



AGENDA
EXECUTIVE COMMITTEE MEETING
FRIDAY, AUGUST 2, 2019 – 9:00 A.M.
OMNITRANS
1700 WEST FIFTH 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 Board Secretary at least three (3) business days prior to the Committee Meeting. The Board Secretary’s telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY). 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.

A. CALL TO ORDER

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Committee Meeting: September 6, 2019 – 9:00 a.m.
Omnitrans Metro Facility

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 Executive 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

N/A

E. DISCUSSION ITEMS

1. Approve Executive Committee Minutes – July 12, 2019 2
2. Receive and File an Informational Update on the Omnitrans/SBCTA Ad Hoc Committee - *P. Scott Graham* 5
3. CEO/General Manager’s Report – *P. Scott Graham*

F. BOARD BUSINESS

Closed Session

1. Public Employee Performance Evaluation – Deputy General Manager pursuant to Government Code Section 54957

G. REMARKS AND ANNOUNCEMENTS

H. ADJOURNMENT

E. DISCUSSION ITEMS

1. Approve Executive Committee Minutes – April 5, 2019

M/S (Spagnolo/Dailey) that approved the Executive Committee Minutes of April 5, 2019. Roll call vote was taken and the motion was passed unanimously by Members present.

2. Receive and File, Update on Omnitrans/SBCTA Ad Hoc Committee

CEO/General Manager, P. Scott Graham presented an overview of the 3 proposed service reduction scenarios developed by staff as directed by the Ad Hoc Committee at their last meeting in May 2019. He stated that Omnitrans and SBCTA have been working together and will reconvene on July 29, 2019. The information will be presented at the next Ad Hoc Committee meeting for consideration on September 5, 2019.

The Committee received and filed this item.

3. CEO/General Manager's Report

The CEO reported on the following items:

- The Board Room Upgrades project is moving forward, however will be implemented in phases. This project will include upgrades to the Board Room hardware and software systems.
- Staff is working with a vendor on the procurement of an Agenda Management Software, which will streamline the agenda management process and facilitate the transition to a paperless system.

F. BOARD BUSINESS

1. Public Employee Performance Evaluation – Deputy General Manager pursuant to Government Code Section 54957

The Committee convened into Closed Session at 10:20 a.m.

The Committee reconvened at 11:00 a.m. with no reportable action.

G. REMARKS AND ANNOUNCEMENTS

There were no announcements.

H. ADJOURNMENT

The Committee adjourned at 11:00 a.m. The next Executive Committee Meeting is scheduled Friday, August 2, 2019, at 9:00 a.m., with location posted on the Omnitrans website and at the Omnitrans San Bernardino Metro Facility.

Prepared by:

Araceli Barajas, Sr. Executive Asst. to the CEO
Clerk of the Board

ITEM # E2

DATE: August 2, 2019

TO: Board Chair David Avila and Members of the Executive Committee

FROM: P. Scott Graham, CEO/General Manager

SUBJECT: UPDATE ON OMNITRANS/SBCTA AD HOC COMMITTEE

FORM MOTION

Receive and file an informational update on the Omnitrans/SBCTA Ad Hoc Committee.

BACKGROUND

In May 2018, Omnitrans staff alerted the Board of Directors of the potential for a long-term operating deficit in a Financial White Paper. The White Paper was developed after receipt of the Fiscal Year (FY) 2018-2027 revenue forecast from SBCTA. The level of Omnitrans Local Transportation Fund allocation from SBCTA was capped at a 3 percent growth rate between 2014 and 2020. The updated revenue forecast continued the 3 percent growth rate through FY 2027.

The purpose of the White Paper was to inform the Board that based on this forecast, Omnitrans' budget would be balanced for FY 2018-2019 however, beginning in FY 2021 there would be an operating deficit as estimated cost growth would exceed projected revenue growth. In addition, the operating deficit would be further compounded by a capital deficit due to the newly enacted electric bus regulations.

In February 2019, the Board of Directors was presented an Updated Financial Forecast which provided the Board with additional information, a high level overview of key issues, and recommended the formation of a joint Omnitrans and SBCTA Ad Hoc Committee to discuss funding alternatives. The Board approved this recommendation and the Ad Hoc Committee was formed. The Ad Hoc Committee is comprised of the Omnitrans Board Chairman, the SBCTA Board President, and two Board Members from each agency.

Two meetings of the Ad Hoc Committee have been held. The last meeting was held on May 30, 2019; Executive staff from both Omnitrans and SBCTA were in attendance. The Ad Hoc committee gave direction to Omnitrans staff to develop a strategy to align service levels with forecasted revenues and meet with SBCTA staff to discuss and review prior to the next scheduled meeting of the Ad Hoc Committee.

On July 8, 2019 Omnitrans and SBCTA staff met and discussed the long term operating and capital

budget forecasts. The meeting was very productive. Omnitrans provided service level scenarios to address projected operating deficits. Capital costs were modified to support the proposed service levels and to focus on mandates, safety and state of good repair items. SBCTA staff received the service scenario forecasts and planned to evaluate them.

On July 29, Omnitrans and SBCTA staff reconvened to further discuss the budget forecasts after SBCTA reviewed the service scenarios Omnitrans presented at the previous meeting. Omnitrans and SBCTA staff reached an initial consensus on the strategy that will be presented to the Ad Hoc Committee on September 5, 2019. The strategy includes reducing service levels to better align service with recent ridership trends and available revenue. In addition, SBCTA staff will propose an adjustment in the revenue forecast at the SBCTA Transit Committee meeting in August and the Board of Directors meeting in September. The combination of service level and revenue forecast adjustment addresses the operating and capital budget deficit through the Short-Range Transit Plan Period (FY2021-2025). The capital deficit beyond this period will be addressed through the Countywide Electrification Study currently underway and the Long- Range Transit Plan (LRTP). The initial methodology to determine service reductions will be presented to the Executive Committee.

Following the Executive Committee meeting, updates on the current status of recommendations moving forward to the Ad Hoc Committee and service reduction methodology will be presented to the Administrative and Finance and the Operations and Safety Committees in August 2019 and to the Board of Directors on September 4, 2019.

CONCLUSION

Receive and file and informational update on the Omnitrans/SBCTA Ad Hoc Committee.

PSG: ER