015	N. Hickling & W. Williams- Reg. CTA Conference	100-1EX-5-G1-9501019	\$ 375.00



Payment Number	Payment Date	Description (Item)	Account Number	Amount
7783	05/12/2015	L. Block- Lodging- NTI Training	100-1EX-5-G1-9501019	\$ 930.95
7783	05/12/2015	J. Mortis- Registration- APTA Rodeo	100-1EX-5-G1-9501019	\$ 755.00
7783	05/12/2015	J. Mortis- Lodging- Regional Rodeo (CA)	100-1EX-5-G1-9501019	\$ 182.15
7783	05/12/2015	D. Aragon- Lodging- Regional Rodeo (CA)	100-1EX-5-G1-9501019	\$ 212.78
7783	05/12/2015	J. Mortis & Guest- Airfare- APTA Rodeo	100-1EX-5-G1-9501019	\$ 516.00
7783	05/12/2015	D. Aragon- Lodging- NTI Workshop	100-1EX-5-G1-9501019	\$ 125.91
7783	05/12/2015	F. Tobar- ARMA Chapter meeting fee	100-1EX-5-G1-9501019	\$ 20.00
7783	05/12/2015	W. Jones- Payroll Law Seminar	100-1EX-5-G1-9501019	\$ 199.00
7783	05/12/2015	C. Konisek & W. Williams- AVBOT Luncheon	100-1EX-5-G1-9501019	\$ 40.00
7783	05/12/2015	N. Hickling & W. Williams- Airfare- CTA Conferenc	100-1EX-5-G1-9501019	\$ 300.00
7783	05/12/2015	N. Hickling & W. Williams- Lodging Res.- CTA	100-1EX-5-G1-9501019	\$ 628.74
7783	05/12/2015	Virtual Server monthly fee	100-2FF-5-G1-9401012	\$ 19.99
7783	05/12/2015	M. Perry- Forklift Repair	100-2FF-5-G1-9401036	\$ 99.00
7783	05/12/2015	M. Perry- Rodeo Food	100-2FF-5-G1-9501029	\$ 429.66
7783	05/12/2015	C. Foust- Microphone Cord	100-2FF-5-G1-9501029	\$ 29.41
7783	05/12/2015	N. Pitkin- SU4T Food	100-5CS-5-G1-9501029	\$ 873.37
7783	05/12/2015	K. Miller- Raffle items & Supplies SU4T Rally	100-5CS-5-G1-9501029	\$ 265.30
7783	05/12/2015	L. Block- Signer Licenses (12) Doc. Mgmt	600-1XX-5-J1-9909035	\$ 1,980.00
Vendor V0302 - US Bank Total:				\$ 9,722.26
Vendor: V1005 - Van Scoyoc				
7808	05/20/2015	Van Scoyoc Retainer July 2015	100-1EX-5-G1-9501013	\$ 4,000.00
Vendor V1005 - Van Scoyoc Total:				\$ 4,000.00
Vendor: V0969 - Walsma Oil Company				
7809	05/20/2015	DEF Totes	100-2FF-5-G1-9401036	\$ 2,050.29
Vendor V0969 - Walsma Oil Company Total:				\$ 2,050.29
Vendor: V0550 - Waste Management				
7785	05/12/2015	Utilities- Waste, April 2015	100-2FF-5-G1-9401023	\$ 701.38
Vendor V0550 - Waste Management Total:				\$ 701.38
Vendor: V0112 - Western Exterminators				
7810	05/20/2015	Exterminator Service	100-2FF-5-G1-9401005	\$ 92.50
Vendor V0112 - Western Exterminators Total:				\$ 92.50
Vendor: V0124 - Witts				
7811	05/20/2015	Office Supplies	100-3FS-5-G1-9501009	\$ 891.25
Vendor V0124 - Witts Total:				\$ 891.25
Grand Total:				\$ 103,720.12



STATEMENT OF NET POSITION

	As of April 30, 2015	As of April 30, 2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 19,451,499	\$ 24,428,209
Due from other governments	5,376,828	1,507,538
Other receivables	171,895	189,321
Inventory	237,783	271,215
Prepaid items	59,546	62,608
Total Current Assets	<u>25,297,552</u>	<u>26,458,891</u>
NONCURRENT ASSETS		
Capital assets, net of depreciation	<u>49,140,208</u>	<u>49,143,550</u>
Total Assets	<u>74,437,760</u>	<u>75,602,441</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	1,173,293	1,906,791
Due to Federal Transit Administration	-	-
Accrued payroll	(4,144)	(4,255)
Compensated absences	322,034	264,642
Deferred Revenue - Prop 1B	1,633,043	3,094,573
Total Current Liabilities	<u>3,124,227</u>	<u>5,261,751</u>
Deferred inflows of resources		
Unearned Revenue	-	524,282
Total Liabilities	<u>3,124,227</u>	<u>5,786,032</u>
NET POSITION		
Invested in Capital Assets	49,140,208	49,143,550
Restricted for Capital Acquisition	4,919,201	4,445,732
Unrestricted	17,254,124	16,227,126
Total Net Assets	<u>\$ 71,313,532</u>	<u>\$ 69,816,408</u>



STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
GOVERNMENT AUDITING STANDARDS PRESENTATION
 (INCLUDING DEPRECIATION EXPENSE)

	For the 10 Months ending April 30, 2015	For the 10 Months ending April 30, 2014
OPERATING REVENUES		
Charges for services:		
Passenger fares	\$ 4,074,074	\$ 4,076,982
Total operating revenues	<u>4,074,074</u>	<u>4,076,982</u>
OPERATING EXPENSES		
Purchased transportation services:		
Outside transit contract	11,511,529	10,588,276
Fuel	1,916,786	2,306,202
Other operating costs	536,299	1,698,096
General and administrative	3,671,567	2,901,030
Total operating expenses, net of depreciation	<u>17,636,182</u>	<u>17,493,603</u>
Operating gain/(loss), net of depreciation	(13,562,108)	(13,416,621)
Depreciation	4,451,066	4,284,594
Total operating expenses	<u>22,087,247</u>	<u>21,778,197</u>
Operating gain/(loss)	<u>(18,013,174)</u>	<u>(17,701,215)</u>
NONOPERATING REVENUES/(EXPENSES)		
Interest Income	14,242	8,925
Local grants - MTA	6,941,067	6,984,869
Proposition 1B	1,010,797	-
Federal non-capital grants	5,323,098	6,265,579
Member agency contributions	2,743,253	2,928,159
Grantable expenses	(309,616)	(255,235)
Gain/(Loss) on sale of capital assets	-	7,110
Other	394,922	239,709
Total nonoperating revenues and expenses	<u>16,117,763</u>	<u>16,179,117</u>
Gain/(Loss) before capital contributions	<u>(1,895,411)</u>	<u>(1,522,098)</u>
CAPITAL CONTRIBUTIONS		
Capital grants	2,082,789	4,066,855
Member agency contributions	345,674	432,271
Total capital contributions	<u>2,428,463</u>	<u>4,499,126</u>
NET CHANGE IN NET ASSETS	533,052	2,977,028
NET ASSETS, BEGINNING OF PERIOD	<u>70,780,480</u>	<u>66,839,380</u>
NET ASSETS, END OF PERIOD	<u>\$ 71,313,532</u>	<u>\$ 69,816,408</u>

**STATEMENT OF CASH FLOWS**

	For the 10 Months ending April 30, 2015	For the 10 Months ending April 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	4,074,074	4,076,982
Non-operating miscellaneous revenue received	394,922	239,709
Cash payments to suppliers for goods and services	(16,503,127)	(16,399,773)
Cash payments to employees for services	(2,894,099)	(78,459)
Net cash used in operating activities	<u>(14,928,231)</u>	<u>(12,161,541)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Operating grants received	9,189,504	13,952,039
Contributions received from member agencies	2,474,673	2,789,877
Net cash provided by non-capital financing activities	<u>11,664,177</u>	<u>16,741,916</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition of capital assets	(4,783,967)	(2,646,709)
Proceeds received from sale of capital assets	-	7,110
Capital grants received	2,173,756	4,969,330
Capital expenses	(309,616)	(255,235)
Capital contributions received from member agencies	345,674	432,271
Net cash used in capital and related financing activities	<u>(2,574,153)</u>	<u>2,506,767</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES:		
Interest received	14,242	8,925
Net cash provided by investing activities:	<u>14,242</u>	<u>8,925</u>
Net increase/(decrease) in cash and cash equivalents	(5,823,964)	7,096,068
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>25,275,465</u>	<u>17,332,141</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>19,451,499</u></u>	<u><u>24,428,209</u></u>

