



BOARD OF DIRECTORS MEETING
WEDNESDAY, FEBRUARY 6, 2019 – 8:00 A.M.
OMNITRANS METRO FACILITY
1700 WEST 5TH STREET
SAN BERNARDINO, CA 92411

The Board of Directors 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 Board 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

1. Invocation
2. Pledge of Allegiance
3. Roll Call

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Board Meeting: Wednesday, March 6, 2019 – 8:00 a.m.
Omnitrans Metro Facility Board Room
2. Employees of the Quarter and Employee of the Year Presentations
3. Recognize Leadership Academy Graduates

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 Board of Directors, 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

1. Note agenda item 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 on the appropriate item.

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E. CONSENT CALENDAR

The following items are expected to be routine and non-controversial. The Board will act upon them at one time without discussion, unless the Board directs that an item be held for further discussion under Agenda Item F, Discussion Items. Any person wishing to address consent items should address the Board under Agenda Item #E13, Action on Consent Calendar.

1. Approve Board Minutes – January 9, 2019
2. Receive and File Executive Committee Minutes – December 7, 2018 (EXE 1/11/19)
3. Receive and File Plans & Programs Committee Minutes – October 31, 2018 (PPC 1/23/19)
4. Receive and File Agency Management Report – Fiscal Year 2019 Second Quarter Report -
Don Walker
5. Receive and File Omnitrans' Equal Employment Opportunity Quarterly Report – *Meredith Tshilonda*

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**BOARD OF DIRECTORS MEETING
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E. CONSENT CALENDAR CONTINUED	
6. Receive and File, Development Project Updates – <i>Anna Jaiswal</i> (PPC 1/23/19)	30
7. Authorize the CEO/General Manager to Execute a Revenue Agreement with Inland Empire Health Plan (IEHP) to Allow its Members with Valid Photo ID Cards Unlimited Rides on Omnitrans Fixed Route Bus and Future Rail Services (Go Smart Program Agreement) <i>Wendy Williams</i> (PPC 1/23/19)	40
8. Authorize Release – Request for Proposals – MNT19-71, Labor and Parts for Engine and Transmission Replacements – <i>Eugenia Pinheiro</i>	62
9. Authorize Release – Invitation for Bids – MNT19-74, Parking Lot Sweeping – <i>Eugenia Pinheiro</i>	64
10. Authorize Assignment – Contract MNT18-65, Elevator Maintenance – <i>Eugenia Pinheiro</i>	66
11. Authorize Award – Purchase Order ITS19-45, Salient Network Video Recorders – <i>Eugenia Pinheiro</i>	67
12. Authorize Award – Contract SSR19-41, Exterior Security Lighting – <i>Eugenia Pinheiro</i>	69
13. Action on Consent Calendar	
F. DISCUSSION ITEMS	
The following items do not legally require any public testimony, although the Chair may open the meeting for public input.	
1. CEO/General Manager’s Report – <i>P. Scott Graham</i>	71
2. Receive and File as an Information Item, Updated Financial Forecast – <i>P. Scott Graham</i> (EXE 2/1/19)	74
3. Authorize Omnitrans to Move Forward with Developing a MicroTransit Strategy - <i>Jeremiah Bryant</i> (PPC 1/23/19)	89
4. Receive and File OmniConnects Short-Range Transit Plan Status Update – <i>Jeremiah Bryant</i> (PPC 1/23/19)	101
G. BOARD BUSINESS	
1. Upcoming CEO/General Manager Performance Evaluation	
H. REMARKS AND ANNOUNCEMENTS	
I. ADJOURNMENT	

ITEM # D1

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

**SUBJECT: DISCLOSURE(S) REGARDING RECOMMENDATIONS FOR
ACTION BY THE OMNITRANS BOARD OF DIRECTORS**

FORM MOTION

Staff hereby provides a listing of principals and subcontractors associated with action items on the agenda for the Board of Director's Meeting scheduled February 6, 2019.

Item	Contract	Principals & Agents	Subcontractors
#E10	Authorize Assignment Contract MNT18-65, Elevator Maintenance	<i>Schindler Elevator Corporation Orange, CA John Hodge Territory Manager</i>	N/A
#E11	Authorize Award Purchase Order ITS19-45, Salient Network Video Recorders	<i>Time and Alarm Systems Mira Loma, CA Keith Senn President/CEO</i>	N/A
#E12	Authorize Award Contract SSR19-41, Exterior Security Lighting	<i>Foddrill Construction Corporation Chino, CA Leonora Foddrill CEO/President</i>	N/A

PSG:EFP

CONFLICT OF INTEREST FORM

PURPOSE: This form is provided to assist members of the Omnitrans Board of Directors in meeting requirements of Government Code Section 84308 and 87100 in documenting conflict of interest as related to Omnitrans Board/Committee agenda items.

INSTRUCTIONS: Under certain circumstances, Omnitrans Board Members may be required to disclose and disqualify themselves from participating in, influencing, or voting on an agenda item due to personal income, real property interests, investments, business positions, or receipt of campaign contributions. If applicable, Board Members must personally state the following information, for entry into the public record, prior to consideration of the involved agenda item(s) and turn in the completing form to the Recording Secretary prior to leaving the meeting.

BOARD MEMBER INFORMATION

BOARD MEMBER NAME	CITY/COUNTY NAME	MEETING DATE

CAMPAIGN CONTRIBUTIONS

1. I have a disqualifying campaign contribution of over \$250 from _____
(Name of Company and/or Individual)
and therefore I am abstaining from participation on Agenda Item _____, Subject: _____
2. I have a disqualifying campaign contribution of over \$250 from _____
(Name of Company and/or Individual)
and therefore I am abstaining from participation on Agenda Item _____, Subject: _____
3. I have a disqualifying campaign contribution of over \$250 from _____
(Name of Company and/or Individual)
and therefore I am abstaining from participation on Agenda Item _____, Subject: _____

FINANCIAL INTEREST

1. I have a financial interest of _____
State income, real property interest or business position

Identify company or property location
2. I have a financial interest of _____
State income, real property interest or business position

SIGNATURE

Board Member Signature	Date
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ITEM # _____ E1 _____

**BOARD OF DIRECTORS' MEETING
MINUTES OF JANUARY 9, 2019**

A. CALL TO ORDER

Chairman Ron Dailey called the regular meeting of the Omnitrans Board of Directors to order at 8:01 a.m., Wednesday, January 9, 2019, at the Omnitrans Facility located at 1700 West 5th Street, San Bernardino, California.

1. Invocation
2. Pledge of Allegiance
3. Roll Call

BOARD MEMBERS PRESENT

Council Member Ron Dailey, City of Loma Linda – Chairman
Mayor Pro Tem David Avila, City of Yucaipa – Vice Chairman
Mayor John Dutrey, City of Montclair
Mayor Paul Foster, City of Redlands
Supervisor Curt Hagman, County of San Bernardino
Council Member Penny Lilburn, City of Highland
Mayor Darcy McNaboe, City of Grand Terrace
Mayor Cynthia Moran, City of Chino Hills
Mayor Pro Tem John Roberts, City of Fontana
Mayor Deborah Robertson, City of Rialto
Supervisor Janice Rutherford, County of San Bernardino
Council Member Sam Spagnolo, City of Rancho Cucamonga
Mayor Debbie Stone, City of Upland
Mayor Eunice Ulloa, City of Chino

BOARD MEMBERS NOT PRESENT

Council Member Alan Wapner, City of Ontario
Supervisor Josie Gonzales, County of San Bernardino
Supervisor Dawn Rowe, County of San Bernardino

OMNITRANS' ADMINISTRATIVE STAFF PRESENT

P. Scott Graham, CEO/General Manager
Erin Rogers, Deputy General Manager
Trischelle Baysden, Director of Rail
Shawn Brophy, Director of Operations
Samuel Gibbs, Director of Internal Audit

Jacob Harms, Director of Information Technology
Suzanne Pfeiffer, Director of Human Resources
Eugenia Pinheiro, Contracts Manager
Connie Raya, Director of Maintenance
Wendy Williams, Director of Marketing-Planning
Mike Bonacio, Technical Services Manager
Jeremiah Bryant, Service Planning Manager
Omar Bryant, Maintenance Manager
Ray Maldonado, Employee Relations Manager
Maurice Mansion, Treasury Manager
Kathy McClure, Sr. Contract Administrator
Terry Morocco, Safety & Regulatory Compliance Specialist
Krystal Turner, Contracts Administrator
Nicole Ramos, Marketing Manager
Christine Van Matre, Contracts Administrator
Doua Yang, Systems Engineer

LEGAL COUNSEL

Haviva Shane, Legal Counsel

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Board Meeting: Wednesday, February 6, 2019, 8:00 a.m.
Omnitrans Metro Facility Board Room

Chair Dailey introduced Mayor Darcy McNaboe from the City of Grand Terrace and welcomed her to the Board. Mayor McNaboe is the current President of the SBCTA Board.

C. COMMUNICATIONS FROM THE PUBLIC

Public Comments were submitted in writing.

Patricia Sachs asked that the Board promote bus service in their cities and encouraged everyone to take a ride and experience the transit system first-hand. She recommended that they talk to their constituents to find out the needs in their community. Lastly, Ms. Sachs acknowledged Mayor Davis for his contributions during his tenure as Mayor of the City of San Bernardino.

Matt Munson stated that with the anticipated increase in fuel costs due to the Cap and Trade tax coming in 2021, the working-class citizens will be negatively impacted. He expressed the need for increased service frequency in the West Valley particularly during peak hours. He asked if Omnitrans could potentially receive some SB1072 funds that could be utilized for additional service.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

There were no Conflict of Interest Issues.

E. CONSENT CALENDAR

1. Approve Board Minutes – December 5, 2018
2. Receive and File Executive Committee Minutes – November 2, 2018
3. Receive and File Operations & Safety Committee Minutes – May 23, 2018
4. Adopt 2019 Investment Policy
5. Adopt Resolution No. 309-10, Authorizing Destruction of Records
6. Authorize Release – Request for Proposals – RFP-MKP19-19, Advertising and Design Services
7. Authorize Release – Request for Proposals – RFP-MNT19-20, 40-Foot Compressed Natural Gas (CNG) Buses
8. Authorize Assignment – Contract MNT17-09, Auction Services
9. Authorize Award – Contract MNT19-44, Industrial Chemicals
10. Authorize Award Sole Source – Contract ITS19-54, Fluid Management System (FMS) Software License and Basic Service Agreement

Chairman Dailey noted a technical correction in the minutes of December 5, 2018, and stated that on Page 3, under the discussion of Item F2, the word *felt* was replaced by the word *and*.

Supervisor Rutherford referred to Item #E7 and asked about the impact of the upcoming California Air Resource Board (CARB) requirements regarding electrification. CEO/General Manager, P. Scott Graham responded that the San Bernardino County Transportation Authority (SBCTA), would be conducting a study regarding the electrification requirements and the potential impact to the region. Supervisor Rutherford asked what the useful life of the new buses is. Mr. Graham responded that the useful life is 12 years.

M/S (Spagnolo/Roberts) that approved Consent Calendar with the correction to the minutes. Motion was passed unanimously by Members present.

Supervisor Hagman arrived at 8:12 a.m.

F. DISCUSSION ITEMS

1. CEO/General Manager's Report

CEO/General Manager, P. Scott Graham, reviewed the CEO/General's Manager's Report.

2. Authorize Award – Contract MNT19-02, Bus Tire Lease and Services

Contracts Manager, Eugenia Pinheiro, provided a brief update on this item as detailed in the staff report.

M/S (Dutrey/Hagman) that authorized the CEO/General Manager to award Contract MNT19-02 to Bridgestone Americas Tire Operations, LLC of Nashville, TN, for the provision of Bus Tire Lease and Services for a three (3) year base period beginning February 1, 2019, and ending January 31, 2022, with the authority to exercise two (2) single option years ending no later than, January 31, 2024, in the amount of \$2,649,543, plus a ten percent contingency of \$264,954, for a total not-to-exceed amount of \$2,914,497, should all option years be exercised. Motion was passed unanimously by Members present.

3. Authorize Award Contract MNT19-16, Elevator Modernization Project

Contracts Manager, Eugenia Pinheiro, provided a brief update on this item as detailed in the staff report.

M/S (Hagman/Spagnolo) that Authorized the CEO/General Manager to award Contract MNT19-16 to EnPro Services, Inc. of Fresno, CA, for the provision of elevator modernization, maintenance and repair services for a one (1) year base period beginning January 14, 2019, and ending January 13, 2020, with the authority to exercise four (4) single option years ending no later than, January 13, 2024, in the amount of \$432,842, plus a ten percent contingency of \$43,284, and a 3.27% Cost Allocation Plan (CAP) in the amount of \$15,569, for a total not-to-exceed amount of \$491,695, should all option years be exercised. Motion was passed unanimously by Members present.

4. Authorize Award Sole Source – ITS19-67, TransTrack Financial & Operational Reporting Software and Maintenance Services

Contracts Manager, Eugenia Pinheiro, provided a brief update on this item as detailed in the staff report.

M/S (Robertson/Roberts) that authorized the CEO/General Manager to award Sole Source ITS19-67 to TransTrack Systems, Inc. (TransTrack) of Cedar Rapids, IA, for the provision of TransTrack Financial & Operational Reporting Software and Maintenance Services ending no later than March 31, 2020, in the amount of \$174,230, plus a ten percent contingency of \$17,423, and a 3.27% Cost Allocation Plan (CAP), in the amount of \$6,267, for a total not-to-exceed amount of \$197,920. Motion was passed unanimously by Members present.

G. BOARD BUSINESS

CLOSED SESSION

1. Conference with Labor Negotiator, P. Scott Graham, concerning Labor Negotiations Amalgamated Transit Union Local No. 1704 regarding the Coach Operator Unit, pursuant to Government Code Section 54957.6

The Board convened into Closed Session at 8:24 a.m.

The Board reconvened at 8:37 a.m. with no reportable action.

H. REMARKS AND ANNOUNCEMENTS

Supervisor Hagman mentioned the idea of developing a multifunction County ID that could be used on all transit systems, rather than having different payment methods for each system. The idea would be to reduce some of the costs incurred from collecting cash and coins. The ID card would also facilitate travelling on the various systems. Supervisor Hagman suggested that a subcommittee be formed with other government entities to discuss this project and some of the logistics on a broader spectrum. Chairman Dailey invited Supervisor Hagman to present more information on this topic to the Executive Committee. Supervisor Hagman agreed and offered to send a PowerPoint presentation to the CEO/General Manager.

I. ADJOURNMENT

The Board adjourned at 8:42 a.m. The next regular meeting is scheduled Wednesday, February 6, 2019, at 8:00 a.m., with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.

Prepared by:

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

ITEM # E2

**EXECUTIVE COMMITTEE MEETING
MINUTES
DECEMBER 7, 2018**

A. CALL TO ORDER

The Executive Committee Meeting was called to order by Member John Roberts at 9:01 a.m., Friday, December 7, 2018, at the Omnitrans Administrative Offices.

COMMITTEE MEMBERS ATTENDING

Council Member Ron Dailey, City of Loma Linda – Board Chairman – Via Teleconference
Council Member Penny Lilburn, City of Highland
Mayor Pro Tem John Roberts, City of Fontana
Mayor Pro Tem Alan Wapner, City of Ontario – Via Teleconference

OMNITRANS STAFF ATTENDING

P. Scott Graham, CEO/General Manager
Erin Rogers, Deputy General Manager
Shawn Brophy, Director of Operations
Jeremiah Bryant, Service Planning Manager
Ray Maldonado, Employee Relations Manager
Suzanne Pfeiffer, Director of Human Resources

B. ANNOUNCEMENTS/PRESENTATIONS

Next Committee Meeting: Friday, January 4, 2019, 9:00 a.m.
Omnitrans Metro Facility

C. COMMUNICATIONS FROM THE PUBLIC

There were no communications from the public.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

There were no Conflict of Interest Issues.

E. DISCUSSION ITEMS

1. Approve Executive Committee Minutes – November 2, 2018

M/S (Lilburn/Roberts) that approved the Executive Committee Minutes of November 2, 2018. Roll call vote was taken and the motion was passed unanimously by Members present.

2. CEO/General Manager's Report

CEO/General Manager, P. Scott Graham reported the following items:

- Best Best & Krieger in-house lobbyist, Syrus Devers, General Counsel, Haviva Shane, Deputy General Manager, Erin Rogers, and CEO/General Manager, P. Scott Graham, met via teleconference to discuss activities associated with the Transit District Legislation lobbying efforts. Requests for bill language must be into Legislative Counsel by January 25, 2019 in order to ensure that drafting will meet the bill introduction deadline of February 22. The bill must be out of all policy committees by April 26, 2019. Mr. Devers will be meeting with the concerned members in person, the Capitol staff for Senator Leyva and Assembly Members Gomez-Reyes, and Ramos, as well as the committee staffers who may be analyzing the bill. Mr. Graham will keep the Committee and Board apprised as the process continues.
- Management is looking at a potential staff reorganization that would consolidate some current positions and add a department that would focus on strategic development, performance analysis, and various other projects.
- CEO/General Manager, P. Scott Graham, and Deputy General Manager, Erin Rogers met with Fontana Police Department Lieutenant Area Commander, Keith Zagorian to discuss safety and security at the Fontana Transit Center. Staff is looking at putting together a safety campaign that will highlight the Agency's safety and security posture.

Chair Dailey expressed his support for innovative structural changes; however, asked that some type of assessment or benchmarking be conducted to track the efficiency of the reorganization.

F. BOARD BUSINESS

CLOSED SESSION

1. Conference with Labor Negotiator, P. Scott Graham, Concerning Labor Negotiations with Amalgamated Transit Union Local No. 1704 Regarding the Coach Operator Unit, Pursuant to Government Code Section 54957.6

The Committee adjourned into Closed Session at 9:15 a.m.

The Committee reconvened at 9:40 a.m. with no reportable action.

G. REMARKS AND ANNOUNCEMENTS

There were no remarks and announcements.

H. ADJOURNMENT

The Committee adjourned at 9:45 a.m. The next Executive Committee Meeting is scheduled Friday, January 4, 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, Executive Staff Assistant

ITEM # E3

**PLANS AND PROGRAMS COMMITTEE
MINUTES
OCTOBER 31, 2018**

A. CALL TO ORDER

The Plans & Programs Committee Meeting was called to order by Committee Chair Penny Lilburn at 9:02 a.m., October 31, 2018.

Committee Members Present

Council Member Penny Lilburn, City of Highland – Committee Chair
Council Member Ron Dailey, City of Loma Linda
Vice Mayor Cynthia Moran, City of Chino Hills – Via Teleconference
Mayor Deborah Robertson, City of Rialto
Mayor Pro Tem Sylvia Robles, City of Grand Terrace
Supervisor Janice Rutherford, County of San Bernardino
Council Member Sam Spagnolo, City of Rancho Cucamonga
Mayor Pro Tem Alan Wapner, City of Ontario - Via Teleconference

Committee Members Not Present

Mayor Deborah Robertson, City of Rialto

Omnitrans Administrative Staff Present

P. Scott Graham, CEO/General Manager
Erin Rogers, Deputy General Manager
Trischelle Baysden, Director of Rail
Sam Gibbs, Director of Internal Audit
Jacob Harms, Director of Information Technology
Suzanne Pfeiffer, Director Human Resources
Connie Raya, Director of Maintenance
Doug Stanley, Director of Special Transit Services
Wendy Williams, Director of Marketing - Planning
Anna Jaiswal, Development Planning Manager
Jeremiah Bryant, Service Planning Manager
Melissa Castillo, Customer Service Manager

B. ANNOUNCEMENTS/PRESENTATIONS

There were no announcements.

C. COMMUNICATION FROM THE PUBLIC

There were no communications from the public.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

There were no Conflicts of Interest Issues.

E. DISCUSSION ITEMS

1. Approve Plans & Programs Committee Minutes – July 25, 2018

M/S (Dailey/Spagnolo) that approved the Committee Minutes of July 25, 2018. Roll call vote was taken and the motion was passed unanimously by Members present.

2. Adopt Proposed Calendar Year 2019 Committee Meeting Schedule

M/S (Spagnolo/Dailey) that adopted the proposed calendar year 2019 Committee Meeting Schedule. Roll call vote was taken and the motion was passed unanimously by Members present.

3. Receive and Forward to the Board of Directors, OmniConnects Short-Range Transit Plan FY2019-2025

Service Planning Manager, Jeremiah Bryant, provided a brief background on this item as detailed in the staff report.

