



BOARD OF DIRECTORS MEETING
WEDNESDAY, JANUARY 8, 2020 – 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, February 5, 2020 – 8:00 a.m.
Omnitrans Metro Facility Board Room

C. COMMUNICATIONS FROM THE PUBLIC

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the 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 #E6 Action on Consent Calendar.

1. Approve Board Minutes – December 4, 2019
2. Adopt 2020 Investment Policy – *Don Walker*
3. Adopt Resolution No. 318-20, Authorizing Destruction of Records – *Alex Chen*
4. Authorize Release – Request for Proposals – RFP-HRS20-34, Broker Services for Supplemental Insurance – *Art Torres*
5. Authorize Award – Sole Source SDD20-55, Pole-Mounted Solar Lighting – *Art Torres*
6. Action on Consent Calendar

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F. DISCUSSION ITEMS

The following items do not legally require any public testimony, although the Chair may open the meeting for public input.

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|--|----|
| 1. Receive and File Redlands Passenger Rail Project – Proposed Change of Arrow Operator to Southern California Regional Rail Authority – <i>Trischelle Baysden</i> | 32 |
| 2. Receive and File ConnectForward Public Outreach Update– <i>Jeremiah Bryant</i> | 45 |
| 3. Provide Direction Regarding Omnitrans Transit District Legislation (AB1457) – <i>Erin Rogers</i> | 53 |
| 4. CEO/General Manager’s Report – <i>Erin Rogers</i> | 67 |

G. BOARD BUSINESS

Closed Session

1. Conference with Labor Negotiator Suzanne Pfeiffer, Concerning Labor Negotiations with Amalgamated Transit Union (ATU), Government Section Code 54957.6 – *Suzanne Pfeiffer*

H. REMARKS AND ANNOUNCEMENTS

I. ADJOURNMENT

ITEM # D1

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Art Torres, Director of Procurement

**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 January 8, 2020.

Item	Contract	Principals & Agents	Subcontractors
#E5	Authorize Award Contract SDD20-55, Pole Mounted Solar Lighting	<i>Urban Solar Corp. British Columbia, Canada Jeff Peters President</i>	<i>None</i>

ER:AT

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 DECEMBER 4, 2019**

A. CALL TO ORDER

Chairman David Avila called the regular meeting of the Omnitrans Board of Directors to order at 8:00 a.m., Wednesday, December 4, 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 David Avila, City of Yucaipa – Chairman
Mayor John Dutrey, City of Montclair – Vice Chairman
Council Member Ron Dailey, City of Loma Linda
Council Member Denise Davis, City of Redlands - Alternate
Supervisor Curt Hagman, County of San Bernardino
Council Member Penny Lilburn, City of Highland
Mayor Darcy McNaboe, City of Grand Terrace
Council Member Cynthia Moran, City of Chino Hills
Mayor Frank Navarro, City of Colton
Council Member John Roberts, City of Fontana
Supervisor Dawn Rowe, County of San Bernardino
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
Council Member John Valdivia, City of San Bernardino
Council Member Alan Wapner, City of Ontario

BOARD MEMBERS NOT PRESENT

Supervisor Josie Gonzales, County of San Bernardino
Mayor Deborah Robertson, City of Rialto

OMNITRANS' ADMINISTRATIVE STAFF PRESENT

Erin Rogers, Interim CEO/General Manager
Trischelle Baysden, Director of Rail
Shawn Brophy, Director of Operations

Jeremiah Bryant, Director of Strategic Development
Alex Chen, Interim Director of Information Technology
Aaron Moore, Director of Special Transportation Services
Suzanne Pfeiffer, Director of Human Resources
Nicole Ramos, Interim Director of Marketing
Connie Raya, Director of Maintenance
Art Torres, Director of Procurement
Mike Bonacio, Technical Services Manager
Omar Bryant, Maintenance Manager
Ben Greenbeck, Systems Coordinator
Frank Holland, Senior Contract Administrator
Janice Kuhn, Marketing Specialist
Ray Maldonado, Employee Relations Manager
Maurice Mansion, Treasury Manager
Harry Morck, Network Administrator
Krystal Turner, Contracts Administrator
Christine VanMatre, Contracts Administrator

LEGAL COUNSEL

Steve DeBaun, Legal Counsel

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Board Meeting: January 8, 2020, 8:00 a.m.
Omnitrans Metro Facility Board Room

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. CONSENT CALENDAR

1. Approve Board Minutes – November 6, 2019
2. Receive and File Administrative & Finance Committee Minutes – October 10, 2019
3. Adopt Calendar Year 2020 Board & Committee Meeting Schedules
4. Receive and File Internal Audit Workplan and Schedule FY2020
5. Authorize Release – Invitation for Bids IFB-SDD20-22, Bus Benches, Shelters and Amenities
6. Authorize Release – Invitation for Bids – IFB-ITS20-089, Cisco Network Equipment
7. Authorize Award – Contract MNT20-40, Parts Washer Service
8. Authorize Award – Purchase Order ITS20-48, Information Technology (IT) Hardware

M/S (McNaboe/Navarro) that approved Consent Calendar. Motion was passed unanimously by Members present.

F. DISCUSSION ITEMS

1. Receive and File Agency Management Report – Fiscal Year 2020 First Quarter Report

Interim CEO/General Manager, Erin Rogers provided a brief background on this item as detailed in the staff report.

The Board received and filed this report.

2. Receive and File Management Plan Strategic Initiatives and Key Performance Indicators – FY20 First Quarter Reports

Interim CEO/General Manager, Erin Rogers provided a brief background on this item as detailed in the staff report.

Member Hagman referred to the Public Transportation Agency Safety Plan (PTASP) under the Safety and Security Initiative and asked how much detail is included in the plan. He expressed concern with potentially sensitive information being released to the public. Ms. Rogers explained that the PTSAP is a risk and safety management program and did not include sensitive information. She stated that any information related to the safety and security posture of the Agency would be presented to the Operations & Safety Committee and Board in Closed Session.

Member Valdivia arrived at 8:12 a.m.

Interim CEO/General Manager, Erin Rogers pointed out that farebox recovery is currently reported after local revenues are added. She explained that the Transportation Development Act (TDA) reporting guidelines allow inclusion of local revenue in the farebox recovery calculation. She further explained that in the future, the farebox recovery will be reported both before and after local revenues are added. Member McNaboe thanked staff for including the farebox recovery data separately in future reports.

The Board received and filed this report.

3. Receive and File Redlands Passenger Rail Project – Proposed Change to Arrow Operator from Omnitrans to the Southern California Regional Rail Authority

Director of Rail, Trischelle Baysden provided a brief background on this item as detailed in the staff report.

Member Dailey reiterated some comments made at the November 14th Administrative & Finance Committee Meeting where he expressed concern regarding the communication channels between the Omnitrans and SBCTA Boards. He asked whose responsibility it

was to ensure that information is disseminated effectively. Ms. Rogers stated that the communication between Omnitrans and SBCTA is primarily her responsibility, however noted that the disconnect concerning this item was due to a timing issue. She further explained that this item was presented to the Administrative & Finance Committee subsequent to a formal item being presented to the SBCTA Transit Committee.

Member Wapner noted that the disconnect between the Boards may be due to the Members not communicating information with each other, particularly if a City has a different Member on each respective Board. He referred to the Arrow project funding and asked that the Board be kept apprised of the grant oversight since Omnitrans will still be considered the grant recipient.

Member Valdivia referred to the proposed change of the Arrow operator from Omnitrans to SCRRA and asked that the San Bernardino Transit Plaza continue to receive the same level of maintenance and upkeep during the transition and moving forward. Ms. Rogers responded that she did not anticipate any changes to the agreement, nor would there be changes to the level of service, however an analysis would be conducted to ensure that all costs incurred are billed accordingly.

The Board received and filed this item.

4. Receive and File Zero Emission Bus Regulation Roll-Out Plan Update

Director of Maintenance, Connie Raya provided a brief background on this item as detailed in the staff report.

Member Hagman agreed with the conservative approach staff is taking as new information and technology becomes available. He recommended that staff seek input from consultants besides Edison regarding this project. Lastly, he referred to the investment made to the CNG infrastructure and asked if in the future, there would be any opportunities for return on investment such as fueling for other entities. Ms. Rogers responded that staff would look into that idea. She added that the ZEB Plan outlines the use of the CNG buses into the late 2030s.

Member Wapner noted that the electrification study will look at inductive charging technology, which would eliminate the need to establish a network of electric charging stations.

Member Rowe left the room at 8:52 a.m. and returned at 8:55 a.m.

The Board received and filed this item.

5. Authorize the Interim CEO/General Manager to Issue a Call for Public Hearings Associated with the Proposed Service Changes in the Fiscal Year 2021-2025 ConnectForward Short-Range Transit Plan and Fiscal Year 2020-2021 Service Plan to be held from January 13, 2020 to February 7, 2020 and Closing on February 13, 2020

Director of Strategic Development, Jeremiah Bryant provided a brief background as detailed in the staff report.

Member Navarro referred to Attachment A; Proposed Public Meeting Schedule and noted that the City of Colton was not listed. Mr. Bryant apologized for the oversight and stated that a meeting in the City of Colton would be added.

Member Moran stated that since the City of Chino Hills would have the most impact from the service changes, asked that staff conduct additional outreach to ensure that the community is well informed.

Member Valdivia asked that staff provide a brief presentation at the San Bernardino Council Meeting. Mr. Bryant noted the request.¹

M/S (McNaboe/Navarro) that authorized the Interim CEO/General Manager to issue a Call for Public Hearings associated with the proposed service changes in the Fiscal Year 2021-2025 ConnectForward Short-Range Transit Plan and Fiscal Year 2020-2021 Service Plan to be held from January 13, 2020 to February 7, 2020 and closing on February 13, 2020. Motion was passed unanimously by Members present.

6. Authorize Award – Sole Source Contract ITS20-18, Three Pairs of Frequency Channels

Director of Procurement, Art Torres provided a brief background as detailed in the staff report.

Supervisor Hagman asked if the Agency is staying abreast of changes in technology around the County. He also asked if alternative options become available, can the Agency terminate the contract prior to the 5-year contract term. Mr. Torres responded that the contract allows termination of the contract for convenience and stated that should the Information Technology Department find an alternative option; the Agency can exercise the termination clause.

M/S (Valdivia/Dutrey) that authorized the Interim CEO/General Manager to execute Contract ITS20-18 with Mobile Relay Associates of Paramount, CA for the provision of Three Pairs of Frequency Channels for five (5) years beginning March 1, 2020 and ending February 28, 2025, in the amount of \$720,000, plus a ten percent contingency of \$72,000, for a total not-to-exceed amount of \$792,000. Motion was passed unanimously by Members present.

¹ Staff will present the information at the February 5th, San Bernardino City Council Meeting as requested by Member Valdivia.

7. CEO/General Manager's Report

Interim CEO/General Manager, Erin Rogers provided the CEO/General Manager's report.

G. PUBLIC HEARING

There was no public hearing scheduled.

H. BOARD BUSINESS

Closed Session

1. Public Employee Evaluation Pursuant to Section 54967, Title: Interim CEO/General Manager

The Board adjourned into Closed Session at 9:06 a.m.

The Board reconvened at 9:30 a.m. with no reportable action.

H. REMARKS AND ANNOUNCEMENTS

Member Rutherford announced an event scheduled for next Thursday where gifts would be collected for foster youth in the County and invited anyone interested to attend.

I. ADJOURNMENT

The Board adjourned 9:31 a.m. The next regular meeting is scheduled Wednesday, January 8, 2020, 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 Assistant to the CEO
Clerk of the Board

ITEM # E2

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Donald Walker, Director of Finance

SUBJECT: INVESTMENT POLICY STATEMENT FOR 2020

FORM MOTION

Adopt Omnitrans' current Investment Policy Statement to carry forward for period covering January 1, 2020 through December 31, 2020.

This item was not presented to the Administrative and Finance Committee as there were no changes made to the 2020 Investment Policy.

BACKGROUND

California Government Code Section 53646 requires that each legislative body review and adopt an Investment Policy Statement on an annual basis.

The Investment Policy Statement for 2019 was adopted by the Omnitrans Board of Directors on January 9, 2019. There is no change to the Investment Policy Statement for 2020, other than the period covered. During calendar year 2020, Omnitrans will employ the services of Union Bank for its general banking needs until the end of the contract award no later than September 30, 2022.

At Union Bank, only the projected minimum amount is maintained in the general operating account. All investments of funds from the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) have matured and is currently deposited at the Local Agency Investment Fund (LAIF) along with the proceeds from the sale of the Mid Valley property in Rancho Cucamonga. Although not anticipated, should Omnitrans receive a significant amount of funding from federal, state, or local sources those funds will be invested in accordance with the Investment Policy Statement.

ER:DW

Attachment A: Investment Policy Statement (January 1, 2020 – December 31, 2020)



INVESTMENT POLICY STATEMENT
JANUARY 1, ~~2019~~2020– DECEMBER 31, ~~2019~~2020

1. POLICY

It is the policy of **OMNITRANS** to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the daily cash flow demands of **OMNITRANS** and conforming to all state and local statutes governing the investment of public funds.

2. SCOPE

This investment policy applies to the cash funds of Omnitrans, except for its employees retirement system fund, which is administered separately by the California Public Employees' Retirement System (PERS) and the 457 Deferred Compensation Fund, administered separately by the International City/County Management Association Retirement Corporation.

These funds include Operating and Capital Funds.

3. OBJECTIVE

Investable funds shall be invested to the maximum extent feasible. The primary goal of the investment program is to maintain safety and liquidity of principal and interest while maximizing returns, minimizing risks and ensuring that funds are available to meet anticipated cash flow requirements.

In the investment of its funds, Omnitrans will be guided by the following principles in order of importance:

3(A) the primary objective is to safeguard investment principal.

- Safety

Safety and the minimizing of risk associated with investing refer to attempts to reduce the potential for loss of principal, interest or a combination of the two. The first level of risk control is found in state law which restricts the particular type of investments permissible for governmental entities. The second level of risk control is reduction of default risk by investing in instruments that appear upon examination to be the most credit worthy. The third level of risk control is reduction of market risk by investing in instruments that have maturities coinciding with planned dates of disbursement, thereby eliminating risk of loss from a forced sale.

3(B) the secondary objective is to maintain sufficient liquidity to ensure that funds are available to meet daily cash flow requirements.

- Liquidity

Liquidity refers to the ability to easily sell at any time with a minimal risk of losing some portion of principal or interest. Liquidity is an important quality for an investment to have, for at any time OMNITRANS may have unexpected or unusual circumstances that result in larger disbursements than expected, and some investments may need to be sold to meet the contingency. Most investments of OMNITRANS are highly liquid.

3(C) the third and last consideration is to achieve a reasonable rate of return or yield consistent with these objectives.

- Yield

Yield is the potential dollar earnings an investment can provide, and also is sometimes described as the rate of return. OMNITRANS attempts to obtain the highest yield possible when selecting an investment, provided that the criteria stated in the Investment Policy for safety and liquidity are met.

4. DELEGATION OF AUTHORITY

The CEO/General Manager, as the Treasurer of Omnitrans, is hereby authorized to invest or to reinvest the funds of Omnitrans, or to sell or exchange securities purchased all within the meaning, and as limited by the provisions of Government Code Section 53607.

The Finance Director is designated as the Investment Officer of the Agency and is responsible for investment decisions and activities, under the direction of the CEO/General Manager. In the absence of the Finance Director, the CEO/General Manager will designate the temporary Investment Officer.

5. RESPONSIBILITY OF INVESTMENT OFFICERS

Cash management and investment transactions are the responsibility of the Investment Officer. The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

6. INDIVIDUALS AUTHORIZED TO UNDERTAKE INVESTMENT TRANSACTIONS

The following officials are authorized to implement the cash management and investment transactions decisions of the Investment Officer by undertaking investment transactions on behalf of Omnitrans:

- CEO/General Manager
- Director of Finance
- Accounting Manager

7. PRUDENCE

Omnitrans operates its cash investments subject to the “Prudent Investor Standard” which obligates a fiduciary to ensure that:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in the like capacity and familiarity with those matters would use in the conduct of funds of the like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency.

Within the limitations of this standard and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

8. SAFEKEEPING

The investment securities purchased by the Agency shall be held in safekeeping by a designated financial institution, during FY 2002-03 all accounts were moved to Union Bank. The institution shall issue a safekeeping receipt to the Agency listing the specific instrument, rate, maturity and other pertinent information.

Safekeeping procedures shall be reviewed annually by the independent auditor. The independent auditor shall conduct surprise audits of safekeeping and custodial systems.

9. ETHICS AND CONFLICTS

Officers and employees who are directly involved in the investment program shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair the ability to make impartial investment decisions.

10. MONITORING AND ADJUSTING THE PORTFOLIO

The Investment Officer will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio accordingly.

11. INTERNAL CONTROLS

Internal controls shall be reviewed annually by the independent auditor. The controls shall be designed to prevent a loss of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions.

12. INVESTMENT PROCEDURES

The Finance Department is responsible for establishing separate investment procedures which adhere to and implement this Statement of Investment Policy.

13. REPORTING REQUIREMENTS

The Investment Officer shall, under the direction of the CEO/General Manager, generate a monthly report for management purposes which will include, but not be limited to:

- Type of investment
- Institution
- Date of maturity
- Amount of deposit or cost of security
- Rate of interest
- Statement relating the report to the Statement of Investment Policy
- Statement that there are sufficient funds to meet the next 30 days' obligations

14. SHORT-TERM VERSUS LONG-TERM PORTFOLIO

All funds invested for one day to six months shall be considered short-term. Funds invested for a period in excess of six months shall be considered long-term.

15. SHORT-TERM PORTFOLIO DIVERSIFICATION

The Agency will diversify use of investment instruments to avoid incurring unreasonable risk inherent in overinvesting in specific instruments, individual financial institutions or maturities.

Diversification by Instrument:

- U.S. Government Securities, or it's agencies
- Small Business Administration Loans

- Bankers Acceptance
- Commercial Paper
- Negotiable Certificates of Deposits
- Medium Term Notes
- Repurchase Agreements
- Local Agency Investment Fund (LAIF)
- California Asset Management Program (CAMP)
- California Local Agency Securities System (CLASS)

16. Maturity Scheduling:

- Investment maturities of operating funds shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (e.g. payroll, contractor's payments, lease payments, etc.) and considering sizeable blocks of anticipated revenue (e.g. LTF and Federal operating funds).

17. LONG-TERM PORTFOLIO DIVERSIFICATION

Instruments and diversification for the long-term portfolio shall be the same type as for the short-term portfolio, but with longer investment periods (over six months).

Maturity scheduling shall be timed according to anticipated needs.

18. AUTHORIZED INVESTMENTS (G.C. 53601)

The average maturity of Omnitrans' investments should not exceed two-and-one-half years, with no single investment being made for over five years, except with legislative approval as authorized under Section 53601 of the California Government Code. At no time should current cash flow requirements be jeopardized.

Omnitrans may invest in the following legal investments as defined in Section 53601 of the California Government Code: 53601. This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having money in a sinking fund or money in its treasury not required for the immediate needs of the local agency may invest any portion of the money that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery. For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment

shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

(a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.

(b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

(c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

(d) Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

(e) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

(f) Bankers acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers acceptances may not exceed 180 days' maturity or 40 percent of the agency's money that may be invested pursuant to this section. However, no more than 30 percent of the agency's money may be invested in the bankers acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing any money in its treasury in any manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

(g) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

(1) The entity meets the following criteria:

(A) Is organized and operating in the United States as a general corporation.

(B) Has total assets in excess of five hundred million dollars (\$500,000,000).

(C) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization (NRSRO).

(2) The entity meets the following criteria:

(A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.

(B) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond.

(C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization (NRSRO).

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their money in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

(h) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's money which may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the money are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or any person with investment decision-making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.

(i) (1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of any securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.

(2) Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlay a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

(3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:

(A) The security to be sold on reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.

(B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.

(C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty by way of a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.

(4) (A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may only be made upon prior approval of the governing body of the local agency and shall only be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.

(B) For purposes of this chapter, "significant banking relationship" means any of the following activities of a bank:

(i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.

(ii) Financing of a local agency's activities.

(iii) Acceptance of a local agency's securities or funds as deposits.

(5) (A) "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.

(B) "Securities," for purpose of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.

(C) "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.

(D) "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

(E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

(F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.

(j) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by a nationally recognized rating service. Purchases of medium-term notes shall not include other instruments authorized by this section and may not exceed 30 percent of the agency's money that may be invested pursuant to this section.

(k) (1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.

(2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).

(3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (j), inclusive, or subdivisions (m) or (n) and with assets under management in excess of five hundred million dollars (\$500,000,000).

(4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:

(A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

(B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

(5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge and shall not exceed 20 percent of the agency's money that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).

(l) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

(m) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

(n) Any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the agency's surplus money that may be invested pursuant to this section.

53601.1. The authority of a local agency to invest funds pursuant to Section 53601 includes, in addition thereto, authority to invest in financial futures or financial option contracts in any of the investment categories enumerated in that section.

53601.5. The purchase by a local agency of any investment authorized pursuant to Section 53601 or 53601.1, not purchased directly from the issuer, shall be purchased either from an institution licensed by the state as a broker-dealer, as defined in Section 25004 of the Corporations Code, or from a member of a federally regulated securities exchange, from a national or state-chartered bank, from a savings association or federal association (as defined by Section 5102 of the Financial Code) or from a brokerage firm designated as a primary government dealer by the Federal Reserve bank.

53601.6. (a) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.

(b) A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation in this subdivision shall not apply to local agency investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (k) of Section 53601.

19. DESIGNATED AUTHORIZED INVESTMENTS

The listing shall be formally designated by Omnitrans and only investments from this designated list will be authorized.