**STATEMENT OF CASH FLOWS**

	For the 10 Months ending April 30, 2015	For the 10 Months ending April 30, 2014
Reconciliation of operating income (loss) to net cash used in operating activities (Indirect Method):		
Operating Loss	(13,562,108)	(17,701,215)
Adjustments to Net Cash used in Operating Activities		
Depreciation	-	4,284,594
Miscellaneous income	394,922	239,709
(Increase) decrease in other receivables	71,153	62,855
(Increase) decrease in inventory	-	48,737
(Increase) decrease in prepaid items	279,460	(52,994)
Increase (decrease) in accounts payable	(1,326,106)	229,516
Increase (decrease) in due to Federal Transit Administration	-	(4,371)
Increase (decrease) in accrued payroll	(85,554)	(78,459)
Increase (decrease) in compensated absences payable	-	-
Increase (decrease) in other liabilities	-	-
Increase (decrease) in deferred revenue	(699,997)	810,087
Net Cash used in operating activities	<u>(14,928,231)</u>	<u>(12,161,541)</u>

Notes

- 1 This set of basic financial statements is prepared on an interim basis and is unaudited.
- 2 Please see the Treasury Report for additional highlights on cash & equivalents, payroll and expenditures.

ANTELOPE VALLEY TRANSIT AUTHORITY
BUDGET VERSUS ACTUAL INCOME STATEMENT
APRIL 2015, YEAR TO DATE

REVENUE	MIDDLE YEAR BUDGET - YTD	APRIL ACTUAL	YTD ACTUAL	YTD VARIANCE
Fare Revenue	\$ 4,044,265	\$ 464,754	\$ 4,074,074	\$29,809
MTA Funds	6,764,689	689,087	6,941,067	176,378
FTA Funds	5,395,399	617,984	5,323,098	(72,301)
Jurisdictional Contributions	2,742,157	274,325	2,743,253	1,096
Proposition 1B	0	31,580	1,010,797	1,010,797
Other (SCE Rebates, Adv.)	355,530	34,968	409,164	53,634
TOTAL REVENUE	19,302,039	2,112,699	20,501,453	1,199,413
EXPENDITURES				
Contract Services	11,602,695	1,207,729	11,437,524	165,171
Fuel	2,426,386	200,577	1,916,786	509,600
Other Operating	975,078	44,665	481,822	493,256
Salaries and Wages	2,122,977	208,106	2,014,979	107,999
Benefits	844,290	74,302	787,566	56,724
Legal	99,960	185	50,650	49,310
Consulting	203,206	16,224	163,800	39,407
Travel	73,517	5,848	63,684	9,833
IT Maintenance/Licenses	104,791	1,378	83,973	20,818
Utilities	170,021	11,330	140,689	29,332
Administration	512,526	61,882	494,710	17,816
TOTAL EXPENDITURES	19,135,448	1,832,225	17,636,182	1,499,267
INCOME(LOSS)	166,591	280,474	2,865,271	2,698,680



DATE: June 23, 2015

TO: BOARD OF DIRECTORS

SUBJECT: Approve Retroactive Contract #2015-23 with Los Angeles County Sheriff's Department (LASD) for Transit Law Enforcement Services

RECOMMENDATION

That the Board of Directors authorize the director of operations and maintenance to execute a retroactive contract with the LASD for transit law enforcement services covering the term July 1, 2013 through January 26, 2015.

FISCAL IMPACT

Funds for these services were included in the FY13, FY14 and FY15 Business Plans.

BACKGROUND

Since 2008, Sheriff's services have been providing transit law enforcement through an annual letter of agreement. The request for an executed contract is being initiated by the LASD as part of a policy change by the Los Angeles County Board of Supervisors (BOS) requiring executed contracts for all agreements over \$100,000. The Board of Directors approved the current contract at the January Board meeting that has an effective date of January 27, 2015 through June 30, 2018.

Representatives from the LASD contacted AVTA to discuss executing a retroactive agreement for past law enforcement services for the period of July 1, 2013 through January 26, 2015. An executed agreement will provide indemnification for AVTA and liability protection for both agencies.

Approve Contract #2015-23 to LASD for Transit Law Enforcement Services

June 23, 2015

Page 2

On December 16, 2014, the Board of Supervisors voted to approve the agreement between the AVTA and the LASD effective retroactively to July 1, 2013 through January 26, 2015 (See Attachment A).

Since the contract has been approved by the LACBOS, staff is recommending the attached agreement be approved.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Len Engel
Director of Operations and Maintenance

Attachment: A - LASD Services Agreement dated July 1, 2013 to January 26, 2015.

**TRANSIT LAW ENFORCEMENT SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
ANTELOPE VALLEY TRANSIT AUTHORITY**

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**TRANSIT LAW ENFORCEMENT SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
ANTELOPE VALLEY TRANSIT AUTHORITY**

This Transit Law Enforcement Services Agreement ("Agreement") is entered into this _____ day of _____, _____ by and between the County of Los Angeles ("County") and the Antelope Valley Transit Authority ("Authority").

RECITALS

- (a) Whereas, the Authority is desirous of contracting with the County for the performance of the transit law enforcement functions described herein by the Los Angeles County Sheriff's Department ("Sheriff's Department"); and
- (b) Whereas, the County is agreeable to rendering such services on the terms and conditions set forth in this Agreement; and
- (c) Whereas, such Agreement is authorized and provided for by the provisions of Section 56-3/4 of the Charter of the County of Los Angeles and Section 51301 of the California Government Code; and
- (d) Whereas, the County is agreeable to rendering such transit law enforcement services, as available, on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties mutually agree as follows:

1.0 SCOPE OF SERVICES

- 1.1 The County agrees, as available, through the Sheriff's Department, to provide transit law enforcement services to the Authority during the term of this Agreement to the extent and in the manner set forth herein. The classification and approximate numbers of personnel provided by the County will be determined and mutually agreed upon in writing between the Sheriff's Department and Authority. The hours of duty performed by County employees will be established and agreed upon in writing in accordance with the requested services.

- 1.2. The request for services shall be a written request on official Authority letterhead. For the purpose of performing said services, County shall furnish and supply, as available, all necessary labor, supervision, personnel, equipment, communications, fuel, and supplies necessary to provide the services to be rendered hereunder. Notwithstanding the foregoing, the Authority may provide additional resources for the County to utilize in performance of the services. The request shall be signed by a representative of the Authority who is duly authorized to enter into such agreements for law enforcement services. The request shall be submitted to the Los Angeles County Sheriff's Department's Contract Law Enforcement Bureau located at 4700 Ramona Boulevard, Room 214, Monterey Park, California 91754.
- 1.3 The Sheriff intends to exercise jurisdiction and provide law enforcement services, occurring on-board buses, related to the special policing concerns of the Authority. These duties may include but are not limited to, enforcement of transit fares, conducting investigations of vandalism, routine transit patrol, and general law enforcement activities related to public transportation within the limit of the County and neighboring counties related to the Authority's bus lines.
- 1.4 Except as otherwise specifically set forth in this Agreement, transit law enforcement services shall encompass duties and functions of the type coming within the jurisdiction of and customarily rendered by the Sheriff under the Charter of the County and the statutes of the State of California.

2.0 ADMINISTRATION OF PERSONNEL

- 2.1 In the event of a dispute between the parties to this Agreement as to the extent of the duties and functions to be rendered hereunder, or the minimum level or manner of performance of such service, the Authority shall be consulted and a mutual determination thereof shall be made by both the Sheriff of the County and the Authority's Executive Director.
- 2.2 The rendition of the services performed by the Sheriff's Department, the discipline of officers, and other matters incident to the performance of such services and the control of personnel so employed shall remain with the County.

- 2.3 With regard to Paragraphs 2.1 and 2.2 above, the Sheriff's Department, in an unresolved dispute over the minimum level of performance of services, shall have final and conclusive determination as between the parties hereto.
- 2.4 All Authority employees who work in conjunction with the Sheriff's Department pursuant to this Agreement shall remain employees of the Authority and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from the County based on this Agreement. No Authority employees shall become employees of the County.
- 2.5 For the purpose of performing services and functions pursuant to this Agreement and only for the purpose of giving official status to the performance thereof, and not to establish an agency relationship, every County officer and/or employee engaged in performing any such service and function shall be deemed to be an officer or employee of the Authority while performing such service for the Authority, as long as the service is within the scope of this Agreement and is a municipal function.
- 2.6 The Authority shall not be called upon to assume any liability for the direct payment of any Sheriff's Department salaries, wages, or other compensation to any County personnel performing services hereunder for said Authority. Except as herein otherwise specified, the Authority shall not be liable for compensation or indemnity to any County employee or agent of the County for injury or sickness arising out of his/her employment as a contract employee of the Authority.
- 2.7 As part of its compliance with all applicable laws and regulations relating to employee hiring, the County agrees that the County Civil Service Rules to which it is subject and which prohibit discrimination on the basis of non-merit factors, shall for purposes of this Agreement be read and understood to prohibit discrimination on the basis of sexual orientation.