Chair Dailey referred to the constrained and unconstrained plans and asked for some clarification regarding the differences. He also asked about the potential impact to the Agency should Prop 6 be passed. Lastly, he had some questions regarding the status of the West Valley Connector Project and Arrow Rail service. Mr. Bryant and SBCTA Director of Fund Administration, Andrea Zureick responded to Chair Dailey's questions.

The Committee engaged in a discussion regarding MicroTransit and the feasibility of incorporating an Uber/Lyft type of service to the Agency. Mr. Bryant reviewed some of the pros and cons and mentioned one significant challenge related to FTA funding requirements. Supervisor Rutherford stated that should staff discover any needs for lobbying efforts in this area, that they contact the Board to perhaps obtain some assistance.

There was also some discussion about future fare increases and the potential impacts to ridership.

The Committee received and forwarded this item to the Board of Directors.

4. Receive and Forward to the Board of Directors, ABBG Customer Satisfaction Survey Report

Service Planning Manager, Jeremiah Bryant, provided a brief background on this item as detailed in the staff report.

The Committee engaged in a robust discussion regarding the survey results, particularly with regards to the passenger perception of safety at bus stops.

Member Wapner stated that many transit agencies have their own police that patrol the stops and mentioned the need to further explore some options in the future.

The Committee also discussed continued collaboration with the Cities with a focus on safety.

Committee Chair Lilburn expressed concern with some of the survey results, noting that out of the 20 questions asked, the Agency received higher rating in only one category compared to last year. She mentioned that Omnitrans has implemented many programs and safety features, however, the word does not seem to be getting out to the community.

The Committee received and forwarded this item to the Board of Directors.

5. Receive and Forward to the Board of Directors, Inland Empire Annual Survey Report

Director of Marketing-Planning, Wendy Williams, presented a brief background on this item as detailed in the staff report.

Supervisor Rutherford had some questions regarding the Name Recognition/Awareness percentage calculations.¹

The Committee had some questions regarding how the survey data is used. Ms. Williams responded that the information gathered is utilized in preparing some of the Agency's planning documents.

Member Spagnolo left the room at 10:22 a.m. and returned at 10:24 a.m.

The Committee received and forwarded this item to the Board of Directors.

Committee Chair Lilburn left the meeting at 10:24 a.m. and Member Dailey presided over the remainder of the meeting.

¹ Following the meeting, Ms. Williams provided Supervisor Rutherford with additional information on the calculations.

6. Receive and Forward to the Board of Directors, Adopt-A-Stop Pilot Program Update

Development Planning Manager, Anna Jaiswal, presented a brief background on this item as detailed in the staff report.

Member Moran asked what the process would be in terms of contacting the Cities to discuss this new program. Ms. Jaiswal responded that letters would be sent to the City Managers. Member Moran asked that the Board also be copied in the correspondence and kept apprised of their Cities participation.

The Committee received and forwarded this item to the Board of Directors.

7. Receive and Forward to the Board of Directors, Premium Shelter Program Update

Development Planning Manager, Anna Jaiswal, presented a brief background on this item as detailed in the staff report.

Supervisor Rutherford left the meeting at 10:40 a.m.

The Committee received and forwarded this item to the Board of Directors.

F. REMARKS AND ANNOUNCEMENTS

There were no announcements.

G. ADJOURNMENT

The Plans & Programs Committee meeting adjourned at 10:56 a.m. The next Committee Meeting is scheduled Wednesday, January 23, 2019, at 9:00 a.m., with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.

Prepared by:

Araceli Barajas, Executive Staff Assistant

ITEM # E4

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Maurice Mansion, Treasury Manager

**SUBJECT: AGENCY MANAGEMENT REPORT – FISCAL YEAR 2019 SECOND
QUARTER REPORT**

AGENCY RESULTS

The second quarter operational results in this report represents the period covering 10/01/2018 – 12/31/2018.

OPERATING REVENUE

Second quarter Operating Revenues of \$22.5M are \$.3M over budget. Year-to-Date (YTD) Operating Revenues are \$43.5M under budget by \$1.2M or 3%. The second quarter positive variance is driven by passenger fares and Low Carbon Fuel Standard (LCFS) credits coming in greater than planned. The YTD budget variance is due to the replacement of the liquefied compressed natural gas (LCNG) fueling equipment prior to the 20-year useful life.

OPERATING EXPENSE

Second quarter Operating Expenses of \$22.5M are \$.2M over budget. YTD Operating Expenses are \$43.4M under budget by \$1.3M or 3%. The second quarter negative variance is principally driven by LCNG being higher than planned based on a spike in pricing. Also, insurance premiums were higher than planned. The YTD positive variance was driven by expenditures in Labor & Benefits, Services, Occupancy, Printing & Advertising and Purchased Transportation being less than planned.

RIDERSHIP

During the second quarter, Omnitrans carried a total 2,808,379 passengers. This consisted of 2,718,282 on Fixed Route service and 90,097 on Access routes. This reflects a total system decrease of 2.7% when compared to the second quarter of last year. YTD Omnitrans has carried a total of 5,498,671. This represents a YTD decrease of 4.1%. Fixed Route ridership for the second quarter decreased 76,057 or 2.7% and Access ridership decreased 1,784 or 1.9% compared to the same period last year.

REVENUE HOURS/REVENUE MILES

Omnitrans provided a total of 210,411 revenue hours for the second quarter, reflecting an increase of 3,327 hours or 1.6% compared to the same quarter last year. YTD Omnitrans provided 417,362 revenue hours or an increase of .94% compared to last year. Omnitrans logged a total of 2,880,272 revenue miles during the quarter, reflecting an increase of 32,934 revenue miles or 1.6% when compared to same quarter last year. YTD Omnitrans provided 5,715,025 revenues miles or an increase of .46% compared to last year.

FAREBOX RECOVERY RATIO

Second quarter Passenger Revenue for Fixed Route is \$4,783,672 compared to \$4,127,832 for the same period last year. The increase in Passenger Revenue is attributed to the increase in Measure I funding compared to the previous year. The farebox recovery ratio for Fixed Route is 26.28% for the second quarter. YTD Passenger Revenue is \$9,465,533 or \$12.74% greater than last year. YTD farebox recovery ratio is 26.78%.

Passenger Revenue for Access is \$1,156,878 versus \$1,042,241 for the same quarter last year. This is an increase of 11%. The farebox recovery ratio for Access is 26.65% for the second quarter. YTD Passenger Revenue is \$2,237,763 or \$5.3% greater than last year. YTD farebox recovery ratio is 27.8%.

FINANCIALS

Total Salaries and Benefits of \$13,296,221 are \$78,019 over budget for the second quarter. YTD expenditures are \$25,874,527 or \$561,876 under budget. The second quarter variance is driven by operator salaries being higher than planned based on Omnitrans hiring to meet staffing goals. The YTD variance is driven by smaller payouts for sick leave, vacation, and health premiums than anticipated.

Total Services is \$1,075,003 or \$251,618 under budget in second quarter. YTD expenditures are \$1,844,106 or \$794,135 under budget. The second quarter positive variance is primarily driven by timing of expenses impacting other services.

Materials and Supplies is \$1,970,817 or \$390,371 over budget for the second quarter. YTD expenditures are \$3,831,439 or \$653,648 over budget. Both variances are driven by the price increase in bus parts, CNG, and gasoline.

Occupancy consists of Utilities, Data Communication Lines, Repairs and Maintenance to Buildings, Equipment and Software. Second quarter expenses are \$1,230,689 or \$27,416 under budget. YTD expenses are \$2,019,078 or \$497,132 under budget. Both variances are mainly attributed to the timing difference in billing and payment for utilities, building repair and maintenance, and computer software maintenance.

Casualty & Liability is \$2,117,506 or \$422,622 over budget for the second quarter. YTD Casualty & Liability expenses are \$4,105,975 or \$716,201 over budget. Both of these variances are driven by insurance premiums coming in higher than planned.

Printing and Advertising is \$57,469 or \$200,711 under budget for the second quarter. YTD Printing and Advertising is \$74,763. Both the current quarter and YTD variances are due to the timing difference in printing and advertising cost related to a “service change.” Omnitrans’ service changes occur in September, January, and May. Thus, these costs occur later in the fiscal year.

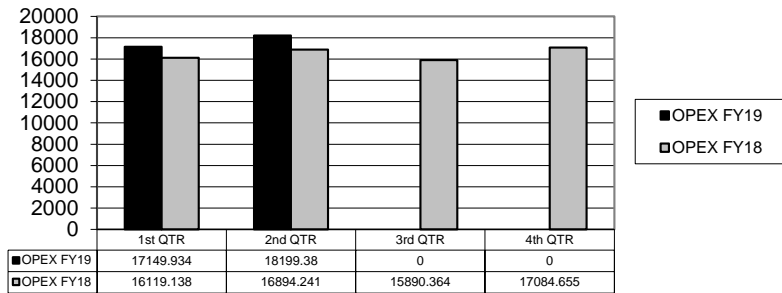
PSG:DW:MM

**PERFORMANCE STATISTICS
FISCAL YEAR 2019
Second Quarter**

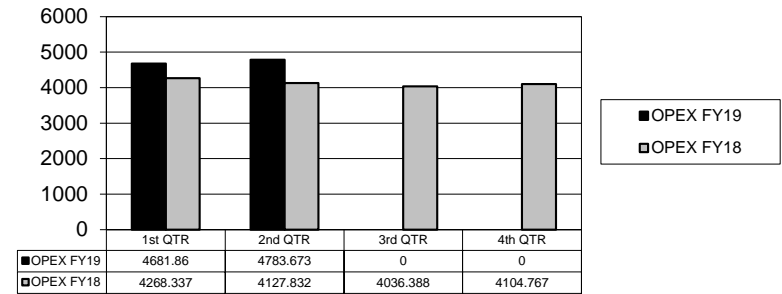
	<u>Current Quarter</u>		<u>YR/YR</u> <u>inc/(dec)</u>	<u>Year-To-Date</u>		<u>YR/YR</u> <u>inc/(dec)</u>
	<u>Second Quarter 2019</u>	<u>Second Quarter 2018</u>	<u>CURRENT</u>	<u>Second Quarter 2019</u>	<u>Second Quarter 2018</u>	<u>YTD</u>
Total Passenger Revenue & Subsidy						
Fixed Route	\$4,783,672	\$4,127,832	15.9%	\$9,465,533	8,396,169	12.7%
Demand Response	\$1,156,878	\$1,042,241	11.0%	\$2,237,763	2,124,999	5.3%
Total Passengers						
Fixed Route	2,718,282	2,794,339	-2.7%	5,316,476	5,542,947	-4.1%
Demand Response	90,907	91,881	-1.1%	182,195	190,560	-4.4%
Farebox Recovery Ratio						
Fixed Route/OmniLink	26.28%	24.43%		26.78%	25.43%	
Access	26.65%	34.36%		27.80%	34.18%	
Total Passengers per Revenue Hour						
Fixed Route	16.0	16.6	-3.6%	15.7	16.6	-5.4%
Demand Response	2.3	2.4	-4.2%	2.3	2.4	-4.2%
Revenue per Passenger						
Fixed Route	\$ 1.76	\$ 1.48	18.9%	\$ 1.78	\$ 1.51	17.9%
Demand Response	\$ 12.84	\$ 11.34	13.2%	\$ 12.28	\$ 11.15	10.1%
Cost per Passenger						
Fixed Route	\$ 6.70	\$ 6.05	10.7%	\$ 6.65	\$ 5.96	11.6%
Demand Response	\$ 48.19	\$ 33.01	46.0%	\$ 44.18	\$ 32.63	35.4%
Cost per Revenue Hour						
Fixed Route	\$ 106.80	\$ 100.53	6.2%	\$ 104.55	\$ 98.61	6.0%
Demand Response	\$ 108.53	\$ 77.72	39.6%	\$ 101.57	\$ 79.00	28.6%

	<u>Actual</u>	<u>Target</u>
On Time Performance		
Fixed Route	83.58%	90%
Demand Response	90.19%	90%
Headcount	668	668
(includes PT Operators, excludes Rail,STS)		

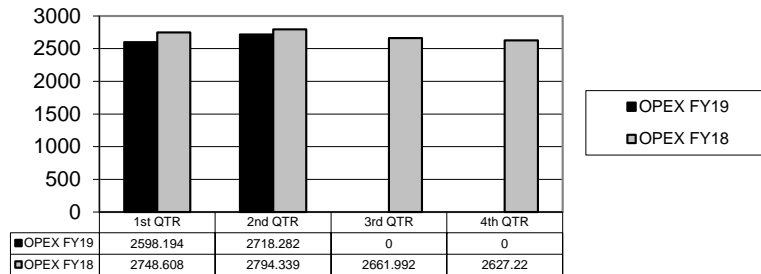
Fixed Route Operating Expense *Thousands*



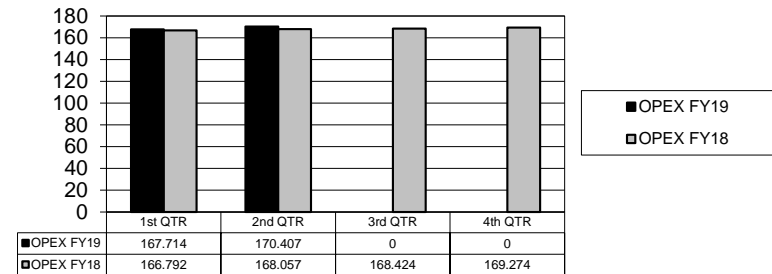
Fixed Route Passenger Revenue *Thousands*



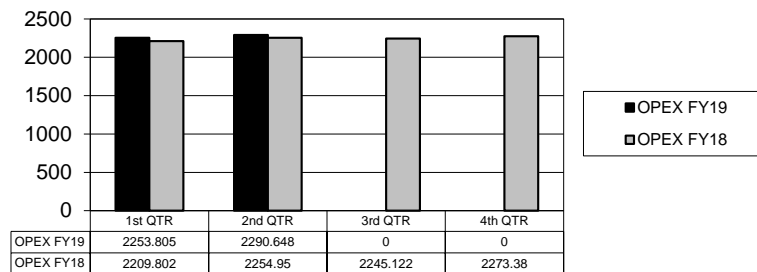
Fixed Route Ridership *Thousands*



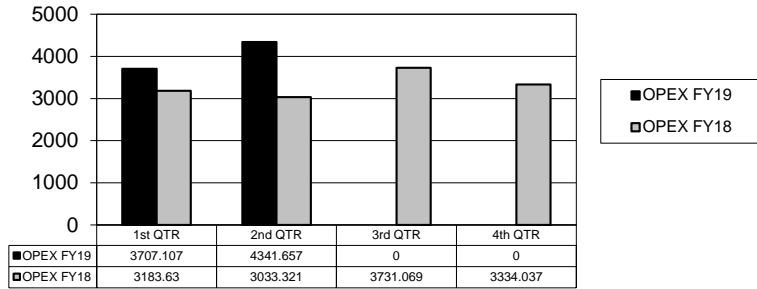
Fixed Route Revenue Hours *Thousands*



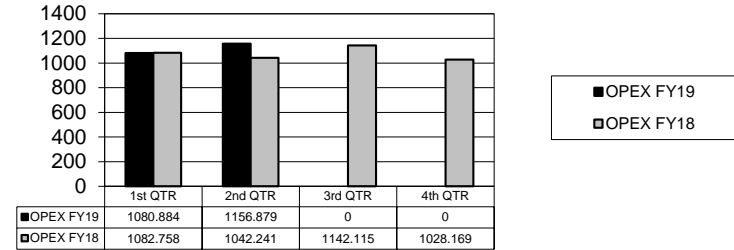
Fixed Route Revenue Miles *Thousands*



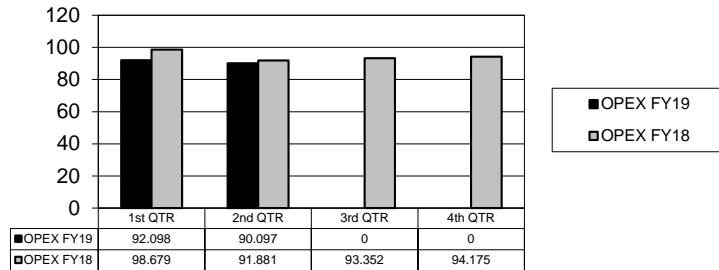
Demand Response Operating Expense
Thousands



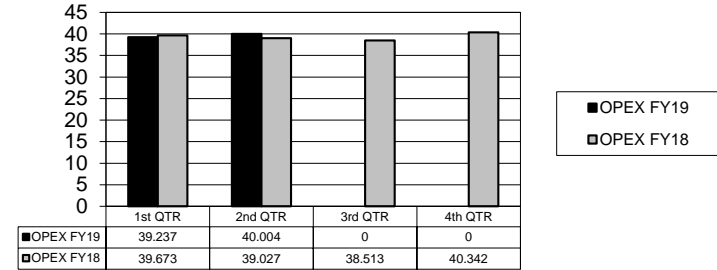
Demand Response Passenger Revenue
Thousands



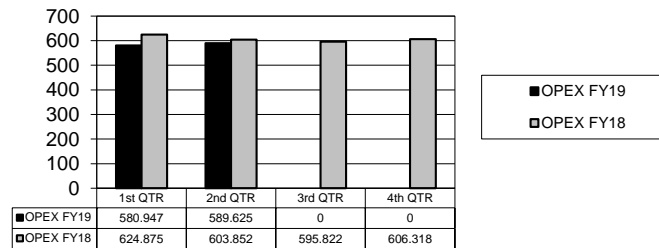
Demand Response Ridership
Thousands



Demand Response Revenue Hours
Thousands



Demand Response Revenue Miles
Thousands



Statement of Operations

Fiscal Year: 2019

CURRENT QUARTER: Second Quarter (October, November, December)

YEAR-TO-DATE: December 2018

<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unf)</u>	<u>% of Budget</u>	<u>Operating Revenues</u>	<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unf)</u>	<u>% of Budget</u>
3,412,900	3,250,650	162,251	105%	Passenger Fares	6,731,504	6,501,299	230,206	104%
639,724	455,516	184,208	140%	Measure I Subsidy - Fares	1,195,937	911,031	284,906	131%
1,732,311	1,887,928	(155,617)	92%	Measure I - Operating	3,775,854	3,775,856	(2)	100%
567,699	567,699	0	100%	Measure I CTSA - Operating	1,135,399	1,135,399	0	100%
155,616	155,616	0	100%	Measure I Rail - Operating	311,232	311,232	0	100%
625,467	375,000	250,467	167%	LCFS - Credits	750,215	750,000	215	100%
146,233	112,500	33,733	130%	LCTOP Operating	211,364	225,000	(13,636)	94%
133,797	163,750	(29,953)	82%	Auxillary Transportation Revenue	263,797	327,500	(63,703)	81%
(225,751)	7,500	(233,251)	0%	Non-Transportation Revenue	(1,601,088)	15,000	(1,616,088)	-10674%
10,705,204	10,705,205	(0)	100%	LTF Operating	21,410,409	21,410,410	(0)	100%
227,032	227,032	(0)	100%	STAF Operating	454,064	454,064	(0)	100%
52,281	52,281	0	0%	JARC - Operating Assistance	104,562	104,562	0	0%
4,336,941	4,381,395	(44,454)	99%	Capital Funds for Operations	8,754,105	8,762,792	(8,687)	100%
22,509,454	22,342,070	167,384	101%	Total Revenues	43,497,354	44,684,143	(1,186,789)	97%
				<u>Operating Expenses</u>				
9,065,183	8,767,503	(297,680)	103%	Labor	17,713,051	17,535,006	(178,045)	101%
4,231,038	4,450,698	219,661	95%	Fringe Benefits	8,161,476	8,901,396	739,921	92%
1,075,003	1,326,620	251,618	81%	Services	1,844,106	2,638,240	794,135	70%
1,970,817	1,580,446	(390,371)	125%	Materials and Supplies	3,831,439	3,177,791	(653,648)	121%
1,230,689	1,258,105	27,416	98%	Occupany	2,019,078	2,516,210	497,132	80%
2,117,506	1,694,885	(422,622)	125%	Casualty and Liability	4,105,975	3,389,769	(716,207)	121%
1,331	13,750	12,419	10%	Taxes and Fees	1,331	27,500	26,169	5%
2,696,004	2,832,820	136,816	95%	Purchased Transportation	5,450,138	5,665,640	215,502	96%
57,469	258,180	200,711	22%	Printing and Advertising	74,763	517,959	443,196	14%
95,999	46,863	(49,136)	205%	Miscellaneous Expense	196,722	90,226	(106,496)	218%
0	112,201	112,201	0%	Lease and Rental	0	224,406	224,406	0%
22,541,038	22,342,071	(198,968)	101%	Total Operating Expense	43,398,078	44,684,143	1,286,064	97%
(31,584)	(0)	(31,584)		Net Gain (Net Loss)	99,276	0	99,275	

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the OmniTrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Mae Sung, Accounting Manager

SUBJECT: INVESTMENT STATUS

FORM MOTION

Receive and file this report on the status of the Agency's investments.