California State Investment Pool (Local Agency Investment Fund or LAIF {Government Code Section 16429.1 – 16429.3}).

California Asset Management Program (CAMP {Government Code Section 6502; Section 53630; Section 53601 and/or 53635}).

California Local Agency Securities System (CLASS {Government Code Section 6502; Section 53630; Section 53601 and/or 53635}).

Whenever possible, bids and offers for any investment security shall be taken from a minimum of two security dealers/brokers, banks, and/or savings and loans. Awards shall be made to the highest responsible bidder or best offer.

All securities purchased must be held in safekeeping by Omnitrans' safekeeping agent, currently Union Bank. The securities shall not be held by the dealer or broker from whom they are purchased. Confirmations for all investments will be reviewed for conformity with the actual transactions. All financial institutions, whether investment banks, dealers, commercial banks or savings and loan institutions must be licensed by the National Association of Security Dealers (NASD) and be approved by the Finance Director before they receive Omnitrans funds or are able to conduct business with Omnitrans. Prior to approval, each financial institution will be physically visited by the Finance Director and/or his/her designee to meet with the principals of the firm and to inspect their offices for stability and financial capabilities. Further, these visitations will continue periodically, preferably annually, on an ongoing basis to ensure eligibility (due diligence). All firms with whom Omnitrans does business will have a strong capital base and be deemed creditworthy before conducting business with such firms. The Finance Director or his/her designee will prescribe minimum standards by which these firms can be judged creditworthy.

Generally, losses are acceptable on a sale of securities prior to maturity and should be taken if (a) the sale proceeds will enhance the overall yield over the life of the new security, or (b) there is a potential imminent risk of principal due to a change in the creditworthiness of the issuer or other factors jeopardizing the propriety or safety and liquidity of public funds.

Where possible, Omnitrans investments shall be placed, confirmed, held, accounted for, and/or audited by different people.

The Finance Director or his/her designee will perform a monthly review of the investment function. This review will consist of:

- Comparison of the investment records to the independent statements and confirmation notices received from brokers, dealers, banks and other financial institutions.
- Review of the contents of the investment portfolio to assure that it conforms with the provisions of this Statement of Investment Policy and the laws of the State of California.
- Review of the financial institutions with whom investments have been made to assure that they have been approved by the Finance Director.

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ITEM # E3

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Alex Chen, Interim Director of Information Technology

**SUBJECT: ADOPT RESOLUTION NO. 318-20
AUTHORIZING DESTRUCTION OF RECORDS**

FORM MOTION

Adopt Resolution No. 318-20 including Appendix A, authorizing destruction of records in accordance with Omnitrans' Records Management Program.

BACKGROUND

Omnitrans' current Records Management Program was initially adopted by the Board of Directors in 1998, with subsequent revisions approved in January 2006 and February 2007. The revision in 2007 incorporated the "Local Government Records Management Guidelines," which requires that a schedule of documents to be destroyed be approved by the Board of Directors on an annual basis.

CONCLUSION

Adoption of the resolution will provide Omnitrans with the authority to destroy records as defined in the Records Management Program.

ER:AC

Attachments: Attachment A: Resolution 318-20
Appendix A: List of Omnitrans Records to Be Destroyed

RESOLUTION # 318-20

**A RESOLUTION OF THE OMNITRANS BOARD OF DIRECTORS, SAN
BERNARDINO COUNTY, CALIFORNIA, AUTHORIZING THE DESTRUCTION OF
OMNITRANS RECORDS LISTED ON APPENDIX "A."**

WHEREAS, California Government Code Section 34090 provides for the destruction of records that are no longer required, with the approval of the legislative body by resolution and the written consent of the Agency's Attorney; and

WHEREAS, the records listed on Appendix "A" have been determined to no longer be required by Omnitrans.

NOW THEREFORE BE IT RESOLVED that the Director of Information Technology is hereby authorized to destroy the records listed on Appendix "A".

I HEREBY CERTIFY that the foregoing resolution was duly adopted by the Omnitrans Board of Directors, at their regular meeting held on the 8th day of January 2020, by the following vote to wit:

AYES:

NOES:

ABSENT:

Erin Roger, Interim CEO/General Manager
Secretary, Omnitrans Board of Directors

The foregoing resolution is hereby approved this 8th day of January 2020.

David Avila, Chair
Board Chair, Omnitrans Board of Directors

Approved as to form:

Steven DeBaun
Counsel for Omnitrans

APPENDIX "A"
LIST OF OMNITRANS RECORDS TO BE DESTROYED
January 9, 2020

FILE NAME	YEARS TO BE DESTROYED
<u>ALL DEPARTMENTS</u>	
Correspondence Files	FY 2016 & prior
Departmental Copies of Budgets	FY 2015 & prior
Departmental Copies of Accounts Payable Records	FY 2015 & prior
Departmental Copies of Accounts Receivable Records	FY 2014 & prior
Employee Grievance Files - Closed	FY 2010 & prior
Desk Calendars & Diaries	CY 2018 & prior
Telephone Message Books or Slips	CY 2017 & prior
Department Monthly Reports	FY 2017 & prior
<u>EXECUTIVE OFFICE</u>	
Statement of Economic Interests	CY 2011-2012
Loss Runs	FY 2015-2016
Claims - (Resolved for more than five years)	Closed prior to 1/31/15
Ethics Training Certs	April 2013 & prior
Management Plans	FY 2002-2014
Audio Tapes - Board and Committee Meetings	CY 2014-2018
<u>FINANCE</u>	
Accounts Payable Records (With Grant closed and audited for three or	FY 2013 & prior
Accounts Receivable Records	FY 2013 & prior
Annual Budgets	FY 2009 & prior
Balance Sheets	FY 2014 & prior
Banking Records	FY 2014 & prior
Capital Property Records (Inventory)	FY 2012 & prior
External Audits	FY 2009 & prior
Financial Reports and Statements	FY 2009 & prior
FTA and STA Annual Reports	FY 2013 & prior
General Accounting Procedures	FY 2008 & prior
General Accounting Records	FY 2012 & prior
Investments & Insurance Policies (if no open claims)	FY 2012 & prior
Payroll Records	FY 2012 & prior
Profit & Loss Statements	FY 2009 & prior
Tax Returns & Reports	FY 2013 & prior
<u>MARKETING</u>	
Customer Contact Forms	FY 2016 & prior
Daily Sales Report	FY 2016 & prior
Employee Rideshare Record Forms	FY 2012 & prior
Promotional Contests/Drawings	FY 2016 & prior
Rideshare Affected Sites Files	FY 2014 & prior

OPERATIONS

Dispatch Logs	FY 2016	& prior
Service Interruption Reports	FY 2016	& prior
Daily Overtime Logs	FY 2016	& prior
Alternative Transportation Logs	FY 2016	& prior
Field Supervisor Logs	FY 2016	& prior
Schedule Adherence	FY 2016	& prior
Sign-on Sheets	FY 2016	& prior
Nutrition Trip Sheets	FY 2017	& prior
Contract Services Accident Reports (Resolved for over five years)	FY 2019	& prior
Customer Contact Forms	FY 2019	& prior
Waybills	FY 2019	& prior

HUMAN RESOURCES

Applications for Employment & Related Documents	CY 2017	& prior
Employee Accident/Incident Reports & Related Documents (Resolved f	CY 2012	& prior
Employees Personnel Files (Terminated)	CY 2009	& prior
Service Awards Annual Records	CY 2013	& prior

SAFETY/HEALTH & REGULATORY COMPLIANCE

Employee Health Related Records	CY 1989	& prior
Environmental Related Records (EPA)	CY 1989	& prior
Regulatory Compliance Inspection Reports (with no activity since CY 2003)	CY 2010	& prior
Internal Inspection Reports	CY 2014	& prior
Safety and Health Training Records	CY 2016	& prior

PLANNING

Access Fare Structure, Zone Maps, Requests and General Issues	CY 2010	& prior
Annual Service Plan	CY 1999	& prior
Comments on Proposed Regulations	CY 2015	& prior
Comprehensive Operational Analysis Reports	CY 1999	& prior
Cooperative Service Agreements	CY 2009	& prior
Fixed Route Summary Reports	CY 2015	& prior
Fixed Route Surveys - All Routes	CY 2015	& prior
Omnitrans ADA Plan & Workpapers	CY 2010	& prior
On-Board Survey Forms	CY 2017	& prior
Short Range Transit Plan	CY 1999	& prior
Title VI Updates	CY 2012	& prior

CY = Calendar Year FY = Fiscal Year

Note: (All documents connected to an ongoing or active investigation, audit, or legal action are excluded)

MAINTENANCE

Operators' Daily Reports	CY 2016	& prior
Supervisors' Reports/Tailgate Forms	CY 2016	& prior
Maintenance Records of Disposed Vehicles	CY 2016	& prior
Work Orders	CY 2016	& prior
A/P Receipts & Statements	CY 2016	& prior
Nextel Bills	CY 2016	& prior
Tire Mileage	CY 2016	& prior
CII List	CY 2016	& prior
Estimate Of Repair	CY 2016	& prior
Period Report Back-Up	CY 2016	& prior
AQMD Inspection Forms	CY 2016	& prior
CNG Daily Inspections	CY 2016	& prior
LCNG Fueling Station Inspection	CY 2016	& prior
Retrofit/Rebuild	CY 2016	& prior

ITEM # _____ E4 _____

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Art Torres, Director of Procurement

**SUBJECT: AUTHORIZE RELEASE – RFP-HRS20-34
BROKER SERVICES FOR SUPPLEMENTAL INSURANCE**

FORM MOTION

Authorize the Interim CEO/General Manager to release Request for Proposals RFP-HRS20-34 for the provision of Broker Services for Supplemental Insurance for a three (3) year base period beginning July 1, 2020 and ending June 30, 2023 with two (2) single option years ending no later than June 2025, if all options are exercised.

BACKGROUND

Omnitrans requires services of an Insurance Broker and/or Broker of Record to market supplemental dental, life insurance, cancer insurance, an employee assistance program, long term disability insurance and flexible spending arrangement insurance coverages. Broker and/or Broker services are required for the Human Resources Department to implement and maintain Omnitrans' benefit programs. The current agreement expires on June 30, 2020.

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 exceeding \$150,000.

FUNDING SOURCES

The cost associated with this procurement is budgeted in the Human Resources Department's Operating budget as follows.

Department	1600
Expenditure Code	Various

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

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

CONCLUSION

By proceeding with this solicitation, Omnitrans will ensure continued Broker Services for Supplemental Insurance.

ER:AT:FH

ITEM # E5

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Art Torres, Director of Procurement

**SUBJECT: AUTHORIZE AWARD – SOLE SOURCE SDD20-55
POLE-MOUNTED SOLAR LIGHTING**

FORM MOTION

Authorize the Interim CEO/General Manager to award Purchase Order SDD20-55 to Urban Solar Corporation of British Columbia, Canada for the provision of Pole-Mounted Solar Lighting in the amount of \$68,445, plus a ten percent contingency of \$6,845, for a total not-to-exceed amount of \$75,290.

BACKGROUND

Omnitrans currently maintains bus stops and shelters, which are in need of nighttime illumination. The deployment plan for the lights includes stops where there is not ample street lighting in the vicinity of the stop. In addition, Omnitrans will use customer feedback regarding perception of safety at bus stops to prioritize lighting placement. Omnitrans will install the pole-mounted solar lighting.

In accordance with Procurement Policy 2010, Section 2, procurement by noncompetitive proposals may be used when the manufacturer is the sole provider of the items compatible with existing system and when the systems are not interchangeable with similar parts and equipment from other manufacturers.

A detailed cost analysis was performed, and pricing is deemed fair and reasonable.

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
Prop 1B	6761-0002	2017	Transit Security Projects	K1731B01B	\$68,445.00
Total					\$ 68,445.00

_____ 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.

CONCLUSION

By proceeding with this award, Omnitrans will have the ability to improve existing bus stop amenities and enhance the safety perception for our customers.

ER:AT:AJ

ITEM # _____ F1 _____

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Trischelle Baysden, Director of Rail Operations

SUBJECT: **REDLANDS PASSENGER RAIL PROJECT–CHANGE OF ARROW OPERATOR FROM OMNITRANS TO THE SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

FORM MOTION

Receive and file an update on the Redlands Passenger Rail Project – Change of Arrow Operator from Omnitrans to the Southern California Regional Rail Authority (SCRRA), as an information item.

EXECUTIVE SUMMARY

In November 2015, SBCTA proposed an operating and maintenance plan for Arrow that called for Omnitrans to operate Arrow service and maintain the Arrow vehicles. The plan also called for SCRRA, the FRA railroad of record, to provide maintenance of way and dispatching of the Arrow service. In late 2018, the Boards of SBCTA, Omnitrans, and SCRRA approved the three-party agreement detailing the responsibilities as proposed in 2015. At the November 2019 SBCTA Board meeting, the SBCTA Board directed staff to work with SCRRA to transition the planned operation and maintenance of Arrow from Omnitrans to SCRRA. On December 12, 2019, the SBCTA Transit Committee recommended to the SBCTA Board that the operations of Arrow be transferred to SCRRA, contingent on the acceptance of that role by SCRRA. On December 13, 2019 the SCRRA Board approved to expand their role to include operations and rail car maintenance for the Arrow Service.

BACKGROUND

At the October 10, 2019 San Bernardino County Transportation Authority (SBCTA) Transit Committee meeting, SBCTA presented an item regarding a change of Arrow operator from Omnitrans to the Southern California Regional Rail Authority (SCRRA). At the subsequent SBCTA Board Meeting on November 6, 2019, SBCTA staff was given direction to work with the SCRRA, as the Federal Railroad Administration (FRA) identified railroad of record, to assume the role of operating and maintaining the Arrow hybrid-rail vehicles and report back at the December

12, 2019 Transit Committee meeting. At the December SBCTA Transit Committee meeting, Committee members voted to recommend that the Board authorize the transition of Arrow to SCRRA, contingent on the acceptance of that role by SCRRA. On December 13, 2019, the SCRRA Board authorized the CEO to negotiate an Operations and Maintenance Agreement with SBCTA in support of assuming the operation and maintenance of the Arrow hybrid-rail vehicles for the Arrow service, contingent on the SBCTA Board approving the Transit Committee recommendation.

The November 6, 2019 SBCTA Board and December 12, 2019 SBCTA Transit Committee agenda items (Attachment A) detail several significant changes that have been identified since the execution of the three-party agreement:

- SCRRA became amenable to using DMUs as part of an integrated fleet approach. In January 2019, the FRA determined that the DMU is a compliant vehicle and no longer requires a waiver for it to be operated intermixed with larger locomotive hauled coaches or freight trains.
- In November 2019 SBCTA awarded a contract for hydrogen-powered passenger rail cars to operate on the Arrow service. Metrolink is interested in bringing this technology to the system and expanding the use of the DMU's as part of the Southern California Optimized Rail Expansion (SCORE) program.
- Duplication of efforts and efficiencies as Omnitrans continues to work on implementing the Arrow service on a system that will ultimately be maintained, dispatched and regulated by Metrolink as the railroad of record for FRA.
- Developing a fare structure for Arrow service that will work well for Omnitrans and align with Metrolink's fare structure has been challenging.
- Duplication as it relates to development of the required operating plans, communication systems, information technology support services, and schedule modeling. The economies of scale suggest that these activities could be performed more efficiently by adding Arrow service to the existing SCRRA services.
- The independent cost estimates prepared collectively by the Omnitrans and SBCTA team are exceeding the estimates provided in the original analysis and evaluation of alternatives. This is especially apparent in the areas of liability insurance, fuel costs, and security staffing.

Given the developments outlined above, SBCTA staff requested to work with SCRRA to determine if the preferred operating structure is to have SCRRA provide all service related to implementing a blended passenger rail service between San Bernardino and Redlands. The SBCTA Board will vote to approve the Transit Committee recommendation on January 8, 2020. Omnitrans staff has been working with SBCTA and SCRRA staff to discuss and evaluate this alternative.

NEXT STEPS

Once the SBCTA Board takes action to shift the operating responsibilities, Omnitrans will adapt with several subsequent changes:

1. Omnitrans is working with the consultant staff to revise the three-party agreement between Omnitrans, SBCTA, and SCRRA to remove references to Omnitrans and assign the Agency's duties to either SCRRA or SBCTA, as appropriate.
2. Omnitrans currently employs two full-time staff members within the Rail Department. It is expected the current Omnitrans Rail Department staff will have the option of assuming similar positions with SCRRA as part of the transfer of operations. This transfer is expected to take place within thirty (30) days of the SCRRA-SBCTA agreement being approved by the Board of Directors of both agencies.
3. Omnitrans is the direct recipient of a Federal Transportation Investment Generating Economic Recovery (TIGER) grant in the amount of \$8.6 million for the project. SBCTA is Omnitrans' sub-recipient on this TIGER grant. As the direct recipient, Omnitrans will continue to administer this grant.
4. Under a cooperative funding agreement with SBCTA and the City of San Bernardino, Omnitrans is responsible for maintenance and cleaning of the San Bernardino Transit Center (SBTC). With the transfer of the Arrow Service from Omnitrans to SCRRA, the current maintenance agreement was evaluated by Omnitrans staff. It was determined that there is no need to amend the current agreement. As per the agreement, this arrangement will be evaluated annually.
5. The Customer Information System/Passenger Information System (CIS/PIS) architecture will remain the same, with the Omnitrans communication system expected to be removed from the contract. SCRRA will need to determine the location where security camera footage is to be managed, as it is currently planned to be managed by Omnitrans at the SBTC.
6. SCRRA is currently reviewing the Arrow service branding to determine how it will mesh with the existing Metrolink branding. SCRRA is comfortable with the interior components such as flooring, tabletops, and seat fabric which have been ordered. The car bodies are in production and approximately half of the vehicles have been painted. SCRRA has noted that the colors on the car are very close to the current Metrolink palette. Staff is investigating if minor changes to the tone of the blue and green are possible and what the potential impacts to costs and delivery schedule might be.

CONCLUSION

Receive and file an update on the Redlands Passenger Rail Project – Change of Arrow Operator from Omnitrans to the Southern California Regional Rail Authority, as an information item.

ER:VTB

Attachment A: December 12, 2019 SBCTA Transit Committee Item Re: Redlands Passenger Rail
Project – Change of Arrow Operator

Attachment B: December 13, 2019 SCRRA Board Meeting Item Re: Redlands Passenger Rail
Project – Assumption of Arrow Service Operations

Based on these evaluation factors it was determined that using SCRRA as the managing agency for maintenance of way and dispatching services was ideal due to economies of scale and cost savings associated with using SCRRA's positive train control (PTC) system. Nine miles of additional railroad could easily be incorporated into SCRRA's maintenance and inspection responsibilities with limited additional staff needed. Costs associated with developing and installing a stand-alone PTC system far exceeds the costs to adopt SCRRA's existing system. Based on this determination, Scenarios #3 and #4 were dropped from consideration.

From the remaining scenarios, it was recommended that Scenario 5 with Omnitrans as the operator and maintainer of the Arrow service, be implemented primarily due to the benefit of maintaining local control of a service that would be solely within San Bernardino County. Not only would it set the groundwork for future intra-county rail service to be managed locally, staff identified additional benefits such as Omnitrans' ability to integrate bus service and Arrow service as well as allowing the prioritization of funding between transit and rail, within one organization. It was also expected that the cost for Omnitrans to operate the Arrow service would be substantially lower than it would be for SCRRA. Another factor related to staff's recommendation was SCRRA's reluctance to allow DMUs to operate on their mainline as the vehicle required a Federal Railroad Administration (FRA) waiver related to crashworthiness. Based on the technical analysis and key evaluation criteria discussed above, staff recommended SBCTA begin negotiations with SCRRA and Omnitrans on the necessary agreement supporting Scenario 5. The three-party agreement implementing the above strategy was approved by the SBCTA Board of Directors in December 2018.

Over the last year, SCRRA became amenable to using DMUs as part of an integrated fleet approach. In January 2019, the FRA determined that the DMU is a compliant vehicle and no longer requires a waiver for it to be operated intermixed with larger locomotive hauled coaches or freight trains. Other member agencies of SCRRA have expressed interest in expanding the use of DMUs. The Los Angeles County Metropolitan Transportation Authority (LA Metro) approved studying the use of DMUs on the Antelope Valley Line and staff from Riverside County Transportation Commission has expressed interest in using the DMUs on the Perris Valley Line. In addition, SBCTA staff is proposing the use of DMUs between Pomona in Los Angeles County and Rancho Cucamonga in San Bernardino County.

Staff has recognized that there is duplication of efforts and inefficiencies as we have worked with Omnitrans to implement the Arrow service on a system that will ultimately be maintained, dispatched and regulated by Metrolink as the railroad of record for the FRA. Under Scenario 5, Omnitrans has been creating a stand-alone service, with marketing, FRA regulatory compliance, National Transit Database (NTD) reporting, and third-party operating and equipment maintenance contractor oversight functions. Omnitrans also has safety, customer service and customer information duties that would need to be expanded to support the Arrow operation. All of these functions are also currently being performed by SCRRA on their existing system and will be performed as well by SCRRA for the Metrolink overlay service between Downtown Redlands and the SBTC. In addition, it has been challenging to develop a proposed Arrow fare structure that will work well for Omnitrans and align with Metrolink's fare structure, while also prioritizing the customer experience. In summary, there is much duplication when it comes to development of the required operating plans, communication systems, information technology support services, and schedule modeling.

