



**ADMINISTRATIVE & FINANCE COMMITTEE**  
**THURSDAY, MARCH 12, 2015 – 8:00 A.M.**  
**OMNITRANS METRO FACILITY**  
**1700 WEST 5TH STREET**  
**SAN BERNARDINO, CA 92411**

The meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or Limited English Proficiency services are needed in order to participate in the public meeting, requests should be made through the Recording Secretary at least three (3) business days prior to the Committee Meeting. The Recording Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY), located at 1700 West Fifth Street, San Bernardino, California. If you have comments about items on the agenda or other general concerns and are not able to attend the meeting, please mail them to Omnitrans at 1700 West Fifth Street, San Bernardino, California, Attention Board Secretary. Comments may also be submitted by email to [BoardSecretary@omnitrans.org](mailto:BoardSecretary@omnitrans.org).

**A. CALL TO ORDER**

1. Pledge of Allegiance
2. Roll Call

**B. ANNOUNCEMENTS/PRESENTATIONS**

1. Next Committee Meeting: Thursday, April 9, 2015, 8:00 a.m.  
Omnitrans Metro Facility Board Room

**C. COMMUNICATIONS FROM THE PUBLIC**

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the Administrative & Finance Committee, comments on items not on the agenda and on items on the agenda are to be limited to a total of three (3) minutes per individual.

**D. POSSIBLE CONFLICT OF INTEREST ISSUES**

Disclosure – Note agenda items contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation in the appropriate item.

N/A

**E. DISCUSSION ITEMS**

- |  |    |
|--|----|
| 1. Approve Administrative & Finance Committee Minutes – February 12, 2015  | 2  |
| 2. Recommend to Board of Directors, Receive and File Construction Progress Report No. 35 through February 27, 2015 - sbX E Street Corridor BRT Project | 6  |
| 3. Receive and File Omnitrans' Director of Finance Report on Forward Fuel Purchases for February 2015  | 17 |
| 4. Recommend to Board of Directors, Continuing Control Agreement between Omnitrans and Sub-Recipients for Federal Transit Administration Funding       | 20 |
| 5. Recommend to Board of Directors, Approval of Fiscal Year 2015-16 Budget Assumptions   | 26 |

**F. ADJOURNMENT**

ITEM # \_\_\_\_\_ E1 \_\_\_\_\_

**ADMINISTRATIVE & FINANCE COMMITTEE  
MINUTES, FEBRUARY 12, 2015**

**A. CALL TO ORDER**

Committee Chair Ed Graham called the regular meeting of the Administrative and Finance Committee to order at 8:02 a.m., Thursday, February 12, 2015.

1. Pledge of Allegiance
2. Roll Call

**Committee Members Present**

Council Member Ed Graham, City of Chino Hills – Committee Chair  
Mayor Carey Davis, City of San Bernardino  
Mayor Paul Eaton, City of Montclair  
Council Member Pat Gilbreath, City of Redlands  
Council Member Dick Riddell, City of Yucaipa  
Mayor Pro Tem John Roberts, City of Fontana  
Mayor Pro Tem Alan Wapner, City of Ontario

**Committee Members Not Present**

Mayor Ray Musser, City of Upland

**OmniTrans Administrative Staff Present**

P. Scott Graham, CEO/General Manager  
Diane Caldera, Director of Operations  
Marge Ewing, Director of Human Resources/Safety & Security  
Samuel Gibbs, Director of Internal Audit Services  
Jennifer Sims, Director of Procurement  
Don Walker, Director of Finance  
Wendy Williams, Director of Marketing & Planning  
Andres Ramirez, IPMO Program Manager  
Maurice Mansion, Treasury Manager  
Mark Crosby, Loss Prevention Supervisor  
Vicki Dennett, Executive Assistant to CEO/General Manager

**B. ANNOUNCEMENTS/PRESENTATIONS**

The next Committee Meeting is scheduled Thursday, March 12, 2015, at 8:00 a.m.

**C. COMMUNICATIONS FROM THE PUBLIC**

There were no comments from the public.

**D. POSSIBLE CONFLICT OF INTEREST ISSUES**

There were no conflict of interest issues identified.

**E. DISCUSSION ITEMS**

1. Approve Administrative & Finance Committee Minutes – January 15, 2015

M/S (Eaton/Wapner) that approved the Committee Minutes of January 15, 2015. Motion was unanimous by Members present.

2. Recommend to Board of Directors, Receive and File Construction Progress Report No. 34 through February 1, 2015 - sbX E Street Corridor BRT Project

IPMO Program Manager Andres Ramirez presented the Construction Progress Report No. 34 for the period of December 23, 2014 through February 1, 2015.

Expenditures to date total \$167.1M. Substantial completion for the Vehicle Maintenance Facility is anticipated this April, with final completion tentatively scheduled in June 2015.

The Vehicle Maintenance Facility (VMF) is 78% complete. Schedule review and compression efforts continue.

Building A – Maintenance Building – Bays 5-8 have been turned over for use. Battery Room work continues. Dyno Room and Paint Booth mechanical work is complete. Close out documentation continues.

Building B – Bus Wash Building – Metal roof decking is complete. Framing and light-weight concrete on roof completed. Bus wash equipment has been received, and light fixture installation started.

Building C – Fuel Island – Concrete floor and roof decking in mezzanine are complete. Concrete pit and FOC trench area are installed, as well as all door frames. Underground electrical and plumbing are complete. Sitework grading for PCC pavement around buildings is complete, and Generator E electrical connections continue.

The Green Line is in operation, and the JV contract is being closed out. Final closeout is being addressed with contractor, and property turnover to the City in progress.

Omnitrans is reviewing bids on the 10<sup>th</sup> & Highland project.