3.0 INDEMNIFICATION

- 3.1 Subject to the limitations stated in this Section 3.0, Indemnification, or elsewhere, the County shall indemnify, defend and hold harmless Authority, and

its officers, directors, employees and agents (collectively, "Indemnified Parties") from and against any and all liability, expense (including but not limited to defense costs and attorney's fees), claims, causes of action, and lawsuits for damages, including, but not limited to, bodily injury, death, personal injury or property damage (including property of the County) arising from or connected with any negligent, intentional or reckless act or omission of the County, its officers, directors, employees, agents, subcontractors, or suppliers while providing services under this Agreement.

- 3.2 Notwithstanding anything contained herein or stated elsewhere, the County shall have no obligation or liability, including any obligation to indemnify or defend any Indemnified Party (a) for a failure to prevent any crime or tortious act, (b) for any injury, loss or damage caused directly or indirectly by a criminal or tortious act of anyone other than the County, its officers, directors, employees, agents, subcontractors or suppliers while providing services under this Agreement, or (c) for any injury, loss or damage caused by any means whatsoever except as the result of a failure by the County its officers, directors, employees, agents, subcontractors, or suppliers to perform the services under this Agreement.
- 3.3 The Authority understands and agrees that the law enforcement services provided hereunder are not intended or expected to accomplish patrolling or law enforcement at any particular location, more than a few times a day or less, or to prevent crime or wrongdoing from occurring at any particular place or time. The County shall have no obligation to patrol or provide law enforcement at any specific location at any particular time(s) except under a written schedule provided in advance by the Authority and agreed to by the County.
- 3.4 Notwithstanding anything contained herein, the County's obligations hereunder to the Authority or any Indemnified Party shall be limited by any immunity of freedom from suit or liability provided by law, including but not limited to those stated in California Government Code sections 818.2 and 845, as if such immunity or legal provision were incorporated in full in this Agreement and made applicable to the Authority and all Indemnified Parties.

- 3.5 Any obligation by the County or the Authority to provide defense or indemnity hereunder shall not arise until it has been finally determined by competent judicial authority that such indemnity is owed under the provisions of this Section 3.0.
- 3.6 The Authority shall indemnify, defend and hold harmless the County, and its officers, directors, employees and agents from and against any and all liability, expense (including, but not limited to defense costs and attorneys' fees), claims, causes of action, and lawsuits for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury or property damage (including property of the Authority) arising from or connected with any alleged act and/or omission of the Authority, its officers, directors, employees, agents, sub-contractors, or suppliers.
- 3.7 It is the intent of the parties to this Agreement that nothing herein shall impose, nor shall be interpreted to impose, on the County any liability for injuries or death to any County employee greater than the liability imposed pursuant to the provisions of the worker's compensation laws.
- 3.8 This Section 12, Indemnification, shall survive termination of this Agreement and/or final payment thereunder.

4.0 TERM OF AGREEMENT

The term of this Agreement shall commence July 1, 2013 and shall terminate on January 26, 2015, unless sooner terminated or extended in whole or in part as provided for herein.

5.0 RIGHT OF TERMINATION

- 5.1 Either party may terminate this Agreement with or without cause by giving not less than sixty (60) calendar days advance written notice to the other party.
- 5.2 Notwithstanding the foregoing, the Sheriff's Department may cancel the provision of services with only ten (10) calendar days advance notice, or less in the event of exigent circumstances, if the Sheriff's Department concludes that there are insufficient personnel to provide the agreed upon services and still perform other Sheriff's Department duties as required by law.

5.3 In the event of a termination, each party shall fully discharge all obligations owed to the other party accruing prior to the date of such termination, and, except as otherwise provided herein, each party shall be released from all obligations, which would otherwise accrue subsequent to the date of termination.

6.0 BILLING RATES

6.1 For and in consideration of the rendition of the transit law enforcement services to be performed by the County for the Authority under this Agreement, the Authority shall pay County for said services provided by County under the terms of this Agreement at the appropriate and prevailing billing rates set forth on Exhibit A, Public Entity Contract – Hourly Overtime Rates, as established by the County Auditor-Controller. The billing rates listed shall be readjusted annually by the County Auditor-Controller effective July 1 of each year to reflect the cost of such service. In such case, the annual rate readjustment shall be attached to this Agreement as an Amendment consistent with Section 8.0, Amendments, of this Agreement to reflect the change in billing rates each fiscal year.

6.2 The billing rates depicted on Exhibit A, Public Entity Contract – Hourly Overtime Rates, are developed by the County Auditor-Controller to reflect the County's actual costs in the compensation of employees at premium overtime rates (hourly rates for Deputy Sheriff - Reserves), the administration of workers' compensation benefits, and the overhead of the County attributable to the provision of services pursuant to this Agreement. The foregoing rates are adjusted annually pursuant to the policies and practices adopted by the Los Angeles County Board of Supervisors governing the determination of such actual costs.

7.0 PAYMENT PROCEDURES

7.1 The County, through the Sheriff's Department, shall render to the Authority a summarized invoice which covers all services performed during said month, and the Authority shall pay County for all undisputed amounts within sixty (60) calendar days after date of said invoice.

7.2 If such payment is not delivered to the County office, which is described on said invoice, within sixty (60) calendar days after the date of the invoice, the County is

entitled to recover interest thereon. For all disputed amounts, the Authority shall provide the County with written notice of the dispute including the invoice date, amount, and reasons for dispute within ten (10) calendar days after receipt of the invoice. The parties shall memorialize the resolution of the dispute in writing. For any disputed amounts, interest shall accrue if payment is not received within sixty (60) calendar days after the dispute resolution is memorialized.

7.3 Said interest shall be at a rate of ten percent (10%) per annum or any portion thereof, calculated from the date payment was due pursuant to Sections 7.1 and 7.2 above.

7.4 Notwithstanding the provisions of California Government Code section 907, if such payment is not delivered to the County office which is described on said invoice within sixty (60) days of the invoice, or in the case of disputed amounts, from the date the resolution is memorialized, the County may satisfy such indebtedness, including interest thereon, from any funds of the Authority on deposit with the County without giving further notice to Authority of County's intention to do so.

8.0 AMENDMENTS

All changes, modifications, or amendments to this Agreement must be in the form of a written Amendment duly executed by authorized personnel of the County and the Authority.

9.0 ASSIGNMENT, DELEGATION, AND SUBCONTRACTING

A party shall not assign its rights and/or subcontract, or otherwise delegate, its duties under this Agreement, either in whole or in part, without the prior written consent of the other party, and any attempted assignment or delegation without such consent shall be null and void.

10.0 AUTHORIZATION WARRANTY

The Authority represents and warrants that the person executing this Agreement for the Authority is an authorized agent who has actual authority to bind the Authority to each and every term, condition, and obligation of this Agreement and that all requirements of the Authority have been fulfilled to provide such actual authority.

11.0 GOVERNING LAW, JURISDICTION, AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The parties agree and consent to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agree and consent that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

12.0 NOTICES

12.1 Unless otherwise specified herein, all notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties at the following addresses and to the attention of the person named. Addresses and persons to be notified may be changed by either party by giving ten (10) calendar days prior written notice thereof to the other party.

12.2 Notices to the County shall be addressed as follows:

Los Angeles County Sheriff's Department
Contract Law Enforcement Bureau
Attn: Richard T. Mouwen, Captain
4700 Ramona Boulevard, Room 214
Monterey Park, California 91754

12.3 Notices to the Authority shall be addressed as follows:

Antelope Valley Transit Authority
Attn: Executive Director or Designee
42210 6th Street West
Lancaster, California 93534

13.0 VALIDITY

If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

14.0 WAIVER

No waiver by the parties of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of the parties to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof.