The change in Arrow operator from Omnitrans to SCRRA will result in the new service being an incremental cost increase to the Metrolink operation, rather than a stand-alone increase. The economies of scale suggest that the activities could be performed more efficiently by adding Arrow service as an incremental cost to existing SCRRA services. This approach has been verified in independent cost estimates prepared collectively by the Omnitrans and SBCTA teams, which are exceeding the estimates provided in the Study. Based on a series of meetings between SBCTA, Omnitrans, Stadler US, Inc., FRA and SCRRA staff, the expected impacts due to a change in Arrow operator from Omnitrans to SCRRA are as follows:

Revenue Service Date

The change in operator is not expected to impact or delay the revenue service date. The construction of the mainline, Arrow Maintenance Facility and the manufacturing of the equipment will continue as currently scheduled. Based on our current master schedule, Omnitrans planned to begin the third-party operator solicitation in early 2020, with a late 2020 award date. This schedule would have provided approximately one (1) year for contractor mobilization and training. SCRRA is already in the process of evaluating the bids for a new third-party contractor, with an expected award in first quarter of calendar year 2020; several months earlier than the Omnitrans schedule. Having the larger SCRRA third-party contract also means the contractor will bring more resources to the project. These two factors will provide more time for operator and mechanic training on the vehicles than originally anticipated under the Omnitrans third-party solicitation schedule.

Dispatching

Dispatching of the RPRP service area will not be affected by the change in operators. SCRRA is under contract to provide dispatching services (along with timetable and other operating documents) for the operation as part of the San Gabriel Subdivision operation.

Positive Train Control (PTC)

The use of the PTC system along the RPRP service area and installation in the DMU vehicles will not be affected by the change in operators. SCRRA is under contract to provide PTC for the route and in the vehicles. They have been working on dispatching services (along with timetable and other operating documents) for the operation as part of the San Gabriel Subdivision operation.

Maintenance of Way (MOW) (including structures and signals)

MOW for the RPRP service area will not be affected by the change in operators. SCRRA is under contract to provide MOW services for this service area.

Mainline Construction

The change in operators is expected to have a very minor impact on construction of the mainline and stations. The change will not materially affect the mainline design as it is being built to SCRRA standards. SCRRA was already planned to be the right-of-way maintainer, which will not change due to a transfer of operator. Any changes in branding are expected to have minor impact in the signage. The project team has been working with SCRRA for several months to ensure continuity in signage composition region wide. There is a potential for small credits from the elimination of duplicative signage.

Customer Information System/Passenger Information System (CIS/PIS)

The CIS/PIS architecture will remain the same, with the Omnitrans communication system expected to be removed from the contract. SCRRA will need to determine the location where security camera footage is to be managed, as it is currently planned to be managed by Omnitrans at the SBTC.

Arrow Maintenance Facility (AMF)

The AMF was conceived as a small facility intended to support a DMU fleet of six (6) two-car consists or some combination of two-car and four-car consists. Working with SCRRA, staff has reviewed the requirements of the facility in consideration of a single operator. It was decided to eliminate the operations building, as those functions (train crew reporting and third-party contractor administration) could be handled from the SCRRA crew house at the SBTC. In addition, the review identified other cost reductions such as removal of irrigated landscaping and the washing pad. The credits from the review allow for the purchase of portable car lifts within the project budget. The purchase of these lifts had previously been assigned to the future third-party operations and maintenance contractor which will no longer be procured. To implement the proposed service between Pomona and Rancho Cucamonga, two (2) additional vehicles would be necessary which will meet the design limit of the AMF. It is understood that should the overall DMU fleet grow beyond the size noted above, additional maintenance facility area would be required.

Passenger Vehicles

The change in operators is not expected to have an impact on the manufacturing or delivery of the three (3) DMUs already in production. Omnitrans and SCRRA staff have been involved in the development of the vehicles' operating cab and the on-board systems, including PTC. The various materials, including color schemes, were previously approved and changes to the branding, which are described in greater detail below, may have a cost and schedule impact.

Branding

Staff has met with SCRRA to review the Arrow service branding and how it will mesh with the existing Metrolink branding. SCRRA is considering continuing the use of the Arrow branding, potentially as a sub-brand to the larger Metrolink brand. SCRRA is aware that most of the graphics on the cars are decals that have not been produced at this time and can be easily revised. SCRRA staff is comfortable with the interior components such as flooring, tabletops and seat fabric which have been ordered. The car bodies are in production and approximately half of the vehicles have been painted. SCRRA has noted that the colors on the car are very close to the current Metrolink palette. Staff is investigating if minor changes to the tone of the blue and green are possible and what the potential impacts to costs and delivery schedule might be. It is expected that if changes are minor and do not require any major changes to the branding, or the exterior and interior of the vehicles, the delay in production and delivery will be small. The vehicle manufacturer, Stadler USA, Inc., has cautioned SBCTA that moving forward with the current design is necessary in order to maintain the delivery schedule that has been proposed.

Fare Collection/Ticket Vending Devices (TVD)

SBCTA, Omnitrans and SCRRA are in discussion regarding the fare structure. These discussions will continue as the Arrow service market is different than the SCRRA market. SBCTA has planned to use SCRRA TVDs at the stations. SCRRA has planned to place a TVD on the

platform at the Downtown Redlands Station. The change in operators would mean that SCRRA TVD's would be on all platforms and their back office and banking services for ticketing would be used.

Staffing (Omnitrans and SCRRA)

Omnitrans has developed a Rail Department with expertise in passenger rail operations and safety. The current department consists of a Rail Director, a Safety and Regulatory Compliance Officer, and an Analyst. It is expected existing staff members will have the option of assuming similar positions with SCRRA as part of the transfer of operations.

At this time, SCRRA does not expect to increase staffing due to the dispatching and maintenance of the RPRP service area as it is only a 9 mile stretch in a system that is over 530 miles long. However, this will be monitored as the service is implemented. The operating estimates for the Arrow operation assumed an operating staff of sixteen (16), a mechanical staff of six (6), a supervisory staff of five (5) and an administrative assistant. It is expected that SCRRA will require the same level of operating and mechanical staff, but fewer supervisory staff due to the duplication of duties.

Liability Insurance

Insurance is one of the largest single expenses for a new service. The Study assumed annual liability insurance costs would be \$750,000 in 2015 dollars, based on other similar operations. While the Study increased this estimate in Scenario 2 and 3; acknowledging SBCTA would be entering the operating realm with no previous history of operations, it did not expect the cost for Omnitrans to be substantially higher due to their lack of rail operating history. However, the cost of liability insurance for Omnitrans to introduce rail operations is \$2.75 million in 2019 dollars. Without a history of operating a passenger rail service, it is difficult for the brokers to have the data necessary to accurately determine (and thus price) the risk. Omnitrans has a good safety record with their fixed route operations and a good history of successful passenger operations. However, the risks associated with operating a rail service are noticeably greater than a bus operation. SCRRA has a long record of safe passenger rail operations developed over a quarter of a century. Until Omnitrans can establish an independent record of rail safety, the agency will have higher risk premiums than SCRRA. Another factor is that the premiums for a stand-alone service are greater on a per mile basis, then when the premiums are applied over a larger system.

Next Steps

The change in operators requires a number of determinations be made in the next few months. These determinations will be coordinated by the Rail Activation Committee, which will be comprised of agency, contractor and consultant staff members as necessary. Some of the issues to be addressed will be:

- AMF construction credits
- Mainline construction credits
- Final scope for the operation and maintenance of DMU's for the SCRRA Bundled Contract
- Begin Rail Activation Committee
- Termination of the three-party Operations & Maintenance (O&M) agreement and execution of a two-party O&M agreement
- Determine any changes in branding of the service
- Determine any changes in exterior or interior graphics of the vehicles

The financial impact of a change in operators is not known at this time. SCRRA is soliciting a new bundled contract for these functions. The solicitation includes provisions to maintain and operate DMU technology. Until the contract is negotiated and approved, the actual cost will not be known. As many of the Omnitrans functions are currently envisioned as being stand-alone and will now be shared, (i.e. liability insurance, sheriffs and supporting staff) the cost will be lower. The current FY of operations (FY22) estimate for Omnitrans to provide the Arrow service is \$11,307,295.56. This number includes all expenses including dispatching (\$153,920.00), MOW (\$1,168,805.89), third-party contractor (\$3,515,404.81), Omnitrans staff (\$910,133.95), materials (\$120,922.00), office supplies and equipment (\$120,922.00), fuel (\$564,047.52), sheriffs (\$1,560,000.00), and insurance (\$2,750,000.00). SCRRA is developing an estimate of the costs, based on the current contracts for operations, MOW, equipment maintenance, etc. The estimate will further include such agency costs as marketing and overhead.

Financial Impact:

This item is consistent with the Fiscal Year 2019/2020 budget.

Reviewed By:

This item is not scheduled for review by any other policy committee or technical advisory committee.

Responsible Staff:

Carrie Schindler, Director of Transit and Rail Programs

Approved
Transit Committee
Date: December 12, 2019

Witnessed By:



METROLINK

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

metrolinktrains.com/meeting

TRANSMITTAL DATE: December 6, 2019

MEETING DATE: December 13, 2019 **ITEM 17**

TO: Board of Directors

FROM: Stephanie Wiggins, Chief Executive Officer

SUBJECT: Redlands Passenger Rail Project – Assumption of Arrow Service Operations

Issue

The San Bernardino County Transportation Authority (SBCTA) serves as the lead agency for the Redlands Passenger Rail Project (RPRP), a nine-mile extension of commuter rail service, branded as “Arrow”. Previous Board actions, in support of the future Arrow Service, authorize the roles of dispatch and track maintenance by the Authority once revenue service begins in 2022. Board approval is needed to expand the role of the Authority to include operation and rail car maintenance of the Arrow service.

Recommendation

It is recommended that the Board authorize the Chief Executive Officer (CEO) to negotiate an Operations and Maintenance (O&M) Agreement with SBCTA in support of the transfer of the operation and maintenance of the Arrow hybrid-rail vehicles for the Arrow service, from Omnitrans to the Authority, as the Federal Railroad Administration (FRA) identified railroad of record and the current commuter rail service provider in San Bernardino County, contingent on the acceptance of that role by the SBCTA.

Strategic Goal Alignment

This report aligns with the strategic goal to *improve operational efficiency*.

Background

The RPRP is a nine-mile rail project that provides new transportation choices through implementation of hybrid-rail vehicles (Diesel Multiple Unit (DMU) in San Bernardino County. This introduction of rail-propulsion technology is the first on the Metrolink system. Since 2017, the Authority has been working in collaboration with SBCTA on the development of operating agreements to support the RPRP.

At its June 8, 2018 meeting, the Board authorized the CEO to negotiate and execute an O&M agreement between SBCTA, Omnitrans, and the Authority which outlined the roles of dispatch and track maintenance to the Authority and the role of operations and rail car maintenance to Omnitrans. The agreement outlines full cost-recovery for the Authority.

Discussion

The SBCTA and Omnitrans have identified significant changes that have occurred and challenges that have been identified since execution of the tri-party agreements in 2018:

- In January 2019, the FRA determined that the DMU is a compliant vehicle and no longer requires a waiver for it to be operated intermixed with larger locomotive hauled coaches or freight trains;
- In November 2019, SBCTA awarded a contract for a hydrogen-powered passenger rail cars to operate on the Arrow Service. The agreement marks a major milestone in bringing zero-emission multiple unit (ZEMU) technology to the Metrolink system;
- Duplication of efforts and efficiencies as Omnitrans continues to work on implementing the Arrow service on a system that will ultimately be (track) maintained, dispatched and regulated by Metrolink as the railroad of record for FRA;
- Developing a fare structure for Arrow service that will work well for Omnitrans and align with Metrolink's fare structure has been challenging;
- Duplication as it relates to development of the required operating plans, communication systems, information technology support services, and schedule modeling. The economies of scale suggest that these activities could be performed more efficiently by adding Arrow service to the existing SCRRA services; and
- The independent cost estimates prepared collectively by the Omnitrans and SBCTA team are exceeding the estimates provided in the original analysis and evaluation of alternatives. This is especially apparent in the areas of liability insurance, fuel costs, and security staffing.

Given the developments outlined above, staff has been working collaboratively with SBCTA and Omnitrans and determined that it is operationally more efficient to operate Arrow as a blended Metrolink service, thereby necessitating a transfer in the role of operations and rail car maintenance to the Authority.

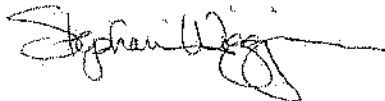
Budget Impact

There is no immediate budget impact of this item.

Next Steps

Upon approval and completion of negotiations, the O&M Agreement will be presented to the Board for final review and approval.

Prepared by: Eric Hosey, Chief Operations Officer

A handwritten signature in black ink, appearing to read "Stephanie Wiggins", with a long horizontal flourish extending to the right.

Stephanie N. Wiggins
Chief Executive Officer

ITEM # _____ F2 _____

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

THROUGH: Erin Rogers, Interim CEO/General Manager

FROM: Jeremiah Bryant, Director of Strategic Development

SUBJECT: CONNECTFORWARD PUBLIC OUTREACH UPDATE

FORM MOTION

Receive and file ConnectForward public outreach update as Omnitrans continues to refine the draft proposed service realignment and reductions proposed for Fiscal Year 2021.

SUMMARY

To ensure a long-term balanced operating plan and budget, Omnitrans will reduce service by approximately 71,000 revenue hours (11% of revenue service); equivalent to a \$5 million per year service reduction. As this plan has been developed, it has been named the ConnectForward Plan to frame the plan as a realignment and restructuring of services today so that Omnitrans can work to build the regional transit service and connections in the future.

At the November 2019 Board of Directors Meeting, the Board approved the scale of the service reductions and the guiding principles. These principles are:

- 1) Minimize Customer Impact;
- 2) Business Approach: Maximize Efficiency & Productivity;
- 3) Maintain Core Weekday Productivity Network;
- 4) Reduce Coverage Area Duplication;
- 5) Provide Only Mandated ADA Service;
- 6) Maintain Service Quality;
- 7) Minimize Impact on Employees; and,
- 8) Provide Service to All JPA Members.

During October and November 2019, Interim CEO/GM Erin Rogers and Director of Strategic Development Jeremiah Bryant met individually with Board Members and city/county staff to discuss initial service change proposal by city/district. These proposals were presented as an information item to the Board of Directors at the November 2019 meeting.

At the December 2019 Board of Directors Meeting, the Board authorized staff to issue a call for Public Hearings which are scheduled to begin on January 13, 2019 and continue through February

13, 2019. At this meeting, staff was asked to add a meeting in the City of Colton, which was complete. A meeting is now scheduled to occur at Arrowhead Regional Medical Center (ARMC) in Colton on February 4, 2020 between 11:00 A.M. and 2:00 P.M. This time was chosen because it is the highest ridership time for the bus service at ARMC. The revised public meeting schedule is included in Attachment A.

Also, at the December 2019 Board of Directors, Omnitrans staff offered to present at City Council or Board of Supervisors meetings. These presentations would provide further opportunities for residents, stakeholders and additional elected officials to be informed about the proposed services relative to the specific communities impacted. As of December 12, 2019, three cities have requested council presentation: 1) Chino, January 7, 2020; 2) Upland, January 27, 2020; and, 3) San Bernardino, February 5, 2020.

The primary purpose of the public meetings is to refine the service change proposals based on feedback from Omnitrans' customers. A primary goal of these meetings is to identify any unintended consequences created by the changes. If so, are there ways to mitigate the consequences to ensure a better overall outcome.

Omnitrans utilizes many methods to communicate with customers and the public as it relates to public meetings. These include putting material onboard buses, at key bus stops, on Omnitrans' website, social media, newsletters, required newspaper advertisement, and interacting with customers while they are on their normal daily commute. For impacted Access customers, specific letters will be sent providing a summary of the proposed changes and when appropriate, mobility option information will be provided.

The materials that will be used at the public hearings are included in Attachment B. Additional outreach material will be available at the January 2020 Board meeting.

NEXT STEPS

Following the completion of public outreach, staff will summarize the findings, refine the plan and present both the findings and plan refinements to the Board of Directors.

CONCLUSION

This public outreach update provides information on the process and updated meeting schedules for Omnitrans to implement the ConnectForward Plan.

ER:JB

Attachments: A. Public Meeting Schedule
B. Public Hearing Materials

CITY	LOCATION	DATE	TIME	ROUTES TO MEETING
San Bernardino	San Bernardino Transit Center	Monday, January 13, 2020	6:00 A.M. – 9:00 A.M.	sbX, 1, 2, 3, 4, 7, 8, 10, 11, 14, 15, 215, 290
San Bernardino	San Bernardino Transit Center	Monday, January 13, 2020	3:00 P.M. – 6:00 P.M.	sbX, 1, 2, 3, 4, 7, 8, 10, 11, 14, 15, 215, 290
*Yucaipa	Yucaipa City Hall	Tuesday, January 14, 2020	3:00 P.M. – 5:00 P.M.	19, 308, 309, 310
Fontana	Fontana Transit Center	Wednesday, January 15, 2020	6:00 A.M. – 9:00 A.M.	10, 14, 15, 19, 20, 61, 66, 67, 82
*Upland	Upland City Hall	Wednesday, January 15, 2020	3:00 P.M. – 6:00 P.M.	83, 85
Fontana	Fontana Transit Center	Thursday, January 16, 2020	3:00 P.M. – 6:00 P.M.	10, 14, 15, 19, 20, 61, 66, 67, 82
Rialto	Foothill & Riverside Bus Stops	Friday, January 17, 2020	11:00 A.M. – 2:00 P.M.	14, 22
Montclair	Montclair Transit Center	Tuesday, January 21, 2020	6:00 A.M. – 9:00 A.M.	66, 80, 85, 88, 290
Chino	Chino Transit Center	Tuesday, January 21, 2020	3:00 P.M. – 6:00 P.M.	81, 83, 85, 88
*San Bernardino	Omnitrans: Plans and Programs Meeting	Wednesday, January 22, 2020	9:00 A.M.	14
Redlands	Redlands Mall Bus Stops	Thursday, January 23, 2020	3:00 P.M. – 6:00 P.M.	8, 15, 19,
Ontario	Ontario Mills	Friday, January 24, 2020	11:00 A.M. – 2:00 P.M.	61, 81, 82, 290
*Grand Terrace	Grand Terrace Community Room	Monday, January 27, 2020	3:00 P.M. – 5:00 P.M.	325
Montclair	Montclair Transit Center	Wednesday, January 29, 2020	11:00 A.M. – 2:00 P.M.	66, 80, 85, 88, 290
*Chino Hills	Chino Hills City Hall	Wednesday, January 29, 2020	4:00 P.M. – 7:00 P.M.	88, 365
San Bernardino	San Bernardino Transit Center	Thursday, January 30, 2020	6:00 A.M. – 9:00 A.M.	sbX, 1, 2, 3, 4, 7, 8, 10, 11, 14, 15, 215, 290
*Fontana	Fontana City Hall	Thursday, January 30, 2020	3:00 P.M. – 6:00 P.M.	10, 14, 15, 19, 20, 61, 66, 67, 82
*Ontario	Dorothy Quesada Community Center	Monday, February 3, 2020	4:00 P.M. – 7:00 P.M.	86
Colton	Arrowhead Regional Medical Center Transfer Center	Tuesday, February 4, 2020	11:00 A.M. – 2:00 P.M.	1, 19, 22, 290
*San Bernardino	Omnitrans: East Valley Facility	Tuesday, February 4, 2020	4:00 P.M. – 7:00 P.M.	14
*San Bernardino	Omnitrans: Board Meeting	Wednesday, February 5, 2020	8:00 AM	14
Rancho Cucamonga	Chaffey College Transit Center	Thursday, February 6, 2020	11:00 A.M. – 2:00 P.M.	67, 80, 81, 85

***Formal Public Hearings.**

***Board Meeting**

ConnectForward

Omnitrans' FY2021-2025 Short-Range Transit Plan



- **ConnectForward** is Omnitrans' 5-year business plan through 2025
- **ConnectForward's** primary focus is to ensure a financially sustainable transit network by realigning resources in line with a 5-year, 25+% ridership decline
- It is necessary to implement an 11% service reduction in September 2020



➤ Service Change Guiding Principles:

- Minimize Customer Impact
- Business Approach: Maximize Efficiency & Productivity
- Maintain Core Weekday Productivity Network
- Reduce Coverage Area Duplication
- Provide Only Mandated ADA Service
- Maintain Service Quality
- Minimize Impact on Employees
- Provide Service to All Member Cities