PA system contract documents have been issued for execution. Security is one aspect of the PA system; the other aspect has to do with public service announcements and advertising. Delineator installation is complete; however, about 40-50 have been removed through vandalism and theft. Property owners have been advised that removal of delineators is a misdemeanor offense.

When the design and approval of the sbX was done several years ago, we had submitted projections of about 5600 riders per day, and actual numbers are about half that. Until the San Bernardino transit facility starts operations this September, we really can't project accurately. We should have a better handle on ridership towards the end of this calendar year.

This item was received by the Committee and will be forwarded to the Board of Directors for receipt and file.

3. Receive and File Omnitrans' Director of Finance Report on Forward Fuel Purchases for January 2015

Director of Finance Donald Walker reported that contracts closed at .731 below the hedge price for January. YTD is a total loss of \$6,900. We're at 99% of our budget for CNG through December 2014.

This item was received and filed by the Committee.

4. Receive and Forward to Board of Directors, Omnitrans' Fiscal Year Ended June 30, 2014 Audit Reports

Director of Finance Donald Walker introduced Roger Alfaro, Financial Auditor, who summarized the results of our audit. The scope included testing and validation. He discussed the auditing process, and identified one significant deficiency. Mr. Alfaro commented that the deficiency identified has to do with excess monies, and improving procedures to reflect audit adjustments. Omnitrans has issued a Plan of Correction to address the deficiency.

This item was received by the Committee and will be forwarded to the Board of Directors for receipt and file.

5. Receive and Forward to Board of Directors, Summary of Risk Assessment Results and Fiscal Year 2015 Internal Audit Workplan.

Director of Internal Audit Services Samuel Gibbs presented the Omnitrans Internal Audit Report 14-03, and Risk Assessment and FY 2015 Workplan. He addressed the Internal Audit Attributes and Risk Assessment.

Sam discussed Succession Planning and Workforce Development. Workforce Development evolved out a \$340K grant. Omnitrans reached out to the regional workforce development programs, including the County department. Timing is not always optimal for collaboration, but is utilized when possible. The average age of the workforce is 52, which is significant for a number of reasons. Sam discussed the Bridge Program, a 5-day program developed to introduce and acclimatize recipients to the transit experience. It is free to recipients, who are not paid, but reap the benefits of completing the program. The Simulator is also a significant part of the grant program, benefitting participants.

Sam also addressed the Armor Transport Services and how it is audited. He reviews the deviation between what is collected and what is deposited. Member Wapner asked if the industry association is doing any kind of debriefing of the \$5M embezzlement that occurred in Pasadena. Sam explained that the Pasadena occurrence wasn't mentioned, but an occurrence from the East Coast was discussed by the local industry association, of which Sam is President.

#### **F. ADJOURNMENT**

The Administrative and Finance Committee meeting adjourned at 8:31 a.m. The next Administrative and Finance Committee Meeting is scheduled Thursday, March 12, 2015, at 8:00 a.m., with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.

Prepared by:

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Christine Vega, Administrative Secretary

ITEM # \_\_\_\_\_ E2 \_\_\_\_\_

**DATE:** March 12, 2015

**TO:** Committee Chair Ed Graham and  
Members of the Administrative & Finance Committee

**THROUGH:** P. Scott Graham, CEO/General Manager

**FROM:** Andres Ramirez, Program Manager

**SUBJECT:** **CONSTRUCTION PROGRESS REPORT NO. 35 THROUGH  
FEBRUARY 27, 2015 - sbX E STREET CORRIDOR BRT PROJECT**

**FORM MOTION**

Receive and recommend to the Board of Directors for receipt and file Construction Progress Report No. 35 for the sbX E Street Corridor BRT Project through February 27, 2015.

**BACKGROUND**

This is Construction Progress Report No. 35 for the sbX E Street Corridor Project.

**CONCLUSION**

Receive and recommend to the Board of Directors for receipt and file Construction Progress Report No.35 for the sbX E Street Corridor BRT Project through February 27, 2014.

PSG:AR

Attachment



## **sbX E Street Corridor Bus Rapid Transit (BRT) Project**

### **Construction Progress Report No. 35**

**February 27, 2015**

**Submitted By:**

**JACOBS**

Contractor:	SBX Corridor - Griffith/Comet VMF – USS Cal Builders
Contractor Contract No.:	IPMO11-5
Project Manager:	Roger Hatton, P.E.
Omnitrans Program Manager:	Andres Ramirez



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- III. RFIs, Submittals, and Non-Conformance Reports
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- IV. Safety
- V. Project Budget and Cost
- VI. Change Orders and Claims
  - A. VMF Change Orders
- VII. Project Photographs
  - A. Vehicle Maintenance Facility (VMF) Photos



## I. PROJECT STATUS SUMMARY

### A. Project Description

The sbX E Street Corridor BRT Project is a 15.7-mile-long transit improvement project that will connect the northern portion of the City of San Bernardino with the City of Loma Linda. Over the past four years, the sbX E Street Corridor Bus Rapid Transit (BRT) Project has evolved as the highest priority corridor identified in the System-Wide Transit Corridor Plan for the San Bernardino Valley.

The project consists mainly of three components, the E Street Corridor, the purchase of 60' articulated buses, and the modifications to the Vehicle Maintenance Facility. While the buses have been procured and the E Street Corridor is in operation, work continues on the Vehicle Maintenance Facility.

The Vehicle Maintenance Facility is a 4.4-acre facility maintaining and servicing the Omnitrans' bus fleet, comprised of over 160 buses. Modifications to Omnitrans' facility include the demolition of a bus washing station, removal of abandoned underground fuel tanks and new construction of a bus washing system, a new Genset, a three-lane CNG fueling station, and re-configuring the bus parking area. Modifications to the maintenance building are made in order to accommodate Omnitrans' 60-foot articulated bus fleet.