15.0 ENTIRE AGREEMENT

This Agreement, including Exhibit A, and any executed Amendments hereto or thereto, constitute the complete and exclusive statement of understanding of the parties which supercedes all previous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement. No change to this Agreement shall be valid unless prepared pursuant to Section 8.0, Amendments, of this Agreement and signed by both parties.

**TRANSIT LAW ENFORCEMENT SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
ANTELOPE VALLEY TRANSIT AUTHORITY**

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on their behalf by their duly authorized representatives on the dates indicated below.

COUNTY OF LOS ANGELES

By _____
JIM McDONNELL, SHERIFF

Date _____

ANTELOPE VALLEY TRANSIT AUTHORITY

By _____
Executive Director or Designee

Date _____

APPROVED AS TO FORM:
MARK J. SALADINO
County Counsel

By _____
Senior Deputy County Counsel



DATE: June 23, 2015

TO: BOARD OF DIRECTORS

SUBJECT: Renewal of Agreement with Los Angeles County Sheriff's Department (LASD) for Transit Law Enforcement Services – Reserve Unit

RECOMMENDATION

That the Board of Directors authorize the director of operations and maintenance to renew the Letter of Understanding with the LASD for transit law enforcement services covering the term July 1, 2015 through June 30, 2016 as outlined in the attached letter to Sheriff Jim McDonnell.

FISCAL IMPACT

Total reimbursement under this agreement will not exceed \$120,000. Funds for these services are included in the draft FY16 Business Plan.

BACKGROUND

An agreement for transit law enforcement services was originally entered into between the AVTA and the Los Angeles County Sheriff's Department of Homeland Security in August 2008. The letter of agreement has been renewed annually since that time. Under the terms of the agreement, the LASD will provide the following services for the AVTA:

- Security presence Monday through Friday with staggered shifts for increased presence
- Random fare and ridership audits on local and commuter services with two Security Assistants to assist with fare enforcement
- A presence in and around the transit system
- Training and safety presentations to drivers
- Random bomb and weapon checks of local and commuter vehicles

Renewal of Agreement with LASD for Security Services

June 23, 2015

Page 2

- Interface with schools and city personnel regarding problematic behavior at specific stops
- Other duties as assigned.

Reports on security activities are presented to the Board of Directors on a quarterly basis. The security agreement has benefitted AVTA by providing a presence at our transfer facilities, on the buses, at schools, and at our administration and maintenance facility. The transit deputies have improved the quality of service for our passengers and have provided support to Veolia operators. Deputies issue traffic citations, enforce public utility codes, and assist drivers and passengers as needed.

The LASD provides a reserve deputy with a significantly reduced hourly wage as compared to non-reserve sheriff's deputies. If the reserve deputy were to leave midway through a contract, the LASD would be unable to fulfill the existing terms with the available budget.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Len Engel
Director of Operations and Maintenance

Attachment: A – Letter of Request to Sheriff Jim McDonnell



Board of Directors

Chairman
Marvin Crist
City of Lancaster

Vice Chair
Dianne Knippel
County of Los Angeles

Director
Steven D. Hofbauer
City of Palmdale

Director
Fred Thompson
City of Palmdale

Director
Angela E. Underwood-Jacobs
City of Lancaster

Director
Michelle Flanagan
County of Los Angeles

Mailed via U.S. Postal Service and E-mail

June 23, 2015

Sheriff Jim McDonnell
Contract Law Enforcement Bureau
Los Angeles County Sheriff's Department
4700 Ramona Boulevard, RM 214
Monterey Park, California 91754

Dear Sheriff McDonnell:

As approved by the Board of Directors, the Antelope Valley Transit Authority (AVTA) desires to continue to contract with your office for transit law enforcement services. The scope of work shall include the following activities:

- Security services Monday through Friday with staggered shift times for increased presence;
- Random fare and ridership field audits of local and commuter services with two Security Assistants to assist with fare enforcement procedures;
- Random bomb and weapon checks of local and commuter services;
- Documentation of all activities, findings and actions;
- Training for both AVTA and Transdev staff regarding security issues and conflict resolution;
- Provide a presence on school trippers and other services where problematic behavior has been an issue;
- Provide training and outreach to schools regarding AVTA policies for transit riders;
- Interface with the local schools for incident follow-up;
- Provide a presence on and around the transit system to help improve quality of life issues; and
- Other duties as mutually agreed upon in writing.

AVTA is prepared to spend up to \$120,000 in FY16, beginning July 1, 2015 and ending June 30, 2016, unless superseded by a new contract. It is anticipated that this effort would entail work being performed, Monday through Friday, depending on the specific tasks.

We appreciate the opportunity to work with your staff and look forward to continuing our contractual relationship for transit law enforcement services in the Antelope Valley. Should you have any questions, please feel free to contact me at (661) 729-2229.

Best regards,

Len Engel
Director of Operations and Maintenance



DATE: June 23, 2015
TO: BOARD OF DIRECTORS
SUBJECT: Election of Board Officers for FY16

RECOMMENDATION

That the Board of Directors nominate and elect a Chair and Vice Chair for FY16.

FISCAL IMPACT

There is no fiscal impact.

BACKGROUND

Board officer elections are conducted annually. The election process specifically allows the Board to nominate and elect any Board member for Chair and Vice Chair, provided that members from the same jurisdiction do not occupy both offices at the same time. The term of each office is one (1) year commencing on July 1, provided that no member may serve in either position for more than four (4) consecutive, one (1) year terms without a minimum one (1) year break in service.

Submitted by:

Karen Darr
Clerk of the Board



DATE: June 23, 2015

TO: BOARD OF DIRECTORS

SUBJECT: Award Contract #2015-45 to Rally Auto Group, Inc. for Nine Replacement Full-Sized Sedans

RECOMMENDATION

That the Board of Directors authorize the director of operations and maintenance to execute Contract #2015-45 with Rally Auto Group, Inc., Palmdale, CA, for nine replacement full-sized sedans in the amount of \$286,935.21, plus applicable sales tax.

FISCAL IMPACT

Sufficient funds have been included in the FY16 Business Plan to pay for these vehicles.

BACKGROUND

AVTA's fleet is replaced at varying intervals, in accordance with FTA's guidelines listed in Code of Federal Regulations (CFR), Title 49, Volume 7, Parts 614.101 - Transportation Infrastructure Management, and the Authority's approved replacement plan. These units have reached their end of life according to FTA and need to be replaced. Staff created specifications for this purchase and included meet FTA's "Buy America Act" requirements shown in CFR Title 49, Part 661.13 - Grantee Responsibility. The replacement of these vehicles will require less maintenance and aid the Authority in lower overall operational costs.

AVTA released an Invitation for Bids (IFB) on May 1, 2015. The solicitation documents were posted to AVTA's website and advertisements were placed in the Antelope Valley Press and the *Our Weekly Lancaster* newsletter. Prior to issuance of the IFB, Board and TAC members were notified and asked to submit any recommendations for potential vendors. The local Chambers of Commerce and the Antelope Valley Board of Trade were notified via email. Six Antelope Valley car dealers were notified in person with six

additional car dealers being notified via email with the IFB attached. Those additional six firms are as follows: one each from Anaheim, Orange, Placentia, San Bernardino, and two out of state firms.

Staff conducted an optional pre-bid conference on May 11, 2015, with no firm(s) attending. The IFB opened on May 28, 2015. Of the 12 firms that received the IFB, three bids were submitted. One bid was delivered late and another did not meet minimum requirements and were rejected. One response was received that met all requirements.

The responding firm and respective bid amount are listed in the table below.

Firm	Location	Contract Amount
Rally Auto Group, Inc.	Palmdale, CA	\$286,936, plus sales tax

Rally Auto Group's bid response was evaluated and pricing was found to be fair and reasonable. Based on the bid received, the review of requisite documents submitted and the validation of references, staff is recommending that the Board approve a contract with Rally Auto Group, Inc., of Palmdale, CA.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Len Engel
Director of Operations and Maintenance



DATE: June 23, 2015

TO: BOARD OF DIRECTORS

SUBJECT: Approve Task Order No. 3, to Kennard Design Group, Inc., Under Master Contract #2014-46, for Engineering & Design, Specifications, Bid and Construction Management for Antelope Valley Mall Bus Stop Improvement Project (BSIP)

RECOMMENDATION

That the Board of Directors authorize the director of operations and maintenance to execute Task Order No. 3, to Kennard Design Group, Inc. of Los Angeles, CA, under Master Contract #2014-46 in the amount of \$71,383 to design, engineer, create specifications and bid documents, and manage the construction of the Antelope Valley Mall BSIP (Attachment A).