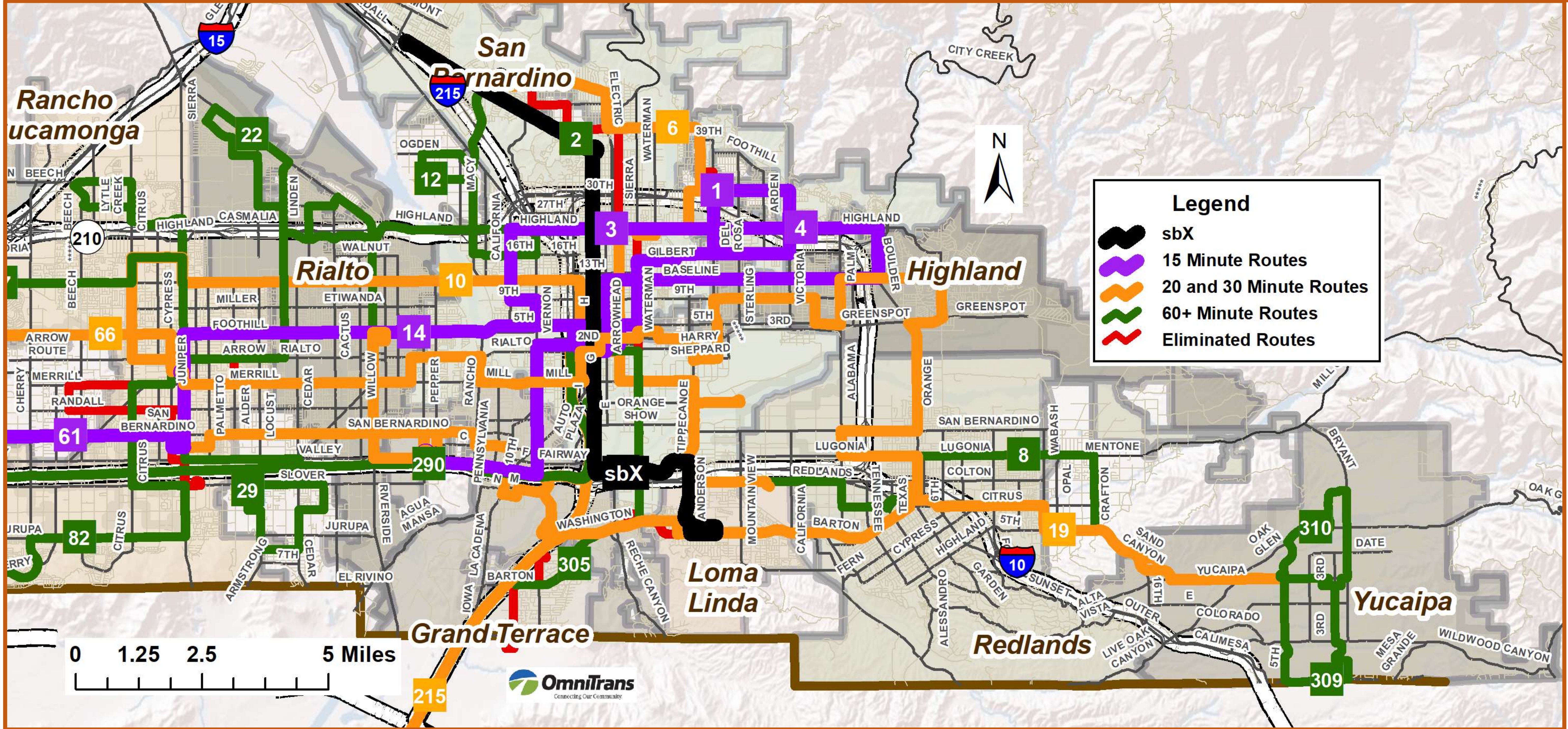
- **ConnectForward** was created to balance the agency's budget and prepare for future regional and community transit needs

- Please review proposals & submit comments prior to February 13, 2020:

- Public Meeting Comment Card
- Email: Planning@Omnitrans.Org
- Phone: 909.379.7150
- Mail: Strategic Development Dept., Omnitrans, 1700 W. 5th St. San Bernardino 92411



East Valley Proposed Changes



Route	Map Change	Frequency Change
1	Yes	No
2	No	Yes
3 / 4	No	Yes
5	Eliminated	
6	NEW	
7	Eliminated	
8	Yes	Yes
10	No	No
12	No	No
14	No	Yes
15	No	No
19	No	No
20	Eliminated	
22	No	Yes
29	Yes	No
215	No	No
290	No	Yes
305	NEW	
308	Eliminated	
309	No	Yes
310	No	Yes
325	Eliminated	
sbX	No	No

Frequency Changes
2 Reduce frequency all days to 70-75 minutes
3 / 4 Reduce frequency on Saturday & Sunday to 22-25 minutes
8 Reduce frequency on weekdays from VA Clinic to Redlands to 60 minutes
14 Reduce frequency on Saturday & Sunday to 20 minutes
22 Reduce frequency north of Foothill Blvd. to 60 minute on weekdays
290 Reduce frequency by eliminating mid-day trips
309 Reduce frequency weekdays to 60 minutes.
310 Eliminate weekend service

1

Modify north end to reduce duplication. See Route 6. New service near San Gorgonio High School.

See Rt. 6

6

New 30-minute route combines parts of current Routes 5 & 7

NEW

5

Route number eliminated

See Rt. 6

See Rt. 1

See Rt. 305

Eliminated

7

Route Number Eliminated

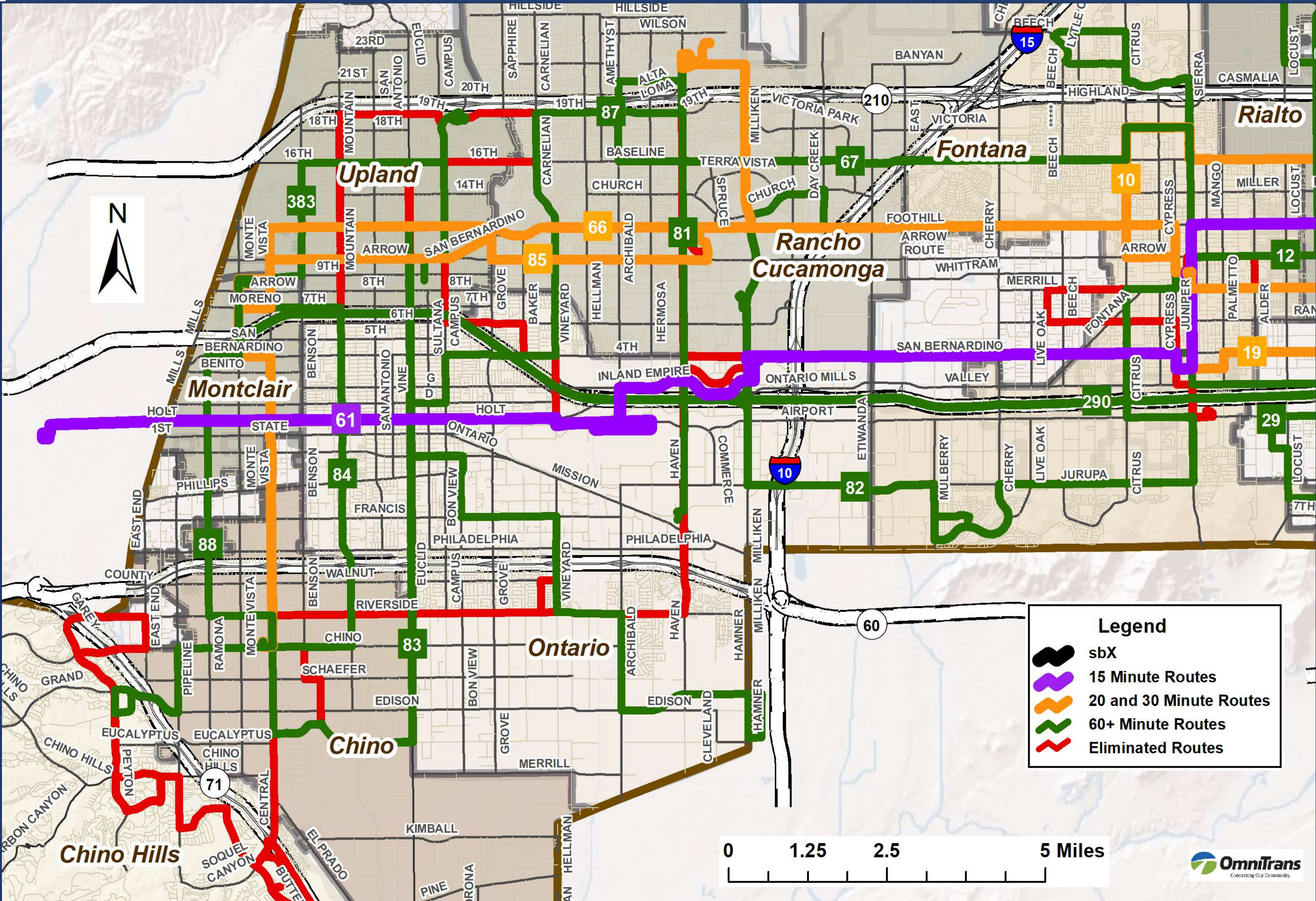
Parts of route modified in new Route 6

See Rt. 6

See Rt. 6

Eliminated

West Valley Proposed Changes



Route	Map Change	Frequency Change
61	No	Yes
66	No	Yes
67	No	No
80	Eliminated	
81	Yes	No
82	Yes	No
83	Yes	No
84	Yes	No
85	No	No
86	Eliminated	
87	NEW	
88	No	No
290	No	Yes
365	Eliminated	
383	NEW	
Chino Hills MicroTransit	NEW	

80

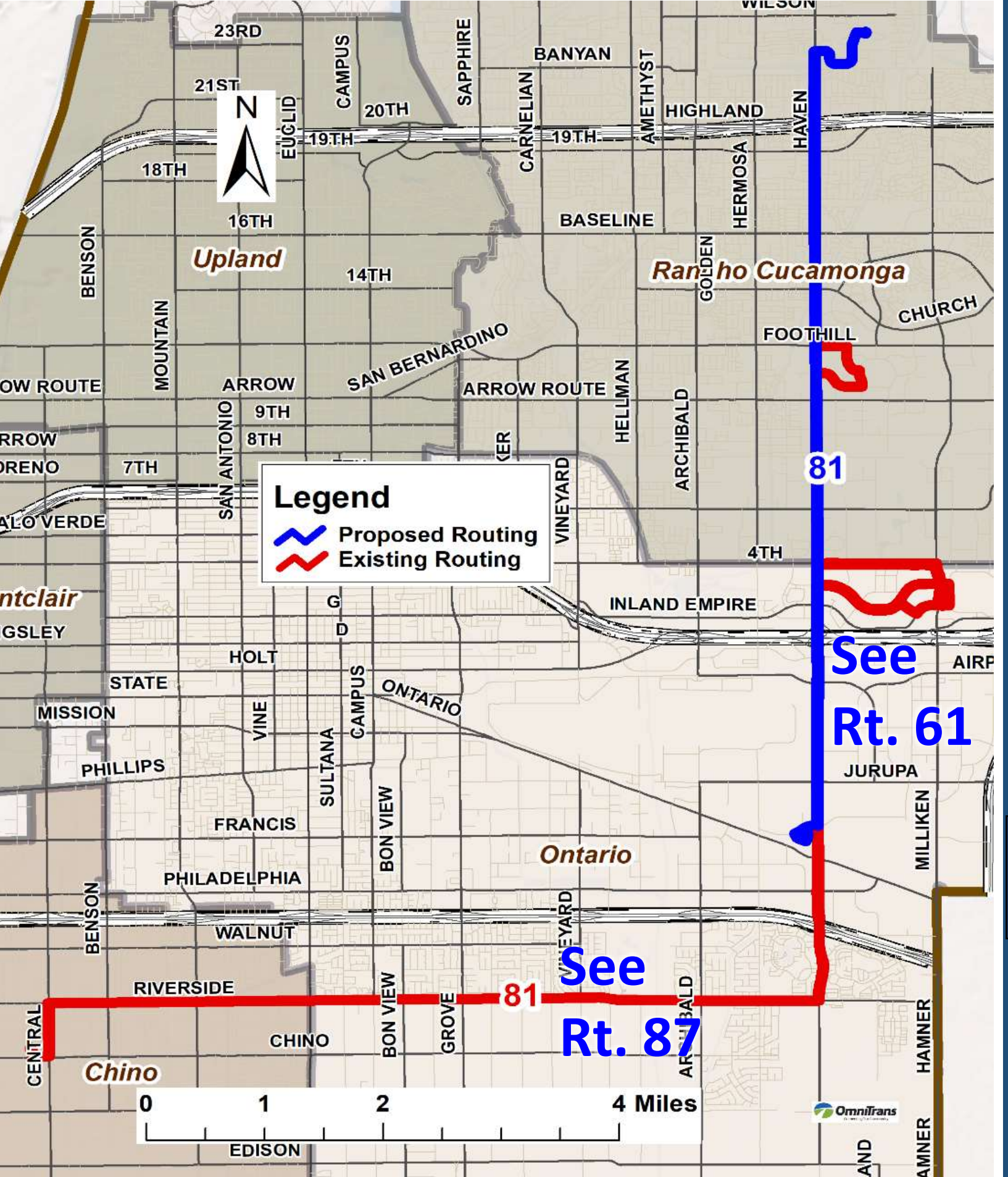
Route Number Eliminated, mostly covered by new Route 87 and Route 61



81

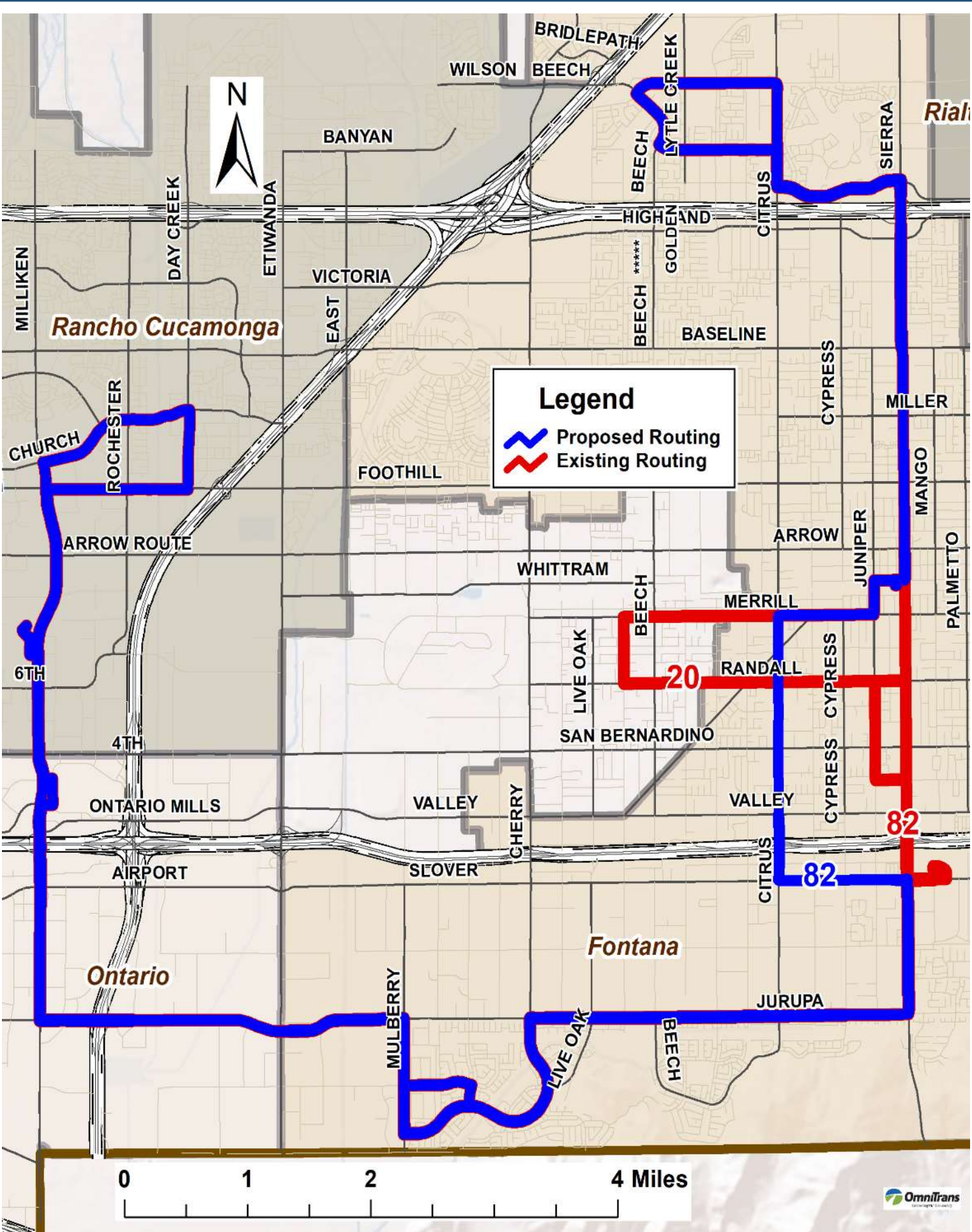
Realigned to focus service on Haven

New Metrolink Connection



82

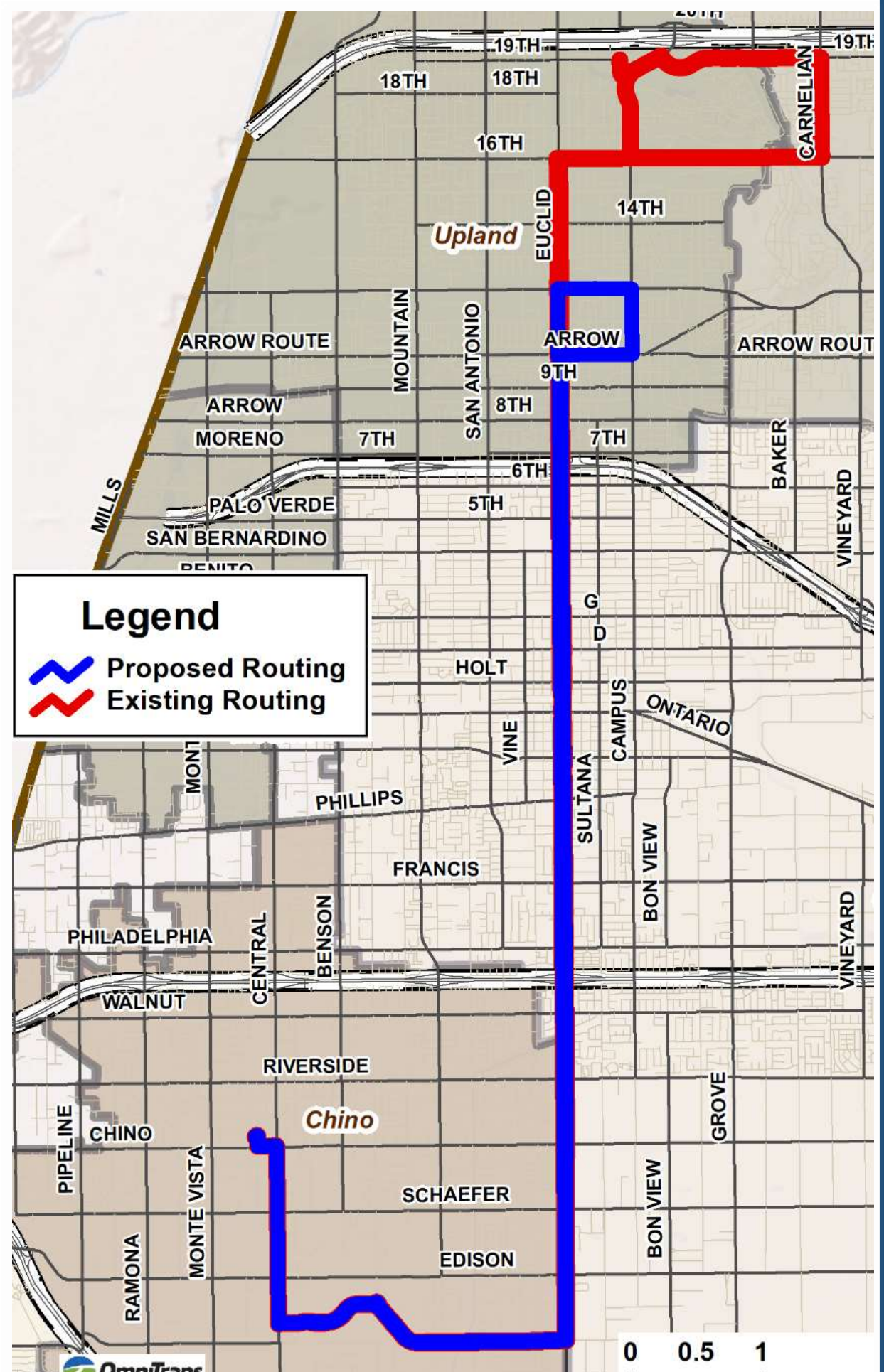
Service moved to Citrus between Merrill & Slover to reduce duplication. Service to Palm Court eliminated



83

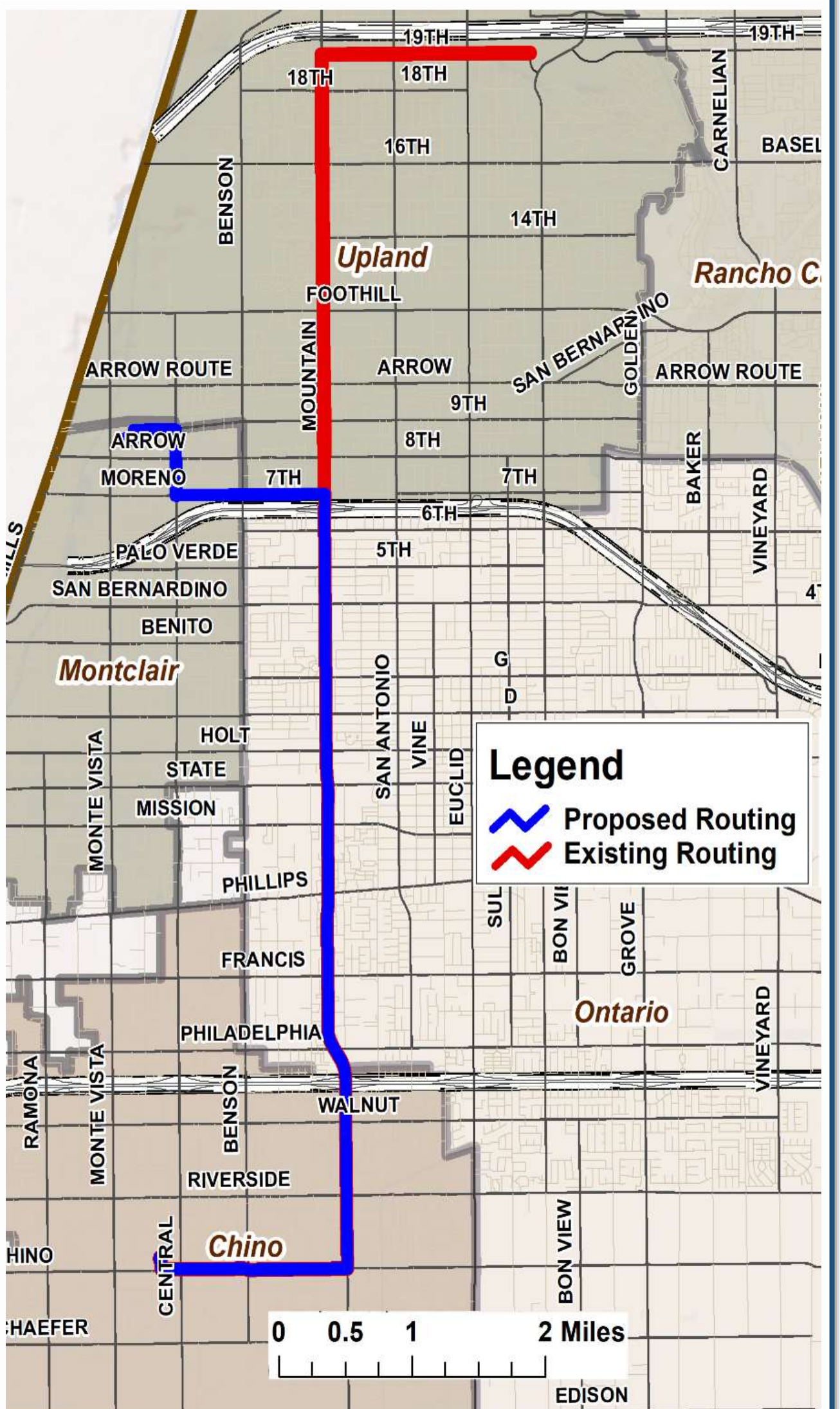
Route shortened to end at Foothill Blvd.