### B. Summary Status Update (Accomplishments)

#### E Street Corridor:

- Continue to work with the City and Contractor in an effort to identify the last remaining items needed for Final acceptance.
  - Final list of items are being repaired
  - Property turn-over is ongoing
- 10<sup>th</sup> to Highland bids were received.
- Kick off meeting for the PA System design was conducted.

#### Vehicle Maintenance Facility:

##### Maintenance Building A

- Close-out documentation continues.

##### Bus Wash Facility Building B

- All of Mechanical, Electrical, and Plumbing finish installation will be on-going.
- Bus Wash equipment installation.
- Installation of all Electrical lighting.
- Installation of metal stud wall framing.
- Installation of exterior stucco.
- Retaining foundation wall and sidewalk on the North side of the building.
- Installation of HVAC system.

##### Vacuum and Fuel Facility Building C

- All of Mechanical, Electrical, and Plumbing finish installation will be on-going.
- Installation of Electrical lighting.
- Installation of metal stud wall framing.

- Installation of exterior stucco.
- Installation of HVAC system.

#### Back-Up Generator E

- Complete start-up of Back-up Generator.

#### Site Work

- Preparation for concrete pour of PCC Pavement around Buildings B and C.
- Preparation for Concrete pour of 10,000 gallon fuel concrete pad.

### **C. Upcoming Work (March 2015)**

#### **E Street Corridor:**

- Achieve final acceptance of the project.
- Kick off meeting for the design of the station PA System.
- Evaluate bids for 10<sup>th</sup> through Highland.
- Commence design of settlement work at World Oil.

#### **Vehicle Maintenance Facility:**

##### Bus Wash Facility Building B

- Painting
- Stainless panel.
- Overhead duct work
- Lathe and Plaster
- Roofing is complete
- Handrails
- Bus Wash Equipment System electrical connections
- Bus Wash Equipment System plumbing connections
- Finish Exterior Coating
- Sprinkler system installation

##### Vacuum and Fuel Facility Building C

- Painting
- Lathe and Plaster
- Roofing is complete
- Drywall
- Lubing reels
- Fuel Dispensers
- Tanks Room Grate installation
- Outside Ladders and handrails
- Exterior Finish Coating
- Exterior Sprinkler system installation

##### Back-Up Generator E

- Generator Pulling wires and installation are complete
- Generator Start-up and Training
- Generator Training Session

##### Sitework

- Pour East side of Building C – Portland Concrete Cement Pavement.
- Oil Separator installation is will be finished

## PROJECT SCHEDULE

Over the course of the last month, work at the Vehicle Maintenance Facility has been progressing as anticipated and in accordance with the contract schedule. The corridor work is complete and revenue service achieved as planned. All changes and time extensions for the corridor have been negotiated and closed out. Following is the schedule status update as it pertains to the VMF:

### A. Summary of Project Schedule – Vehicle Maintenance Facility (VMF)

On January 21, 2015, the Agency and the Contractor negotiated and agreed to a Global settlement for the outstanding time impact claims (TIE # 4 through # 8). The settlement agreed to a total of 267 calendar days of time extension to the project. Of the 267 calendar days of time extension, 233 calendar days were deemed compensable time and 34 calendar days were deemed non-compensable. Therefore, the agreed field overhead cost of \$582,500 which is based on \$ 2,500 per calendar day. This, added to the previous approved extensions, results in a total contract extension of 509 calendar days (399 compensable and 110 non-compensable).

With the global settlement, the Contractor agreed to a Final Completion date of June 30th, 2015 and Substantial Completion date of April 30th, 2015 and not provided any further claims on change orders that were issued before January 21, 2015 that may have been impacted.

## II. REQUESTS FOR INFORMATION (RFIs), SUBMITTALS, AND NON-CONFORMANCE REPORTS (NCRs)

### Vehicle Maintenance Facility (VMF)

To date, the CM team has met the required timelines and no delay has come about as a result of submittal and RFI responses.

Total RFIs – 272  
Total Open – 7

Total Submittals – 389  
Total Open – 1

Total NCRs – 15  
Total Open – 0

## III. SAFETY

The project team considers safety to be the utmost priority. As such, the entire project team works towards a “no-lost time” goal on a daily basis.

VMF - As of February 27, 2015 there have been 52,809 “no-lost time” hours.

**IV. PROJECT BUDGET AND COST****TOTAL PROGRAM BUDGET  
BUDGET AS OF FEBRUARY 28, 2015**

Approved Budget	\$191,706,000
Cost to Date	\$171,034,151
Estimate to Complete	\$ 17,056,170
Estimate at Completion	\$188,090,321

**VMF CORRIDOR PROJECT COSTS - AS OF FEBRUARY 28, 2015**

	CURRENT AUTHORIZED	CURRENT INVOICES PAID	REMAINING CONTRACT BALANCE
<b>STV Inc.</b>	\$2,057,929	\$1,747,547	\$310,382
<b>USS Cal Builders</b>	\$15,098,290	\$11,035,382	\$4,062,908
<b>Total</b>	\$17,156,219	\$12,782,928	\$4,373,290

**VMF CONTRACT TIME**

Activity	Days	Date
Notice to Proceed		12/10/12
Calendar Days per Original Contract	425	02/08/14
CCO Time Extension to Date	241	10/7/14
Negotiated Time Extension	267	6/30/15
Total Revised Contractual Time	933	6/30/15
Calendar Days Completed as of February 28, 2015	809	
Remaining Completion Days as of February 28, 2015	124	6/26/15
Forecasted Final Completion as February 28, 2015		6/26/15
Percent Time Elapsed	86.7%	