FISCAL IMPACT

Sufficient funds for this project have been included in the FY16 Business Plan to pay for these services.

BACKGROUND

Early 2013, staff began the process of evaluating all bus stops for ADA compliance as required by the Federal Transit Administration (FTA). Both bus stops located at the AV Mall were designated for future improvements. During the March 24, 2015 Board meeting, staff received direction to work with mall management to update the bus stops and improve service connectivity to the Mall. On May 20, 2015, staff met with mall management and received approval to complete the necessary improvements.

Staff requested a proposal from Kennard Design Group under Master Contract 2014-46 for On-call Architectural and Engineering Services. Services requested were to design,

Approve Task Order No. 3, to Kennard Design Group, Inc., under Master Contract #2014-46, for Engineering & Design, Specifications, Bid and Construction Management for Antelope Valley Mall BSIP
June 23, 2015
Page 2

engineer, create specifications and bid documents, and perform construction management.

Staff received and evaluated Kennard Design Group's proposal and pricing, which were found to be concise, fair and reasonable. Based on the proposal received, staff is recommending that the Board approve Task Order No. 3, with Kennard Design Group, Inc., of Los Angeles, CA.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Len Engel
Director of Operations and Maintenance

Attachment: A – Kennard Design Group's Proposal

ANTELOPE VALLEY TRANSIT AUTHORITY**KENNARD DESIGN GROUP A/E Fee Proposal Request – AV Mall Project****June 3, 2015****Proposed Project:** Replacement of Bus Shelter, Street and Walkway Improvements**Location:** Antelope Valley Mall**Date:** Wednesday, June 3, 2015

AVTA has defined the scope of work to include the following:

1. **Civil modifications** include replacing the asphalt one lane width wide about 120 feet long. This area would start at the first pedestrian path way stripping (south side) to the farthest north tree closet to the curb (north side). We would widen the sidewalk area to 10-15 feet wide with new ADA entrance for about 30 feet in length, then the rest of the sidewalk of about 80 feet in length by 5 feet wide. We would push back the retaining wall and replace it using new 8" split face reinforced retaining wall.
2. **New custom design bus shelter** (not traditional AVTA pre-fab). Length of the shelter TBD, but it is presumed to be at least 20-25 feet in length. KDG would generate four (4) modern concepts for this shelter for AVTA review prior to developing design drawings to include architectural, structural and electrical design. Uprights to use dry stack stone. Amenities would include solar lighting (full shelter lighting vandal-proof), custom colors, bench and shelter 20-24" clear visibility AFF.
3. **Site amenities** would include two (2) new trash receptacles and multiple shelter benches (same units as the other sites, quantity TBD)
4. **City of Palmdale approval from Dept. of Building & Safety**
5. **Traffic Control Plans for City of Palmdale approval.** Even though this site is not along a major City street, the adjoining traffic within the mall parking area would still be impacted during construction. Thus, we anticipate that plans would need to be submitted for review.
6. **Engineering services** will include civil, structural, and electrical engineering as well as a site survey and geotechnical engineering assessment.
7. **One (1) site visit during design.**
8. Construction administration during construction period (2 months); Three (3) site visits during construction (3 for KDG, 3 for Civil). Three construction phases: 1) Lane concrete replacement; 2) Concrete sidewalk ADA ramp; and 3) Installation of amenities and shelter and benches.

Photographs of the site include:***Existing retaining wall, shelter to be replaced******Area for new sidewalk***



Area or AC street paving (one lane width) to be replaced per civil item 1



Existing retaining wall to be removed and replaced per civil item 1



ANTELOPE VALLEY TRANSIT AUTHORITY

KENNARD DESIGN GROUP A/E Fee Proposal Request – AV Mall Project

June 3, 2015

Our fee proposal is **\$71,383.00** for the scope of work and services outlined above. This fee is broken down as follows:

Consultant Firm	Task	Hours x Hourly Rate	Fee
Kennard Design Group	Architectural / Prime		
Design Project Manager	Project Management	128 x \$135.00	\$17,280.00
CAD Designer	Drawing Preparation	96 x \$110.00	\$10,560.00
Project Manager	Plan Check Coordination	32 x \$135.00	\$4,320.00
Project Administrator	Construction Administration	72 x \$135.00	\$9,720.00
Reimbursable expenses	Mileage		\$276.00
Reimbursable expenses	Printing		\$250.00
		KDG Sub-Total	\$42,406.00
Coffman Engineers	Civil / Structural/Electrical		
Design Project Engineer	Project Manager	71 x \$137.00	\$9,727.00
CAD Designer	Drawing Preparation	56 x \$117.00	\$6,552.00
Principal Engineer	Design Review	4 x \$216.00	\$864.00
Construc. Project Engineer	Construction Period	2 X \$137.00	\$274.00
Reimbursable Expenses	Mileage / printing		\$250.00
		Coffman Eng. Sub-Total	\$17,667.00
Arrow Engineering	Traffic Plan/Survey/Geotech		
Traffic Control Plan	Project Engineer	24 x \$115.00	\$2,760.00
Traffic Control Plan	Principal Engineer	2 x \$160.00	\$320.00
Survey	Field Work	14 x \$220.00	\$3,080.00
Survey	Review and Data Transfer	6 x \$120.00	\$720.00
Survey	Base Map Preparation	10 x \$95.00	\$950.00
Geotech Soil Sampling	Soil Sample Gathering	4 x \$90.00	\$360.00
Lab & Recommendations	Preparation of Report	10 x \$134.00	\$1,340.00
Project Management	Coordination with KDG & City	8 x \$160.00	\$1,280.00
Reimbursable Expenses	Mileage / printing		\$500.00
		Arrow Eng. Sub-Total	\$11,310.00
KDG Design & Construction Support Total Fee:			\$71,383.00



DATE: June 23, 2015
TO: BOARD OF DIRECTORS
SUBJECT: Approval of Chief Executive Officer Employment Agreement

RECOMMENDATION

Approve final terms and conditions as detailed in Attachment A and execute the final Chief Executive Officer Employment Agreement with Norm Hickling.

FISCAL IMPACT

Approval of this employment agreement will not have a significant fiscal impact as salaries and wages included in the FY16 Business Plan are sufficient to cover all costs associated with the Chief Executive Officer Employment Agreement.

BACKGROUND

At the January 27, 2015 Board of Directors meeting, former Executive Director Julie Austin submitted her intention to retire effective April 5, 2015. During the closed session portion of the meeting, a selection committee comprising of then Vice Chairman Crist, Director Hofbauer, and Director Knippel was established to oversee the search for Ms. Austin's replacement.

The proposed agreement is attached and outlines the primary terms and conditions (Attachment A).

Submitted by:

Allison Burns
Special Counsel

Attachment A: Chief Executive Officer Employment Agreement

CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT**ANTELOPE VALLEY TRANSIT AUTHORITY**

THIS CHIEF EXECUTIVE OFFICER EMPLOYMENT AGREEMENT (“Agreement”) is made effective as of _____ (“Effective Date”) by and between the ANTELOPE VALLEY TRANSIT AUTHORITY (“AUTHORITY”) and NORM HICKLING (“HICKLING”).

RECITALS

WHEREAS, the AUTHORITY is a transit agency created under a Joint Exercise of Powers Agreement (“JPA”) between and among the County of Los Angeles and the Cities of Palmdale and Lancaster, CA;

WHEREAS, the JPA provides for the position and duties of Transit Director (“CHIEF EXECUTIVE OFFICER”);

WHEREAS, HICKLING has acquired experience in the public transit area and has an extensive background in and knowledge of the business the AUTHORITY is engaged in;

WHEREAS, the AUTHORITY’s BOARD OF DIRECTORS (“BOARD”) desires to employ HICKLING as CHIEF EXECUTIVE OFFICER, and HICKLING desires to accept such employment, in accordance with the following terms and conditions.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**1. THE AUTHORITY, JOB DUTIES AND RESPONSIBILITIES
OF CHIEF EXECUTIVE OFFICER**

1.01 Authority. The AUTHORITY shall employ HICKLING as its CHIEF EXECUTIVE OFFICER with full powers and authority to manage and conduct the business of the AUTHORITY, subject to the JPA, Bylaws, directives and policies set by the BOARD, and all other applicable Federal, State and local laws.