Service to Colonies moved to Route 383



61	Reduce frequency on Saturday & Sunday to 20 minutes
66	Reduce frequency on weekdays to 20-minutes
290	Reduce frequency by eliminating midday trips
84	Route shortened to end at 7 th St. and Montclair Transit Center.

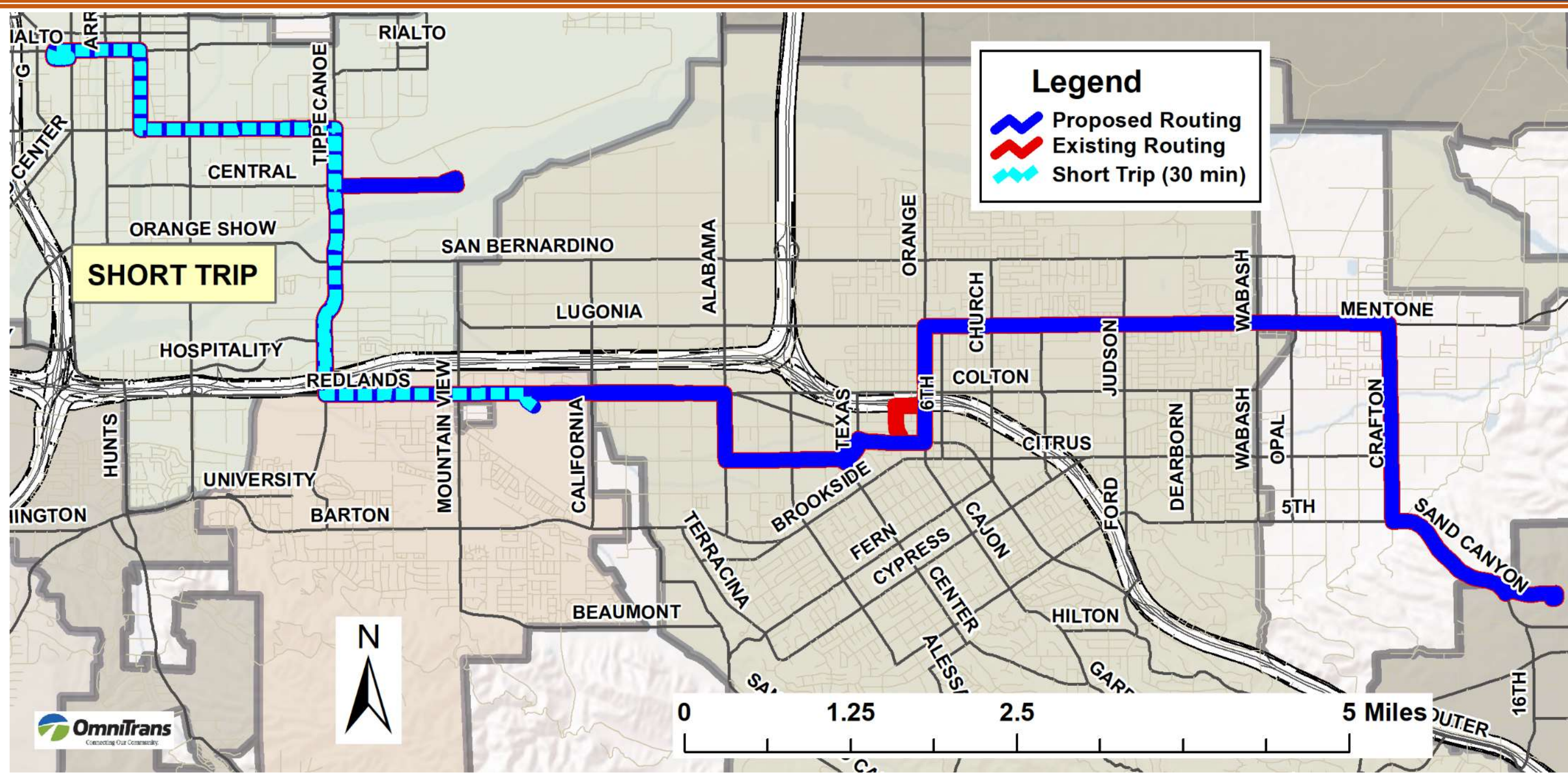
Service in North Upland moved to Route 383



Proposed Service Changes Continued

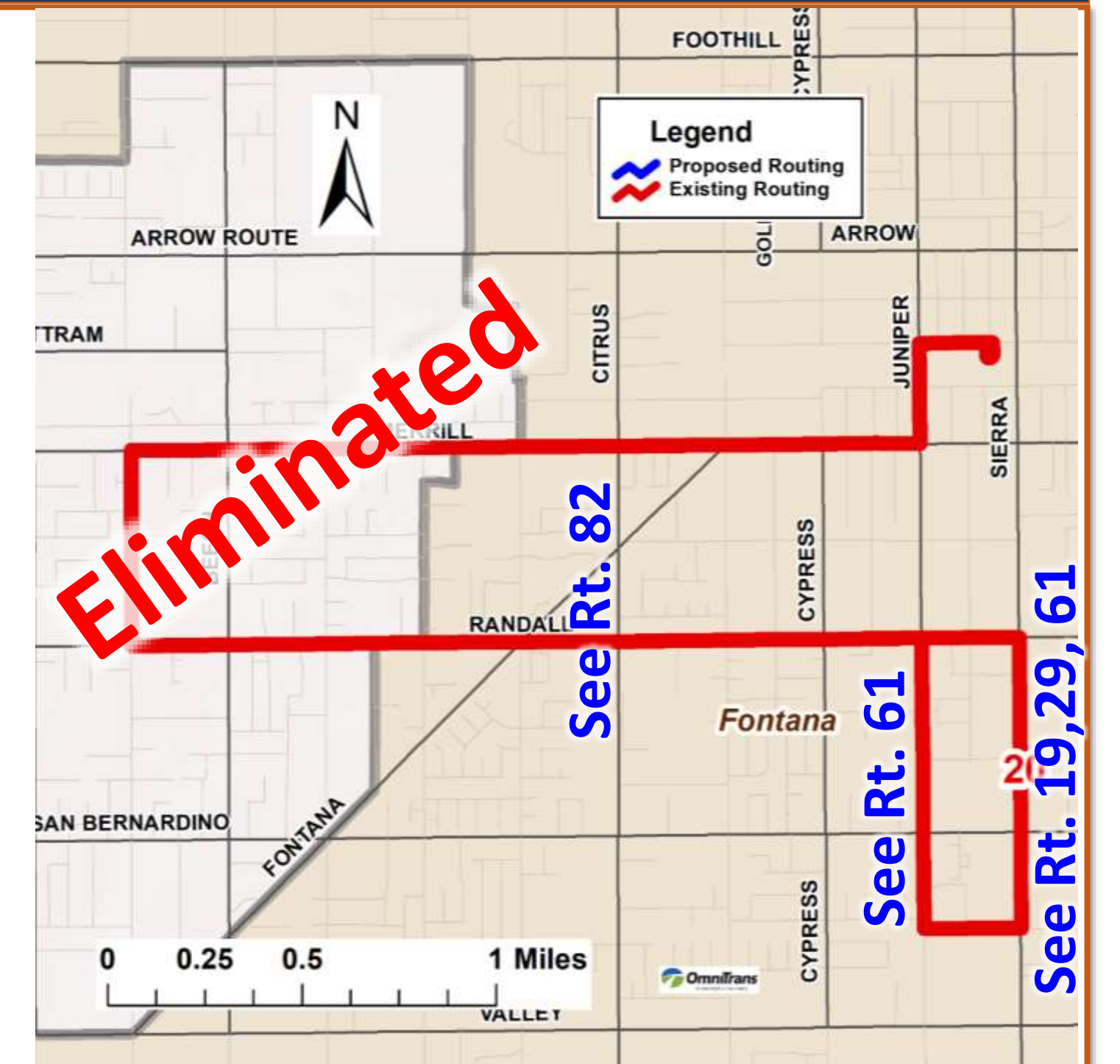
8

Weekdays
30-minute
frequency from
SBTC to VA
Ambulatory Care
Center.
Rest of Route 60-
minute
frequency



20

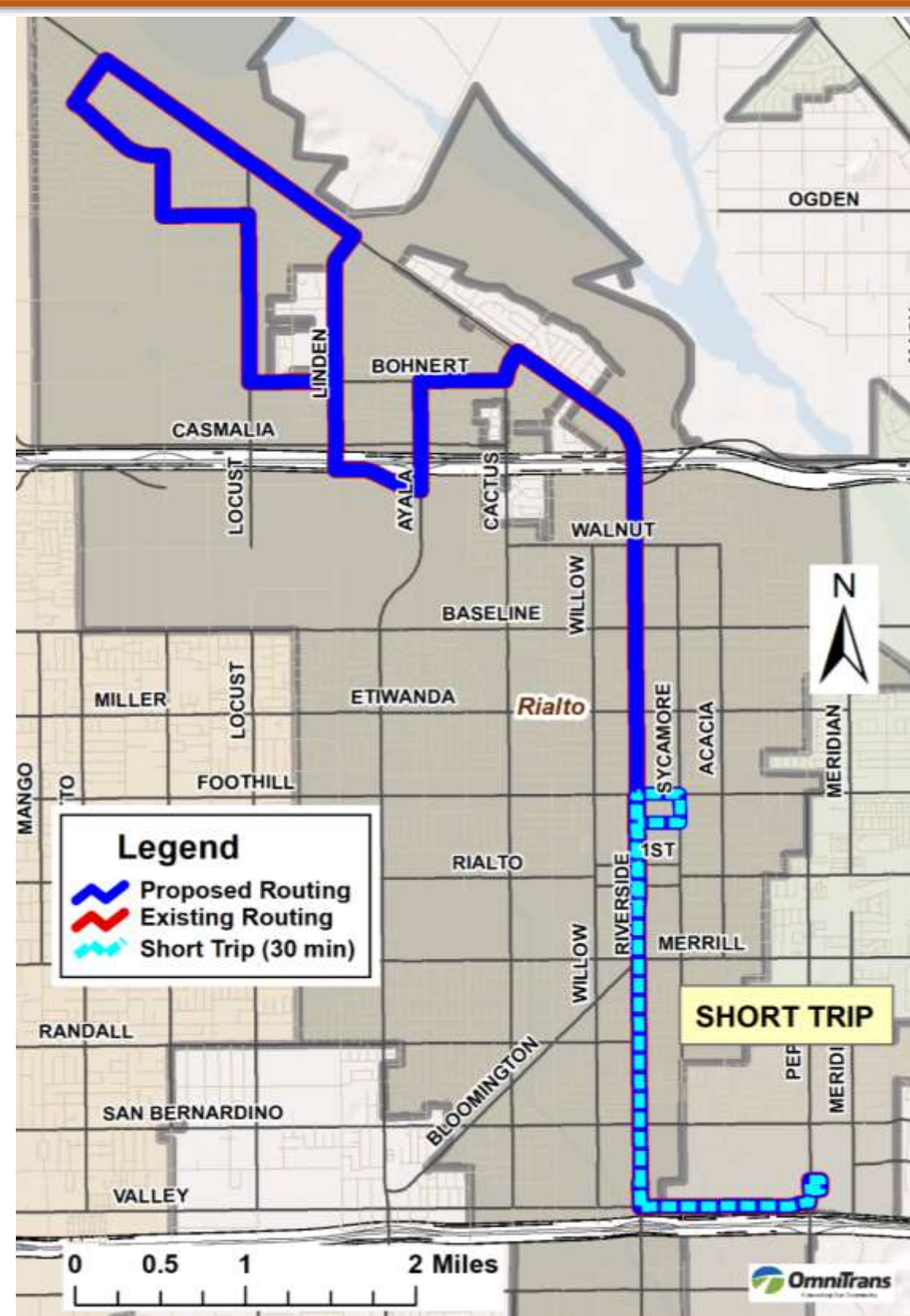
Route
Eliminated.
Some areas
covered
by Routes
19, 61 &
modified
Route 82



22

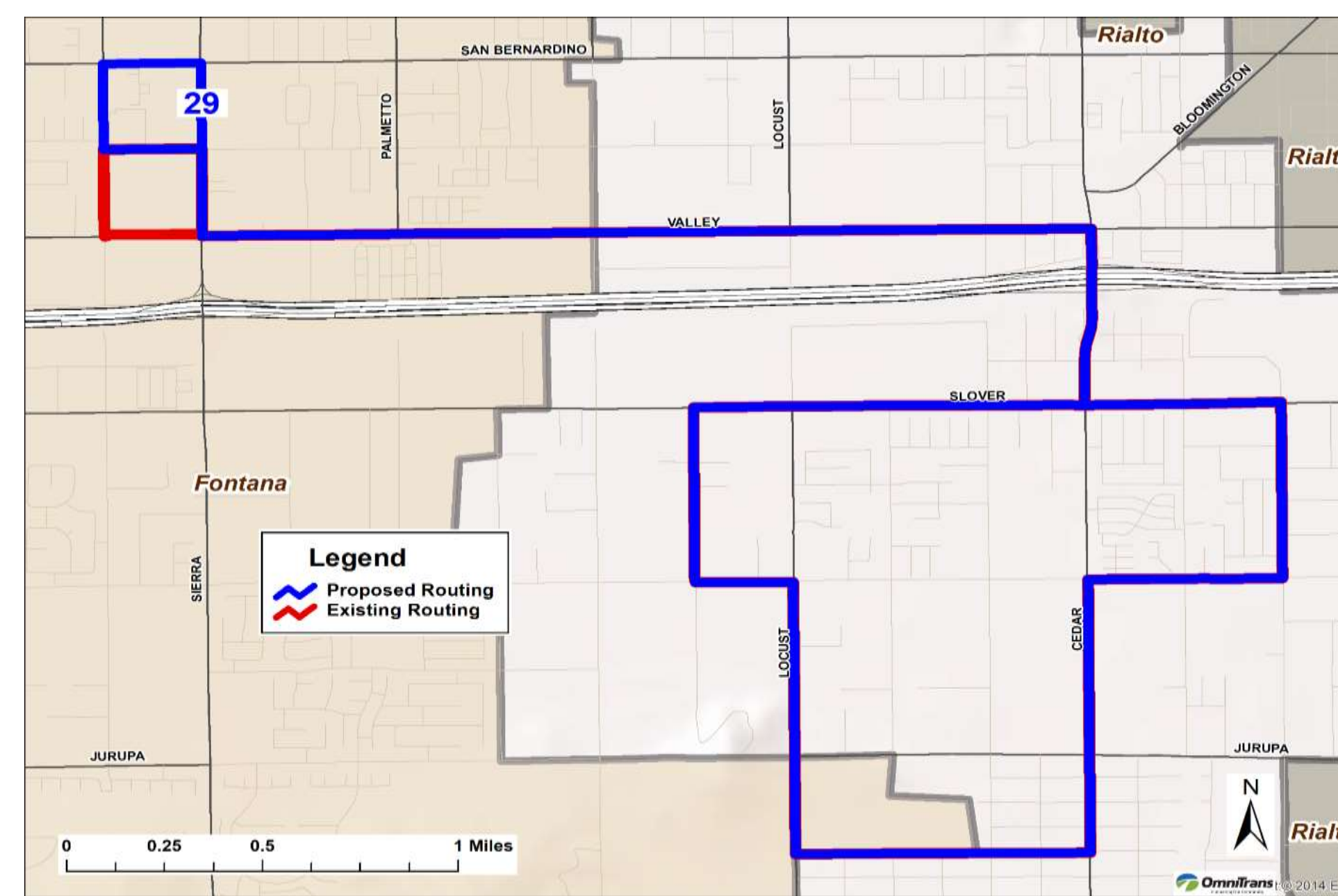
Weekdays 30-
minute
frequency from
ARMC to
Foothill Blvd.