**CHANGE ORDERS****VMF CONTRACT CHANGE ORDERS - As of February 28, 2015**

Change Order Status	Amount
Approved Change Orders	\$2,810,053
Pending / Potential Change Orders	\$1,207,789
Trends / Risks	\$ 395,000
<b>Total</b>	<b>\$4,412,842</b>

## V. Project Photographs

### VMF PROGRESS PHOTOS



**1. BLDG B PREPING SUPPORTS FOR AIR DUCTS**



**2. BLDG B DECK STEEL**





**3. ASSEMBLING LIGHT FIXTURES FOR BLDG B**



**4. BUILDING C – PLACING REINFORCING STEEL FOR TRENCH DRAIN**

Budget By Contract Packages at February 28, 2015					( Contract Award + Approved Changes)				(Approved Current Budget- Committed)		Forecast <i>Potential Uses of Contingency</i>		
					% of Approved Current Budget	Contracts Awarded	Approved Changes	Committed	Expenditure Authorization Remaining	Remaining Contingency	Pending Commitments / Potential Changes	Trends/Risks	Estimate At Completion
<b>BRT Construction</b>													
Griffith/Comet JV	90,780,000	84,637,000	87,760,263	79,643,930	94.2%	64,872,603	14,728,092	79,600,695	8,159,568	5,036,305	-	-	79,600,695
Art			68,000	68,000		68,000	-	68,000	-	(68,000)	-	-	68,000
Other Direct Payments			48,401	48,401		48,401	-	48,401	-	(48,401)	-	-	48,401
10th-Highland				-		-	-	-	-	-	3,929,550	-	3,929,550
Delineators				-		89,943	-	89,943	(89,943)	(89,943)	-	-	89,943
PA System				-		-	-	-	-	-	425,000	-	425,000
Miscellaneous Work				-		17,500	-	17,500	(17,500)	(17,500)	1,440,000	-	1,457,500
<b>BRT Design</b>													
Parsons	19,193,400	17,849,400	18,097,876	16,842,656	94.4%	14,706,229	3,242,912	17,949,140	148,736	(99,740)	(877,379)	-	17,071,761
10th-Highland				-		-	-	-	-	-	-	-	-
PA System				-		83,000	-	83,000	(83,000)	(83,000)	8,300	-	91,300
Miscellaneous Work				-		-	-	-	-	-	150,000	-	150,000
<b>VMF Construction - USS Cal Builders</b>	5,370,000	8,131,000	14,498,152	11,035,382	135.7%	10,803,377	2,810,053	13,613,430	884,722	(5,482,430)	1,204,789	395,000	15,213,218
<b>VMF Design</b>													
STV	1,007,600	1,007,600	1,418,132	1,747,546	173.4%	951,029	1,048,727	1,999,756	(581,624)	(992,156)	58,173	-	2,057,929
Carlin Environmental			27,800	14,400		27,800	-	27,800	-	(27,800)	-	-	27,800
<b>Vehicles Design &amp; Manufacturing-N.F.</b>	16,628,000	16,628,000	15,978,093	15,132,191	91.6%	15,483,572	325,110	15,808,682	169,411	819,318	38,000	-	15,846,682
Other Vehicle Equipment			318,853	106,070		318,853	-	318,853	-	(318,853)	90,000	-	408,853
<b>ROW Acquisition Services-SANBAG</b>	6,532,000	10,357,000	11,738,400	11,083,581	107.0%	10,971,135	767,265	11,738,400	-	(1,381,400)	-	-	11,738,400
<b>ROW Acquisition Services-10th/Highland</b>				-		-	-	-	-	-	-	151,570	151,570
<b>3rd Party Utilities Design &amp; Reloc.</b>		1,003,000	1,157,223	1,039,914	103.7%	1,106,117	-	1,106,117	51,106	(103,117)	20,000	-	1,126,117
<b>Project Admin. And Management</b>													
Jacobs	6,638,000	6,632,000	11,852,647	12,364,671	186.4%	3,898,769	9,198,560	13,097,329	(1,244,682)	(6,465,329)	191,334	-	13,288,662
Other													
IPMO	17,624,000	15,012,450	14,722,701	13,050,263	86.9%	15,172,701	-	15,172,701	(450,000)	(160,251)	-	-	15,172,701
Insurance	1,113,000	1,112,000	500,000	-	0.0%	500,000	-	500,000	-	612,000	(500,000)	-	-
Legal-BB&K, County	2,525,450	1,000,000	1,000,000	455,907	45.6%	1,000,000	-	1,000,000	-	-	-	-	1,000,000
In Kind Contributions	8,080,550	8,080,550	8,080,550	8,401,239	104.0%	8,401,239	-	8,401,239	(320,689)	(320,689)	-	-	8,401,239
Survey	1,464,000	1,463,000	464,000	-	0.0%	25,000	-	25,000	439,000	1,438,000	-	-	25,000
Start-Up	720,000	720,000	700,000	-	0.0%	700,000	-	700,000	-	20,000	-	-	700,000
<b>Sub-Total</b>	<b>177,676,000</b>	<b>173,633,000</b>	<b>188,431,091</b>	<b>171,034,151</b>	<b>98.5%</b>	<b>149,245,267</b>	<b>32,120,717</b>	<b>181,365,985</b>	<b>7,065,106</b>	<b>(7,732,985)</b>	<b>6,177,766</b>	<b>546,570</b>	<b>188,090,321</b>
<b>Unallocated Contingency</b>	<b>14,030,000</b>	<b>18,073,000</b>	<b>-</b>	<b>-</b>				<b>7,732,985</b>		<b>10,340,015</b>			<b>3,615,679</b>
			<b>-</b>										
<b>Total</b>	<b>191,706,000</b>	<b>191,706,000</b>	<b>188,431,091</b>	<b>171,034,151</b>	<b>89.2%</b>					<b>10,340,015</b>			<b>191,706,000</b>