BACKGROUND

California Government Code requires the quarterly reporting of investments of public agency funds to its governing body.

SUMMARY

All of the Agency's investments are invested with the Local Agency Investment Fund (LAIF) and Union Bank. Please refer to the attachment for the investment activity of the Agency for the period of October – December, 2018. Sufficient funds are available to meet the obligations of the Agency for the next thirty-one days.

PSG:MS

OMNITRANS
Treasurer's Report
Quarter ending December 2018

Institution - Investment Type	Description	Starting Balance	Deposits	Disbursements	Interest Yield	Ending Balance
Cash and Investments Under the Direction of the Treasurer						
Local Agency Investment Fund		\$ 11,285,001.77			2.09%	
	Interest for QTR		\$ 84,157.35	\$ (2,300,000.00)	2.16%	
				\$ (3,700,000.00)	2.24%	
			\$ 20,000,000.00	\$ (3,700,000.00)	2.32%	
Net LAIF Funds		\$ 31,369,159.12		\$ (9,700,000.00)		\$ 21,669,159.12
Fair Marketing Value	Fair Value Factor			\$ 21,669,159.12	0.999051127	\$ 21,648,597.84
Union Bank Money Market GMRA		\$ 258,301.87				
	Interest		\$ 32.60		0.05%	
			\$ 14,951.56	\$ (21,951.44)		
			\$ 273,286.03	\$ (21,951.44)		
				\$ 251,334.59		\$ 251,334.59
Union Bank Money Market Caltrans Capital Project Funds		\$ 12,903,660.83				
	Interest		\$ 22,426.09		0.05%	
				\$ (1,668,556.47)		
			\$ 12,926,086.92	\$ (1,668,556.47)		
				\$ 11,257,530.45		\$ 11,257,530.45
Union Bank CDs		\$ 2,703,296.32				
			\$ 3,357.78			
			\$ 2,706,654.10	\$ -		\$ 2,706,654.10
Union Bank Money Market West Valley Corridor Project		\$ 25,087,913.45				
	Interest		\$ 3,275.40		0.05%	
			\$ 25,091,188.85	\$ 25,091,188.85		\$ 25,091,188.85
		\$ 611,496.82				
	Passenger		\$ 3,702,326.39			
	Grants' Revenue		\$ 26,389,074.51			
	Miscellaneous Revenue		\$ 4,139,369.74			
	Transfers From (To) LAIF		\$ 9,700,000.00	\$ (20,000,000.00)		
	Transfers From (To) Money Market		\$ 1,690,507.91	\$ (14,951.56)		
	Accounts Payable			\$ (12,908,763.19)		
	Payroll and Payroll Taxes			\$ (8,894,805.27)		
	Employee Benefits			\$ (1,167,720.22)		
	Bank Service Charge			\$ (12,763.09)		
Net Union Bank Operating Funds			\$ 46,232,775.37	\$ (42,999,003.33)		
				\$ 3,233,772.04		\$ 3,233,772.04
\$ 9,200.00						
Petty Cash						\$ 9,200.00

Cash and Investments Under the Direction of Fiscal Agents

Union Bank	\$ 75,000.00					
Pacific Claims Management						\$ 75,000.00
Total Cash & Investments						\$ 64,273,277.87

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

Prepared by: _____
Mae Sung, Accounting Manager

Approved by: _____
P. Scott Graham, CEO/General Manager, Treasurer

@ Source of Market Value: California State Pooled Money Investment Board Report.

(1) Union: "Summary of Market Value" posted on monthly fiscal agent statements.

(2) LAIF: "Pooled Money Investment Account Market Valuation".

Master Control Account is the controlling account for all the zero balance accounts with Union including: Accounts Payable Account (General Account) and Payroll Account. Interest earned by the Master Control account is used as a partial offset to the monthly bank service charges.

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

FROM: P. Scott Graham, CEO/General Manager

SUBJECT: PAYROLLS AND WARRANTS FOR OCTOBER - DECEMBER 2018

Approve the Agency's gross payroll for Management/Confidential Employees as follows:

Payroll Period	Amount	Register #
10/01/18-10/31/18	\$ 853,332.10	21-22
11/01/18-11/30/18	\$ 892,368.81	23-24
12/01/18-12/31/18	\$1,056,545.13	25-26

Approve the Agency's gross payroll for Represented Employees as follows:

Payroll Period	Amount	Register #
10/01/18-10/31/18	\$2,227,926.26	21-22
11/01/18-11/30/18	\$2,273,576.96	23-24
12/01/18-12/31/18	\$2,499,723.52	25-26

Approve the Register of Demands, dated as follows, and authorize the issuance of warrants:

Register Date	Amount	Register #
10/01/18-10/31/18	\$ 3,915,909.99	979-983
11/01/18-11/30/18	\$ 3,761,649.80	984-989
12/01/18-12/31/18	\$ 5,230,858.61	990-993

I, P. Scott Graham, CEO/General Manager of Omnitrans, declare that the above Register of Demands has been audited as required by Section 37202 and 37208 of the Government Code, and said documents are accurate and correct.

PSG:MS

ITEM # E5

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Suzanne Pfeiffer, Director of HR, Safety & Regulatory Compliance

SUBJECT: OMNITRANS' QUARTERLY EEO STATUS REPORT

FORM MOTION

Receive and file Omnitrans Quarterly EEO Status Report for October 2018 through January 9, 2019. The report includes the following:

- The breakdown of our current workforce by Equal Employment Opportunity (EEO) categories (gender, race, veteran status, disability status) by department.
- The breakdown of candidates for employment who were interviewed this quarter by EEO categories (gender, race, veteran status, disability status) by department.
- The breakdown of candidates for employment who were hired this quarter by EEO categories (gender, race, veteran status, disability status) by department.

BACKGROUND

As a recipient of federal, state, and local funding, and by law, Omnitrans is required to have an EEO Plan and submit the plan to the FTA every four years. The FTA Triennial Audit includes a review of Omnitrans' EEO Program.

- Title VII of the Civil Rights Act of 1964 (Title VII), as amended by the Equal Employment Opportunity Act of 1972 and the Civil Rights Act of 1991, prohibits discrimination on the basis of race, color, religion, national origin, or sex in all institutions with 15 or more employees—including state and local governments and labor organizations. (42 U.S.C. §§ 2000e et seq.) Section 503 of the Rehabilitation Act of 1973, as amended by the Rehabilitation Act of 1993, requires firms holding Federal contracts or subcontracts in excess of \$10,000 to “take affirmative action to employ and advance in employment qualified individuals with disabilities.” (29 U.S.C. § 793) Section 504 of the Rehabilitation Act of 1973 states, “No otherwise qualified individual with a disability in the United States . . . shall, solely by reason of her or his disability, be excluded from the participation in, be denied the benefits of, or be subjected to

discrimination under any program or activity receiving Federal financial assistance.” (29 U.S.C. § 794).

- FTA requires each applicant, recipient, subrecipient, or contractor that meets the EEO Program threshold requirements to submit an updated EEO Program every four years or as major changes occur in the workforce or employment conditions, whichever comes first.

As part of Omnitrans’ Equal Employment Opportunity Program, the Director of Human Resources has committed to audit personnel activity and report to the Board on a quarterly basis.

CONCLUSION

Receive and file Omnitrans’ Quarterly EEO Status Report for the quarter covering October 2018 through January 9, 2019.

Attachment A: Quarterly EEO Status Report

ATTACHMENT A

Submitted for the
Board Meeting of:
February 6, 2019

**OMNITRANS
EEO STATUS REPORT
WITH PERSONNEL APPOINTMENTS BY DEPARTMENT
As of January 9, 2019**

DEPARTMENT	Total Positions*	MALE ETHNIC COMPOSITION										FEMALE ETHNIC COMPOSITION										Existing Vacancies	INTERVIEWED										APPOINTED									
		C	B	H	AS	AI	NH	2+	IWD	VET	C	B	H	AS	AI	NH	2+	IWD	VET	*	C	B	H	AS	AI	NH	2+	IWD	VET	C	B	H	AS	AI	NH	2+	IWD	VET				
OPERATIONS	535	45	122	114	9	0	0	9	8	34	26	123	61	1	3	1	20	3	2	1	9	68	21	3	0	0	10	3	5	3	40	17	3	0	0	6	1	4				
MAINTENANCE	110	26	12	50	6	2	0	2	4	14	4	0	0	0	0	0	0	0	0	8	1	2	3	1	0	0	0	0	0	1	1	1	1	0	0	0	0	0				
EXECUTIVE OFFICE	5	1	1	0	0	0	0	0	0	1	1	0	1	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0				
INFORMATION TECH. SERVICES	10	3	1	1	4	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	2	4	1	0	0	0	1	1	1	0	0	0	0	0	0	0	0				
MARKETING/ PLANNING	32	4	0	8	1	0	0	2	0	1	4	0	11	0	0	0	0	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
HUMAN RESOURCES/ SAFETY/SECURITY	16	2	0	1	0	0	0	1	1	2	5	0	4	0	1	0	0	2	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
PROCUREMENT	20	4	1	8	0	0	0	0	0	1	1	2	3	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
FINANCE	12	1	3	0	1	0	0	0	0	1	2	0	2	2	0	0	0	0	0	1	0	2	2	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0				
SPECIAL TRANSPORTATION SERVICES	15	3	0	5	0	0	0	1	0	1	1	0	4	0	0	0	0	0	0	1	0	1	2	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0				
RAIL	2	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
AGENCY TOTALS	757	89	140	187	21	2	0	16	13	56	46	125	86	3	4	1	21	7	2	16	11	75	33	5	0	1	10	4	6	5	42	20	4	0	0	6	1	4				

C = Caucasian
B = Black
H = Hispanic
AS = Asian
AI = American Indian
2+ = Two or More Races
NH = Native Hawaiian or Other Pacific Islander

IWD = Individuals With Disabilities
VET = Protected Veterans

COMPLETED BY:

Meredith Tshilonda

(HR Analyst)

*Reflects numbers from the FY19 budget
*Includes positions budgeted but not filled

PERCENTAGES

C	B	H	AS	AI	NH	2+	IWD	VET
135	265	273	24	6	1	37	20	58
18%	36%	37%	3%	1%	0.1%	5%	3%	8%

ITEM # E6

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Wendy Williams, Director of Marketing and Planning

SUBJECT: DEVELOPMENT PROJECTS UPDATE

FORM MOTION

Receive and file an update on development projects (bus stop and transit center improvement projects).

This item was reviewed by the Plans & Programs Committee at its January 23, 2019 meeting.

BACKGROUND

The following projects were recently completed or are currently underway to make improvements for passengers at bus stops as well as at the San Bernardino Transit Center.

San Bernardino Transit Center Landscaping

During the construction of the San Bernardino Transit Center in 2015, the contractor placed a mix of wildflower seeds on the vacant parcel at the corner of E Street and Rialto Avenue, which failed to take root and thrive in the dry climate. Omnitrans designed new drought-tolerant landscaping as a placeholder until joint development / transit-oriented development is developed on the parcel. The landscaping project was completed in October 2018. Omnitrans is working cooperatively with the City of San Bernardino to plan for the best economic use of the parcel, and in the next few years will release a solicitation for interested private partners for the joint development.

An emergency generator and additional perimeter fencing are also planned for the San Bernardino Transit Center site, both of which are expected to be completed in calendar year 2019.

San Bernardino Transit Center Wayfinding Signage

Since the opening of the San Bernardino Transit Center in September 2015, Omnitrans has received feedback from customers and partner agencies such as SBCTA and Metrolink that more signage is needed to make the Transit Center easier to navigate. Omnitrans installed new signage on the Transit Center site, including at the Metrolink station, in December 2018, which points

customers to locations such as train platforms, parking, customer service, sbX station, and other regional connecting transit services. Route information display cases were also installed on bus stop signposts in early January 2019. Signs were also installed at Rialto Avenue and F Street to discourage private cars from driving into the busway.

Transit Stop Access Improvement Program

Omnitrans has applied for and been awarded funds through SBCTA (San Bernardino County Transportation Authority)'s biannual Call for Projects for TDA Article 3 Transit Stop Access Improvement Program. The program covers improvements such as ADA-compliant sidewalk boarding areas at bus stops, sidewalk connecting from the bus stop to the intersection, and curb ramps at intersections.

In 2013, Omnitrans was awarded grants for improvements at 47 locations in five different jurisdictions. The City of San Bernardino completed construction of improvements at 13 of the locations through a pass-through agreement of the funds from Omnitrans to the City; similarly, the City of Ontario completed the construction of six of the locations. Improvements at three of the locations were completed by other nearby construction projects. Omnitrans awarded a construction contract to AEC Moreno in August 2018 for construction of the 15 remaining locations, in the cities of Colton and Rialto and the County of San Bernardino; 13 of the 15 were completed by December 2018. Improvements at the two remaining locations are expected to be completed in January 2019.

The improvements for which Omnitrans received TDA Article 3 grant funds from SBCTA in 2016 are currently under design, and the 2017 grant-funded improvements will be starting design in mid-2019.

Active Transportation Program Safe Routes to Transit Project

In 2014, Omnitrans was awarded an Active Transportation Program grant (federal funds) by the State of California, in order to construct accessibility improvements such as sidewalk, curb ramps, crosswalks, and bike racks within a half-mile of future West Valley Connector bus rapid transit stations in the cities of Fontana, Montclair, Ontario, Pomona, and Rancho Cucamonga. Omnitrans awarded the construction contract to S&H Civilworks in December 2017. Of the 201 locations for improvements included in the \$3.5 million grant, two locations remain to be completed. One of the locations, Corona Avenue in the City of Ontario, was found to require additional work outside the scope of the original contract; an additional solicitation was released for construction of sidewalk at that particular location. The contract was awarded to S&H Civilworks in December 2018. Construction is expected to be completed in April 2019.

West Valley Connector Bus Rapid Transit Project

Staff of Omnitrans and SBCTA, the lead agency on the West Valley Connector project, reported to the Plans and Programs Committee on July 25, 2018 and to the Omnitrans Board of Directors on September 5, 2018 that an application was anticipated to be submitted for FTA Small Starts grant funding for the project in September 2018. A decision was made to defer the submission in

order to develop a more competitive funding application, including local and/or private contributions for local match capital funding and operational funding.

SBCTA staff members are currently evaluating the impact of this change on the overall project milestone schedule, including environmental circulation and public hearings. A more detailed update will be presented when the revised schedule is available.

Strategic Initiative Supported – FY2017-2020 Strategic Plan Service and Operations Goal, Strategy 1.1 Adjust service to address needs of non-riders, and 2.1, Improve connectivity to attract non-riders; and Marketing Goal, Strategy 3.1 Improve passenger amenities.

CONCLUSION

Staff recommends that the Board of Directors receive and file an update on development projects (bus stop and transit center improvement projects).

PSG:WW:AMJ

Attachment A: PowerPoint Presentation



DEVELOPMENT PROJECTS UPDATE

Board of Directors
February 6, 2019

San Bernardino Transit Center Landscaping

Completed in October 2018



San Bernardino Transit Center Wayfinding Signs

Completed in December 2018



Transit Stop Access Improvement Program

**2013 TDA Article-3 funded improvements in cities of Colton and Rialto, and
County of San Bernardino
Expected completion in January 2019**



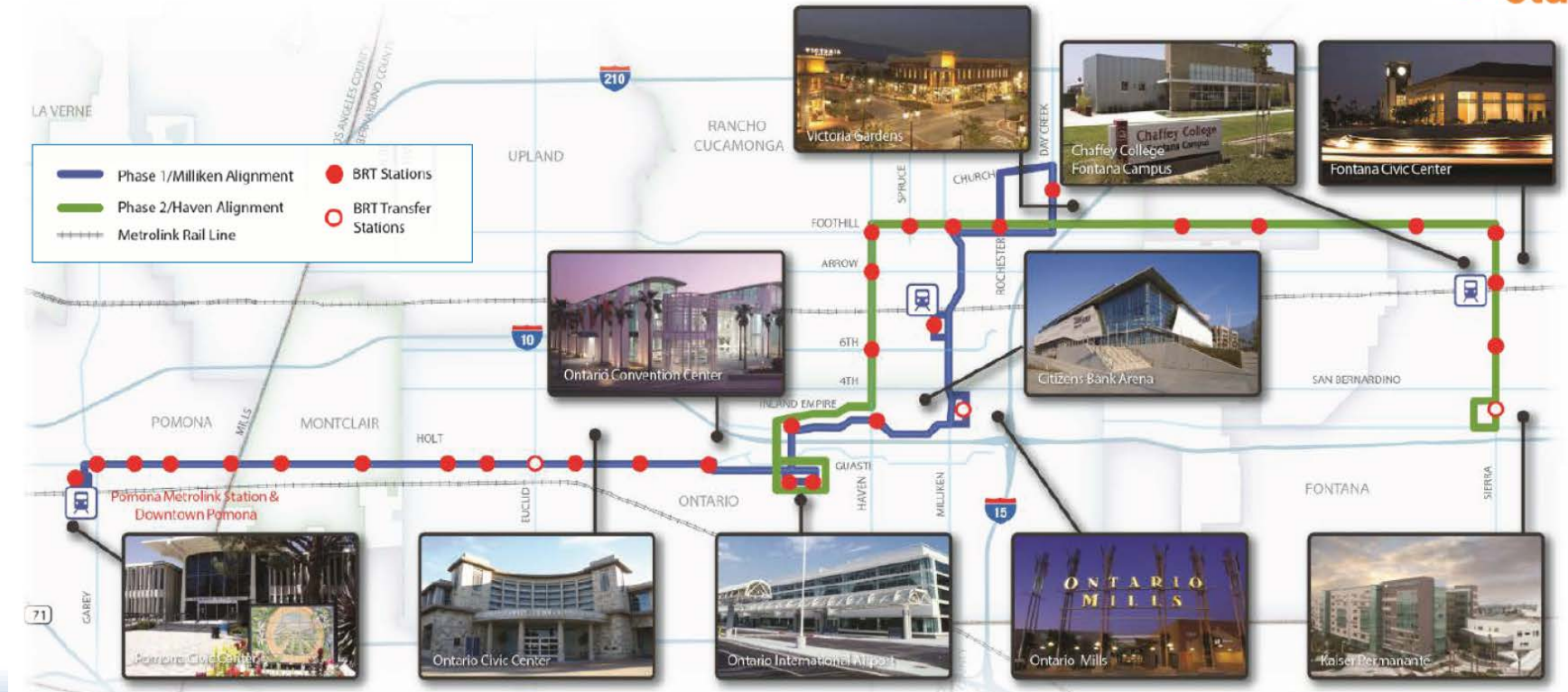
Active Transportation Program Safe Routes to Transit Project

Cities of Fontana, Montclair, Ontario, Pomona, and Rancho Cucamonga
Expected completion in April 2019



West Valley Connector Project

West Valley Connector Pomona | Montclair | Ontario | Rancho Cucamonga | Fontana



Thank You!



ITEM # E7

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Wendy Williams, Director of Marketing and Planning

SUBJECT: IEHP GO SMART PROGRAM AGREEMENT

FORM MOTION

Authorize the CEO/General Manager to execute a revenue agreement with Inland Empire Health Plan (IEHP) to allow its members with valid photo ID cards unlimited rides on Omnitrans fixed route bus and future rail services.

Omnitrans legal counsel has reviewed and approved this agreement as to form.

This item was reviewed by the Plans & Programs Committee at its January 23, 2019 meeting, and recommended to the Board of Directors for approval.