Rest of Route
60-minute
frequency



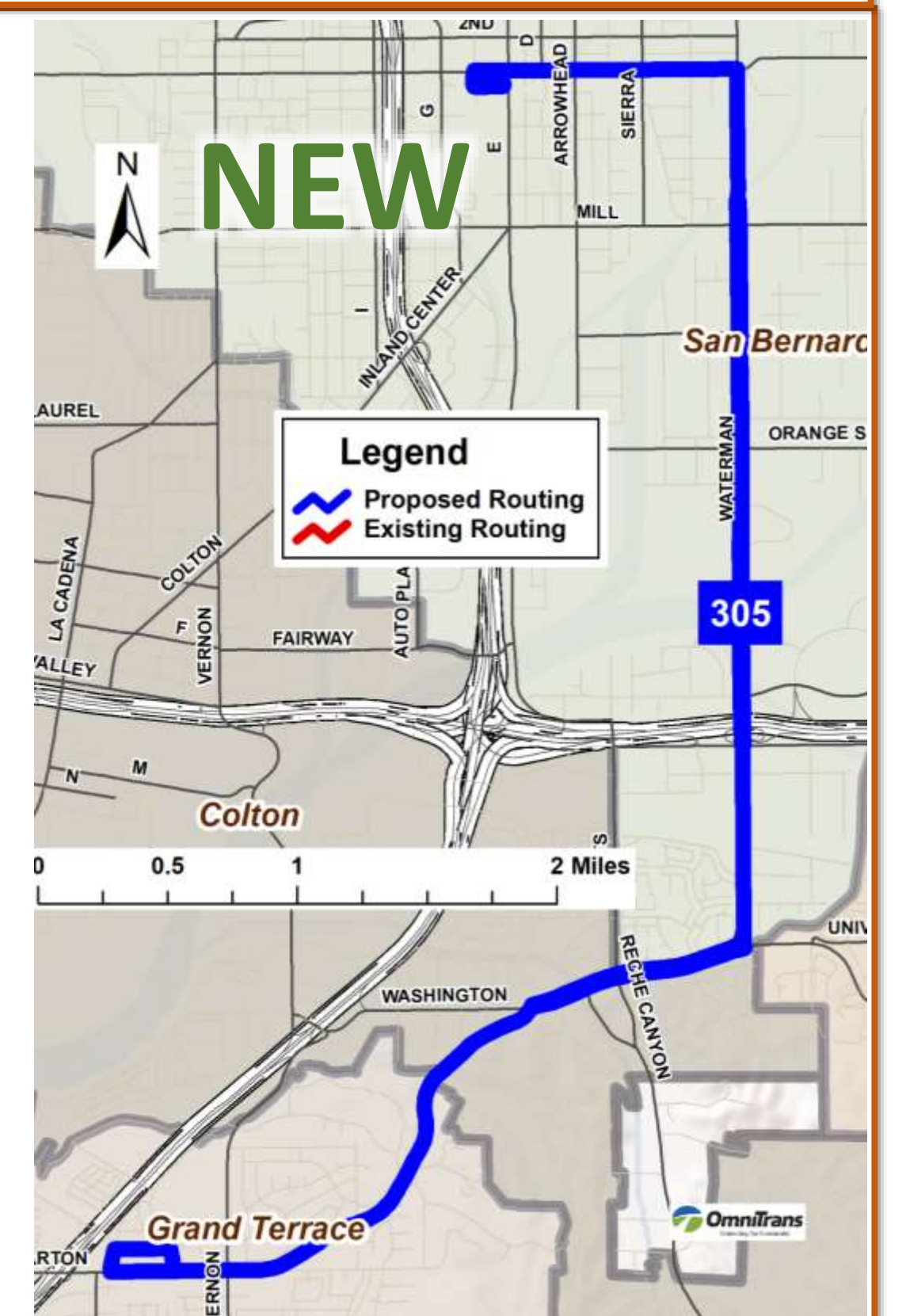
29

Minor change near Kaiser
Fontana Medical Center



305

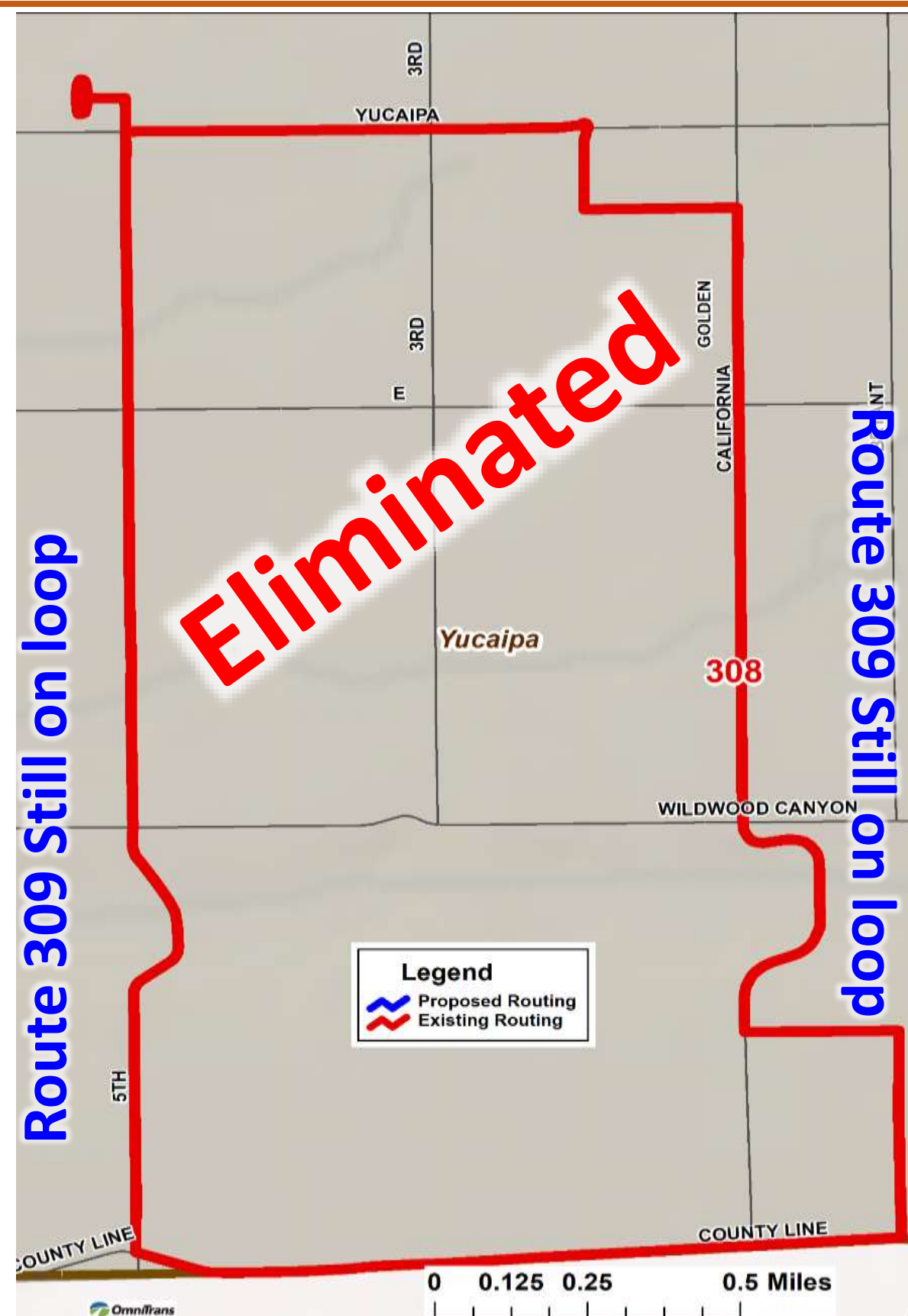
Route
covers southern
part of current
Route 5 and
Barton segment
of OmniGo
Grand Terrace
Route 325.
60-minute
Frequency



308

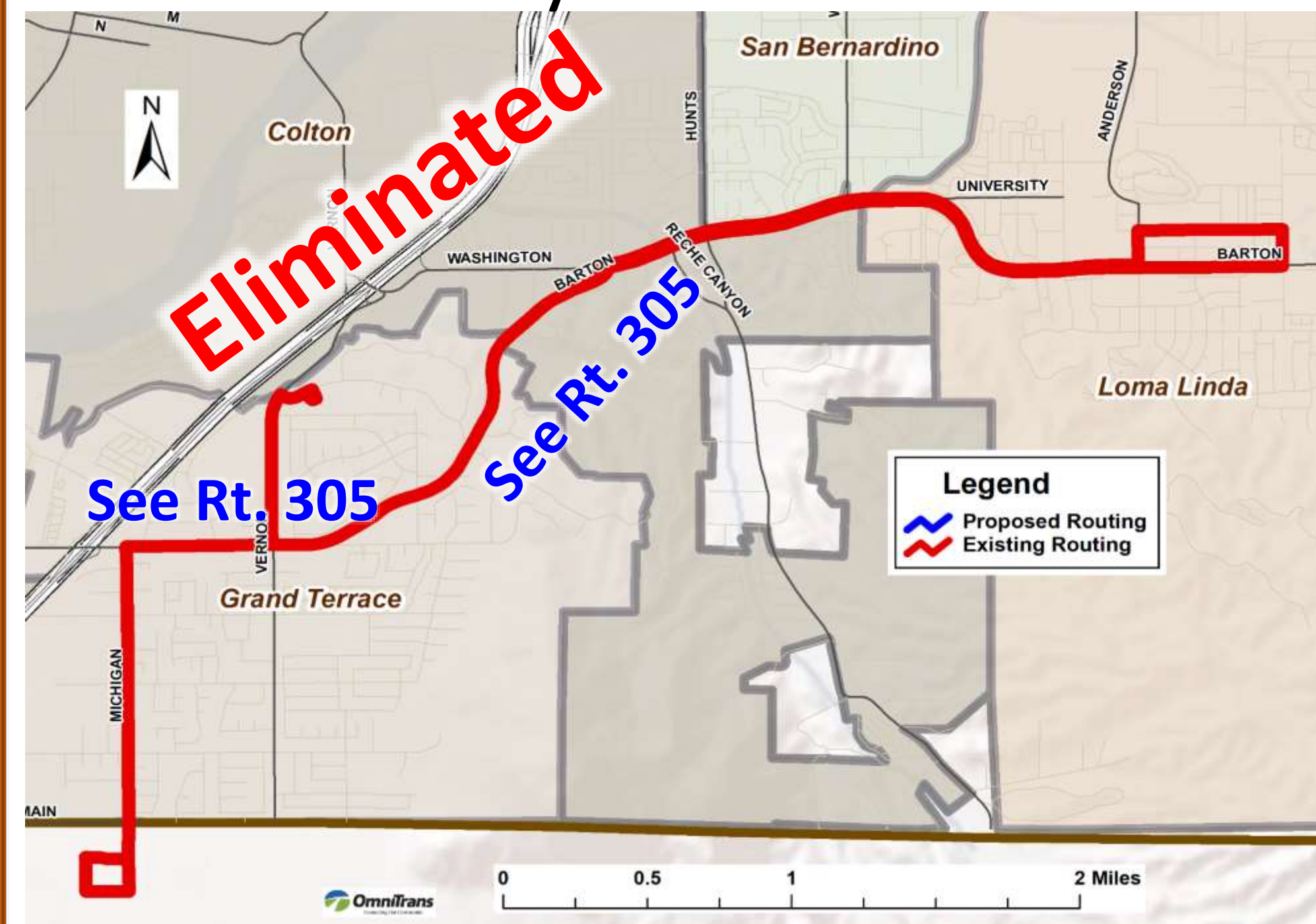
Route
Eliminated

Area still
covered by
Route 309



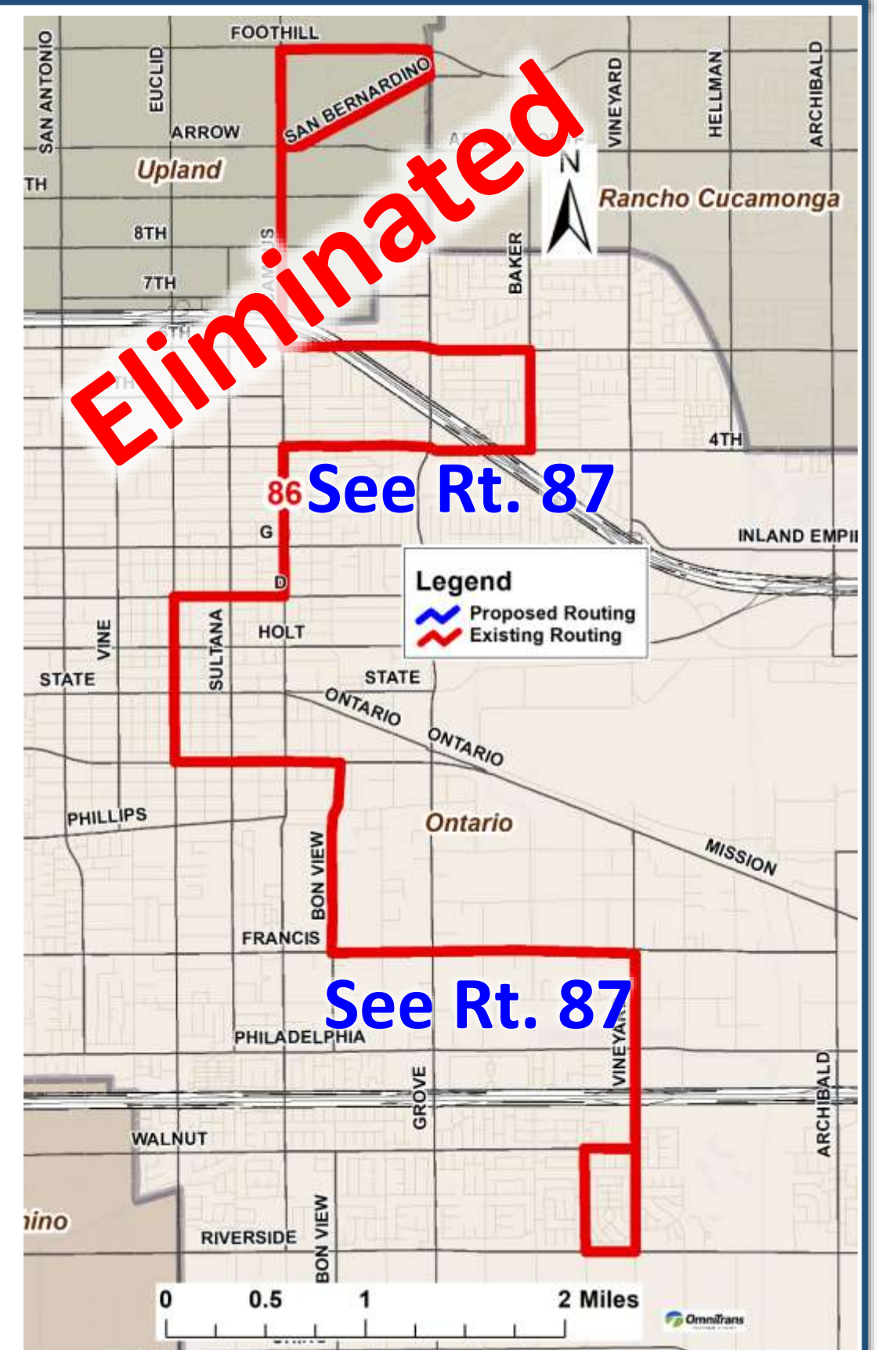
325

Route Eliminated. Barton
Ave. covered by new Route 305



86

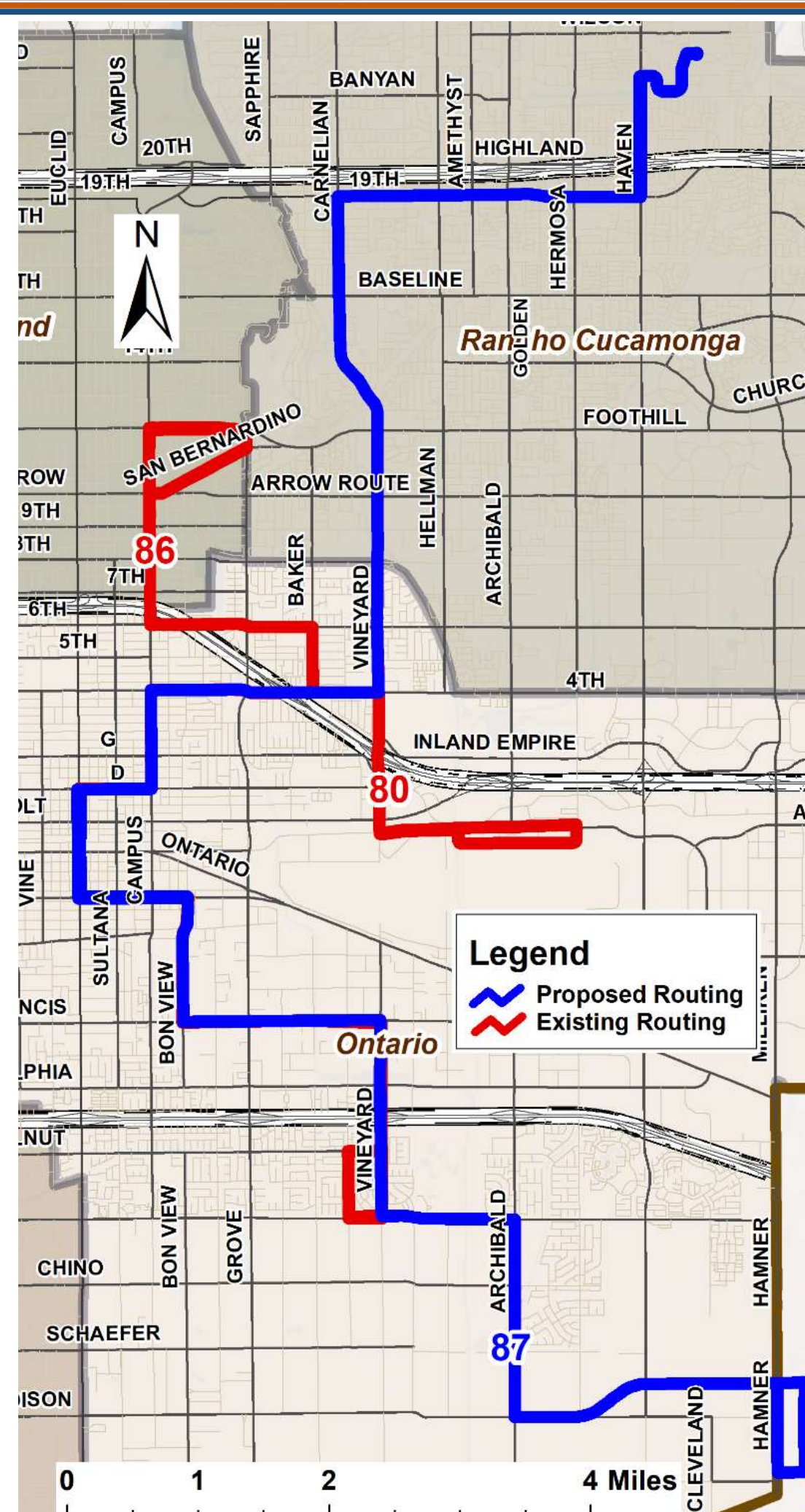
Route number
eliminated.
Most of route
covered by new
Route 87



87 **NEW**

Combination of
Route 80 & 86.
Route extends
to Riverside
County Line for
transfer to RTA

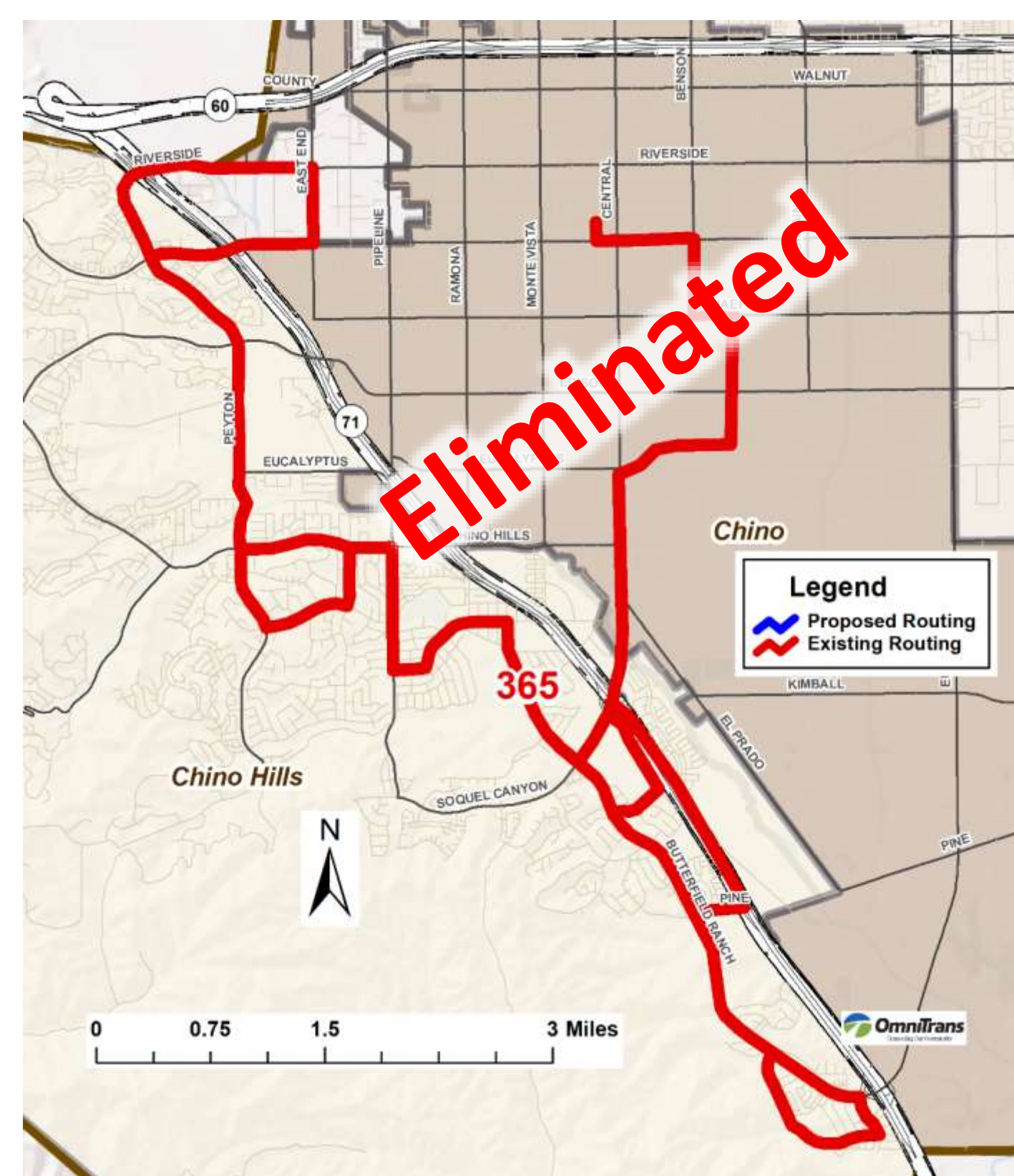
Route operates
Weekdays &
Saturday



365

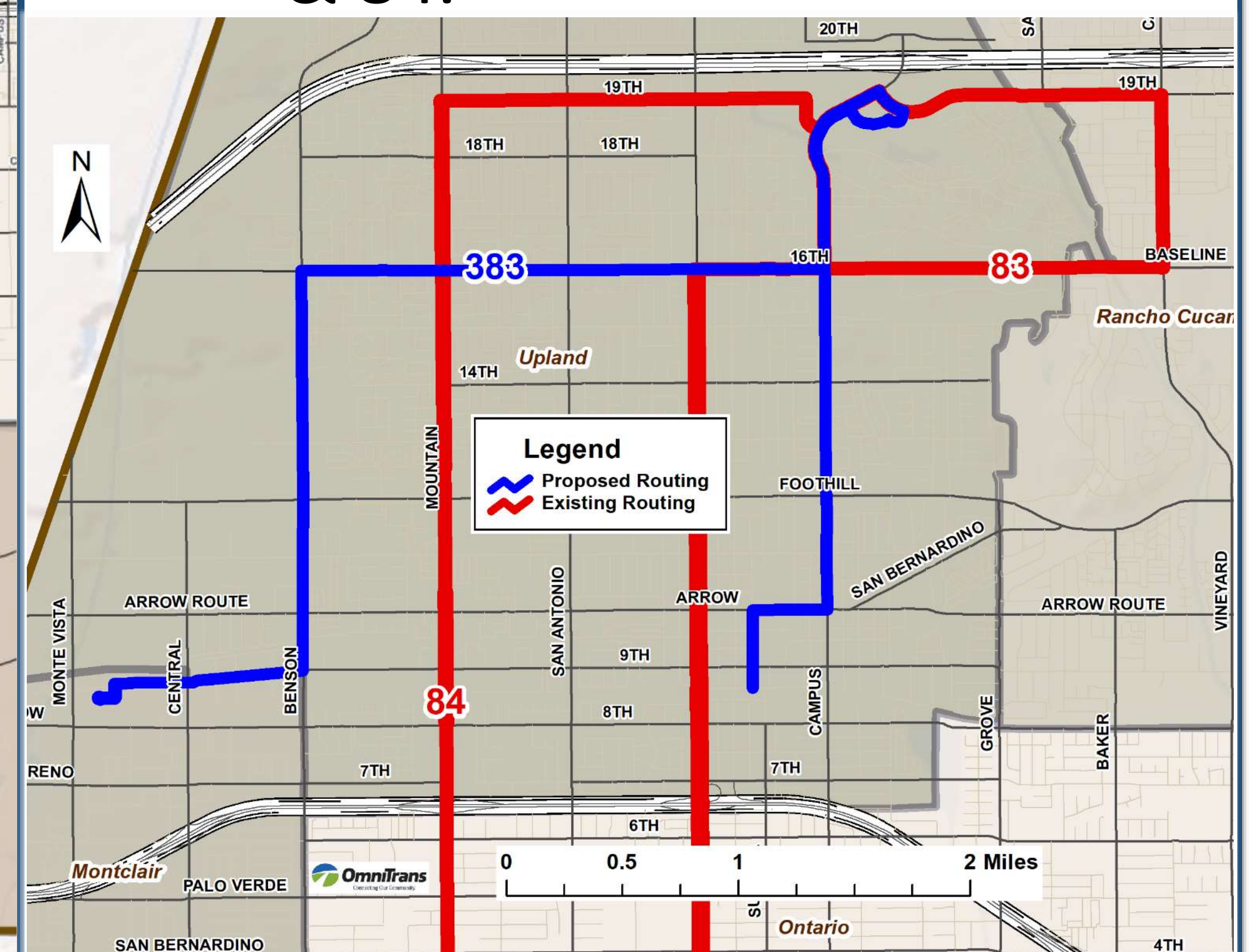
Route eliminated except for
Chino High School Bell Trips

Service
replaced by Chino
Hills
Micro
Transit
Service.