**IPMO/sbX Project Cost Report**  
**Period Ended 2/28/15**

Description	Current Budget	Approved Current Budget	Expenditures \$	%	Remaining Budget	Committed \$	%	Estimate to Complete	Estimate at Completion	Budget Forecast Variance
BRT Construction	\$ 84,637,000	\$ 84,637,000	\$ 79,760,331	94.2%	4,876,669	\$ 79,824,538	94.3%	\$ 5,794,550	\$ 85,619,088	\$ (982,088)
Vehicle Maintenance Facility (VMF) Construction	\$ 8,131,000	\$ 8,131,000	\$ 11,035,382	135.7%	(2,904,382)	\$ 13,613,430	167.4%	\$ 1,599,789	\$ 15,213,218	\$ (7,082,218)
Vehicles - Design & Manufacturing	\$ 16,628,000	\$ 16,628,000	\$ 15,238,261	91.6%	1,389,739	\$ 16,127,535	97.0%	\$ 128,000	\$ 16,255,535	\$ 372,465
ROW Acquisition Services	\$ 13,357,000	\$ 10,357,000	\$ 11,083,581	83.0%	(726,581)	\$ 11,738,400	87.9%	\$ 151,570	\$ 11,889,970	\$ (1,532,970)
3rd Party Utilities Design & Relocation	\$ 1,003,000	\$ 1,003,000	\$ 1,039,914	103.7%	(36,914)	\$ 1,106,117	110.3%	\$ 20,000	\$ 1,126,117	\$ (123,117)
BRT Design	\$ 17,849,400	\$ 17,849,400	\$ 16,842,656	94.4%	1,006,744	\$ 18,032,140	101.0%	\$ (719,079)	\$ 17,313,061	\$ 536,339
VMF Design	\$ 1,007,600	\$ 1,007,600	\$ 1,761,946	174.9%	(754,346)	\$ 2,027,556	201.2%	\$ 58,173	\$ 2,085,729	\$ (1,078,129)
Other Professional, Technical & Management Services	\$ 34,020,000	\$ 34,020,000	\$ 34,272,080	100.7%	(252,080)	\$ 38,896,269	114.3%	\$ (308,666)	\$ 38,587,602	\$ (4,567,602)
Allocated Contingency (Construction Contract)	\$ -	\$ -			-	\$ -	0.0%	\$ -	\$ -	\$ -
<b>SUB-TOTAL</b>	<b>\$ 176,633,000</b>	<b>\$ 173,633,000</b>	<b>\$ 171,034,151</b>	<b>96.8%</b>	<b>2,598,849</b>	<b>\$ 181,365,985</b>	<b>102.7%</b>	<b>6,724,336</b>	<b>188,090,321</b>	<b>(14,457,321)</b>
Unallocated Contingency	\$ 18,073,000	\$ 18,073,000	\$ -		18,073,000	\$ -	0.0%	\$ -	\$ -	\$ 18,073,000
<b>TOTAL</b>	<b>\$ 194,706,000</b>	<b>\$ 191,706,000</b>	<b>\$ 171,034,151</b>	<b>87.8%</b>	<b>20,671,849</b>	<b>\$ 181,365,985</b>	<b>93.1%</b>	<b>\$ 6,724,336</b>	<b>\$ 188,090,321</b>	<b>\$ 3,615,679</b>



ITEM # E3

**DATE:** March 12, 2015

**TO:** Committee Chair Ed Graham and  
Members of the Administrative and Finance Committee

**THROUGH:** P. Scott Graham, CEO/General Manager

**FROM:** Donald Walker, Director of Finance

**SUBJECT: OMNITRANS' DIRECTOR OF FINANCE REPORT ON FORWARD  
FUEL PURCHASES FOR FEBRUARY 2015**

**FORM MOTION**

Receive and file the Director of Finance's report on Omnitrans' current Forward Fuel Purchase Program for February 2015. This program was implemented on July 31, 2014, continuing our efforts to increase the predictability of costs and reduce operational uncertainty in the event of dramatic fuel price increases in the open market.