BACKGROUND AND SUMMARY

IEHP is a not-for-profit Medi-Cal and Medicare health plan headquartered in Rancho Cucamonga, California. They provide comprehensive managed health care coverage to more than 1.2 million residents of Riverside and San Bernardino counties who are enrolled in Medi-Cal or Cal MediConnect (Medicare-Medicaid Plan). IEHP is required to provide its members with transportation to and from appointments for services covered by Medi-Cal. This includes transportation to medical, dental, mental health, or substance use disorder appointments, and to pick up prescriptions and medical supplies.

In late 2017, IEHP reached out to Omnitrans to discuss partnership opportunities in support of their need to provide safe and affordable transportation services for its members. Options considered included purchase of traditional bus passes, mobile fare payment and the “Go Smart” negotiated rate program which is primarily used with local colleges and universities. IEHP has provided both mobile and traditional Omnitrans bus passes to members, but requested that Omnitrans establish a “Go Smart” program believing it would provide the most cost effective solution. Additionally this solution could be implemented by IEHP with other transit agencies in San Bernardino and Riverside Counties.

This revenue agreement also requires the approval of the IEHP Governing Board.

FISCAL IMPACT

The agreement if approved will be effective through June 30, 2019, with the option to exercise up to four additional consecutive one-year extensions. For the initial term, IEHP shall pay Omnitrans the rate of \$1.00 per IEHP member boarding. The rate shall apply to a maximum of 55 boardings per calendar month per member, with any additional boardings during a calendar month per member provided at no additional cost to IEHP. The agreement allows for Omnitrans to implement rate increases in future years, tied to agency system-wide fare increases.

The \$1.00 per boarding rate is based on the current approximate average fare that Omnitrans collects per boarding across all fixed route services. The \$55 cap rate is based on price of a full fare 31-day pass. With this formula, Omnitrans ensures it will receive equitable fare for services provided and IEHP ensures that it will not pay more than the cost of a traditional bus pass per member per month.

As part of the Go Smart agreement, IEHP is required to provide members with photo ID cards that are encoded with data in a manner that is compatible with Omnitrans fare collection equipment. IEHP must also provide regular uploads of current IDs to Omnitrans to ensure that only eligible members may board for free.

This agreement is expected to generate up to \$500,000 in fare revenue over the next five years.

Strategic Initiative Supported – FY2017-2020 Strategic Plan Marketing Goal, Strategy 1.3, Develop partnerships with businesses and organizations that Omnitrans serve; and SRTP FY2015-2020 Goal to maximize cost recovery while charging a fair fare.

CONCLUSION

Staff recommends that the Board of Directors authorize the CEO/General Manager to execute a Go Smart revenue agreement with IEHP.

PSG: WW

Attachment A: Go Smart Agreement

PROGRAM AGREEMENT

FOR

“GO SMART” FARE PROGRAM

BETWEEN

INLAND EMPIRE HEALTH PLAN

AND

OMNITRANS

PROGRAM AGREEMENT INLAND EMPIRE HEALTH PLAN

This Program Agreement (“Agreement”) is made and entered into by and between Inland Empire Health Plan (“IEHP”), a local public entity of the State of California, and Omnitrans, a California joint powers authority (“OMNITRANS”), with reference to the following facts:

RECITALS

WHEREAS, IEHP supports providing safe and affordable transportation services for its members; and

WHEREAS, OMNITRANS is a public agency that provides safe, dependable, and environmentally friendly transportation throughout the San Bernardino Valley, including through the “Go Smart” Discount Fare Program and is interested in partnering with IEHP to support transportation services for IEHP members determined to be eligible for the “Go Smart” Discount Fare Program (“Eligible Members”) as set forth herein, including any attachments hereto; and,

WHEREAS, this Agreement may be presented to the Governing Board of IEHP or OMNITRANS for approval and is effective only upon the authorization of the Governing Board of IEHP or OMNITRANS as determined necessary by applicable policies of each party.

NOW THEREFORE in consideration of the mutual promises, covenants and conditions hereinafter contained, and in the following exhibits or attachments attached hereto and incorporated herein by this reference:

ATTACHMENT A – SCOPE OF SERVICES

ATTACHMENT B – SCHEDULE OF FEES

ATTACHMENT C – OWNERSHIP INFORMATION

The Parties hereto mutually agree as follows:

1. SERVICES

- A. Subject to the terms and conditions of this Agreement, OMNITRANS shall provide the services described in Attachment A.

- B. Other than as specifically indicated in Attachment A, OMNITRANS will not utilize the services of any subcontractors in providing the services required hereunder without IEHP's prior written approval. OMNITRANS shall request approval by submitting a written description of the services to be subcontracted. If approved by IEHP, OMNITRANS shall remain the prime contractor for the services and be responsible for the conduct and performance of each approved subcontractor. All references to OMNITRANS in this Agreement in the context of providing services, where applicable, will also include OMNITRANS's approved subcontractors.
- C. OMNITRANS, or its agents or subcontractors, shall not perform any services outside the United States of America without IEHP's prior written consent. In the event OMNITRANS is in breach of this Section, IEHP shall have, in its sole discretion, the right to immediately terminate this Agreement.

The services described in Attachment A to be provided by OMNITRANS are contingent upon IEHP's satisfaction of obligations described in Attachment A.

- D. For the avoidance of doubt, no provision of this Agreement shall be construed to require OMNITRANS to continue to operate any bus service to or from the facility of IEHP or elsewhere during the term of this Agreement, and it is expressly agreed that OMNITRANS shall incur no liability to IEHP by reason of any rerouting, rescheduling, discontinuance, or other changes in bus or other transit services operated by OMNITRANS. In the event that OMNITRANS does find the need to reroute, reschedule, discontinue or otherwise make changes in bus or other transit services operated by OMNITRANS that would affect the IEHP Eligible Members, then when possible OMNITRANS will provide at least thirty (30) day notice to IEHP of such change.

2. COMPENSATION

- A. IEHP shall reimburse OMNITRANS for the services set forth in Attachment A, upon approval of a properly presented invoice for services. Payment shall be made "net-30" terms from the date of receipt of a complete invoice.
- B. IEHP shall make payments to OMNITRANS as outlined in Attachment B. OMNITRANS shall submit invoices to IEHP for authorized reimbursable services within thirty (30) days of the month of the rendered service, Invoices from OMNITRANS must be received by IEHP no later than ninety (90) days from the month wherein the services were rendered.
- C. Other than as stated on Attachment B or in this Agreement, price increases will not be permitted during the Agreement Initial Term (as defined below) but may be agreed to in writing by the parties for any Extended Term (as defined below).
- D. The total compensation payable under this Agreement shall not exceed Five Hundred Thousand Dollars (\$500,000.00). In no event shall compensation exceed

this amount without a written amendment to this Agreement authorizing such increase in total compensation payable to OMNITRANS. OMNITRANS agrees to monitor its costs at all times and provide to the best of its ability IEHP forty-five (45) days' written notice if OMNITRANS becomes aware that it may exceed the total compensation authorized pursuant to this Section. In the event the not-to-exceed amount becomes close to being reached, the parties shall meet in good faith to determine whether additional funds are available to support the program. In the event it is determined no funds are available to extend the program, OMNITRANS shall have the right to immediately terminate the Agreement.

- E. It is mutually agreed and understood that the obligations of IEHP are contingent upon the availability of state and federal funds. In the event that such funds are not forthcoming for any reason, this Agreement is rendered null and void, and IEHP shall immediately notify OMNITRANS in writing. This Agreement shall be deemed terminated and of no further force and effect immediately on IEHP's notification to OMNITRANS. In the event of such termination, OMNITRANS shall be entitled to reimbursement of costs for services rendered in accordance with this agreement.

3. DISALLOWANCE

In the event OMNITRANS receives payment for services under this Agreement which are later disallowed for nonconformance with the terms and conditions herein, OMNITRANS shall refund the disallowed amount to IEHP within thirty (30) days of IEHP's written request with adequate explanation of any nonconformance. IEHP retains the option to offset the amount disallowed from any payment due to OMNITRANS under this Agreement, or under any other contract or agreement between OMNITRANS and IEHP. OMNITRANS shall have the right to request a meet and confer upon receipt of any such request.

4. TERM AND TERMINATION

- A. Term of Agreement. This Agreement shall be effective as of the date of last signature ("Effective Date") and shall continue in effect through June 30, 2019 ("Initial Term") unless earlier terminated in accordance with the provisions of Section 4.B (Termination) of this Agreement. At the end of the Initial Term, upon thirty (30) days written notice, IEHP shall have the option to extend this Agreement for up to four (4) consecutive one (1) year terms ("Extended Term(s)"). This Agreement shall immediately lapse unless IEHP exercises its option to extend the term at the end of the Initial Term or any Extended Term. At the end of the Initial Term, the parties may mutually agree to extend the Agreement. With any Extended Term, OMNITRANS will have the right to request a price increase to be agreed to in writing by the parties.
- B. Termination.

- 1) Termination for Convenience. Either party may terminate this Agreement, for convenience, upon sixty (60) days' written notice in accordance with Section 18 (NOTICES).
- 2) Termination for Cause. Should either party determine that there is a basis for termination for cause, such termination shall be effected upon ten (10) days' written notice to the other party in accordance with Section 18 (NOTICES). In such an event, both parties must make reasonable efforts to cure any disputes. If the steps are unsuccessful and the breach has not been cured, either party may terminate the Agreement.
- 3) Immediate Termination. Immediate termination shall be available to the non-defaulting party, as specified below, by providing written notice in accordance with Section 18 (NOTICES).
 - i. Either party may immediately terminate this Agreement upon determination that the other party has engaged in a fraudulent activity, including but not limited to, activities against IEHP's health plan members.
 - ii. If OMNITRANS is excluded, terminated, or suspended from participation in any state or federal health care program, including, without limitation, appearing on the federal List of Excluded Individuals/Entities (LEIE), the Medi-Cal Suspended and Ineligible Provider List (SIPL), or the System for Award Management (SAM). OMNITRANS understands that IEHP is prohibited from paying OMNITRANS for any services rendered on or after the date of exclusion.
 - iii. Pursuant to any provision of this Agreement which expressly authorizes immediate termination.
- 4) Effect of Termination.
 - i. If, for any reason, this Agreement is terminated prior to full completion of services, OMNITRANS agrees to immediately furnish to IEHP all documents related to services rendered under this Agreement, including without limitation, copies of work papers, schedules or other work products related to this Agreement.
 - ii. Unless otherwise provided herein, the rights and obligations of any party which by their nature extend beyond the expiration or termination of this Agreement, shall continue in full force and effect, notwithstanding the expiration or termination of this Agreement. This includes, without limitation, the following provisions: DISALLOWANCE, INDEMNIFICATION,

LIMITATION OF LIABILITY, CONFIDENTIALITY, and
GOVERNING LAW; VENUE.

5. INDEMNIFICATION

- A. OMNITRANS shall indemnify, and hold harmless IEHP, its Governing Board, directors, officers, employees, agents and representatives (individually and collectively hereinafter referred to as “Indemnitees”) from liability, loss, settlement, claim, demand, and expense of any kind, arising out of the performance of services or the omission of any required act under the Agreement (and as noted in Attachment A), of OMNITRANS, its officers, employees, subcontractors, agents or representatives. OMNITRANS shall defend the Indemnitees in any claim or action based upon any such alleged acts or omissions, at its sole expense, which shall include all costs and fees, including, but not limited to, attorney fees, cost of investigation, defense, and settlement or awards, unless such claim or action is the result of the gross negligence or willful misconduct of IEHP, including its Governing Board, directors, officers, employees, agents and representatives.

IEHP shall indemnify, and hold harmless OMNITRANS, its Governing Board, directors, officers, employees, agents and representatives (individually and collectively hereinafter referred to as “Indemnitees”) from liability, loss, settlement, claim, demand, and expense of any kind, arising out of the performance of services or the omission of any required act under the Agreement (and as noted in Attachment A), of IEHP, its officers, employees, subcontractors, agents or representatives. IEHP shall defend the Indemnitees in any claim or action based upon any such alleged acts or omissions, at its sole expense, which shall include all costs and fees, including, but not limited to, attorney fees, cost of investigation, defense, and settlement or awards, unless such claim or action is the result of the gross negligence or willful misconduct of OMNITRANS, including its Governing Board, directors, officers, employees, agents and representatives.

- B. With respect to any action or claim subject to indemnification herein the indemnifying party shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the indemnified party; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes the indemnification requirements of the indemnifying party as set forth herein.
- C. The indemnifying party’s obligation hereunder shall be satisfied when it has provided to the indemnified party the appropriate form of dismissal relieving indemnified party from any liability for the action or claim involved.

- D. The specified insurance limits required in this Agreement shall in no way limit or circumscribe obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

6. **LIMITATION OF LIABILITY**

Without affecting the indemnification obligations set forth in this Agreement, in no event shall either party be liable for consequential, indirect, or incidental damages, including, without limitation, lost profits, arising out of the services provided under this Agreement.

7. **INSURANCE**

Without limiting or diminishing OMNITRANS's obligation to indemnify or hold IEHP harmless, OMNITRANS shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this Agreement.

- A. Workers' Compensation - covering all of OMNITRANS's personnel performing services under this Agreement as prescribed by the laws of the jurisdiction where work is performed. Policy shall include Employers' Liability including Occupational Disease with limits not less than \$1,000,000 per person per accident.
- B. Commercial General Liability - including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit, with a general aggregate limit of no less than two (2) times the occurrence limit.
- C. Vehicle Liability - all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit, with a general aggregate limit of no less than two (2) times the occurrence limit.
- D. General Insurance Provisions – All lines.
- 1) Insurance to be placed with insurers with a current A. M. BEST rating of not less than A: VIII (A:8) unless otherwise acceptable to IEHP.
 - 2) OMNITRANS shall furnish IEHP with either 1) original Certificate(s) of Insurance or amendatory endorsements effecting coverage as required herein, or 2) if requested by IEHP, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, OMNITRANS shall provide no less than thirty (30) days' written notice to IEHP prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In such event, this Agreement shall terminate forthwith, unless IEHP receives, prior to such effective date, another properly

executed original Certificate of Insurance, including all endorsements, evidencing the coverage set forth herein are in full force and effect. **OMNITRANS shall not commence operations until IEHP has been furnished original Certificate(s) of Insurance and endorsements.**

- 3) OMNITRANS's insurance shall be construed as primary insurance, and IEHP's insurance shall not be construed as contributory. Additionally, the above-referenced policies shall be endorsed to waive subrogation in favor of IEHP and name IEHP as an Additional Insured, where applicable.
- 4) OMNITRANS shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- 5) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to IEHP.
- 6) OMNITRANS agrees to notify IEHP of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

8. OFFICERS, OWNERS, STOCKHOLDERS AND CREDITORS

On an annual basis, OMNITRANS shall identify the names of the following persons and update such names by providing IEHP with thirty (30) days written notice of any changes in the information of such persons by listing them on Attachment C:

- A. OMNITRANS officers and owners who own greater than 5% of the OMNITRANS;
- B. Stockholders owning greater than 5% of any stock issued by OMNITRANS;
- C. Major creditors holding more than 5% of any debts owed by OMNITRANS;
- D. The parties agree that Omnitrans is a California public agency and this Section 8 is not applicable to the services being provided by Omnitrans.

9. NONDISCRIMINATION

This Agreement hereby incorporates by reference the provisions of *Title 2, CCR, Sections 11105 et seq.*, as may be amended from time to time. OMNITRANS agrees to comply with the provisions of *Title 2, CCR, Sections 11105 et seq.*, and further agrees to include this Nondiscrimination Clause in any and all subcontracts to perform services under this Agreement.

10. CONFLICT OF INTEREST

OMNITRANS shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this Agreement.

11. PROTECTED HEALTH INFORMATION (“PHI”)

In the event that there is PHI shared between IEHP and OMNITRANS pursuant to this Agreement, IEHP and OMNITRANS are subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), codified at Title 45, C.F.R., Parts 160 and 164, the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009 (HITECH), Public Law 111-5, enacted February 17, 2009, and the laws and regulations promulgated subsequent hereto and as amended, for purposes of services rendered pursuant to the Agreement. The Parties agree to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulation(s) promulgated under HIPAA and HITECH. The Parties further agree that it shall be in compliance with the requirements of HIPAA, HITECH, and the laws and regulations promulgated subsequent hereto and as amended. In the event that any PHI is shared between the parties, the parties will enter into a separate addendum.

12. CONFIDENTIALITY

- A. Each Party receiving Confidential Information (a “Receiving Party”) hereunder, as defined below, shall hold the Confidential Information in strict confidence and use and access the Confidential Information only as is necessary for the performance of this Agreement. Each Receiving Party may only disclose Confidential Information to its employees and third party consultants who have a bona fide need to know and who have a written agreement restricting use and disclosure of Confidential Information to no less an extent as that required of the parties under this Agreement or as otherwise required by law. Receiving Party shall not otherwise disclose Confidential Information without the prior written consent of the other party (the “Disclosing Party”) or as otherwise required by law.
- B. Confidential Information means any technical, financial, trade secrets, or any information the Disclosing Party has received from others, including personal information, which it is obligated to treat as confidential or proprietary, including without limitation, any and all ideas, techniques, processes, methods, systems, cost data, computer programs, formulas, work in progress, customers/members, business plans, and other business information. Confidential Information shall not include any information that:
 - 1) Is or becomes available to the public (other than through any act or omission of Receiving Party);

- 2) Is required to be disclosed pursuant to an applicable law, subpoena, or court order, provided that the Receiving Party notifies the Disclosing Party to allow Disclosing Party to protect its interests, if desired;
- 3) Is independently developed by the Receiving Party without access to any Confidential Information of the Disclosing Party;
- 4) Is lawfully known by the Receiving Party at the time of disclosure or otherwise lawfully obtained by a third party with no obligation of confidentiality.

13. PUBLIC ENTITY STATUS; BROWN ACT/PUBLIC RECORDS ACT

The parties hereby acknowledge and agree that both IEHP and OMNITRANS are public entities of the State of California subject to the Brown Act, *California Government Code Sections 54950 et seq.*, and the Public Records Act, *California Government Code Sections 6250 et seq.*

14. COMPLIANCE WITH LEGAL AND REGULATORY REQUIREMENTS

- A. General. The parties shall observe and comply with all applicable county, state and federal laws, ordinances, rules and regulations now in effect, subsequently amended or hereafter enacted.
- B. Plan Licensing/State Requirements. OMNITRANS understands that IEHP is a Medi-Cal Managed Care Health Plan and subject to the requirements under applicable laws (including but not limited to the Knox-Keene Health Care Service Plan Act and the Waxman-Duffy Prepaid Health Plan Act), contractual obligations set forth under the contract between IEHP and the California Department of Health Care Services (“DHCS”), and regulations promulgated by the California Department of Managed Health Care (“DMHC”) and DHCS. OMNITRANS understands that specified requirements of the DHCS and DMHC may apply to OMNITRANS as a contractor of IEHP.

15. AUDIT RIGHTS

- A. OMNITRANS understands that IEHP is a health plan regulated by entities, including without limitation, DMHC, DHCS, and the Centers for Medicare and Medicaid Services. To the extent OMNITRANS is identified as a subcontractor for which IEHP is required to do oversight due to its legal and/or contractual obligations to such regulatory agencies, the following provisions shall apply:
 - 1) Maintenance of Records. OMNITRANS will maintain complete and accurate books, records and documentation, including audited financial statements prepared in accordance with generally accepted accounting procedures and practices, to sufficiently and properly reflect the services provided and OMNITRANS’s direct and indirect costs invoiced in the performance of the Agreement. The retention period for such books and

records shall be for a period of ten (10) years or as otherwise stated in the Attachments to this Agreement.

- 2) Records Subject to Inspection. All books, records, documents, and other materials maintained by OMNITRANS and relating to the Agreement will be subject, at reasonable times during regular business hours and upon thirty (30) days prior written notice, to examination, inspection, copying, or audit by authorized IEHP personnel. The parties agree that books, records, documents, and other evidence of accounting procedures and practices related to OMNITRANS's cost structure, including overhead, general and administrative expenses, and profit factors will be excluded from IEHP's review.
- 3) Subcontracts. OMNITRANS will incorporate into any subcontracts the records retention and review requirements of this Section.
- 4) Inspection by OMNITRANS. IEHP shall permit an authorized representative of OMNITRANS, during standard business hours, to examine, inspect and audit all records and accounts pertaining to this program and this Agreement. IEHP shall make such items readily accessible to OMNITRANS, within five (5) business days of OMNITRANS notice to IEHP during the term of this Agreement and for a period of three (3) years from the date of expiration or termination of the Agreement.