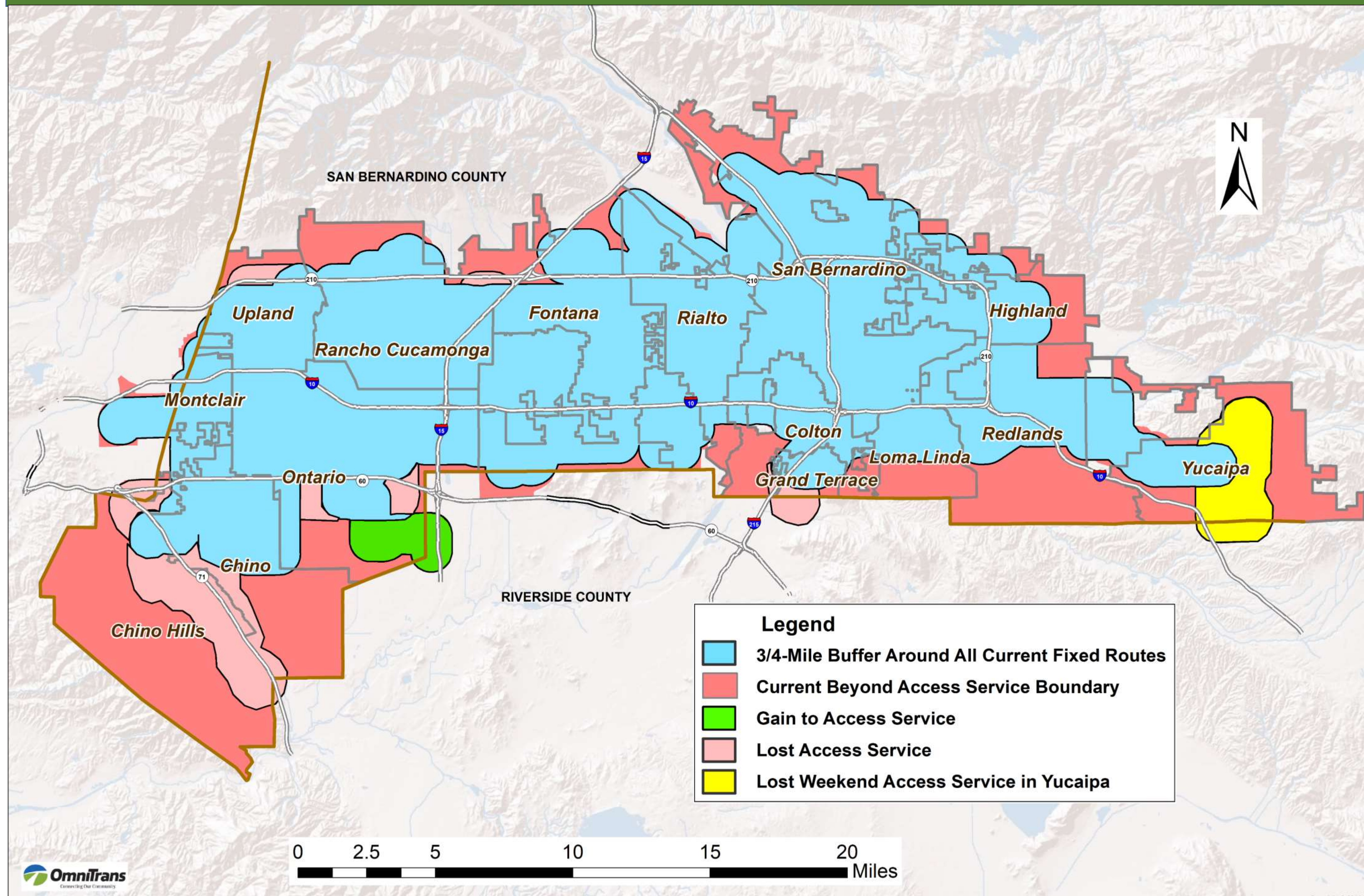


383

NEW Upland OmniGo. Replaces
northern parts of Routes 83
& 84.



Access Service Changes



1. Eliminate Beyond Boundary Service (**Pink**)
2. Reduced service area from fixed route service changes: Parts of Chino Hills, Chino, Ontario and Grand Terrace (**Light Pink**)
3. New service area from new fixed route services: Ontario (**Green**)
4. Elimination of Weekend Access service due to change to OmniGo Yucaipa (**Yellow**)
5. Call ahead reservation window reduced to 3-days.

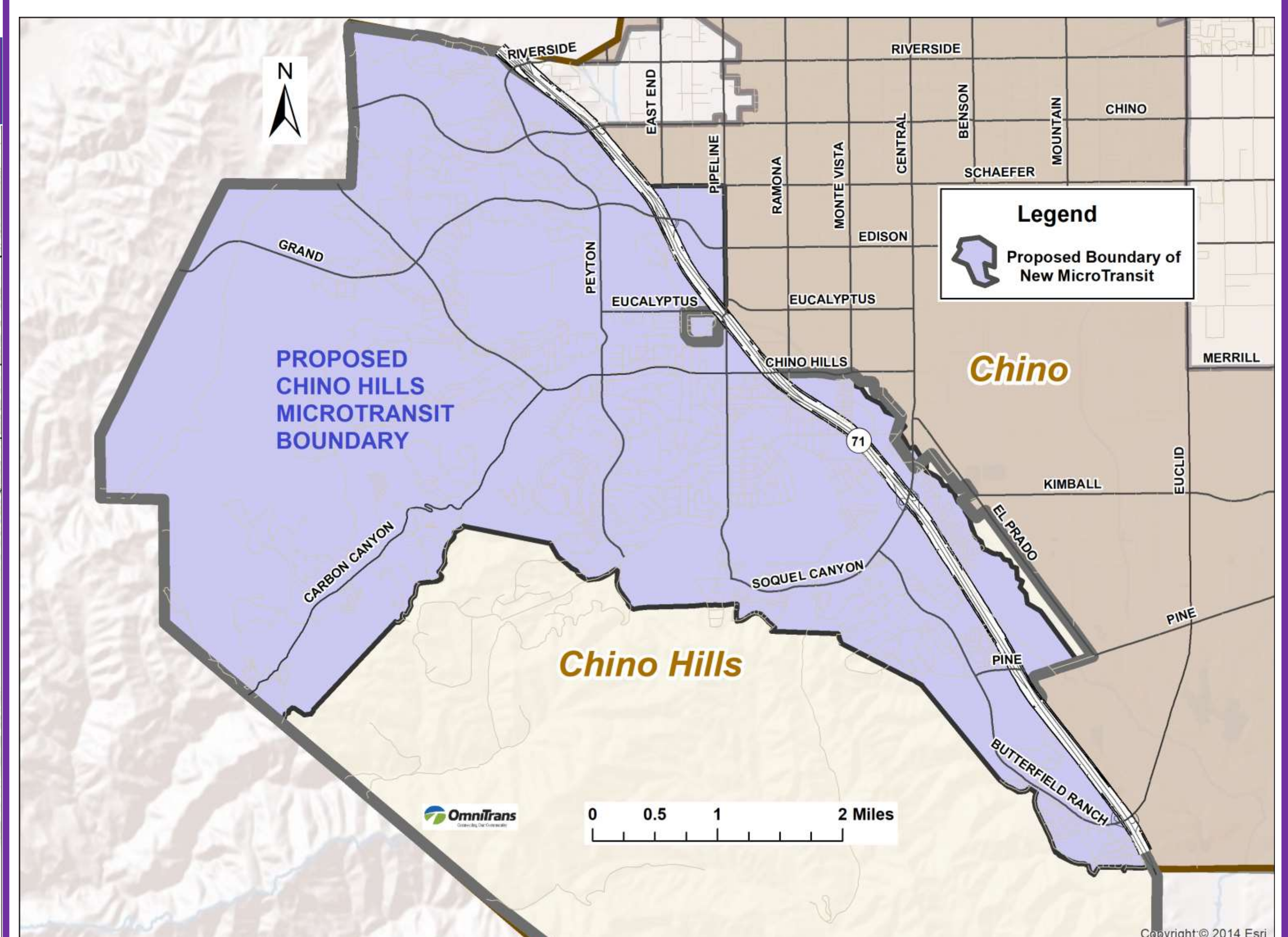
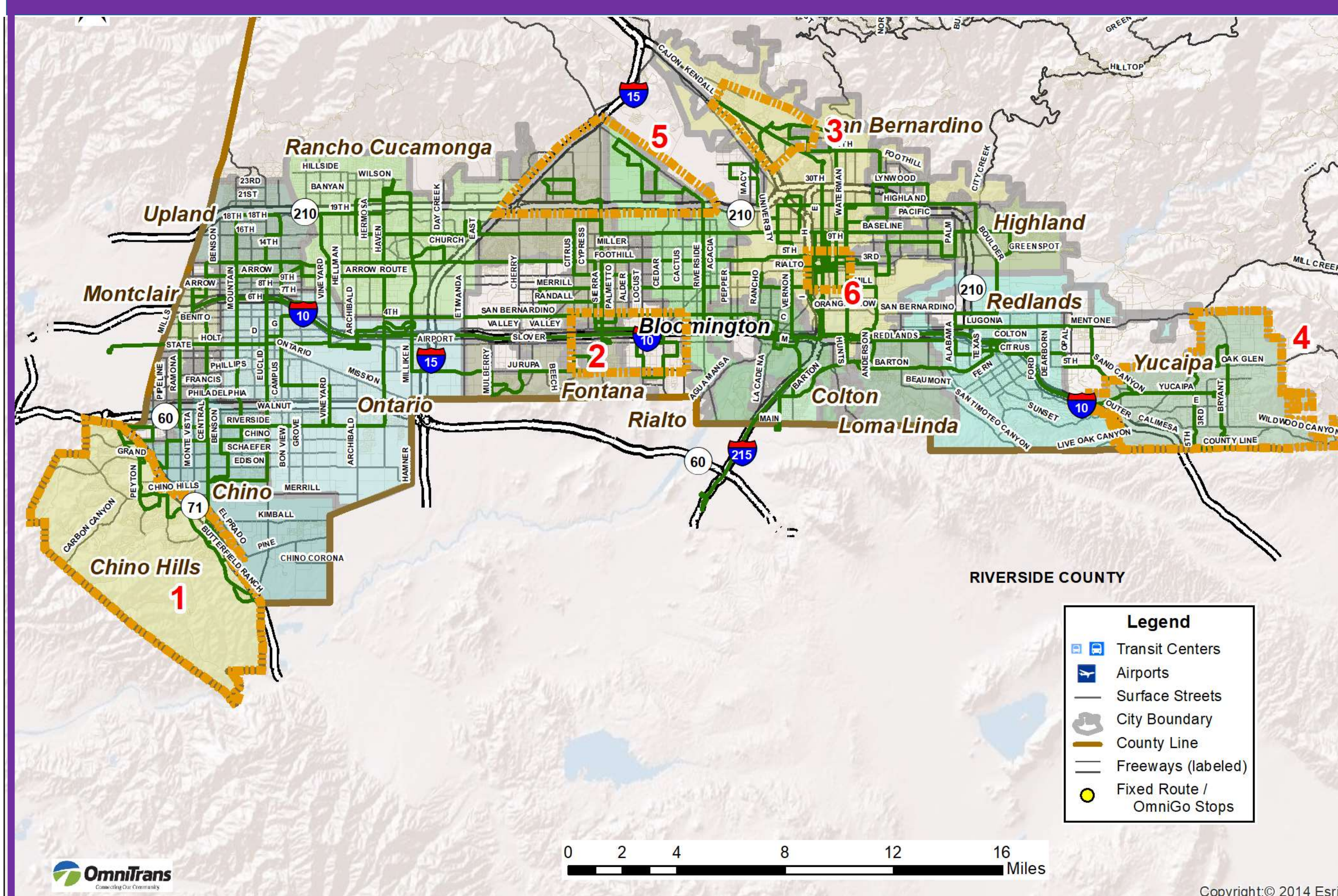
MicroTransit Pilot Program

MicroTransit is a general public curb-to-curb pick-up to drop-off service that is technology enabled and uses a mobile phone app to request service. This is similar to an agency operated Uber or Lyft Service. Can provide both General Public and ADA service.

First MicroTransit Pilot: Chino Hills

Proposed MicroTransit to replace OmniGo 365. Weekdays only, 6am-6pm. \$5 per trip. Free Transfer to Fixed Route.

Potential Pilot Areas



ITEM # F3

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

FROM: Erin Rogers, Interim CEO/General Manager

SUBJECT: OMNITRANS TRANSIT DISTRICT LEGISLATION (AB 1457)

FORM MOTION

Provide direction regarding Omnitrans Transit District Legislation (AB1457).

BACKGROUND

Starting in February 2017 the Omnitrans Executive Committee and Board of Directors began discussing the governance structure of the Agency and risk mitigation options related to Omnitrans' role as future manager of the contract that would provide for the operations and maintenance of the Redlands Passenger Rail Service (Arrow). As a result of this review, it was determined and unanimously approved by the Omnitrans Board of Directors that changing the structure of Omnitrans from a Joint Powers Authority (JPA) to a statutorily created entity would be the most effective means of eliminating the risk of potential tort liability to member entities of the Omnitrans JPA.

Since that time, several Board discussions and actions have taken place:

- On March 1, 2017 the Omnitrans Board of Directors unanimously approved moving forward to pursue a bill author. Assembly Member Marc Steinorth later agreed to sponsor the bill (AB 548). This issue was further discussed at the April 5, 2017 Board of Directors meeting. Due to concerns raised by the San Bernardino County Transportation Authority (SBCTA) regarding taxing authority, the Board took action to suspend the process until the issues were resolved and there was consensus and clear direction moving forward.
- On June 6, 2018 review of draft special legislation to change Omnitrans from a JPA to a statutorily created special transit district was again brought before the Board of Directors. At that time, it was requested that this item be brought back to the Board in the Fall for final approval. It was also noted that an added benefit of the bill would be to protect member agencies from potential CalPERS retirement liabilities of Omnitrans.
- The proposed legislation was subsequently brought before the Board on October 3, 2018 for approval; the motion was passed unanimously.

- The Board directed staff to work with Legal Counsel and the Legislative Analyst to identify a bill author and to work with SBCTA staff to develop a Memorandum of Understanding (MOU) to address the concerns related to taxing authority. An MOU was successfully negotiated with SBCTA which addressed these concerns and was executed by the parties.
- In February 2019, Assembly Member Reyes introduced Assembly Bill (AB) 1457, an act to add Part 19 (commencing with Section 108000) to Division 10 of the Public Utilities Code, relating to transportation, to create the Omnitrans Transit District.
- An update was provided to the Omnitrans Executive Committee on April 5, 2019. The Committee authorized the CEO/General Manager to work with General Counsel and Legislative Advocate to review and negotiate requested amendments to the legislation.

AB 1457 was considered by the State Local Government Committee on April 10, 2019. Omnitrans' Legislative Advocate received requested amendments to the legislation from the Committee Chair's representative. The requested amendments related to items such as Board member stipends, Public Contracting Code for competitive bidding, and changes requested by the California Local Agency Formation Commission (CALAFCO). All requested amendments were addressed. The most current version of AB 1457, as published by the State Legislative Counsel, is attached to this agenda report. (Attachment A).

The bill continued to successfully move through the State legislative committees; the Assembly Transportation Committee on May 30, 2019 and the Senate Transportation Committee on June 25, 2019.

Assembly Member Reyes office notified Omnitrans Legislative Analyst that concerns were raised regarding the bill by individual Omnitrans Board members as well as Senator Connie Leyva's office. In response to these concerns, on June 28, 2019 Assembly Member Reyes held a phone conference with representatives from Omnitrans, SBCTA, and the City of Ontario. Due to the issues raised, the Assembly Member decided to park the bill in Policy Committee and make the bill a two-year bill. She reiterated her understanding of the necessity of the bill and requested that Omnitrans provide an update regarding the status of the concerns that have been raised.

At the July 10, 2019 Board of Directors meeting there was a robust discussion regarding this issue. During the discussion, there was significant focus on the financial sustainability of the Agency.

To address the financial issue, in April 2019 the Board approved a staff recommendation to form an Ad Hoc Committee comprised of members of the Omnitrans and SBCTA Board of Directors. The Ad Hoc Committee met three times and directed Omnitrans and SBCTA staff to meet to develop a plan to address the long-term financial sustainability of the Agency. Two meetings were held, and a plan was developed which includes service reductions and revenue increases. The proposed plan includes reducing service levels to better align service with recent ridership trends and available revenue. SBCTA staff concurs with the proposed service reductions and recommended an adjustment in the revenue forecast. The revenue increase was unanimously approved by the SBCTA Transit Committee on August 15, 2019 and by the SBCTA Board on September 4, 2019. This combination of service reductions and revenue increases ensures

Omnitrans is operationally sustainable through 2040. Furthermore, this plan addresses the capital funding deficit through the Short-Range Transit Plan period (FY2021-2025). The capital deficit beyond this period will be addressed through the Countywide Electrification Study currently underway and the Long-Range Transit Plan (LRTP). Both efforts are led by SBCTA.

On August 26, 2019 the proposed plan was presented to the Ad Hoc Committee. After thorough review and thoughtful discussion, the Ad Hoc Committee unanimously approved the staff recommendation to implement the plan as presented. This recommendation resulted in the development of a service reduction and realignment plan, ConnectForward, which was ultimately approved by the Omnitrans Executive and Plans and Programs Committee in October and Board of Directors in November. The required public outreach for the service changes will begin in January and the refined proposals will be brought back to the Board in April, with changes scheduled to be implemented in September 2020.

ANALYSIS

After the development and approval of a plan to ensure Omnitrans operational sustainability through 2040 and in consideration of the timing of the upcoming legislative session, an item was brought before the Board of Directors at its' September meeting with a staff recommendation to reaffirm support for AB1457. At that time, there was not consensus on the Board regarding the disposition of moving the bill forward and the item was tabled. Considering the upcoming deadlines associated with the legislative sessions, it is necessary to update Assembly Member Reyes on the status of the Board position.

Since the last Board discussion, two significant issues have been brought forward to the SBCTA and Omnitrans Boards:

- SBCTA/Omnitrans Consolidation Study – The SBCTA Board of Directors directed SBCTA staff to conduct a study to evaluate consolidation of the two agencies. The study is scheduled to begin in January 2020 and is anticipated to take approximately one year.
- Proposed Change of Arrow Operator from Omnitrans to the Southern California Regional Rail Authority (SCRRA) – On December 12, 2019 the SBCTA Transit Committee approved the staff recommendation to transfer the operation and maintenance of the Arrow service from Omnitrans to SCRRA. This item will be on the January 8, 2020 SBCTA Board of Directors agenda for consideration. On December 13, 2019 The Metrolink Board of Directors approved staff recommendation to expand SCRRA's role on the project to include operations and maintenance.

CONCLUSION

Based on the information provided, provide direction regarding Omnitrans Transit District Legislation (AB1457) and update Assembly Member Reyes on the status of the Board position.

ER

Attachment A: Assembly Bill No. 1457


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AB-1457 Omnitrans Transit District. (2019-2020)

SHARE THIS:



Date Published: 05/24/2019 09:00 PM

AMENDED IN ASSEMBLY MAY 24, 2019

AMENDED IN ASSEMBLY APRIL 11, 2019

CALIFORNIA LEGISLATURE— 2019–2020 REGULAR SESSION

ASSEMBLY BILL

NO. 1457

Introduced by Assembly Member Reyes

February 22, 2019

An act *to amend Section 22050 of, and to add Article 22 (commencing with Section 20360) to Chapter 1 of Part 3 of Division 2 of, the Public Contract Code, and to add Part 19 (commencing with Section 108000) to Division 10 of the Public Utilities Code, relating to transportation.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1457, as amended, Reyes. Omnitrans Transit District.

Existing law creates various transit districts throughout the state, with specified powers and duties relative to providing public transit services.