**BACKGROUND**

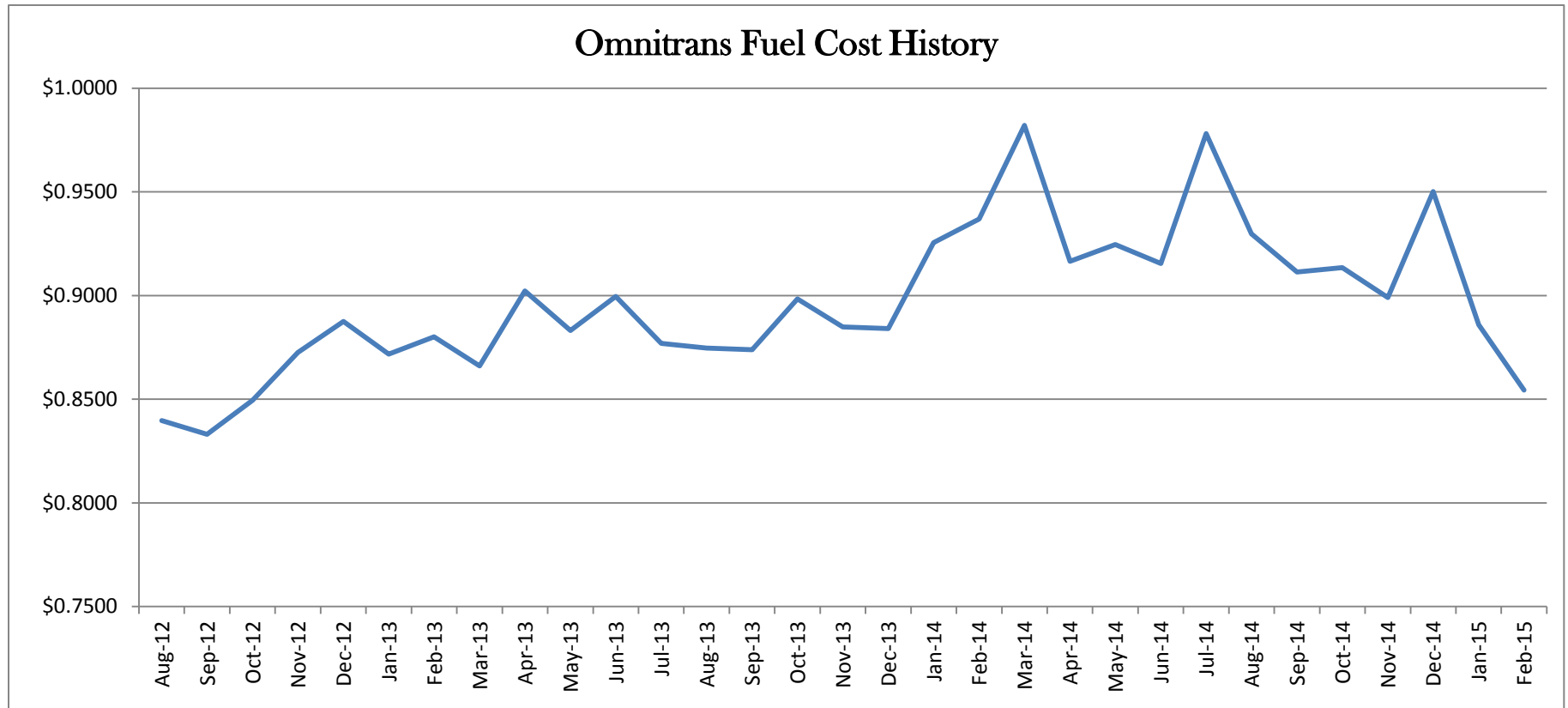
This report is submitted in order to comply with the requirements of the Omnitrans Forward Fuel Purchase Policy and Procedure. The Board of Directors authorized staff to continue with the hedge program when the price was at or below \$0.92 per gallon. The current hedge fixes the price of approximately 47% of the Agency's natural gas through August 2015 at \$0.91 per gallon.

The February 2015 contracts closed \$1.054 below the hedge price. When converted into gallons, the cost is \$0.09 per gallon (\$1.054 divided by 12.1). Omnitrans will record a loss of \$15,810 on its futures position for the month of February. This loss will be added to the fuel costs for the month that will be reflected in the Agency's Monthly Expense Summary.

The net price used for Omnitrans' February 2015 fuel purchase is \$0.8544 per gallon. This includes CNG at the So Cal Index price, the gain/loss on the hedge position, liquefaction, delivery, and sales tax. (Note: We do not hedge the index differential. The gain on the hedge is based on the Henry Hub index. Clean Energy prices our deliveries off the SoCal index. In February, the SoCal Index settled below the Henry Hub by \$0.072). This price is after recognition of the monthly loss on the hedge position in the amount of \$15,810.

In summary, with the total loss of \$22,710 incurred since the implementation of the hedge program in September 2014, and the reduced cost of CNG on the spot market, Omnitrans is currently at 98% of its estimated fuel budget as of January 31, 2015. The fuel budget was estimated at \$2.49 million as of January 31, 2015. The actual CNG fuel cost as of January 31, 2015 was \$2.44 million or 98% of budget.

PSG:DW



ITEM # E4

**DATE:** March 12, 2015

**TO:** Committee Chair Ed Graham and  
Members of the Administrative and Finance Committee

**THROUGH:** P. Scott Graham, CEO/General Manager

**FROM:** Maurice A. Mansion, Treasury Manager

**SUBJECT: CONTINUING CONTROL AGREEMENT BETWEEN OMNITRANS AND  
SUB-RECIPIENTS FOR FEDERAL TRANSIT ADMINISTRATION  
FUNDING**

### **FORM MOTION**

Recommend to the Board of Directors, authorization to the CEO/General Manager to execute continuing control agreements between Omnitrans and existing sub-recipients and to include this language in all future sub-recipient agreements.

*This agreement has been reviewed and approved by Omnitrans legal counsel.*

### **BACKGROUND**

As part of Omnitrans' Federal Transit Administration's (FTA) Triennial Review, the FTA recommended that Omnitrans incorporate additional language in agreements with existing and future sub-recipients regarding the issue of *Satisfactory Continuing Control*. The proposed Continuing Control Agreement (attached) would require Omnitrans to monitor all sub-recipients to ensure that any Federal interest in a program receiving FTA funds is protected.

The FTA definition of satisfactory continuing control states that the grantee must maintain control over real property, facilities and equipment to ensure that they are used in transit service.

### **CONCLUSION**

Approval of the recommended language for inclusion in all existing and future sub-recipient agreements will address the Federal Transit Administration's recommendations regarding Satisfactory Continuing Control.

PSG:DW:MM

## CONTINUING CONTROL AGREEMENT

This Continuing Control Agreement (“**Agreement**”) is made and entered into this \_\_\_\_\_ Day of \_\_\_\_\_, 2013 by and between Omnitrans, a joint powers authority (“**Omnitrans**”), and [Sub-grantee name] (“**Sub-grantee**”).