16. EXCLUSION/DEBARMENT LISTS

- A. OMNITRANS represents that it, and the employees and consultants engaged under this Agreement, are not excluded, debarred, or suspended individuals/entities under any exclusion or debarment list relating to state or federal health care programs, including the Federal List of Excluded Individuals/Entities, System for Award Management, and the Suspended and Ineligible Provider List. OMNITRANS warrants that such status shall be maintained throughout the term of this Agreement.
- B. OMNITRANS understands that appearing on any such list requires IEHP to terminate this Agreement immediately, and prohibits IEHP from paying OMNITRANS for any services rendered on or after the date of exclusion. Should OMNITRANS be in receipt of payment for services rendered after the exclusion date, OMNITRANS agrees to submit a refund of such fees upon written notice by IEHP. IEHP expressly reserves its right to recoup payment of such fees under Section 3 (DISALLOWANCE).

17. NOTICES

Other than correspondences for which email communication is expressly reserved pursuant to the terms of this Agreement, all notices required or contemplated by this

Agreement shall be delivered to the respective parties in the manner and at the addresses set forth below or to such other address(es) as the parties may hereafter designate, in writing. Such notices will be deemed given if sent by certified United States mail or commercial courier, at the time of receipt confirmed by corresponding documentation.

IEHP:

Kurt Hubler
Chief Network Officer
IEHP
10801 Sixth Street, Suite 120
Rancho Cucamonga, CA 91730
(909) 890-2000
cc: Purchasing Department
Purchasing@iehp.org

OMNITRANS:

Wendy Williams
Director of Marketing & Planning
Omnitrans
1700 West Fifth Street
San Bernardino, CA 92411
(909) 379-7151

18. SEVERABILITY

In the event any provision of this Agreement is determined by any court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement will continue in full force and effect.

19. WAIVER

A waiver by a party of any breach of any one (1) or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same term or of any other term herein.

20. INDEPENDENT CONTRACTOR

It is understood and agreed that the relationship between the parties is an independent contractor relationship. Neither party, including its officers, agents, employees or subcontractors, shall be considered to be employees of the other, nor entitled to any benefits payable to such employees, including Workers' Compensation Benefits. None of the provisions of this Agreement shall be construed to create a relationship of agency, representation, joint venture, ownership, control or employment between the parties other than that of independent parties contracting for the purposes of effectuating this Agreement.

21. GOVERNING LAW; VENUE

- A. The provisions of this Agreement shall be construed in accordance with the laws of the State of California, excluding its conflicts of law provisions.
- B. The provisions of the Government Claims Act (*California Government Code Sections 900 et seq.*) must be followed for any disputes under this Agreement.

- C. All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state or federal (if permitted by law) courts located in the counties of San Bernardino or Riverside, State of California.

22. FORCE MAJEURE

Each party shall be excused from performing hereunder to the extent that it is prevented from performing as a result of any act or event which occurs and is beyond the reasonable control of such party, including, without limitation, acts of God, war, or action of a governmental entity; provided that the affected party provides the other party with prompt written notice thereof and uses all reasonable efforts to remove or avoid such causes.

23. ASSIGNMENT

A party may not sell, assign, transfer, or otherwise convey this Agreement without the prior express written consent of the other party. Any attempted assignment of this Agreement not in accordance with this Section shall be null and void.

24. CHANGE IN CONTROL

OMNITRANS must obtain IEHP's written consent prior to OMNITRANS entering into (i) any transaction or series of related transactions (including, but not limited to, any reorganization, merger, or consolidation) that results in the transfer of 50% or more of the outstanding voting power; or (ii) sale of all or substantially all of the assets of the OMNITRANS to another person or entity. In the event OMNITRANS fails to obtain IEHP's prior written consent, IEHP shall have the option to terminate this Agreement immediately.

25. ALTERATION AND/OR AMENDMENT

No alteration, amendment, or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto. Only the Governing Board of IEHP or designee may authorize any alteration or revision of this Agreement on behalf of IEHP. Notwithstanding the foregoing, amendments required due to legislative, regulatory or other legal authority do not require the prior approval of OMNITRANS and shall be deemed effective immediately (or such other time frame as required by law or regulation) upon OMNITRANS's receipt of notice. Notice of amendments required by law, regulation or other legal authority may be given to OMNITRANS via regular mail at the address provided in Section 18. NOTICES.

26. ENTIRE AGREEMENT

This Agreement, including all attachments, which are hereby incorporated in this Agreement, supersedes any and all other agreements, promises, negotiations or representations, either oral or written, between the parties with respect to the subject matter and period governed by this Agreement and no other agreement, statement or promise relating to this Agreement shall be binding or valid.

27. COUNTERPARTS; SIGNATURES

This Agreement may be executed in separate counterparts, each of which shall be deemed an original, and all of which shall be deemed one and the same instrument. The parties' faxed signatures, and/or signatures scanned into PDF format, shall be effective to bind them to this Agreement.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the parties hereto certify that the individuals signing below have authority to execute this Agreement on behalf of their respective organizations, and may legally bind them to the terms and conditions of this Agreement, and any attachments hereto. The parties have signed this Professional Services Agreement as set forth below.

OMNITRANS:

By: _____

P. Scott Graham
CEO/General Manager

Date: _____

INLAND EMPIRE HEALTH PLAN:

By: _____

Bradley P. Gilbert, MD, MPP
Chief Executive Officer

Date: _____

By: _____

Chair, IEHP Governing Board

Date: _____

Attest: _____

Secretary, IEHP Governing Board

Date: _____

Approved as to Form:

By: _____ By: _____

Haviva Shane
General Counsel
Omnitrans

Steve J. Sohn
Managing Counsel
Inland Empire Health Plan

Date: _____ Date: _____

ATTACHMENT A

SCOPE OF SERVICES

OMNITRANS

OMNITRANS shall provide a discount fare program (“Go Smart”) to IEHP that offers unlimited “fare-free” rides on all OMNITRANS buses to IEHP’s Eligible Members.

1. The purpose of the “Go Smart” program is to provide transit access to all IEHP Eligible Members with current valid identification cards. OMNITRANS shall allow each IEHP Eligible Member presenting a current, valid IEHP identification card to ride on all OMNITRANS fixed route buses, including sbX and OmniGo routes, operating under current Omnitrans published timetables. This program does not apply to OMNITRANS’s Access service for persons with disabilities.
2. OMNITRANS’s “Go Smart” program shall meet or exceed the requirements outlined below:

Description:

The Omnitrans Go Smart fare is a pre-negotiated fare for IEHP Eligible Members. Eligible Members must have an active, valid Omnitrans-compatible ID card for fare. ID cards will be compatible with the fare box on board buses.

A. Identification Cards:

- 1) IEHP shall produce all ID cards at its expense in accordance with the following:
 - a. ID cards shall be produced using equipment and software that are comparable with the following specifications:

Accepted Standard Card Sizes	CR-80 (3.375" L x 2.125" W / 85.6 mm L x 54 mm W); CR-79 adhesive back (3.313" L x 2.063" W / 84.1 mm L x 52.4 mm W)
Print Area	CR-80 edge-to-edge (3.36" L x 2.11" W / 85.3 mm L x 53.7 mm W); CR-79 (3.3" L x 2.04" W / 83.8 mm L x 51.8 mm W)
Accepted Card Thickness	Print only: .009" - .040" / 9 mil - 40 mil / .229 mm - 1.016 mm; print: .030" - .040" / 30 mil - 40 mil / .762 mm - 1.02 mm
Accepted Card Types	PVC or polyester cards with polished PVC finish; monochrome resin required for 100% polyester cards; optical memory cards with PVC finish; rewrite

- b. ID cards shall be produced with magnetic strips that are encoded with the necessary Eligible Member data for validation and data collection.
 - i. Eligible Member data shall consist of, Eligible Member name and a nineteen (19) digit unique number.
 - ii. The nineteen (19) digit unique number shall be comprised of nine (9) random numbers, nine (9) set numbers, and one (1) sequential number.

- c. The tracking data shall be encoded on a 5-bit scheme (4 data bits + 1 parity), allowing for sixteen possible characters, which are the numbers 0-9, plus the six characters (: ; < = > ?), Track 2 of the magnetic stripe.

B. Card Design:

- 1) IEHP shall create the card design to consist of:
 - a. IEHP name and/or logo
 - b. Card holder name
 - c. Card holder photo

C. Testing:

- 1) OMNITRANS shall test the ID cards for compatibility with the fare boxes onboard buses.
 - a. A minimum of five (5) encoded cards will be tested.
 - b. Testing shall be completed within no less than two (2) weeks.
 - i. OMNITRANS shall test cards on OMNITRANS's system to ensure that the cards read correctly, and that data is captured correctly in required reports.

D. Implementation:

- 1) Upon completion of testing, IEHP shall electronically transmit to OMNITRANS a list of eligible ID card numbers, the "Active List" in accordance with the following:
 - a. IEHP shall go to <https://www.omnitrans.info/GoSmart> and sign up for an account using the "Signup" button and fill in the required information, using an IEHP company email as the email address. OMNITRANS will issue a confirmation email once account has been created.
 - b. Active Lists shall be uploaded via <https://www.omnitrans.info/GoSmart> in accordance with the following:
 - i. File must be CSV format. (See images below)
 - ii. No Header on the first row
 - iii. Do not trim off ID's leading zero
 - 1.Column 1: Company ID number
 - 2.Column 2: Participant unique identifier
 - 3.Column 3: Card version number

Notepad



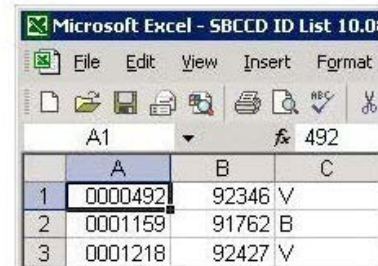
Excel

	A	B	C
1	0000492	92346	V
2	0001159	91762	B
3	0001218	92427	V

Notepad



Excel



- c. Technical Support: for any technical issues with the website, file format or data fields support is provided via gosmart@omnitrans.org.
- d. Active Lists shall be uploaded once per week.
- e. Upon receipt of an Active List, OMNITRANS shall activate ID card numbers and provide confirmation to IEHP within five (5) business days.

2) Upon receipt of an Active List, OMNITRANS shall:

- a. Set up its system to accept and recognize the ID numbers provided on Active Lists.

E. Usage Validation:

- 1) OMNITRANS shall validate Eligible Member ride usage in accordance with the following:
 - a. On a daily basis OMNITRANS will compare the latest Active List to all of the IDs from IEHP that were used onboard an OMNITRANS bus.
 - b. Validation Report frequency
 - i. OMNITRANS shall provide a Validation Report along with the monthly invoice, in a format agreed upon by both parties.

F. Fraud Mitigation Plan:

- 1) IEHP shall be responsible for mitigating fraudulent use of its ID cards by issuing IDs to Eligible Members and by providing OMNITRANS with the Active List of IDs on a recurring, regular basis.
 - a. OMNITRANS shall rely on the "active" list provided by IEHP. When a card not on the list is used, it will go to the "bad list." This will cause an audible beep onboard the bus, alerting the driver to not accept the ID for payment. IEHP can view "bad list" data via the web portal.

G. Miscellaneous:

- 1) OMNITRANS shall notify IEHP of any technical change or upgrade requirements that affect the production of ID cards, with no less than six (6) months' prior notice of such change.

3. OMNITRANS' authorized subcontractors for the provision of services described herein:

<u>Name of Subcontractor</u>	<u>Description of Services to be Subcontracted</u>
MV Transportation	Fixed Route Bus Service

ATTACHMENT B

SCHEDULE OF FEES

OMNITRANS

1. OMNITRANS shall invoice IEHP electronically for the Go Smart Fare Program transportation service fees as described in the Program Agreement and this Attachment B, to IEHP's Accounts Payable Office at apinvoices@iehp.org. Each invoice shall cite OMNITRANS's name, address, and remit to address, description of the work performed, the time period covered by the invoice, the amount of payment requested, and include the monthly Validation Report.
2. OMNITRANS requests for reimbursements must comply with the requirements set forth in the Program Agreement and this Attachment B.

3. Requests for services shall be on an as needed basis. OMNITRANS's rates are as follows:

IEHP shall pay OMNITRANS the rate of \$1.00 per Eligible Member boarding, for the Initial Term. The rate shall apply to a maximum of fifty-five (55) boardings per calendar month per Eligible Member, with any additional boardings beyond fifty-Five (55) during a calendar month provided at no additional cost to an Eligible Member.

Pursuant to Sections 2(C) and 4(A) of the Agreement, the parties may agree to the increase of rates to be paid to OMNITRANS for any Extended Term following mutual agreement of the parties.

4. OMNITRANS' Travel Reimbursements are not included under this Agreement.

ATTACHMENT C

OWNERSHIP INFORMATION

Contractor's Name: _____

Tax Identification Number (TIN): _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____

President: _____ Contact Person: _____

Person Signing Contract: _____

Broker Representative: _____

Please circle below how your organization is legally organized:

- **Sole Proprietorship**
- **Partnership (LLC, etc.)**
- **Corporation**
 - **Privately Held Company***
 - **Publicly Traded Company**
 - **Non-Profit Entity**
- **Government Agency**
- **Other (please indicate):** _____

*If Privately Held Company, please indicate the below information of the owners, officers, stockholders, and creditors if such interest is over 5%.

<u>Name</u>	<u>Ownership/Creditorship % (If greater than 5% interest)</u>
-------------	---

Authorized Signature

Date

ITEM # E8

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

SUBJECT: **AUTHORIZE RELEASE – RFP-MNT19-71
LABOR AND PARTS FOR ENGINE AND TRANSMISSION
REPLACEMENTS**

FORM MOTION

Authorize the CEO/General Manager to release Request for Proposals RFP-MNT19-71 for the provision of Labor and Required Parts for Engine and Transmission Replacement.

BACKGROUND

Omnitrans operates a fleet of New Flyer Compressed Natural Gas (CNG) powered buses, model years: 2009, 2011 and 2012, which are eligible for midlife overhauls. As part of the midlife overhaul, Omnitrans intends to contract for the labor and miscellaneous parts required to perform engine and transmission replacements. This midlife overhaul replacement project includes the removal of existing Cummins ISL G 8.9 Liter CNG engines and replacement with Omnitrans provided Cummins near-zero L9N engines and catalysts. Installation shall also include the replacement of Omnitrans provided Allison or Voith remanufactured transmissions on an as needed basis. The engine overhaul project will include up to sixty-four (64) New Flyer 40' buses.

In accordance with the Procurement Policy 2000, Section 2.3.5.1.3 and FTA Circular 4220.1F, Board authorization and use of a formal procurement procedure is required to release Request for Proposals for procurements of good/services exceeding \$150,000. The Independent Cost Estimate for this project is \$2,914,582.

FUNDING SOURCE

The cost associated with this procurement is budgeted in the Omnitrans' Capital Budget as follows:

FUNDING	GRANT	YEAR	PROJECT NAME	INTERNAL ORDER	AMOUNT
Prop 1B	Prop 1B	2017	Engine Repower	A1720111B	\$2,914,582
Total					\$2,914,582

_____ Verification of Funding Sources and Availability of Funds.
(Verified and initialed by Finance)

Short Range Transit Plan/Strategic Initiative Supported – This procurement supports Omnitrans’ Short Range Transit Plan goal to expand, maintain and improve existing vehicles, facilities and passenger amenities.

CONCLUSION

By proceeding with this solicitation, Omnitrans will have the ability to complete midlife overhauls on up to sixty-four (64) buses.

PSG:EFP:KNT

ITEM # E9

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

SUBJECT: AUTHORIZE RELEASE – IFB-MNT19-74, PARKING LOT SWEEPING

FORM MOTION

Authorize the CEO/General Manager to release Invitation for Bids IFB-MNT19-74 for the provision of Parking Lot Sweeping for a three (3) year base period with two (2) single option years.

BACKGROUND

Omnitrans utilizes weekly parking lot sweeping services at the East Valley, West Valley, “I” Street, sbX Corridor Park and Ride Facilities, the San Bernardino Transit Center (SBTC), and the San Bernardino Downtown Metrolink Station locations. Weekly services include sweeping of bus yards, employee parking lots and bi-weekly pressure washing of the bus yards. The current contract MNT14-87 expires June 12, 2019.

In accordance with the Procurement Policy 2000, Section 2.3.5.1.3 and FTA Circular 4220.1F, Board authorization and use of a formal procurement procedure is required to release Invitation for Bids for procurements of good/services exceeding \$150,000. The Independent Cost Estimate for this project is \$319,185, if all options are exercised.

FUNDING SOURCE

The cost associated with this procurement is budgeted in the Maintenance Department’s Operating budget as follows:

Department Number	1200
Expenditure Code	503110

_____ Verification of Funding Sources and Availability of Funds.
(Verified and initialed by Finance)

Short Range Transit Plan/Strategic Initiative Supported – This procurement supports Omnitrans' Short Range Transit Plan goal to expand, maintain and improve existing vehicles, facilities and passenger amenities.

CONCLUSION

By proceeding with this solicitation, Omnitrans' properties will be properly maintained.

PSG:EFP:KNT

ITEM # E10

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

**SUBJECT: AUTHORIZE ASSIGNMENT – CONTRACT MNT18-65
ELEVATOR MAINTENANCE**

FORM MOTION

Authorize the CEO/General Manager to approve the assignment of Contract MNT18-65 awarded February 7, 2018 to 5 Star Elevator Services, Inc. for the provision of Elevator Maintenance to Schindler Elevator Corporation.

BACKGROUND

Omnitrans has received notification of the aforementioned acquisition and their agreement to assume and perform all of the obligations and liabilities of the assigned contract.

Contractor assignments must be approved by Omnitrans. As this contract was approved by the Board of Directors, Board action is required. The terms and conditions of the agreement remain the same.

FUNDING SOURCE

There is no additional cost associated with this assignment.

Short Range Transit Plan/Strategic Initiative Supported – N/A

CONCLUSION

Approval of this assignment will allow for the continuation of Elevator Maintenance services.

PSG:EFK:KT

ITEM # E11

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

**SUBJECT: AUTHORIZE AWARD – PURCHASE ORDER ITS19-45
SALIENT NETWORK VIDEO RECORDERS**

FORM MOTION

Authorize the CEO/General Manager to award Purchase Order ITS19-45 to Time and Alarm Systems of Mira Loma, CA, for the provision of sixteen (16) Salient Network Video Recorders (NVRs) in the amount of \$64,252.80.

BACKGROUND

Omnitrans utilizes NVRs to store video activity captured from the sbX Corridor platform cameras. The saved video is accessible by local law enforcement and Omnitrans staff. The existing NVRs have reached the end of useful life and are no longer supported by the manufacturer.

Solicitations under \$150,000 are informal procurements and do not require Board approval for release. In accordance with Procurement Policy 2000, Section 2.3.4.2., awards over \$50,000 require Board approval.

On October 30, 2018, staff released Request for Quotes RFQ-ITS19-45. The solicitation was posted on Omnitrans' online bidding system. Three (3) bids were received by the November 29, 2018, deadline and were all deemed responsive.

Listed below are the bids from lowest to highest:

Company Name	Price
Time and Alarm Systems, Mira Loma, CA	\$ 64,252.80
ATAC, Inc., Rancho Cucamonga, CA	\$ 69,006.00
Edgeworth Security, LLC, Simi Valley CA	\$ 69,774.18

Award is recommended to the lowest, responsive, and responsible bidder, Time and Alarm Systems. Price is deemed fair and reasonable based on competition.

This procurement meets the requirements of Omnitrans' Procurement Policies and Procedures.

FUNDING SOURCE

The cost associated with this procurement is budgeted in Omnitrans' Capital budget as follows:

FUNDING	GRANT #	YEAR	PROJECT NAME	INTERNAL ORDER	AMOUNT
FTA	CA-90-Z112	FY2014	Computer Hardware	D1422001F	\$51,402.24
STA	13-10-OMN-B	FY2012	Computer Hardware	D1222001S	\$12,850.56
Total					\$64,252.80

_____ Verification of Funding Sources and Availability of Funds.
(Verified and initialed by Finance)

Short Range Transit Plan/Strategic Initiative Supported - This procurement supports Omnitrans' Short Range Transit Plan Goal FY2015-2020 goal to expand, maintain and improve existing vehicles, facilities and passenger amenities.