1.02 Duties/Responsibilities. As CHIEF EXECUTIVE OFFICER, HICKLING will report to the BOARD and will be responsible for managing and conducting the day-to-day business of the AUTHORITY. The duties of the CHIEF EXECUTIVE OFFICER are primarily to lead and coordinate the technical and administrative office of the AUTHORITY, and to be responsible to the BOARD for proper administration of all affairs of the AUTHORITY, subject to the JPA, Bylaws, directives and policies set by the BOARD, and all other applicable Federal, State and local laws. HICKLING shall devote his full energies, interest, abilities and productive time to the performance of those duties and responsibilities as set forth in the JPA and as may be from time to time assigned to him by the BOARD.

1.03 Modification. The BOARD reserves the right to modify HICKLING's position and duties at any time in its sole and absolute discretion, provided that the duties assigned to HICKLING are consistent with the JPA and the position of CHIEF EXECUTIVE OFFICER, and that HICKLING continues to report to the BOARD.

2. TERM

2.01 Base Term. This Agreement shall commence on the Effective Date and shall expire on July 1, 2017 unless extended pursuant to subsection 2.02 below or terminated pursuant to Section 6 below.

2.02 Extension. On a recurring basis, the term of this Agreement shall automatically be extended for one (1) year unless either party cancels the automatic extension by giving written notice to the other party no less than six (6) months in advance of the then-current expiration date. In the event either party cancels the automatic extension, HICKLING shall be entitled to receive only the base salary then in effect, prorated to the date of expiration. HICKLING shall not be entitled to a severance payment in accordance with subsection 6.06 below, and all other AUTHORITY obligations to HICKLING pursuant to this Agreement shall be extinguished upon expiration, except as may be required by law.

2.03 Post Employment. Should HICKLING exercise his right to cancel this contract effective July 1, 2017, and he has recruited and mentored a suitable replacement for his position that is acceptable to the AUTHORITY, the AUTHORITY shall retain his services as an on-call consultant for a period not less than six months, or through December 31, 2017, pursuant to a separate agreement to be negotiated in good faith. The monthly retainer amount payable to HICKLING shall be \$5,000, payable within ten days of the end of the preceding month.

3. PLACE OF PERFORMANCE

3.01 Requirement. Unless the parties agree otherwise in writing, HICKLING shall perform the services of CHIEF EXECUTIVE OFFICER at the AUTHORITY's principal place of business, and when required, shall perform the duties of CHIEF EXECUTIVE OFFICER at other locations within the County of Los Angeles, including the Cities of Lancaster and Palmdale.

4. COMPENSATION AND BENEFITS

4.01 Base Salary. As compensation for HICKLING's employment and performance of his duties, the AUTHORITY shall pay HICKLING a base salary of One Hundred Sixty Five Thousand Dollars (\$165,000.00) per year payable in accordance with the normal payroll practices of the AUTHORITY, less required deductions for State and Federal withholding taxes and all other employment taxes and payroll deductions.

4.02 Annual Performance and Salary Review. The BOARD shall annually review the performance of HICKLING. Based upon the BOARD's evaluation of the specific performance of HICKLING against BOARD-approved goals and objectives, the BOARD shall determine an appropriate salary adjustment and/or incentive pay, if any. Upon satisfactory performance, the BOARD shall give due consideration to a merit increase and/or incentive pay of up to ten percent (10%) of the base salary. Any salary adjustment or incentive pay award will be made by the BOARD

in its sole and absolute discretion. Any such adjustment shall be based on HICKLING'S performance from the Effective Date to the one-year anniversary of the Effective Date.

4.03 CHIEF EXECUTIVE OFFICER Annual Objectives. The BOARD shall annually evaluate and base an appropriate salary adjustment, if any, for HICKLING on its sole opinion and absolute discretion regarding how well HICKLING has performed to date against goals and objectives set by the BOARD. The BOARD may from time to time provide additional goals for HICKLING to achieve during the contract year and will evaluate HICKLING's performance based on his achievement of the goals. Agreed upon goals are set forth in Exhibit C.

4.04 Fringe Benefits - HICKLING will be eligible for the fringe benefits set forth in the attached Exhibit A.

5. REIMBURSEMENT OF BUSINESS & MOVING EXPENSES

5.01 Business Expenses - HICKLING shall be reimbursed for all necessary and reasonable, out-of-pocket business expenses incurred in the performance of his duties on behalf of the AUTHORITY.

5.02 Expense Reports. To obtain reimbursement, HICKLING shall promptly submit expense reports to the AUTHORITY with appropriate supporting documentation in accordance with the AUTHORITY's policies for the reimbursement of out-of-pocket expenses.

6. TERMINATION

6.01 Termination For Cause by the AUTHORITY. The AUTHORITY may terminate this Agreement at any time for cause. For the purposes of this subsection 6.01, "cause" is defined as: (i) conviction of (or pleading nolo contendere to) or indictment for a felony, a crime of moral turpitude, dishonesty, breach of trust or unethical business conduct, or any crime against or otherwise involving the AUTHORITY; (ii) willful and continued neglect in the performance of duties; (iii) engagement in willful misconduct, fraud, misappropriation, or embezzlement; (iv) willful and continued failure to adhere to the lawful directions of the BOARD or AUTHORITY policies and practices; and (v) material breach of this Agreement. "Cause" shall not exist except upon the AUTHORITY's written notice to HICKLING following the occurrence of any of the events described in the preceding sentence and, if the occurrence involves an event described in clauses (ii) through (v), HICKLING's failure to cure the breach within thirty (30) days of such notice. In the event this Agreement is terminated by the AUTHORITY for cause, HICKLING shall be entitled to receive only the base salary then in effect, prorated to the date of termination. HICKLING shall not be entitled to a severance payment in accordance with subsection 6.06 below, and all other AUTHORITY obligations to HICKLING pursuant to this Agreement shall be extinguished except as may be required by law.

6.02 Termination For Convenience by the AUTHORITY. The AUTHORITY may terminate this Agreement at any time for convenience upon six (6) months' written notice to HICKLING. In the event this Agreement is terminated by the AUTHORITY for convenience, HICKLING shall be entitled to a severance payment in accordance with subsection 6.06 below.

6.03 Termination For Cause by HICKLING. HICKLING may terminate this Agreement at any time for cause. For purposes of this subsection 6.03, “cause” is defined as the occurrence of either of the following events: (i) the BOARD’s decision to limit HICKLING to duties with materially less authority than the duties of the CHIEF EXECUTIVE OFFICER; or (ii) the AUTHORITY’s material breach of this Agreement. “Cause” shall not exist unless the AUTHORITY fails to cure such event within thirty (30) days following notice by HICKLING. In the event HICKLING terminates this Agreement for cause, HICKLING shall be entitled to receive a severance payment in accordance with subsection 6.06 below.

6.04 Termination for Convenience by HICKLING. HICKLING may terminate this Agreement for convenience at any time upon sixty (60) days written notice to AUTHORITY. In the event this Agreement is terminated by HICKLING for convenience, HICKLING shall not be entitled to a severance payment.

6.05 Termination by Mutual Consent. The parties may by mutual written consent terminate this Agreement at any time. In the event this agreement is terminated by mutual consent, HICKLING shall not be entitled to receive a severance payment in accordance with subsection 6.06 below, and all other AUTHORITY obligations to HICKLING pursuant to this Agreement shall be extinguished except as may be required by law.

6.06 Severance Payment. If HICKLING is entitled to a severance payment under this Agreement, such entitlement shall be contingent upon HICKLING’s execution of a full release of known and unknown claims against the BOARD and the AUTHORITY. The severance payment shall be paid in a lump sum and shall be the amount of HICKLING’s then-current monthly salary multiplied by the number of months remaining in the term of this Agreement, or multiplied by twelve (12), whichever is less. Notwithstanding any other provision of this Agreement, the severance payment shall not exceed the limitations provided in California Government Code Section 53260 et seq.

7. CONFLICTS OF INTEREST

7.01 Prohibition. HICKLING shall not engage in any work, paid or unpaid, that creates an actual or potential conflict of interest with the AUTHORITY. If the BOARD reasonably believes that such a conflict exists, the BOARD may direct HICKLING to discontinue the other work. HICKLING’s failure to promptly comply with such direction shall constitute a material breach of this Agreement.

8. DISPUTE RESOLUTION

8.01 Process. The parties agree to resolve any disputes related to this Agreement in accordance with the attached Exhibit B.

9. GENERAL PROVISIONS

9.01 Successors and Assigns. The rights and obligations of the AUTHORITY under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the AUTHORITY. HICKLING shall not be entitled to assign any of his rights or obligations under this Agreement.