### WITNESSETH

WHEREAS, Omnitrans, is the designated recipient of Section 5307 Urbanized Area Formula Funds; Section 5309 Bus and Bus Facilities Funds; Section 5339 Bus and Bus Facilities Formula Funds; Section 5316 Job Access and Reverse Commute Funds (JARC); and Section 5317 New Freedom Funds (NF); and

WHEREAS, Omnitrans and [Sub-grantee name] entered into a Sub-grantee Funding Agreement for [Funding type; Funding name] funds as a result of federal funds awarded through San Bernardino Associated Governments’ (SANBAG) [Year] Call for Projects; and

WHEREAS, as part of its Project [insert # and name], Sub-grantee has requested funding for capital (Project Equipment and Property) to be purchased with Federal financial assistance pursuant to grant number(s) [insert grant number]; and

WHEREAS, Omnitrans as the designated recipient of Section 5307 Urbanized Area Formula Funds; Section 5309 Bus and Bus Facilities Funds; Section 5339 Bus and Bus Facilities Formula Funds; Section 5316 Job Access and Reverse Commute Funds; and Section 5317 New Freedom Funds is required to have, maintain, and exercise satisfactory continuing control over the Project Equipment and Project Property under its agreement with the Federal Transit Administration (FTA); and

WHEREAS, the Sub-grantee will purchase and be in possession of Project Equipment and/ or hold title to Project Property in the scope of the Project agreed to in Sub-grantee Agreement [insert #];

NOW THEREFORE, the Parties agree as follows:

### **SECTION 1 - DEFINITIONS**

As used in this Agreement the term -

(a) “Date of this Agreement” means the date on which this Agreement is executed by the parties hereto, as indicated on the signature page of this Agreement.

(b) “Federal Transit Administration” means the Federal Transit Administration of the United States Department of Transportation.

(c) “Project” means [ insert # and project title] as approved by SANBAG and submitted to the FTA as identified in the corresponding Sub-grantee Agreement.

(d) “Project Equipment” means the property (equipment and supplies) to be procured by [sub-grantee name] with Federal financial assistance under the scope of [insert# and project title], and as identified in the corresponding Sub-grantee Agreement.

(e) “Project Property” means all real property to be procured by [sub-grantee name] with Federal financial assistance under the scope of [insert# and project title] , and as identified in the corresponding Sub-grantee Agreement including any vehicles and project equipment.

(f) “Sub-recipient Agreement” means Sub-recipient Agreement No. [insert # and project name] dated \_\_\_\_\_ .

(g) “Vehicles” means any vehicles procured for use in fulfilling the scope of services as outlined in the Sub-grantee Agreement.

## **SECTION 2 - PURPOSE OF AGREEMENT**

The purpose of this Agreement is to establish Omnitrans’ satisfactory continuing control over Project Property and to establish the respective rights and obligations of the Parties in connection with this Agreement.

## **SECTION 3 - USE AND CONTROL OF PROJECT PROPERTY**

(a) In General - Omnitrans shall have the right to exercise satisfactory continuing control over the Project Property in accordance with FTA requirements and grant conditions.

(b) Period of Control – Omnitrans’ right to exercise control over the Project Property shall continue as long as the Project Property is needed in the judgment of Omnitrans for the appropriate project purposes for the duration of the useful life of that property, as required by the FTA, and shall include any time period necessary to dispose of the Project Property under FTA requirements and procedures.

(c) Use - The Sub-recipient agrees to use the Project Property for appropriate project purposes to support public transportation activities. The Sub-grantee agrees to notify Omnitrans prior to withdrawal of any Project Property from Project use or when any Project Property is used in a manner substantially different from the representation the Sub-grantee has identified and agreed to in its Sub-grantee Agreement.

(d) Maintenance - The Sub-grantee agrees to maintain its Project Property in good operating order, in compliance with any applicable Federal laws and regulations, and in accordance with applicable Federal directives, except to the extent that FTA determines otherwise in writing.

(e) Records - The Sub-grantee agrees to keep satisfactory records pertaining to the use of the Project Property and submit to Omnitrans upon request such information as may be required by the FTA to assure compliance with FTA’s Master Agreement.

(f) Incidental Use - Any incidental use of Project Property will not exceed that permitted under applicable Federal laws or regulations in accordance with applicable Federal directives. Any incidental use must be approved by Omnitrans.

(g) Transfer or Lease of Property - The Sub-grantee shall not transfer any obligation pertaining to the Project Property that would affect Omnitrans’, on behalf of the FTA, continuing interest in the Project Property. Any transfer or lease must be approved by Omnitrans.

#### **SECTION 4 - TITLE TO PROJECT PROPERTY**

Sub-recipient shall retain title to Project Property.

#### **SECTION 5 - PROJECT PROPERTY DISPOSITION**

- (a) In General - Omnitrans and Sub-recipient agree that they will attempt to negotiate a mutually acceptable disposition proposal or plan for submission to the FTA for Project Property prematurely withdrawn from use, Project Property whose useful life has expired or for Project Property that constitutes excess property for Federal grant purposes.
- (b) FTA Approval - If the Parties are unable to agree upon a disposition proposal or plan, Omnitrans may seek any necessary disposition instructions or approvals from FTA. In such a case, Omnitrans will include in its submission to FTA the independent views of the Sub-grantee regarding the appropriate disposition of the property involved. In addition, Sub-grantee may assert whatever other rights it possesses by reason of its interest in such property.
- (c) Agreement to Comply - In the event that the FTA provides disposition instructions or approval with respect to Project Property, Sub-grantee agrees to comply with the terms of such instructions or approval.

#### **SECTION 6 - TERM**

This Agreement shall commence on the date of execution below and shall terminate on the date the Project Property is disposed of as excess Project Property under FTA requirements and procedures. It is agreed that this Agreement may survive the Sub-grantee Agreement.