CONCLUSION

By proceeding with this award, Omnitrans will have the ability to continue to store captured video activity on the sbX Corridor platforms.

PSG: EFP:AJ

ITEM # E12

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Eugenia F. Pinheiro, Contracts Manager

**SUBJECT: AUTHORIZE AWARD – CONTRACT SSR19-41
EXTERIOR SECURITY LIGHTING**

FORM MOTION

Authorize the CEO/General Manager to award Contract SSR19-41 to Foddrill Construction Corporation of Chino, CA, for the provision of Exterior Security Lighting in the amount of \$114,919, plus a ten percent contingency of \$11,492 for a total not-to-exceed amount of \$126,411.

BACKGROUND

Omnitrans is committed to supporting safety and security at Omnitrans facilities. This project allows Omnitrans to replace existing exterior security lighting at the East Valley location with energy efficient LED lights.

Solicitations under \$150,000 are informal procurements and do not require Board approval for release. In accordance with Procurement Policy 2000, Section 2.3.4.2., awards over \$50,000 require Board approval.

On November 20, 2018, staff released Request for Quotes RFQ-SSR19-41. The solicitation was posted on Omnitrans' online bidding system. Seven (7) bids were received by the December 19, 2018, deadline and four (4) were deemed responsive.

Listed below are the bids from lowest to highest:

Company Name	Price
Foddrill Construction Corporation, Chino, CA	\$114,919.04
M. Brey Electric, Incorporated, Beaumont, CA	\$152,167.53
Fluoresco Services LLC, Pomona, CA	\$165,776.80
AMTEK Construction, Whittier, CA	\$205,022.31

Award is recommended to the lowest, responsive, and responsible bidder, Foddrill Construction Corporation. Price is deemed fair and reasonable based on competition.

This procurement meets the requirements of Omnitrans' Procurement Policies and Procedures.

FUNDING SOURCE

The cost associated with this procurement is budgeted in Omnitrans' Capital budget as follows:

FUNDING	GRANT #	YEAR	PROJECT NAME	INTERNAL ORDER	AMOUNT
Prop1B/CTSGP	6861-0002	2016	Transit Security Projects	K1631B01B	\$103,784.75
Prop1B/CTSGP	6761-0002	2017	Transit Security Projects	K1731B01B	\$22,626.25
Total					\$126,411.00

_____ Verification of Funding Sources and Availability of Funds.
(Verified and initialed by Finance)

Short Range Transit Plan/Strategic Initiative Supported –This procurement supports Omnitrans' Short Range Transit Plan Goal FY2015-2020 goal to expand, maintain and improve existing vehicles, facilities and passenger amenities and the Management Plan FY2019 Strategic Initiative 4 –Safety and Security – Enhance security posture by implementing new programs and initiatives to support customer safety and security on-board our vehicles and at our facilities.

CONCLUSION

By proceeding with this award, Omnitrans will have the ability to improve existing facility security lighting.

PSG: EFP:AJ

ITEM # F1

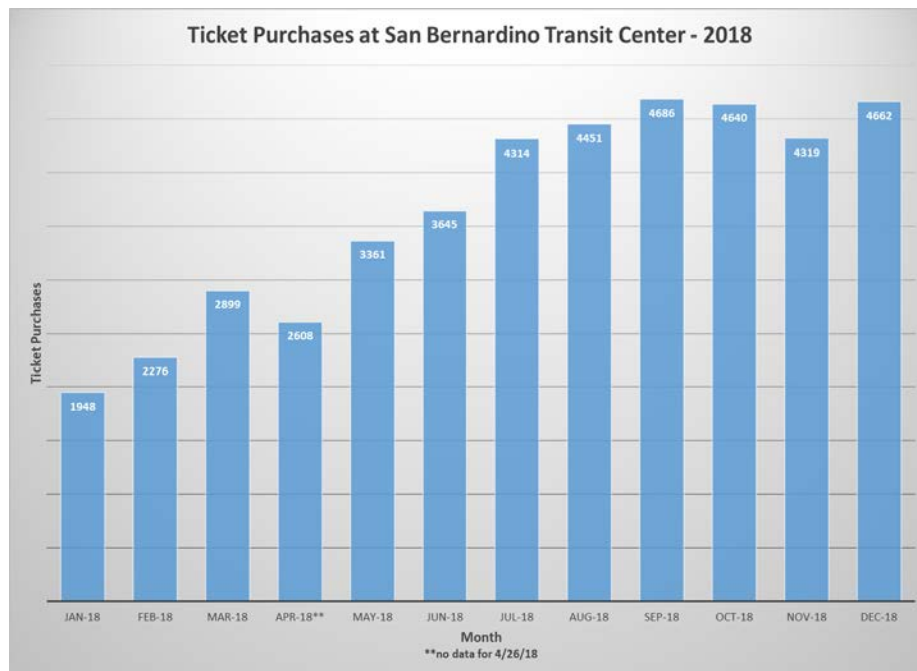
DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

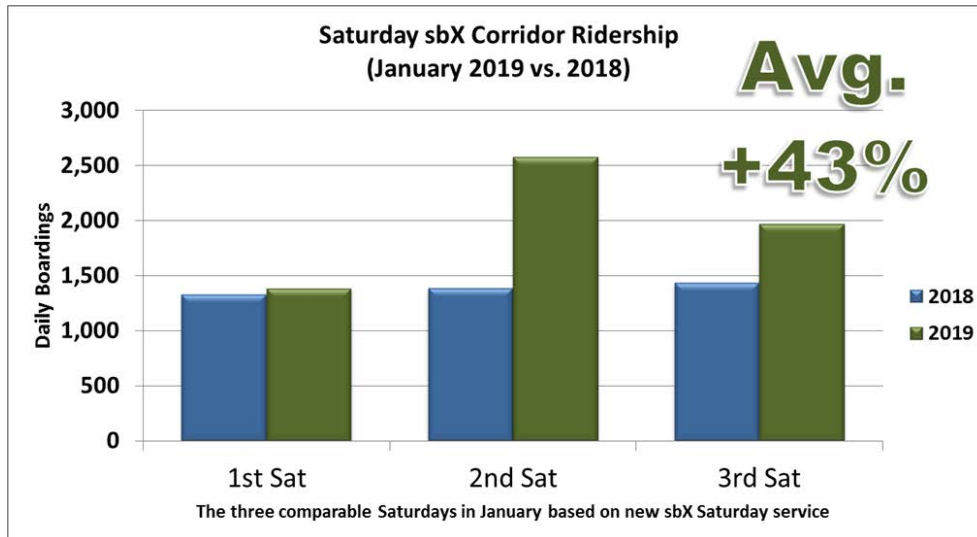
FROM: P. Scott Graham, CEO/General Manager

SUBJECT: CEO/GENERAL MANAGER'S REPORT

Metrolink Boardings at the San Bernardino Transit Center – As you know, in December 2017 Metrolink started train service from the San Bernardino Transit Center (SBTC). Since that time, there has been a progressive increase in ticket sales and ridership from SBTC to all points elsewhere in the Metrolink system; with average monthly ridership of 3,650 and annual ridership of 43,809.



sbX Saturday Service Launched – Saturday ridership on the sbX corridor increased by 43% following the cost neutral introduction of sbX Saturday service with offsetting decreases to Route 2. For the three comparable Saturdays, corridor ridership was 5,933 in 2019 compared to 4,150 the prior year. sbX contributed 4,445 boardings and 1,488 boardings remained on Route 2.



SUN Here's when Omnitrans will launch...

Here's when Omnitrans will launch Saturday sbX service in Loma Linda, San Bernardino

sbX will operate every 20 minutes from 6 a.m. to 9 p.m. on Saturdays

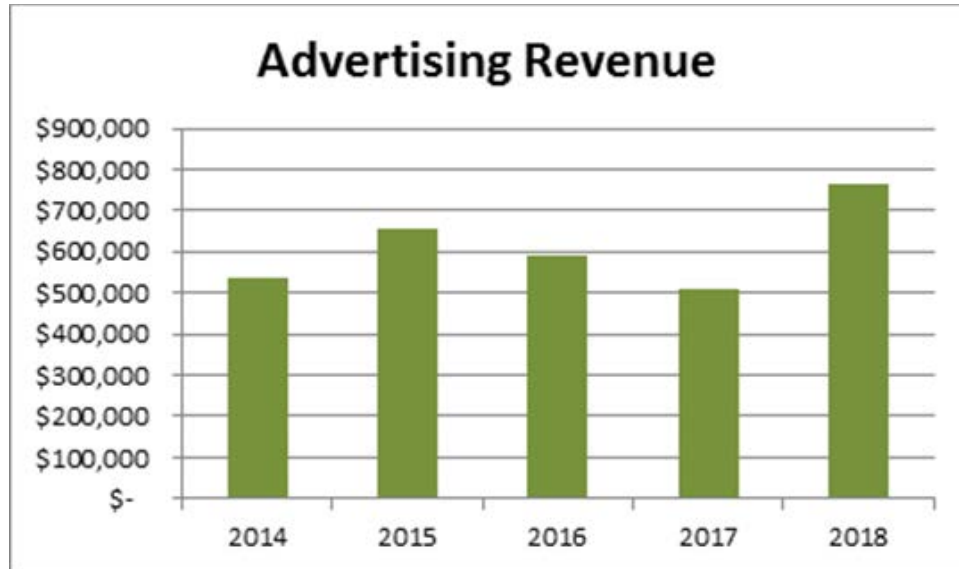
Ad closed by Google
[Report this ad](#)
[Why this ad?](#)

Starting this weekend, Inland Empire commuters will be able to ride the 16-mile sbX line through San Bernardino and Loma Linda on Saturdays. Omnitrans is offering free rides the first three Saturdays in January to provide the public test runs. (Photo courtesy of Omnitrans)

By **BRIAN WHITEHEAD** | bwhitehead@scng.com | San Bernardino Sun
PUBLISHED: January 7, 2019 at 4:57 pm | UPDATED: January 7, 2019 at 4:59 pm

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Advertising Revenue - We are pleased to report that revenue generated from advertising on Omnitrans buses and shelters significantly increased in 2018 vs. 2017. This is due to more favorable revenue terms in the new contract, which the Board approved and took effect in 2018 as well as an outstanding sales year for our vendor, Lamar Advertising.



Special Transit District Legislation – We were informed by our lobbyist that Assembly Member Eloise Gomez Reyes has agreed to author our bill for the legislation to change Omnitrans from a JPA to a Transit District.

PSG

ITEM # _____ F2 _____

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

FROM: P. Scott Graham, CEO/General Manager

SUBJECT: UPDATED FINANCIAL FORECAST

FORM MOTION

Receive and file as an information item.

This item was reviewed by the Executive Committee at its February 1, 2019 meeting.

EXECUTIVE SUMMARY

As described in the May 2018 Financial White Paper, beginning in FY2021 (July 2020-June 2021), Omnitrans will begin to face an operating budget deficit. This has been further compounded by a capital deficit due to newly enacted electric bus regulations.

While Omnitrans will deliver a balanced operating budget for FY2020, policy level decisions will be needed to move Omnitrans through the upcoming strategic planning process. This discussion will occur at a Board of Directors workshop in March and will impact the development of the FY2020 Management Plan, Service Plan and Budget. Priorities established will influence development of a new multi-year Strategic Plan and the FY2021-27 Short Range Transit Plan.

This report provides background and a high-level overview of the key discussion items and decisions that the Board, Board Committees and potentially an *ad hoc* committee may need to make in the coming months. Key issues include, but are not limited to:

1. Creation of a joint SBCTA and Omnitrans Board *ad hoc* committee to provide policy guidance related to funding allocations and project delivery
2. Review the future operational and capital requirements in a constrained financial environment to ensure that Omnitrans can meet current and future customer needs
3. The future of the West Valley Connector project and the use of Measure I Bus Rapid Transit (BRT)/Express Bus funds
4. Reaffirming the vital role of Omnitrans in a valley-wide multi-modal transportation network that must offer multiple transportation options to residents to resolve transportation and traffic congestion issues

Further direction and policy decisions related to these issues will create the strategic framework for the Agency as it plans the services to be delivered during the next 5-7 years. A key goal ahead is to adapt to the changing needs of our customers and the communities we serve in this constrained fiscal environment. In doing this, we must be cautious in our approach to avoid impacting the viability of the transit system and ultimately causing further ridership decline.

This report does not attempt to answer these questions, but to lay the groundwork for the policy level discussions in several upcoming meetings.

BACKGROUND

In May 2018, Omnitrans staff alerted the Board of Directors of the potential for a long-term operating deficit in the Financial White Paper (Attachment A). The White Paper showed that Omnitrans can maintain a balanced operating budget through Fiscal Year 2020 (FY2020) with operating deficits beginning in FY2021 as estimated cost growth exceeds projected revenue growth.

The White Paper also identified approximately \$4.5 million in annual savings initiatives and revenue generating measures that Omnitrans had utilized to maintain a balanced budget over the previous five years. Significant savings were achieved by switching fuel types, administrative restructuring, and changes to wages and benefits which required employees to contribute more towards their benefits. Through these efforts, Omnitrans maximized cost efficiencies. As such, there are limited opportunities to further reduce operating costs with additional efficiencies.

Additional revenue streams were derived from billing the state for Medi-Cal reimbursements for Access trips and participating in the Federal Alternate Fuel Tax Credits. Recent actions at the state level have eliminated the Medi-Cal reimbursement program, which removes a \$1.5 million per year in the budgeted revenue stream. The Federal Alternate Fuel Tax Credit remains in flux being reauthorized in annual increments tied to federal budget adoption. The elimination of and uncertainty around these two funding streams exacerbate the long-term funding uncertainty identified in the May 2018 White Paper.

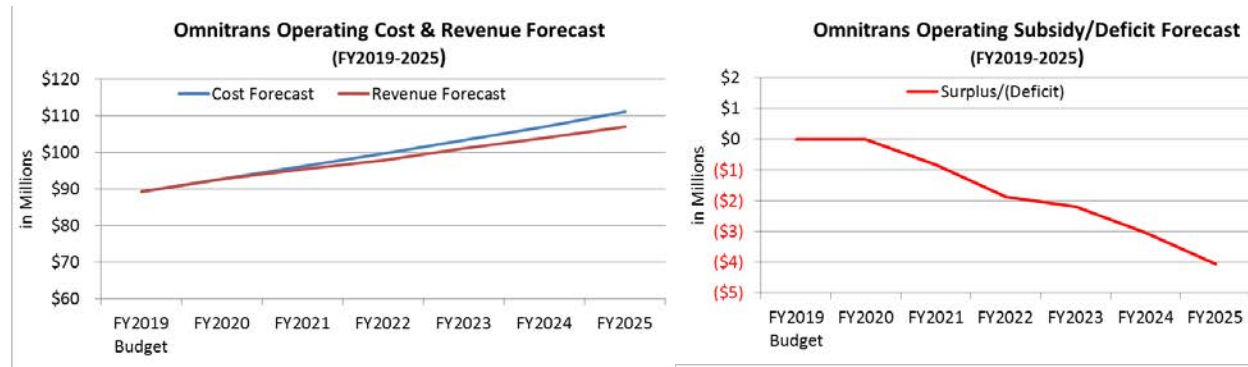
Other factors that have impacted operating costs since the White Paper include escalation in Safety and Security costs of 12.5% per year since 2011 adding \$900,000 in annual cost and Casualty and Liability costs have increased by 7.7% per year and now total \$7.8M annually. Omnitrans continues to identify additional revenue opportunities with Go Smart program and advertising revenue totaling approximately \$1.6M in FY2019.

CURRENT STATUS

Omnitrans and the San Bernardino County Transportation Authority (SBCTA) have developed revised cost and revenue forecasts through FY2025 to be used for Omnitrans' Short-Range Transit Plan. Exact details of these forecasts related to escalation rates, grant assumptions and fund sources and uses are still being refined; however, the overall theme remains as described in the White Paper. This financial discussion relates to Omnitrans' core transit services and does not include Arrow Rail as it has its own separate funding plan with funding sources dedicated solely to rail.

As shown in Exhibit 1, Omnitrans is facing an operating deficit of \$0.8 million starting in FY2021 and growing to \$4.0 million in FY2025. Built into this estimate is a proposed 14.3% fare increase in FY2020 bringing the base fare from \$1.75 to \$2.00, which is tentatively slated for public hearings in March and moved to the Board for consideration in the FY2020 Service Plan in May 2019.

Exhibit 1: Omnitrans Operating Cost & Revenue Forecast and Projected Deficit



The projected deficit averages \$2.4 million per year between FY2021 and FY2025. If Omnitrans were to close this deficit with service cuts alone, approximately 34,200 hours of service would need to be eliminated, equivalent to approximately 5.3% of Omnitrans regular bus service. This would directly impact 570,000 passenger trips and initially reduce fare revenue by \$700,000, requiring even further service cuts or fare increases. In addition, such service cuts would directly impact staffing levels in the Operations and Maintenance departments by approximately 25-30 individuals. This would start a condition wherein service cuts and fare increases make the service less attractive and could result in further ridership declines.

Measure I BRT/Express Bus Funds and the West Valley Connector

The ongoing annual deficit shown above does not include adding services such as West Valley Connector (WVC) bus rapid transit (BRT) service. Delivery of the WVC as a full BRT (a 10-15 minute frequency with capital improvements such as dedicated bus lanes, transit signal priority, and station improvements) requires SBCTA and Omnitrans to successfully receive an FTA Small Starts Grant. An agency's local financial commitment is worth 50% of the points for evaluation of the project for funding. Local financial commitment includes the financial capacity of an agency. It is a requirement of Small Starts funding that the agency not reduce other services in order to fund the operations of the new service being added with the Small Starts grant. Thus, an agency with an ongoing operating deficit will not score well. Nor will an agency with recent service cuts. The current condition will make delivering the WVC as a full BRT in the near future challenging at best.

In FY2020, the Measure I BRT/Express Bus Fund increases from 2% to 5% of the measure's receipts. In FY2021, the Measure I BRT/Express Fund will generate approximately \$7.3 million per year in revenue, growing at a forecasted rate over 3% per year between FY2020 and FY2040. A portion of the Measure I BRT/Express Bus funds generated could be used to pay for existing sbX Greenline service or freeway express service. Using approximately one-third of this funding to support sbX Greenline service would allow Omnitrans to maintain service levels throughout

2025, while setting aside the remainder of Measure I BRT/Express Bus funding for WVC or other future projects.

Three possible alternatives for consideration with WVC and Measure I BRT/Express Bus Funding are:

1. **Dedicate All Measure I BRT/Express Bus Funding to WVC (Current Status).**

Pro: All funds remain available to support the future WVC as planned.

Con: The project rating for the Small Starts grant application could be negatively impacted; due to the likelihood of service reductions unless additional funding sources or non-service cost reductions can be identified.

2. **Utilize All Measure I BRT/Express Bus Funding to Provide Existing Service.**

Pro: This would solve Omnitrans projected deficit for several years to come and would provide funding for additional services. If these funds were made available to fund existing sbX operations, other funds could be used to increase frequency on selected local routes and/or fund microtransit operations. This alternative would allow Omnitrans to operate outside a constrained environment and ensure viability and relevancy of the regional transit system.

Con: This would eliminate the required local match needed to secure a Small Starts grant and future capital and operating funding for the WVC.

3. **Utilize Some Measure I BRT/Express Bus Funding for Existing Service and Set Aside Some for Future WVC or other Projects.**

Pro: This would allow for the potential to maintain existing service levels and provide the required local match for the WVC.

Con: This would require an undetermined project delay. Additionally, this would provide less local match for the WVC making it harder to compete for a Small Starts grant.

Exhibit 2 illustrates the three scenarios described above. Omnitrans' operating deficit (red line) per year can be compared to the remaining Measure I BRT/Express Bus funds (purple line) that would be available for the WVC or other projects in each of the three scenarios described above.

Exhibit 2: Omnitrans Operating Cost & Revenue Forecast and Projected Deficit



CAPITAL COSTS AND REVENUE

Omnitrans' current capital funding condition reflects increased costs associated with the California Air Resources Board's (CARB's) Innovative Clean Transit regulation, and constrained funding availability due to multiple regional transportation projects competing for limited funds.

Between FY2020 and FY2025, Omnitrans estimates approximately \$140 million in capital funding needs. Of that, \$48 million or 34% is associated with early estimates of electric bus costs, charging infrastructure or equipment designed to reduce ongoing electrical costs. SBCTA is beginning a countywide study on the impact, options, funding sources and recommendations to implement zero emission buses. The results of that study may significantly change the cost estimates or funding sources available.