9.02 Waiver. Either party's failure to enforce any provision of the Agreement shall not in any way be construed as a waiver of any such provision, or prevent the party thereafter from enforcing each and every other provision of this Agreement.

9.03 Attorney's Fees. Each side will bear its own attorney's fees in any dispute arising out of, or in any way related to, the Agreement, except as may be required by law.

9.04 Severability. In the event any portion of the Agreement is found to be unenforceable by an arbitrator or court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the parties shall receive the benefit contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such arbitrator or court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

9.05 Interpretation. The headings set forth in this Agreement are for convenience only and shall not be used in interpreting the Agreement. This Agreement has been drafted by and both parties have participated in the negotiation of the terms of this Agreement. Furthermore, by signing this Agreement, HICKLING acknowledges he has had an opportunity to review and revise this Agreement and have it reviewed by legal counsel, if desired, and therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Agreement.

9.06 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of California.

9.07 Notices. Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery upon receipt; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested upon verification of receipt.

THE PARTIES HAVE READ THE FOREGOING AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN.

WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

Dated: _____, 2015

Marvin Crist
Chairman

Dated: _____, 2015

Norman L. Hickling
CHIEF EXECUTIVE OFFICER

EXHIBIT A
FRINGE BENEFITS

Commencing on the Effective Date, HICKLING shall be entitled to receive the following fringe benefits.

1. The AUTHORITY shall provide and pay for one hundred percent (100%) of all premiums for dental, vision, and PPO or HMO health insurance with an AUTHORITY provider for HICKLING and his dependents.
2. The AUTHORITY shall provide and pay for Life Insurance in the amount of one and one half times HICKLING's annual salary through the AUTHORITY's group term life insurance policy.
3. HICKLING shall be entitled to compensated time off for each year of the Agreement as follows: fifteen (15) working days of compensated time off (inclusive of vacation and sick leave) credited as of the Effective Date and annually thereafter for each year of employment. HICKLING may accumulate up to a maximum of 174 hours of unused compensated time off. HICKLING shall be entitled to cash out accumulated compensated time off in an amount equal to his annual allocation per calendar year. Upon termination of the Agreement, for any reason, HICKLING will be compensated for any accrued, but unused, compensated time off at his then rate of pay. Except as specifically contained herein, all other provisions of the AUTHORITY's Human Resources Manual relating to vacation shall apply to HICKLING.
4. HICKLING shall be entitled to receive twelve (12) paid holidays per calendar year according to a schedule for holidays adopted by the AUTHORITY, plus 3 floating paid holidays to be used at the discretion of HICKLING.
5. HICKLING shall be entitled to disability benefits pursuant to written policies adopted by the AUTHORITY as set forth in the AUTHORITY's Human Resources Manual.
6. HICKLING shall be eligible for the California Public Employees' Retirement System (CALPERS) and the AUTHORITY shall pay one hundred percent (100%) of both the Employer's and Employee's contribution to PERS. In addition, HICKLING shall be entitled to an equivalent of six percent (6%) of his then base salary to be paid annually into an AVTA affiliated deferred compensation plan.
7. HICKLING shall be reimbursed for reasonable travel expenses related to his professional development activities, such as attending the American Public Transportation Association's annual conference.
8. HICKLING shall be entitled to the use of an automobile for business, commuting and personal purposes which the AUTHORITY will provide at the AUTHORITY's expense. Such personal usage and the corresponding expenses shall be deemed to be personal income to HICKLING and be reported to HICKLING as required by I.R.C. Sec.61 and its Regulations. The AUTHORITY shall be responsible for all expenses relating to the use of the vehicle, including but not limited to gasoline, maintenance and insurance.
9. HICKLING shall receive a cellular phone to be used for business purposes.
10. All benefits set forth above, 1 through 11, are subject to the rules and regulations as adopted by the AUTHORITY.

EXHIBIT B
AGREEMENT TO ARBITRATE

The Agreement to Arbitrate is made by and between Norm Hickling (“Hickling”) and the Antelope Valley Transit Authority (“Authority”), a public transit agency created by a Joint Powers Agreement between the County of Los Angeles, and the cities of Lancaster and Palmdale.

WHEREAS the Authority and Hickling want to provide for the expeditious cost-effective resolution of any and all disputes of any kind and nature which may now, or in the past or in the future, exist between them;

WHEREAS the Authority and Hickling want to use an expeditious cost effective means to avoid the delays and uncertainties of resolving disputes through the courts;

WHEREAS the Authority and Hickling want to enter into an agreement for final and binding resolution of any disputes through the arbitration process;

NOW THEREFORE, in consideration of Hickling being hired as CHIEF EXECUTIVE OFFICER, the Authority and Hickling agree to final and binding arbitration as follows:

SCOPE OF THE AGREEMENT TO ARBITRATE

1. The Authority and Hickling agree to final and binding arbitration of any and all claims or disputes between the Authority and Hickling, relating to the employment relationship, including but not limited to common law, breach of Hickling’s Employment Agreement with the Authority, Federal and/or State discrimination claims, claims for wrongful termination, claims for violation of any agreements and/or any Federal and/or State laws that Hickling may assert against the Authority, except as to any workers’ compensation claim, other than a workers’ compensation claim arising under Labor Code section 132a and under Labor Code section 4553. The Authority and Hickling knowingly agree to waive the right to have any and all claims or disputes between the Authority and Hickling decided by the courts rather than through the process of final and binding arbitration. Nothing contained herein, shall deprive Hickling of the right to file a claim for discrimination and/or retaliation with the Equal Employment Opportunity Commission (EEOC) and/or the Department of Fair Employment and Housing (DFEH) or for the EEOC and/or the DFEH to engage in litigation on behalf of Hickling to secure remedies under Title VII and/or California Code section 12940, *et seq*, before an administrative body and/or in a Court.

DEFINITION OF THE TERM “AUTHORITY”

2. The term “Authority” includes, but is not limited to any present or former employees, officers, directors, managers and/or supervisors, benefit plan administrators, sponsors, and/or fiduciaries in their capacities as benefit plan administrators and as individuals, and any agents of Authority. The term “Authority” shall be further defined to include the County of Los Angeles, and the cities of Lancaster and Palmdale.

AGREEMENT TO COVER ALL PAST, PRESENT, AND FUTURE DISPUTES

3. This Agreement to Arbitrate shall cover all disputes between the Authority and Hickling that may have arisen prior to and after the date of execution of the Agreement to Arbitrate.

EXERCISING THE RIGHT TO ARBITRATE-NOTICE BY HICKLING TO ARBITRATE BY SERVICE OF A COMPLAINT AND BY AUTHORITY BY SERVICE OF A COMPLAINT OR CROSS COMPLAINT

4. Hickling may exercise the right to arbitrate any dispute with Authority by serving Complaint, within the applicable statute of limitations for any legal claim or claims on the Authority in the manner provided for service of process in California Courts. The Complaint shall set forth Hickling's factual and legal basis and all causes of action Hickling claims to have against the Authority, and a request for relief. The Authority may respond to the Complaint by an Answer filed 30 days after service and/or by a Demurrer and Motion to Strike in accordance with applicable California law. Any dispute as to the sufficiency of the pleading shall be resolved by the Arbitrator, once he or she is selected. The Authority may exercise the right to arbitrate any dispute with Hickling by serving a Complaint or Cross Complaint, within the applicable statute of limitations, for any legal claim or claims on Hickling in the manner provided for service of process in California Courts. The Complaint or Cross Complaint shall set forth the Authority's factual and legal basis and all causes of action Authority claims to have against Hickling, and a request for relief. Hickling's and/or Authority's failure to serve him, his or its Complaint and/or Cross Complaint within the applicable time limit prescribed by law for each cause of action alleged shall constitute a complete waiver of the claim and/or claims and the right to arbitrate and or to file such claim and/or claims in any court of law.

SELECTION OF THE ARBITRATOR

5. The arbitration will be heard by a neutral arbitrator. Upon service of Hickling's Complaint on the Authority that shall serve as a notice to arbitrate and/or the service on Hickling of a Cross Complaint, the Authority shall immediately request a list of nine (9) arbitrators from the American Arbitration Association (hereinafter referred to as "AAA") who are experienced and qualified in hearing and deciding employment related disputes. Any fee charged by the AAA for securing the list of arbitrators shall be solely borne by the Authority. Within fourteen (14) calendar days of receipt of the list from the AAA, the parties or their respective representatives shall confer with each other to select an acceptable arbitrator to decide the dispute and/or disputes.