#### **SECTION 7 - DEFAULT AND REMEDIES**

(a) Any failure of Omnitrans or the Sub-grantee to comply with the terms of this Agreement shall constitute a default, which depending on the nature of the default, could also result in a default of the Sub-grantee Agreement.

(b) All termination provisions of the Sub-grantee Agreement are incorporated into this Continuing Control Agreement.

#### **SECTION 8 - SUB-GRANTEE AGREEMENT PROVISIONS**

(a) This Continuing Control Agreement is incorporated into the Sub-grantee Agreement No. [insert # and project title] and all terms and provisions of the Sub-grantee Agreement are incorporated into this Agreement by reference and made part of this Agreement.

(b) It is understood by both Parties that this Continuing Control Agreement is a separate agreement from the Sub-grantee Agreement and that the terms and conditions in this Agreement or incorporated into this Agreement by reference shall survive the termination of the Sub-grantee Agreement, regardless of how the project is funded, until termination under Section 6.

**SECTION 9 - NOTIFICATION**

Any notice, correspondence, or other document provided in connection with this Agreement shall be in writing and shall be delivered to the following individuals at the addresses set forth below:

**For Omnitrans:** Omnitrans  
Administration  
1700 W. 5<sup>th</sup> Street  
San Bernardino, CA 92411

With a Copy to: Sr. Financial Analyst (Grants)

**For Sub-grantee:** \_\_\_\_\_  
(Sub-grantee)  
\_\_\_\_\_  
(Mailing Address)  
\_\_\_\_\_  
\_\_\_\_\_

**SECTION 10 - NO THIRD PARTY BENEFICIARIES**

There are no third party beneficiaries to this Agreement. Other than the Parties, no person, political subdivision, agency, board, department, division or commission shall be entitled to bring an administrative or judicial proceeding to enforce or interpret its terms.

**[SIGNATURES ON FOLLOWING PAGE]**



SIGNATURE PAGE TO CONTINUING CONTROL AGREEMENT

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the day and year first written above.

OMNITRANS

[Sub-grantee] \_\_\_\_\_

By: \_\_\_\_\_  
P. Scott Graham  
CEO/General Manager

By: \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Name  
\_\_\_\_\_  
Title

APPROVED AS TO FORM:  
COUNTY COUNSEL

By: \_\_\_\_\_  
Legal Counsel

DRAFT

ITEM #           E5          

**DATE:** March 12, 2015

**TO:** Committee Chair Ed Graham and  
Members of the Administrative and Finance Committee

**THROUGH:** P. Scott Graham, CEO/General Manager

**FROM:** Maurice A. Mansion, Treasury Manager

**SUBJECT: FISCAL YEAR 2015-2016 BUDGET ASSUMPTIONS**

**FORM MOTION**

Recommend to the Board of Directors, approval of the assumptions listed below to develop the Operating and Capital Budgets for Fiscal Year 2015 - 2016.

**BACKGROUND**

A critical component in the development of the Agency's budget is the development of budget assumptions. This information was obtained through research performed and includes searches on the Internet, review of Agency data including the Service Plan assumptions and the Teamsters and the Amalgamated Transit Union's Memorandums of Understanding.

Maintenance and Administrative/Support Unit (Teamsters)	Effective Date
MOU End	June 30, 2016
Wage increase: Based on contract negotiation	2.75%
Step progression increase	MOU qualifications
Benefits Package: Package is \$525.00 per pay period; maximum of \$12,600/year.	9/01/2015
Source: MOU effective July 1, 2013 through June 30, 2016	

Coach Operators (ATU)	Effective Date
MOU End	March 31, 2016
Wage increase: Based on contract negotiation	2.75%
Step progression increase	MOU qualifications
Benefit Package: Package is \$537.50 - Single/Two party per pay Period; \$572.50 - Family; Maximum of \$12,900/year and \$13,740 /year.	9/01/2015
Source: MOU effective April 1, 2013 through March 31, 2016	

Management /Confidential	Effective Date
Pay for Performance: In accordance with Personnel Policy Manual	FY 2015-16
Benefit Package: In accordance with Personnel Policy Manual	FY 2015-16
Source: Omnitrans Human Resources	
Insurance	Effective Date
Workers' Compensation SIR/IBNR – Stays constant based on Actuarial Analysis	Fiscal Year 2015
SDI: .9%	FY 2015-16
FICA-Medicare 1.45%	FY 2015-16
Source: Omnitrans Finance Department	
CalPERS	Effective Date
11.017% Employer Contribution (2% @55 Plan) – Miscellaneous Plan	FY 2015-16
Employee contribution covered in employees' benefits package per Personnel Policy Manual and MOU agreements.	
Source: Omnitrans Finance Department	
Unemployment	Effective Date
Annual average expected to remain at 7.2%	December 2014
Source: U.S. Department of Labor Riverside/San Bernardino/Ontario CA Metropolitan Statistical Area <a href="http://www.bls.gov/eag/eag.ca_riverside_msa.htm">http://www.bls.gov/eag/eag.ca_riverside_msa.htm</a>	
Energy /Fuel Costs	Effective Date
LNG Fuel: \$.92/gallon for FY 15-16	FY 2015-16
Source: Finance Department	
Unleaded Fuel: \$3.98/gallon for FY 15-16	FY 2015-16
Source: Finance Department	
Consumer Price Index	Effective Date
Inflation of about .7%	December 2014
Source: U.S. Department of Labor <a href="http://www.bls.gov/eag/eag.ca_riverside_msa.htm">http://www.bls.gov/eag/eag.ca_riverside_msa.htm</a>	

## **CONCLUSION**

Approval of the budget assumptions will allow Omnitrans to develop the budget for Fiscal Year 2016, which will be presented to the Board of Directors for approval in May.

PSG:DW:MM