Examining the remainder of the capital costs including bus replacement, facility maintenance, passenger amenities, etc, but excluding electric bus and related infrastructure, Omnitrans forecasts capital needs of \$92 million in FY2020-FY2025 with associated identified capital revenue of \$60 million, representing a \$32 million deficit over this period.

Internally, Omnitrans is planning on extending the life of buses from the federally required minimum of 12 years to 14 years to reduce capital expenses. Additionally, Omnitrans is evaluating all of the needs to determine what capital programs must be completed, which are discretionary and which can be deferred.

CONCLUSION

The topics discussed will be central themes of the upcoming Board workshop scheduled for mid-March, which will set the priorities in the FY2020 Management Plan, Service Plan and Budget and influence development of a new multi-year Strategic Plan and FY2021-27 Short Range Transit Plan.

PSG

Attachment A: Financial White Paper

ITEM # F2

DATE: May 2, 2018

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

FROM: P. Scott Graham, CEO/General Manager

SUBJECT: FINANCIAL WHITE PAPER

FORM MOTION

Receive and forward to the Board of Directors as an information item.

This item was reviewed by the Executive Committee at its April 6, 2018 meeting, and recommended to the Board of Directors to receive and file as an information item.

BACKGROUND

On March 2, 2018 the draft Financial White Paper was presented to the Executive Committee for review and discussion. In addition, the draft document was also reviewed with San Bernardino County Transportation Authority (SBCTA) staff. This final draft reflects the agreed upon changes and considerations from these discussions.

EXECUTIVE SUMMARY

Omnitrans is in receipt of the Fiscal Year 2018-2027 revenue forecast from San Bernardino County Transportation Authority (SBCTA). The level of Omnitrans Local Transportation Fund allocation from SBCTA has been capped at a 3 percent growth rate between 2014 and 2020. SBCTA's most recent revenue forecast continues this 3 percent growth rate through FY2027. The SBCTA allocation to Omnitrans accounts for almost 70 percent of the revenue available to Valley-area operators.

SBCTA has indicated that continuing this 3 percent growth in LTF operating subsidy may not be sustainable if current revenue projections are realized. Therefore, Omnitrans will be working with SBCTA on funding strategies to bring funding projections in line with future operational needs prior to bringing the revised 2025 Short Range Transit Plan (SRTP) before the Omnitrans Board in late 2018.

The Agency is aware of the revenue uncertainties from State mandates and the changing economic environment. However, Omnitrans has continued to adapt to these conditions by significantly reducing costs through capital improvements and operational efficiencies to avoid service reductions. The information contained in this "white paper" provides detail regarding cost

efficiencies implemented, rising operational costs, and an initial look at potential sources of revenue and funding strategies that may be considered and have been discussed with SBCTA staff.

As you know, Omnitrans is funded through a variety of local, state and federal funds, most of these revenues flow through, and are allocated by, SBCTA, including Measure I funds, Federal Transit Administration (FTA) 5307, State Transit Assistance Funds (STAF), and Local Transportation Funds (LTF); of these funding sources, the LTF accounts for approximately forty-three percent of operating funds. (Attachment A).

Different types of funds at both the federal, state and local levels make up both operating and capital funding plans; however, regulations for each funding source generally dictate if the funding can be used for capital or operating purposes. Within transit, the industry generally calls this “color of money”. In today’s funding environment, capital dollars are more readily available than operating dollars. Additionally, many of the “newly available” sources, such as the Low Carbon Transit Operating Program (LCTOP), are to provide new services rather than to support operating existing services and are available only for operating an initial start-up period, which has been fluctuating but is currently at five years. With these color of money factors in mind, there is limited flexibility in moving funding from capital to operating.

Cost Efficiencies Implemented

In 2013, following the completion of the Comprehensive Operational Analysis (COA) and prior to adoption of the OmniConnects 2015-2020 Short-Range Transit Plan (SRTP), Omnitrans was facing a \$2.4 million per year operating deficit. The primary driver of the deficit was that LTF revenues were estimated to grow at only 3% per year which was below the Agency’s projected cost escalation rates.

In order to close the deficit without impacting customers with an overall reduction in service, Omnitrans staff implemented a wide variety of cost cutting strategies, listed below. This was a challenge given that Omnitrans was already operating efficiently at 19% below the average hourly cost of peers within the American Bus Benchmarking Group (ABBG).

Cost efficiencies that were developed and implemented include:

- **Consolidation of four administrative departments** - combining Human Resources and Safety & Security; and, Marketing and Planning into two departments instead of four
- **Restructuring the Senior Leadership Team** - eliminating of the Chief Financial Officer, Director of Planning and Director of Safety and Security positions
- **Wages and Benefits** – administrative staff was placed on a four-year wage freeze and began paying 10% of the health care premium

- **Medi-Cal Reimbursement Program** - Omnitrans staff initiated a process to bill the state for the trips made by Medi-Cal eligible Access customers, generating approximately \$1.8 million annually
- **Change in Fuel Type for Access Vehicles** - transitioning the Access fleet from gasoline to lower cost Compressed Natural Gas (CNG)
- **Transition from trucked in Liquefied Natural Gas (LNG) to pipeline CNG** - savings generated by elimination of transportation costs of LNG and the inefficiency of converting LNG into CNG prior to dispensing
- **Participate in Low Carbon Standard Fuel (LCSF) Program** - Omnitrans purchases Renewable Natural Gas (RNG) in the CNG pipeline which allows for the sale of Cap and Trade credits, this generates approximately \$1.5 million annually
- **Federal Alternative Fuel Tax Credits** - Omnitrans was able to utilize four years of tax credits for LNG/CNG purchases during this time period that had since expired; in February 2018 this credit was retroactively extended with the Bipartisan Budget Act of 2018, this will generate approximately \$1.5 million annually
- **ATU and Teamsters Contract Negotiations** - both contracts were negotiated with average annual increased below 3% and both contracts require employees paying for a larger share of health care costs

Collectively these initiatives have saved approximately \$4.5 million per year. The additional savings offset the loss of fare revenue as ridership declined; driving fare revenue approximately \$1 million lower than originally anticipated. Additionally, in light of declining ridership and because the savings generated allowed for it, Omnitrans did not implement a planned fare increase in FY2017. Omnitrans current fare per boarding is \$1.75, which is above the average in the region. There was a concern that raising fares in the environment of declining ridership would result in further ridership decline.

This strategy may not be sustainable, as the Transportation Development Act (TDA) requires transit operators meet efficiency standards, such as 20 percent fare box recovery ratio, to remain eligible to receive funding. Senate Bill 508 amended these standards to allow transit operators to use local funding sources in this calculation. Absent this change, Omnitrans was falling below the 20 percent fare box recovery ratio, at 17.6 percent for FY 17 and 17.3 percent for the first six months of FY18. Using the amended standard for calculation, fare box recovery ratio for FY 17 and year to date for FY18 is approximately 26 percent.

In addition, Omnitrans also implemented cost neutral service changes that redistributed agency resources into more productive services. These include:

- **Eliminated OmniLink Service and redirected operating funds to Freeway Express Service** - The elimination of OmniLink, a low productivity general public dial-a-ride service that was duplicative with OmniGo and had flat ridership for several years, allowed

for the seed funding for the development of Route 290 Freeway Express service between San Bernardino and Montclair, which has been Omnitrans second fastest-growing route over the last three years.

- **Reduced Route 2 service, the underlying local route of sbX, and moved operating resources to serve San Manuel Casino** - Shifting resources from the Route 2 to Route 1 allowed for an extension of the route to San Manuel Casino, which within a year became a top 20 Omnitrans bus stop in terms of ridership.
- **Straight-lined Routes in West Valley** - Omnitrans eliminated route duplication and straight-lined routes allowing for faster service and expansion of service in West Valley.
- **Ontario International Airport Service** - Omnitrans shifted Route 80 service into the airport with no additional operating cost coinciding with local control of the airport. Omnitrans also shifted Route 61 service into the airport, which was funded by an increased LTF allocation by SBCTA.

These changes have delivered some of the only areas of ridership growth within Omnitrans services over the last three years. Following the implementation of the cost controls and service changes, Omnitrans is now in the lowest cost quartile for operating cost per hour within ABBG and operates with costs 24% below the peer group average.

SBCTA has recognized Omnitrans' cost effectiveness through two key structural changes. In 2015, SBCTA designated Omnitrans the Consolidated Transportation Services Agency redirecting the designation from Valley Transportation Services (VTrans). This shift occurred because SBCTA believed that Omnitrans could deliver more service though cost efficiency. Following the consolidation of VTrans and Omnitrans, Omnitrans has proven this to be true saving approximately \$500,000 in the first year. Similarly, SBCTA has designated Omnitrans as the operator of Redlands Rail/Arrow as SBCTA studies indicated that Omnitrans would deliver the operations of the project more cost effectively than other alternatives considered and would ensure a seamless connectivity between transit modes.

Rising Operational Costs and Upcoming Challenges

While Omnitrans has effectively managed operating costs the last several years with a tightly constrained budget, it will become increasingly difficult to keep cost growth at this rate through 2027.

Some the cost drivers that Omnitrans anticipates in the upcoming years include:

- **Benefit Costs** - Premiums have been increasing 6-8% per year. Omnitrans has mitigated cost increases by negotiating employees pay a higher share.
- **Wages** - Omnitrans neighboring transit agencies have issued contracts offering 4% wage increases per year, while Omnitrans has negotiated between 2.75% and 3% per year following a three-year contract with 0% increases for all three years. This challenge is

exacerbated by the ongoing increases in the state minimum wage, which puts significant pressure on wages for the contracted paratransit drivers under the Access contract.

- **Coach Operator Shortages** - As a result of the low unemployment rate in San Bernardino County (3.9% as of December 2017 according to the State of California Employment Development Department), wage pressure will continue to grow. This has been evidenced by difficulty attracting, hiring and retaining Coach Operators.
- **Attracting and Keeping High Quality Managers and Directors** - 80 percent of Omnitrans Senior Leadership Team is anticipated to retire within the next five years. Recent and open recruitments have clearly demonstrated that Omnitrans salary ranges for higher level management positions are below peers. Historically, Omnitrans was able to hire qualified staff within from the minimum to mid-point in the salary range. In trying to recruit for department directors, qualified candidates are demanding top of scale or above scale. With the turnover expected, Omnitrans must attract top talent in order to deliver continuity of service. Omnitrans is trying to mitigate these costs by implementing a new succession planning strategy with the Leadership Development Academy.
- **Proposed Innovative Clean Transit Regulation (Zero Emission Bus Rule)** - Proposed state regulations will require 25% of new bus purchases after 2020 meet zero emission requirements. This will have significant capital, facility and electric costs. Omnitrans will evaluate the use of solar energy and solar storage solutions to mitigate some of these cost increases.
- **Access Contract** - Measure I provides a dedicated funding source (Senior and Disabled) for Access Paratransit service costs. However, between FY2015-2020 Access costs were \$2.1 million to \$3.0 million in excess of this funding allocation. As a result, LTF funding was used to fund the shortfall. The Access contract is currently in the procurement process and the bids received indicate that costs will rise in the range of \$1.5 to \$3 million per year, primarily due to the changes in the State minimum wage laws. SBCTA is recommending passing through 100 percent of the Senior and Disabled funding available, this will increase Omnitrans future allocation by approximately \$2 million per year, however there will still be a funding shortfall requiring continued use of LTF money to cover the full cost of the program.
- **Low Carbon Transit Operations Program (LCTOP) Funding/Express Bus Service** - Omnitrans launched new Express Bus Service in 2015 with LCTOP funding. This funding is intended to serve as “start-up” funding for new or expanded services that demonstrate Green House Gas (GHG) reductions. As these projects become part of the baseline transportation network, other funding sources must be identified to replace the LCTOP funds as over time the services no longer represent a net GHG reduction. As a result, an alternate funding source must be identified to sustain these services.

Future Service Demand

Based on SCAG population forecasts, the Omnitrans service area population will grow at a rate of approximately 1% per year. Since much of this growth is occurring in open fields rather than in fill development, Omnitrans resources will be stretched. Routine requests for additional services have come to extend service to outlying areas of Highland, Redlands, Rialto, Fontana, Rancho Cucamonga, Ontario, Chino and Chino Hills. Omnitrans also receives regular requests for more frequent service on existing routes to help promote Transit Oriented Development (TOD) growth opportunities and encourage higher density development, particularly in the West Valley. This population growth and business development may generate demands for additional service, not just a restructuring of service.

While the cost to operate Redlands Rail/Arrow and West Valley Connector will be funded by SBCTA out of Measure I programs dedicated to rail and BRT expansion, in order to maximize the transit investment being planned, Omnitrans will need to evaluate strategies to provide feeder service. Whether Omnitrans delivers this potential service with traditional bus service, innovative microtransit solutions or partnerships with private providers, there is a cost associated with the feeder service. Additionally, two SCAG led studies (the Intercounty Study and Customer-Based Ride Sharing Study) have identified the need for higher frequency service on core north-south services in West Valley. Customer feedback as well as general public feedback continues to support this with the focus on higher frequency and higher quality service as the most important improvement to retain current and attract new riders.

Potential Funding Sources

- **SB 1 Funding:** These gas tax and related funding sources can flow to Omnitrans in the form of stabilized State Transit Assistance funds and the new State of Good Repair funding. Should these funds become available, consideration should be given to maximizing the allocation of these funds to Omnitrans. Omnitrans and SBCTA staff will coordinate on eligible and potential uses of these funds; however, the eligibility for operations is limited.
- **Local Transportation Fund (LTF):** Between 2013 and 2017, sales tax revenue in San Bernardino, which drives LTF growth, grew at 5.2% per year, exceeding the 3% LTF growth rate programmed for Omnitrans. However, over the 10-year period from 2008-2017 the average growth rate was 1.94 percent. In planning and programming for future years, Omnitrans recognizes the uncertain long term cycles of the economy and must plan accordingly. The LTF projection prepared for SBCTA by a consultant shows an average growth in LTF of 2.5 percent through 2027 and 3.4 percent through 2040; therefore, the capacity to increase LTF over the long-term is limited.
- **Federal 5307 Funds:** These funds flow from the Federal Transit Administration (FTA) and can be used for capital and certain operating costs. SBCTA receives these funds in separate apportionments for rail and bus. As established in the COA, Omnitrans regular allocation of 5307 funds from SBCTA has remained at \$16.9 million per year with a one-time additional allocation of \$3.8 million in 2017. In looking at actual 5307 apportionments for bus over that time period, this exceeds the bus apportionment by \$6.8

million as of 2018. SBCTA and Omnitrans will work together to determine short-term needs between bus and rail and to develop a plan to balance those allocations over time. Omnitrans currently maximizes the Federal funds that can be used for operating expenses such as preventive maintenance, therefore, increases in this revenue source would only support on-going capital requirements.

- **Measure I Reauthorization or Other New Sales Tax Measures:** Although Measure I does not sunset until 2040, as SBCTA works on developing a reauthorization plan, or a concurrent sales tax measure, Omnitrans suggests that consideration be given to including dedicated funding for general transit operations. A set aside would provide a reliable funding source.
- **Fares:** Omnitrans will also seek to increase fares approximately every three years between 2019 and 2025. Given that Omnitrans has the highest base fare amongst neighboring agencies, Omnitrans is not seeking to increase fares in the upcoming year.

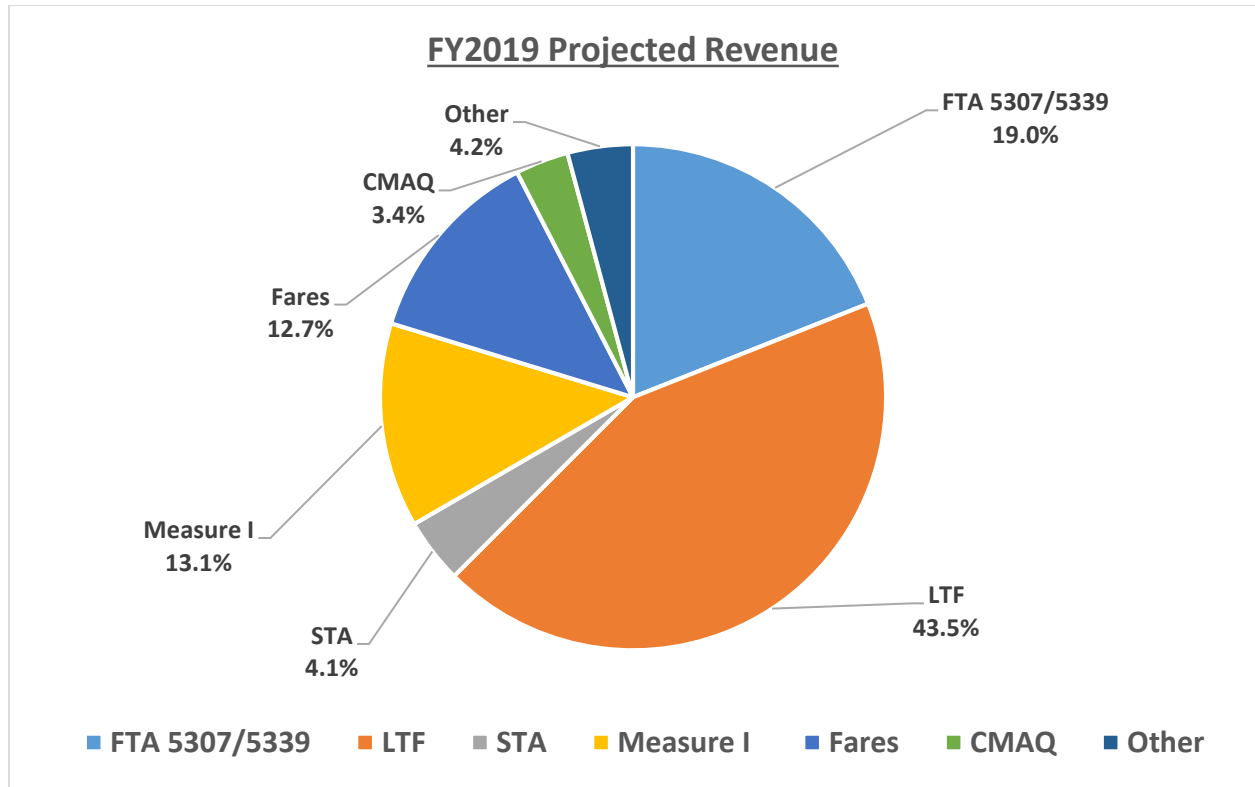
CONCLUSION

Based on current budget assumptions, Omnitrans will deliver a balanced budget plan for Fiscal Year 2018-2019. However, the recent revenue Local Transportation Fund (LTF) forecast conducted by an independent consultant firm indicates the three percent LTF funding growth through FY2027 may be unattainable. Based on revenue and cost forecasts, it is unlikely Omnitrans will be able to continue to deliver balanced budgets without service reductions unless additional funding sources become available. Consequently, the proposed Management Plan for FY2019 continues to focus heavily on exploring/developing programs that can reduce operating costs; thereby providing funds to offset declining revenues as necessary. Omnitrans is financially sound for the short term; however, given the uncertain economic climate, it is critical for Omnitrans and SBCTA staff to work together to identify long-term, sustainable funding strategies.