The parties may agree to select an arbitrator who is mutually agreeable whose name is not on the list received from the AAA. If the parties are unable to agree to a single arbitrator to hear the dispute and/or disputes, the single arbitrator to hear the dispute and/or disputes shall be selected by the parties alternately striking the names of arbitrators from the list of arbitrators provided by the AAA. Hickling shall have the right to strike first from the list of arbitrators. The name of the arbitrator who remains on the list after each party has stricken four names shall be the arbitrator who shall hear the dispute or disputes between the parties.

RULES FOR GOVERNING THE CONDUCT OF THE ARBITRATION

6. The arbitrator shall conduct the arbitration under the AAA Employment Dispute Resolution Rules. However, the parties shall have the same rights they would if Hickling had filed his claim in California Superior Court to request the production of documents and witnesses. The Arbitrator is empowered to enforce the rights of the Authority and Hickling to secure the production of documents and witnesses. The Authority and Hickling are entitled to such pre-trial discovery as the Arbitrator deems is just and proper to a fair resolution of the dispute and shall be guided by the California Discovery Act and law applicable for discovery in civil cases before the California Superior Court. The Arbitrator shall exercise the power to render interim decisions prior to trial on matters of pre-trial discovery; on the sufficiency of the pleadings to state cause and or causes of action recognized under the laws of the State of California and federal law; to determine motions for summary judgment and such other motions as are necessary to a fair and just resolution of the dispute and/or disputes between the Authority and Hickling. The Arbitrator shall use the applicable legal standards under California law in the granting and or denial of any demurrers, motions to strike, judgment on the pleadings, motion and/or motions for summary judgment.
7. Should there be any conflict between the AAA Employment Dispute Resolution Rules and the Agreement to Arbitrate (“Agreement”) the Agreement shall govern. The Arbitrator shall use the California Rules of Evidence to conduct the arbitration hearing, so far as practicable. The Arbitrator shall have the authority to admit evidence that in the interest of justice the Arbitrator believes is trustworthy and probative, even if such evidence would not be otherwise admissible under the California Evidence Code. The Arbitrator shall have the authority to hear and to rule on all pretrial motions, which shall be incorporated into the Arbitrator’s Final Written Award and shall be appealable under the Code of Civil Procedure of California on the same basis as any other award of an Arbitrator. The Arbitrator shall use applicable California statutory and case law precedent in rendering and resolving disputes and making arbitration awards under the terms of the Agreement to Arbitrate.

PAYMENT OF THE ARBITRATOR’S FEES AND COSTS AND SETTING THE DATE, TIME, AND PLACE OF THE ARBITRATION; CASE MANAGEMENT CONFERENCES; AND MOTION CONFERENCES

8. The fee for the Arbitrator shall be solely paid by the Authority. Each party shall bear its own attorneys’ fees, witness fees, and other costs. The parties shall mutually agree with the Arbitrator on the date and time for the arbitration to be conducted. In the event that the parties are unable to mutually agree to the date and time for the arbitration to be conducted, the Arbitrator shall determine the date and time of the arbitration. The Arbitrator shall set a date for the arbitration no less than twelve (12) calendar months from the date of the Complaint, and shall give notice of the hearing by serving a copy of the notice by certified mail addressed to the Authority at 42210 6TH Street West, Lancaster, CA 93534 and Hickling at _____. A transcript of the proceedings shall be taken by a certified court reporter. Each party shall be allowed to pay for and to obtain a copy of the written transcript of all proceedings. Within thirty (30) calendar days of the Arbitrator’s selection, the Arbitrator shall conduct a case management meeting to anticipate and resolve pretrial discovery issues, establish a discovery cut-off date and to schedule motion hearings and briefing schedules on motions and a trial date. The parties by mutual agreement in writing may permit the Arbitrator to conduct the meeting within no more than sixty (60) days after his

or her selection. The case management conference and/or motion conferences may be held by telephone or in person, as determined by the Arbitrator. The Arbitrator shall have the authority to schedule additional case management and/or motion conferences and/or hearings. The Arbitrator shall schedule a final case management and/or motion conference no less than ten (10) days before the first day of hearing for the purpose of presentation of a joint list of exhibits and witnesses, ruling on any motions and discussing any matters necessary to an orderly trial of the case. The parties shall file any motion for summary judgment and/or summary adjudication of issues in sufficient time for the matter to be heard and decided by the Arbitrator before trial. The arbitration hearing shall be conducted at the headquarters of the Authority located at, 42210 6th Street West, Lancaster, CA 93534 unless the parties agree in writing to conduct the arbitration at another location.

AUTHORITY OF THE ARBITRATOR IN RENDERING A DECISION; LEGAL STANDARDS TO BE USED BY THE ARBITRATOR; TIME DEADLINE FOR ISSUANCE OF DECISION

9. The Arbitrator shall have exclusive authority to resolve any dispute and/or disputes between the parties, including those relating to the interpretation, applicability, or enforceability of the Agreement to Arbitrate. The Arbitrator shall have the power to award damages against any party and to make an award granting such further relief as he/she deems just, proper, and equitable. The Arbitrator is required by the Agreement to Arbitrate to use the standards set forth in applicable California statutory and case law in determining whether any party has met his or her burden of proof. In the case of the Arbitrator determining whether the Authority has taken any employment related action against Hickling on any unlawful basis and/or in violation of the federal and/or state antidiscrimination laws, the applicable standard shall be whether or not the employment related action was taken against Hickling by the Authority for legitimate nondiscriminatory business reasons. Any relief that would otherwise be available in a court of law will be available in arbitration. The Arbitrator's decision shall be in writing with findings of fact and conclusions of law sufficient for a court to review the decision under the California law applicable to review of arbitration awards and must be issued within sixty (60) calendar days after the close of the hearing, unless the parties mutually agree in writing to extend the deadline for issuance of the decision.

RIGHT TO REPRESENTATION

10. Each party may be represented throughout the arbitration proceedings by counsel of its own choosing.

RIGHT TO PRE-HEARING DISCOVERY

11. Each party shall have the right to pre-hearing discovery to the same extent as permitted for civil cases under California law. This means that the parties shall each have the right to secure documentary evidence and witness testimony through depositions as if they were proceeding under the California Discovery Act. The Arbitrator shall have the power to resolve any pre-hearing discovery disputes in the same manner as if the Arbitrator were sitting as a Superior Court judge. The decision of the arbitrator on any pre-hearing discovery dispute shall be final and binding on the parties.

FINAL AND BINDING AWARD OF ARBITRATOR ENFORCEABLE IN COURT

- 12. Any award issued by an arbitrator pursuant to the Agreement to Arbitrate shall be final and binding and enforceable in a court of competent jurisdiction.

OPPORTUNITY TO HAVE THE AGREEMENT REVIEWED BY AN ATTORNEY

- 13. The Authority and Hickling agree that they have had an opportunity to review the agreement and its legal implications with an attorney. The Authority and Hickling represent to each other that each understands the legal effect of entering into the Agreement to Arbitrate all past, present, and future disputes that they may have with each other.

CONTAINMENT OF ENTIRE AGREEMENT

- 14. The agreement supersedes any and all other agreements regarding the resolution of any dispute that might arise between the Authority and Hickling regarding employment related matters, either verbal or in writing, unless specifically stated to the contrary in a written agreement between the parties, and constitutes the sole, entire, and complete agreement between the parties.

PARTIAL INVALIDITY, CAPTIONS, AND PARAGRAPH HEADINGS

- 15. If any provision of the agreement is held to be invalid, void, or unenforceable by a court of competent jurisdiction, the remaining provisions of the agreement shall, nevertheless, continue in full force and effect without being impaired or invalidated in any way. The captions and paragraph headings used herein are for convenience only, are not a part of the agreement, and shall not be used in interpreting and/or construing the agreement.

LAW GOVERNING AGREEMENT

- 16. The agreement shall be governed by and construed in accordance with the laws of the State of California.

NOTICES GIVEN BY A PARTY

- 17. Written notices to be given under the agreement, unless required to be served in the manner provided by the California laws governing service of process, shall be sent by Certified Mail, Return Receipt Requested, to Hickling at _____ and to the Authority attention: Chairman of the Board of Directors at 42210 6th Street West, Lancaster, CA 93534.

SO AGREED TO ON THE DATE BELOW:

Dated: _____, 2015

Marvin Crist, Chairman
Antelope Valley Transit Authority

Dated: _____, 2015

Norman L. Hickling, Chief Executive Officer
Antelope Valley Transit Authority

DRAFT

EXHIBIT C

Chief Executive Officer Goals

To be determined.

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