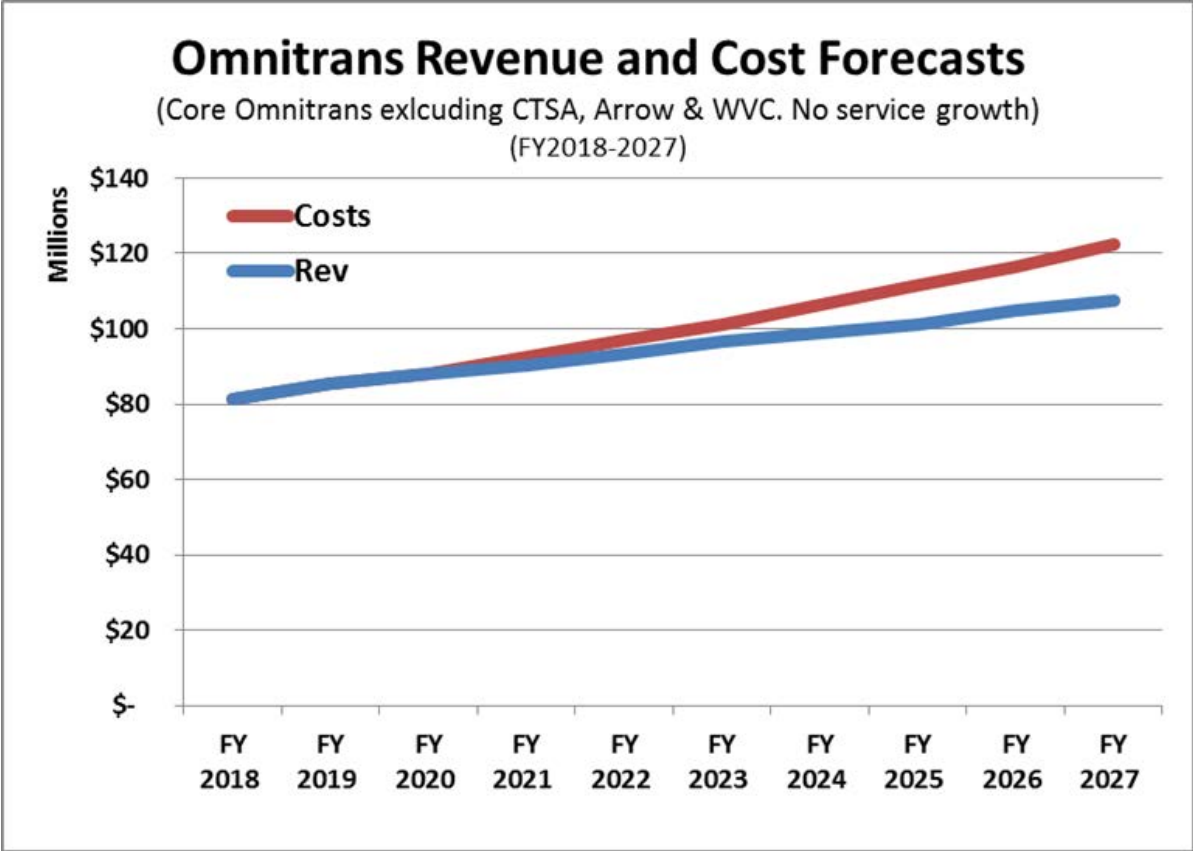
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Attachments: A: FY2019 Projected Revenue
 B: Omnitrans Revenue and Costs Forecasts
 C: Power Point Presentation

ATTACHMENT A



ATTACHMENT B



ITEM # F3

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Wendy Williams, Director of Marketing & Planning

SUBJECT: MICROTRANSIT STRATEGY

FORM MOTION

Authorize Omnitrans to move forward with developing a MicroTransit strategy.

This item was reviewed by the Plans & Programs Committee at its January 23, 2019 meeting, and recommended to the Board of Directors for approval.

BACKGROUND

Omnitrans is evaluating MicroTransit options, which will be conducted by a consultant, either in partnership with the San Bernardino County Transportation Authority (SBCTA) or selected through a formal Omnitrans procurement.

Within the transit industry, MicroTransit has varied meanings as it is a growing transit industry trend that is still in its developmental phase. In the Omnitrans context MicroTransit means an on-demand, technology-enabled general public service that is operated in a clearly defined geographic area. This may be thought of as an agency-operated service similar to Transportation Network Companies (TNCs) like Uber and Lyft, but with some very specific key differences, even if the agency is partnering with or subsidizing the TNC. These differences are shown in Exhibit 1 below.

Exhibit 1: TNC vs. MicroTransit Comparison

	TNC	MicroTransit
Service called by rider in real-time, typically through a smart-phone app	X	X
Service automatically dispatched in real-time by software application	X	X
Service paid for typically within the smart-phone app	X	X
Rider can see status of ride, estimated pick-up and drop off time in app	X	X
Transit agency can count and report ridership as agency ridership		X
Transit agency can use traditional federal funding sources to support		X
Drivers are typically required to comply with Federal Drug & Alcohol testing regulations		X
Vehicles are typically ADA accessible		X
Once initiated, performance data is readily available to the transit agency		X

MicroTransit services would add to Omnitrans' Family of Services which currently includes Bus Rapid Transit, Express Freeway Services, Local Fixed Route Bus Service, OmniGo Community Circulators and Access ADA Paratransit service. Each element of the Family of Services is designed to match the service with the needs of the community. Services are also designed on the productivity-oriented service to coverage-oriented service continuum. Currently, the Board has adopted a goal to achieve a 65/35 split for productivity/coverage oriented service. MicroTransit may be a way to more effectively provide coverage service.

If MicroTransit services are implemented, Omnitrans will be able to compare MicroTransit services to TNC services as an option for providing service within the San Bernardino Valley. Omnitrans Special Transportation Services (STS) Department offers qualified and enrolled senior and disabled riders with a program called RIDE Lyft, which provides a direct subsidy to the rider instead of to the TNC. Additionally, SBCTA is working on a TNC partnership using local funds to subsidize service from several Metrolink stations to Ontario International Airport.

The Customer-Focused Technology-Enabled Multi-Modalism study lead by SCAG, SBCTA, and Omnitrans and prepared by AMMA Transit Planning proposed a MicroTransit rail-feeder service for Downtown San Bernardino associated with the opening of Arrow rail service. Other transit agencies have demonstrated success in replacing low-performing fixed route and demand response service with MicroTransit.

Omnitrans staff has suggested six potential MicroTransit service areas for evaluation. As shown in Exhibit 2, these locations represent different demographics, different service needs and different levels of offsetting costs. Omnitrans will seek a consultant to evaluate which ones have the greatest opportunity for success.

The consultant will be tasked with:

1. Determining the primary MicroTransit goals, including defining key performance indicators and corresponding measures of success. Core goals will include:
 - a. Ability to generate increased ridership either on the service itself or as first/last mile feeder service
 - b. Reduce costs compared to other service offerings
 - c. Ability to be a useful demonstration project(s) that could be rolled out in other areas
2. Develop service policies for MicroTransit to be successful including:
 - a. Fare and Transfer Policy
 - b. ADA complementary service impacts
 - c. Service levels, days, hours, exact region
3. Service delivery recommendations
4. Vehicle types
5. Required technology, or technology options including tradeoffs
6. Developing a draft scope of work to procure MicroTransit service provider(s).

This consultant research will be scheduled for completion by the end of the calendar year and the recommendations would feed into the updated Short Range Transit Plan.

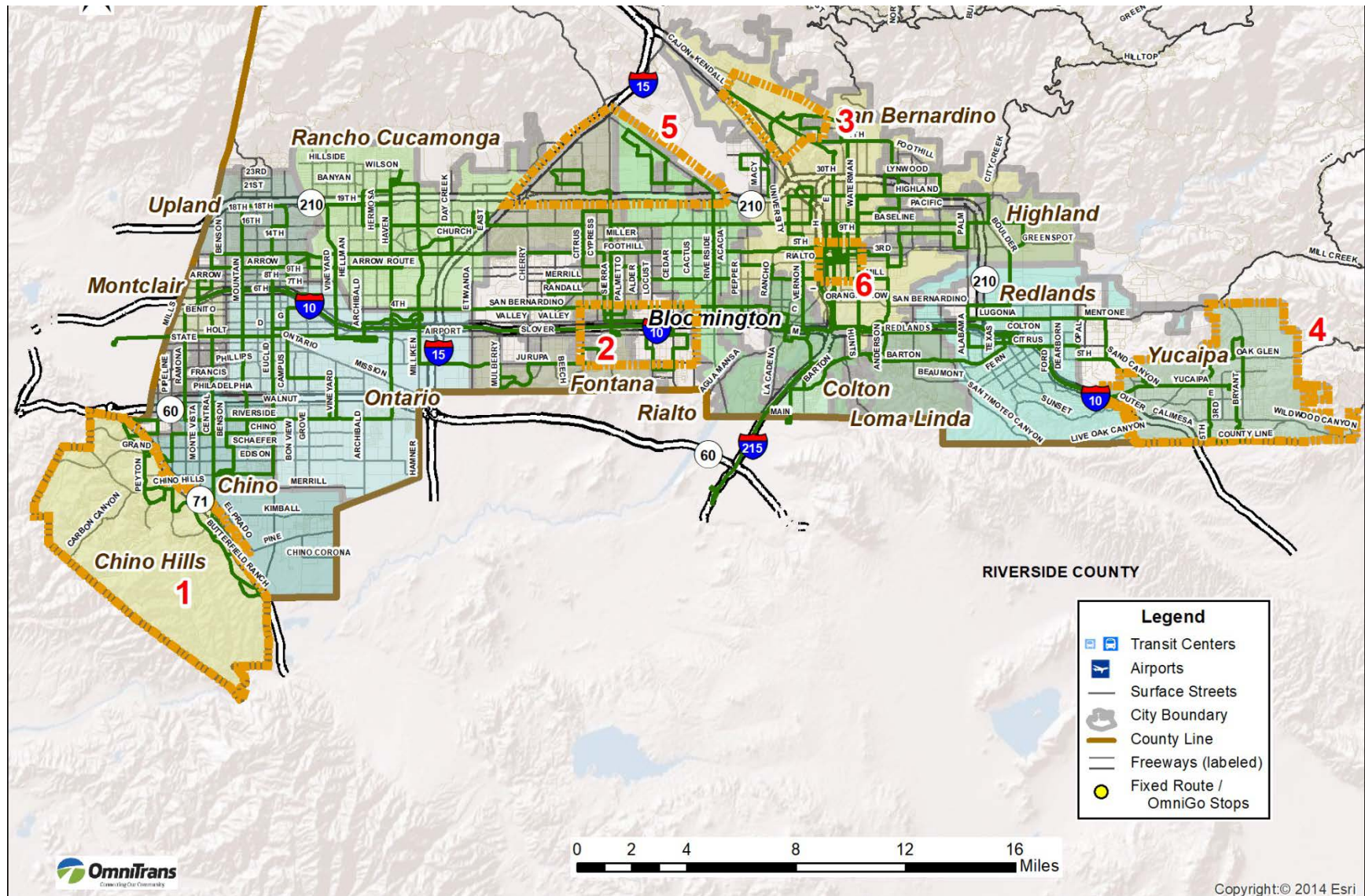
CONCLUSION

This staff report outlines initial steps Omnitrans is taking to evaluate MicroTransit. Approving this item will allow Omnitrans to continue down the path of seeking a consultant to complete the work described.

PSG:WW:JB

Attachment A: PowerPoint Presentation

Exhibit 2: Potential Omnitrans MicroTransit Service Areas





MicroTransit Strategy

Board of Directors
February 6, 2019

- **MicroTransit:**
 - an on-demand, technology-enabled general public service that is operated in a clearly defined geographic area
 - Similar to Transportation Network Companies (TNCs) like Uber and Lyft

	TNC	Micro Transit
Real-time service through an app	X	X
Automatically dispatched	X	X
Fare paid in smart-phone app	X	X
Real-time ride status	X	X
Can count and report ridership		X
Traditional federal funding sources		X
Federal Drug & Alcohol testing regulations		X
ADA accessible		X
Performance data		X

Other local TNC partnerships for comparison purposes: SBCTA's ONT TNC Partnership
& Omnitrans STS 's RIDE Lyft program

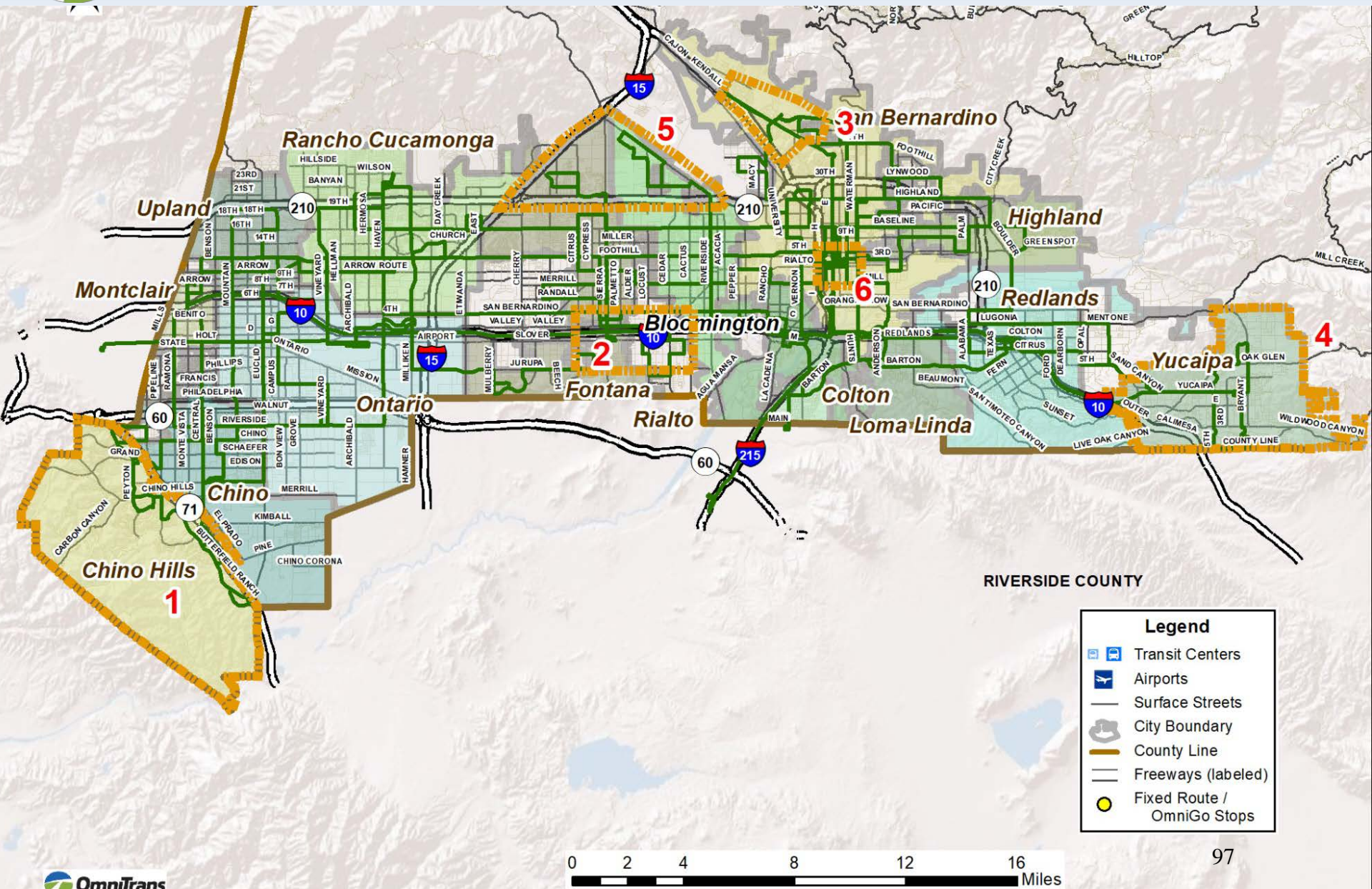
OmniTrans MicroTransit Examples



safety training.



OmniTrans Potential Pilot Areas



- Determine goals, KPIs and measures of success
 - Increase ridership, Reduce costs or Demonstration project(s)
- Develop service policies
- Service delivery recommendations
- Vehicle types
- Required technology
- Draft scope of work to procure service provider(s)

- Seeking Committee & Board Support to explore MicroTransit options
- Procure/Partner with Consultant
- Identify Pilot Area(s), Secure Funding



Questions

ITEM # F4

DATE: February 6, 2019

TO: Board Chair Ron Dailey and Members of the Omnitrans Board of Directors

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Wendy Williams, Director of Marketing & Planning

SUBJECT: OMNICONNECTS SHORT-RANGE TRANSIT PLAN STATUS UPDATE

FORM MOTION

Receive and File OmniConnects Short-Range Transit Plan Status Update.

This item was reviewed by the Plans & Programs Committee at its January 23, 2019 meeting, and recommended to the Board of Directors for approval.

BACKGROUND

Short-Range Transit Plans (SRTPs) are 5-7 year business plans for a transit agency. Omnitrans' current SRTP is the OmniConnects SRTP covering FY2015-2020. A current SRTP is required by the Federal Transit Administration (FTA) in order to receive federal funding. Omnitrans' current SRTP covers through the end of Fiscal Year 2020.

As described in previous OmniConnects status updates to Omnitrans' Plans and Programs Committee and the Board of Directors, Omnitrans staff has made significant progress in developing the OmniConnects FY2019-2025 SRTP. However, there are ongoing concurrent studies and upcoming decisions that should be completed prior to the completion of Omnitrans' next SRTP to ensure that the SRTP is viable and valuable. As a result, the OmniConnects FY2019-2025 SRTP is being delayed and repositioned as the FY2020-2027 SRTP. The new anticipated completion is third-quarter of FY2020. This delay has no immediate financial impact on Omnitrans as the current SRTP remains in effect meeting federal requirements through the end of FY2020.

While partnering with the San Bernardino County Transportation Authority (SBCTA), Omnitrans and SBCTA completed initial financial forecasts throughout the SRTP period. As shown in the Financial White Paper presented to the Board of Directors in May 2018, Omnitrans operating condition remains generally balanced through FY2021.

The revenue projections for both capital and operating funds does not keep pace with projected expenses. Long-term capital costs are currently growing at faster rate than operating costs. The largest driver of projected capital costs are the California Air Resource Board's adoption of Innovative Clean Transit rules requiring zero-emission buses (ZEB) deployments throughout California. Initial estimates have ZEB requirements increasing capital costs by approximately \$38 million over a six-year period. These increased costs include infrastructure costs and electric bus purchases. This cost assumes that CNG buses can be replaced by electric buses on a one-to-one ratio and that current facilities can physically accommodate the required infrastructure. Neither of these assumptions is certain.

SBCTA is beginning a countywide study on the impact, options, funding sources and recommendations to implement zero emission buses. This report is expected to be completed in Fall 2019 and will become a guiding document for the upcoming SRTP. Waiting for the completion of this report will allow time to better refine the impact of what may be nearly 30 percent of future capital costs.

SBCTA is also leading the West Valley Connector (WVC) project, Omnitrans' planned second bus rapid transit (BRT) line. While working on the Small Starts Grant application, there was a decision to delay grant submission from the 2018 grant cycle to the 2019 grant cycle. This decision was influenced by the uncertain financial forecast. When combining this delay along with other operating and capital needs, the timing and long-term financial viability of the WVC is uncertain at this time. The work to-date on the SRTP builds other west valley service changes around the WVC. If the WVC is delayed further, the service changes proposed in the SRTP become unnecessary. As a result, clarity on the WVC project is needed prior to completion of the SRTP.

This clarity may come as SBCTA completes the Long-Range Transit Plan (LRTP) which is expected later this calendar year. The LRTP typically provides high-level financials and prioritizes capital projects and operating programs. This LRTP will also become a key guiding document in upcoming SRTP.

While there are many reasons to delay the SRTP, this does not mean that the work put into the current SRTP is lost. Most of the background information, policy recommendations and public outreach completed will roll directly into the FY2020-2027 SRTP. Additionally, staff intends to bring the FY2020 recommended service and fare changes to the Board for consideration in the annual FY2020 Service Plan. At this time, these recommendations are likely to include:

- Elimination of Route 208 Freeway Express Service from Yucaipa to San Bernardino due to low ridership;
- Increase morning and evening peak frequency on Route 83 primarily on Euclid Avenue in the cities of Chino, Ontario and Upland based on a grant award received in partnership with the City of Ontario;
- A 14.2% fare increase which would bring the current cash fare from \$1.75 to \$2.00, generating nearly \$1 million in revenue while also likely causing a 5% reduction in ridership; and,

- A change to Route 11, which is currently one of five routes that connect Cal State San Bernardino to Downtown San Bernardino, to a route that connects Cal State to Fontana, via Rialto with service to Renaissance Marketplace (assuming funding is identified).

Next steps related to the SRTP are:

- Move forward with the FY2020 Service Plan including public hearings;
- Hold Board workshop in March;
- Partner with SBCTA on the Countywide Bus Electrification Study;
- Integrate results from SBCTA's Long-Range Transit Plan; and,
- Continue to work with SBCTA on revenue and cost forecasts to support transit within the San Bernardino Valley.

CONCLUSION

Delaying the completion of the SRTP until the Countywide Bus Electrification Study and the Long Range Transit Plan are completed will allow Omnitrans to ensure that the SRTP will be a valuable working document rather than a study which has major questions left unanswered at its completion.

PSG:WW:JB