This bill would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and specified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district. The bill would require the district to succeed to the rights and obligations of the existing Omnitrans Joint Powers Authority and would dissolve that authority. The bill would require the transfer of assets from the authority to the district. The bill would provide for a governing board composed of representatives of governing bodies within the county and would specify voting procedures for the taking of certain actions by the board. The bill would specify the powers and duties of the board and the district to operate transit services, and would authorize the district to seek voter approval of retail transactions and use tax measures and to issue revenue bonds. The bill would enact other related provisions. By imposing requirements on the district and affected local agencies, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. *Article 22 (commencing with Section 20360) is added to Chapter 1 of Part 3 of Division 2 of the Public Contract Code, to read:*

Article 22. Omnitrans Transit District

20360. *The provisions of this article shall apply to contracts by the Omnitrans Transit District, as provided for in Part 19 (commencing with Section 108000) of Division 10 of the Public Utilities Code.*

20361. *Contracts for the construction of transit works or transit facilities in excess of ten thousand dollars (\$10,000) shall be awarded to the lowest responsible bidder after competitive bidding, except in an emergency declared by the vote of 15 members of the board of directors of the district. In the case of an emergency, if notice for bids to let contracts will not be given, the board of directors shall comply with Chapter 2.5 (commencing with Section 22050).*

SEC. 2. *Section 22050 of the Public Contract Code is amended to read:*

22050. (a) (1) In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.

(2) Before a governing body takes any action pursuant to paragraph (1), it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

(b) (1) The governing body, by a four-fifths vote, may delegate, by resolution or ordinance, to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer, the authority to order any action pursuant to paragraph (1) of subdivision (a).

(2) If the public agency has no county administrative officer, city manager, chief engineer, or other nonelected agency officer, the governing body, by a four-fifths vote, may delegate to an elected officer the authority to order any action specified in paragraph (1) of subdivision (a).

(3) If a person with authority delegated pursuant to paragraph (1) or (2) orders any action specified in paragraph (1) of subdivision (a), that person shall report to the governing body, at its next meeting required pursuant to this section, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.

(c) (1) If the governing body orders any action specified in subdivision (a), the governing body shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action. If the governing body meets weekly, it may review the emergency action in accordance with this paragraph every 14 days.

(2) If a person with authority delegated pursuant to subdivision (b) orders any action specified in paragraph (1) of subdivision (a), the governing body shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless a person with authority delegated pursuant to subdivision (b) has terminated that action ~~prior to~~ *before* the governing body reviewing the emergency action and making a determination pursuant to this subdivision. If the governing body meets weekly, it may, after the initial review, review the emergency action in accordance with this paragraph every 14 days.

(3) When the governing body reviews the emergency action pursuant to paragraph (1) or (2), it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.

(d) As used in this section, "public agency" has the same meaning as defined in Section 22002.

(e) A three-member governing body may take actions pursuant to subdivision (a), (b), or (c) by a two-thirds vote.

(f) This section applies only to emergency action taken pursuant to Sections 20134, 20168, 20205.1, 20213, 20223, 20233, 20253, 20273, 20283, 20293, 20303, 20313, 20331, ~~20361~~, 20567, 20586, 20604, 20635, 20645, 20682, 20682.5, 20736, 20751.1, 20806, 20812, 20914, 20918, 20926, 20931, 20941, 20961, 20991, 21020.2, 21024, 21031, 21043, 21061, 21072, 21081, 21091, 21101, 21111, 21121, 21131, 21141, 21151, 21161, 21171, 21181, 21191, 21196, 21203, 21212, 21221, 21231, 21241, 21251, 21261, 21271, 21290, 21311, 21321, 21331, 21341, 21351, 21361, 21371, 21381, 21391, 21401, 21411, 21421, 21431, 21441, 21451, 21461, 21472, 21482, 21491, 21501, 21511, 21521, 21531, 21541, 21552, 21567, 21572, 21581, 21591, 21601, 21618, 21624, 21631, 21641, and 22035.

SECTION 4. SEC. 3. Part 19 (commencing with Section 108000) is added to Division 10 of the Public Utilities Code, to read:

PART 19. Omnitrans Transit District
CHAPTER 1. General Provisions

108000. This part shall be known and may be cited as the Omnitrans Transit District Act.

108001. It is the intent of the Legislature in enacting this part to provide for a unified, comprehensive institutional structure for the ownership and governance of a transit system within the County of San Bernardino to develop, provide, operate, and administer public transportation. It is further the intent of the Legislature that the district established by this act shall succeed to the powers, duties, obligations, liabilities, immunities, and exemptions of Omnitrans, a joint powers authority formed pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code), upon its dissolution.

108002. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Part 1 (commencing with Section 56000) of Division 3 of Title 5 of the Government Code) shall not apply to the formation ~~or dissolution~~ of the district.

CHAPTER 2. Definitions

108010. Unless the context otherwise requires, the provisions of this section govern the construction of this part.

(a) "Board of directors," "board," and "directors," means the board of directors of the district.

(b) "Board of supervisors" means the Board of Supervisors of the County of San Bernardino.

(c) "City" means, individually, the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and any other city within the County of San Bernardino that joins as a member of the district as set forth in this part.

(d) "County" means, individually, the County of San Bernardino, and any other county which is annexed, in whole or in part, to the district as provided in this part.

(e) "District" means the Omnitrans Transit District.

(f) "Establish" includes establish, construct, complete, acquire, extend, or reroute. It does not, however, include the maintenance and operation of any existing system acquired by the district.

(g) "Indebtedness" means bonds, notes, or other evidences of indebtedness, and all other obligations, ~~instruments~~ *instruments*, and agreements which are issued or incurred by or on behalf of the district pursuant to any other law to finance the lease, acquisition, construction, or improvement of a public improvement or working capital needs.

(h) "Omnitrans JPA" means the joint powers authority formed pursuant to the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code) through that certain joint powers agreement titled "Amended and Restated Joint Powers Agreement between the County of San Bernardino and the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa Creating a County Wide Transportation Authority to be Known as 'Omnitrans,'" dated July 1, 2016.

(i) "Person" includes any individual, firm, partnership, association, corporation, limited liability company, trust, business trust, or the receiver or trustee or conservator for any of these, but does not include a public agency, as defined in subdivision (j).

(j) "Public agency" includes the State of California, and any county, city, district, or other political subdivision or public entity of, or organized under the laws of, this state, or any department, instrumentality, or agency thereof.

(k) "Revenues," unless otherwise defined, means all rates, fares, tolls, rentals, fees, charges, or other income and revenue actually received or receivable by, or for the account of, the district from the operation of the system, including, but not limited to, interest allowed on any moneys or securities, any profits derived from the sale of any securities, any consideration in any way derived from any properties owned, operated, or at any time maintained by the district, and all local, state, or federal funds received by the district.

(l) "SB LAFCO" means the local agency formation commission for the County of San Bernardino.

~~(m)~~

(m) "System" means all transit works and transit facilities owned or held, or to be owned or held, by the district for transit purposes.

~~(n)~~

(n) "Transit" and "transit service" means the transportation of passengers and their incidental baggage by any means.

~~(o)~~

(o) "Transit works" or "transit facilities" means any or all real and personal property, equipment, rights, facilities, title, or interests owned, or to be acquired, by the district for transit service or purposes for the operation thereof.

~~(p)~~

(p) "Voter" means any elector who is registered under the Elections Code.

CHAPTER 3. Formation of District

108030. (a) There is hereby created the Omnitrans Transit District, comprising the territory lying within the boundaries of the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and the territory described in subdivision (b), and other cities that subsequently qualify as members pursuant to the requirements set forth in Section 108032.

(b) (1) The unincorporated areas of the County of San Bernardino lying within the following census tracts are also part of the district:

6071000303, 6071000304, 6071000401, 6071000403, 6071000404, 6071000821, 6071002204, 6071002401, 6071002402, 6071002501, 6071002502, 6071002706, 6071003301, 6071003302, 6071003403, 6071003405, 6071003606, 6071004001, 6071004003, 6071004101, 6071004103, 6071004104, 6071004507, 6071006100, 6071006204, 6071006302, 6071006601, 6071007403, 6071007800, 6071008601, 6071008602, and 6071008706.

(2) The census tracts described in paragraph (1) are based on data from the 2014 American Community Survey (ACS) for the State of California on file with the Bureau of the Census, Department of Commerce, Washington, D.C.

108031. Through compliance with the provisions for annexation, the territory of all or part of any other contiguous city or county may be included within the district.

108032. Any city within the County of San Bernardino, other than a city specifically listed in Section 108030 that is already included in the district at its formation, may join as a member of the district upon approval by its city council of a resolution approving the city's joining as a ~~member and~~ *member*, a resolution of the district's board approving the joining of the new ~~member.~~ *member, and upon approval of SB LAFCO.*

108033. (a) On and after January 1, 2020, Omnitrans JPA shall be dissolved and without the necessity of any further action, the district shall succeed to any or all obligations, liabilities, indebtedness, bonded and otherwise, immunities, and exemptions of Omnitrans JPA and its board of directors.

(b) Upon the dissolution of Omnitrans JPA and without the necessity of any further action, the district shall assume the rights and obligations of Omnitrans JPA under any contract to which Omnitrans JPA is a party and which is to be performed, in whole or in part, on or after the date of dissolution of Omnitrans JPA.

(c) Upon the dissolution of Omnitrans JPA and without the necessity of any further action, all real and personal property owned by Omnitrans JPA shall be transferred to the district.

(d) On and after the date of dissolution of Omnitrans JPA, any reference in any law or regulation to Omnitrans JPA shall be deemed to refer to the district.

CHAPTER 4. Government of District

108040. The district shall be governed by a board of directors. All powers, privileges, and duties vested in or imposed upon the district shall be exercised and performed by and through the board of directors, except that the exercise of all executive, administrative, and ministerial power may be delegated and redelegated by the board of directors to any of the offices, officers, or committees created pursuant to this chapter or created by the board of directors acting pursuant to this chapter.

108041. The board of directors shall consist of 19 members as follows:

(a) The board shall be composed of one primary representative selected by the governing body of each city that is a member of the district and four members of the board of supervisors to serve until recalled by the governing body of the city or county. Each director shall be a mayor, councilperson, or supervisor of the governing body that selected that person. Vacancies shall be filled in the same manner as originally selected.

(b) Each city and the county shall also select in the same manner as the primary or secondary representative, if applicable, one alternate to serve on the board when the primary representative is not available. Whenever the alternate director serves on the board, the alternate director shall have all the powers of a regular director.

(c) The board may allow for the appointment of advisory representatives to sit with the board but in no event shall advisory representatives be allowed a vote.

(d) The board may increase the number of board members, or change the method of selection of board members, by resolution, to accommodate new member cities that join the district pursuant to Section 108032.

108042. The board, at its first meeting, and biennially thereafter at the first meeting in June, shall elect a chairperson who shall preside at all meetings, and a vice chairperson who shall preside in the absence of the chairperson. The chairperson and the vice chairperson shall serve two-year terms. Notwithstanding the foregoing, the vice chairperson shall become chairperson for the subsequent two-year term in the absence of a vote by the board of directors to the contrary. If the chairperson and vice chairperson are absent or unable to act, the members present, by an order entered in the minutes, shall select one of their members to act as chairperson pro tem, who, while so acting, shall have all the authority of the chairperson.

108043. The officers of the board shall consist of the members of the board of directors, the chairperson and vice chairperson of the board, a secretary, a general manager, a general counsel, and any other officers that the board deems necessary and provides for in its bylaws, or by ordinance or resolution.

108044. The board shall appoint and fix the salary of a general manager who shall have full charge of the acquisition, construction, maintenance, and operation of the facilities of the district, and of the administration of the business affairs of the district.

108045. (a) The board of directors shall do all of the following:

(1) Adopt bylaws for its procedures consistent with the laws of the state.

(2) Adopt an annual budget.

(3) Adopt a conflict-of-interest code.

(4) Adopt priorities reflecting the district's goals.

(5) Do any and all things necessary to carry out the purposes of this part.

(b) Each member of the board shall receive compensation, as determined by the board, in an amount not to exceed one hundred twenty-five dollars (\$125) for attending each meeting of the board and each committee meeting, not to exceed a total of five hundred dollars (\$500) in any month, and shall receive their actual and necessary expenses incurred in the performance of their duties.

108046. A majority of the board or of a standing committee of the board entitled to vote constitutes a quorum for the transaction of business. All official acts of the board or a standing subcommittee of the board require the affirmative vote of a majority of the board or committee members present.

108047. The acts of the board shall be expressed by motion, resolution, or ordinance.

108048. All meetings of the board shall be conducted in the manner prescribed by the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code).

CHAPTER 5. Powers and Functions of the District

Article 1. Corporate and General Powers of the District

108050. The district shall have the power to own, operate, manage, and maintain a public transit system and associated facilities, and, in the exercise of the power under this part, the district is authorized in its own name to exercise all rights and powers, expressed or implied, that are necessary to carry out the purposes and intent of this part, including, but not limited to, the power to do all of the following:

- (a) Sue and be sued.
- (b) Employ agents and employees, contract for services, and define the qualifications and duties for agents, employees, and contractors.
- (c) Enter into and perform all necessary contracts.
- (d) Adopt a seal and alter it at the district's pleasure.
- (e) Enter joint powers arrangements with other entities.
- (f) Appoint advisory, standing, or ad hoc committees as it deems necessary.
- (g) Enact ordinances, resolutions, policies, and guidelines.
- (h) Acquire, convey, construct, manage, maintain, and operate buildings and improvements, equipment, and assets of the district.
- (i) Acquire, convey, and dispose of real and personal property, easements, and licenses.
- (j) Adopt a conflict-of-interest code.
- (k) Acquire by the exercise of the power of eminent domain or otherwise, or hold, lease, sublease, sell, or otherwise dispose of any real or personal property, tangible or intangible, equipment, and facilities.
- (l) Create and administer funds and the distribution of those funds.
- (m) Create and enact taxes, fees, fares, and penalties, as permitted by law.
- (n) Advocate on behalf of the district.
- (o) Develop and pursue ballot measures.
- (p) Enforce criminally or civilly, as applicable, any and all ordinances, resolutions, and policies as permitted by law.
- (q) Issue, incur, and encumber indebtedness. The debts, obligations, and liabilities incurred by the district shall not be, nor shall they be deemed to be, debts, encumbrances, obligations, or liabilities of any member.
- (r) Invest money in the district treasury that is not needed for immediate necessities, as the board determines advisable, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the Government Code.
- (s) Pursue collection of obligations owed to the district.
- (t) Exercise the right and power of eminent domain to take any property necessary or convenient to the exercise of the powers granted in this part.
- (u) Subject to applicable law, provide transportation services or facilities outside the district's jurisdictional boundaries if a finding is made by the board that those services or facilities benefit the citizens or users of the transportation service or facilities.

(v) Do and undertake any and all other acts reasonable and necessary to carry out the purposes of this part.

108051. All claims for money or damages against the district are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, except as provided herein or by other statutes or regulations expressly applicable thereto.

108052. The purchase of all services, supplies, equipment, and materials, and the construction of facilities and works, by the district, shall be done in the same manner and procedure, and subject to the same limitations, that apply to the County of San Bernardino pursuant to current state law, or as may be subsequently amended.

Article 2. Contracts

108060. The district may make contracts and enter into stipulations of any nature whatsoever, employ labor, and do all acts necessary and convenient for the full exercise of the powers granted in this part.

108061. The district may contract with any department or agency of the federal government, with any public agency, or with any person upon terms and conditions as determined to be in the best interest of the district.

108062. The Legislature finds and declares that there is a compelling interest in ensuring that all federal, state, local, and private funds available to the district are captured and used in a timely manner. In order to maximize the use of federal, state, local, and private funds and to maintain a competitive posture in seeking supplemental federal funds, the district shall have the authority to establish and use a flexible contracting process to maximize efficient use of public funds.

108063. The district may insure against any accident or destruction of the system or any part of the system. The district may insure against loss of revenues from any cause whatsoever. It may provide, in the proceedings authorizing the issuance of any bonds, for the carrying of insurance in such amount and of such character as may be specified, and for the payment of the premiums thereon. The district may also provide insurance as provided in Part 6 (commencing with Section 989) of Division 3.6 of Title 1 of the Government Code.

Article 3. Transit Facilities and Services

108070. The district may provide transit ~~service~~ *services* for the transportation of passengers and their incidental baggage by any means, including, but not limited to, through the operation of buses, specialized transit vehicles, and passenger rail service.

108071. The district may lease or contract for the use of its transit facilities, or any portion of its transit facilities, to any operator, and may provide for subleases by the operator upon any terms and conditions it deems in the public interest. As used in this section, "operator" means any public agency or person.

108072. Subject to any applicable obligation to meet and confer with public employee organizations, the district may contract with any public agency or person to provide transit facilities and services for the district.

108073. (a) The district may construct and operate or acquire and operate transit works and facilities in, under, upon, over, across, or along any state or public street or highway or any stream, bay, or watercourse, or over any of the lands that are the property of the state, to the same extent that those rights and privileges appertaining thereto are granted to municipalities within the state.

(b) Before constructing or acquiring transit works and facilities pursuant to subdivision (a), planning staff of the district shall meet and confer with planning staff of the San Bernardino County Transportation Authority regarding the proposed transit works or facilities to avoid duplication of efforts, to assess financial feasibility of ongoing operations and maintenance, and to maximize resources for transit planning and implementation.

108074. The district may enter into agreements for the joint use of any property and rights by the district and any public agency or public utility operating transit facilities, and may enter into agreements with any public agency or public utility operating any transit facilities, and wholly or partially within or without the district, for the joint use of any property of the district or of the public agency or public utility, or the establishment of through routes, joint fares, transfer of passengers, or pooling arrangements.

Article 4. Taxation, Fees, and Indebtedness

108080. (a) The district may levy a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the county located in the district in accordance with this article and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code. The ordinance shall only become effective if adopted by a two-thirds vote of the board and subsequently approved by the electors voting on the measure at a special election called for the purpose by the board of supervisors or at any regular election.

(b) The tax ordinance shall take effect at the close of the polls on the day of election at which the proposition is adopted. The initial collection of the transactions and use tax shall take place in accordance with subdivision (e) below.

(c) If, at any time, the voters do not approve the imposition of the transactions and use tax, this chapter remains in full force and effect. The board may, at any time thereafter, submit the same, or a different, measure to the voters in accordance with this chapter.

(d) The board, in ordinance shall state the nature of the tax to be imposed, the tax rate or the maximum tax rate, the purposes for which the revenue derived from the tax will be used, and may set a term during which the tax will be imposed. Tax revenues shall be used only for public transit purposes of the district, including administration of this part and legal actions related thereto. The ordinance shall contain an expenditure plan that shall include an allocation of revenues.

(e) Any transactions and use tax ordinance adopted pursuant to this article shall be operative on the first day of the first calendar quarter commencing more than 150 days after adoption of the ordinance.

(f) Before the operative date of the ordinance, the district shall contract with the California Department of Tax and Fee Administration to perform all functions incidental to the administration and operation of the ordinance. The costs to be covered by the contract may also include services of the types described in Section 7272 of the Revenue and Taxation Code for preparatory work up to the operative date of the ordinance. Disputes as to the amount of the costs shall be resolved in the same manner as provided in that section.

(g) The district, subject to the approval of the voters, may impose a maximum tax rate of one-half of 1 percent under this article and Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code. The district shall not levy the tax at a rate other than one-half or one-fourth of 1 percent unless specifically authorized by the Legislature.

(h) Before adopting an ordinance pursuant to this section, the district shall obtain the approval by resolution of the board of the San Bernardino County Transportation Authority of the proposed tax.

(i) (1) The district may annually review and propose amendments to the expenditure plan contained in a transaction and use tax ordinance adopted pursuant to this article to provide for the use of additional federal, state, and local funds, to account for unexpected revenues, or to take into consideration unforeseen circumstances.

(2) The district shall notify the board of supervisors and the city council of each city in the district and provide them with a copy of the proposed amendments.

(3) The proposed amendments shall become effective 45 days after notice is given.

(j) As used in this section, "public transit purposes" includes the public transit responsibilities under the jurisdiction of the district as well as any repair, redesign, or ongoing maintenance of a district facility, any right-of-way upon which transit is intended to travel, or any bikeway, bicycle path, sidewalk, trail, pedestrian access, or pedestrian accessway, and all costs and expenses related thereto.

108081. The district may impose and administer fees and administer other funding sources secured for transportation system operation, maintenance, and improvement.

108082. The board may set fares for public transit service by resolution.

108083. As an alternative procedure for the raising of funds, the district may issue bonds, payable from revenues of any facility or enterprise to be acquired or constructed by the district, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), all of the provisions of which apply to the district.

108084. (a) (1) The district is a local agency within the meaning of the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code).

(2) The term "enterprise" as used in the Revenue Bond Law of 1941 shall, for all purposes of this part, include transit facilities and any and all parts of transit facilities, and all additions, extensions, and improvements thereto, and all other facilities authorized to be acquired, constructed, or completed by the district.

(3) The district may issue revenue bonds under the Revenue Bond Law of 1941, for any one or more facilities or enterprises authorized to be acquired, constructed, or completed by the district, or, as an alternative, may issue revenue bonds under the Revenue Bond Law of 1941, for the acquisition, construction, and completion of any one of those facilities.

(b) This part shall not prevent the district from availing itself of, or making use of, any procedure provided in this part for the issuance of indebtedness of any type or character for any of the facilities or works authorized under this part, and all proceedings may be carried out simultaneously or, as an alternative, as the directors may determine.

108085. The district may advocate on and act on behalf of all members with their concurrence to further the district's transit interests, funding, projects, and priorities.

108086. The district may adopt a plan for funding transit projects or operations located within its jurisdiction or outside of its jurisdiction as authorized by subdivision (u) of Section 108050, or both.

CHAPTER 6. Rights of Employees

108090. When the district acquires existing facilities, rights, and obligations of Omnitrans JPA, all of the employees of Omnitrans JPA shall be appointed to comparable positions by the district. These employees shall be given sick leave, seniority, vacation credits, and all other rights and obligations that they have with Omnitrans JPA, upon the transfer of Omnitrans JPA to the district.

108091. The district shall provide for district employee retirement benefits under the program administered by the Public Employees' Retirement System or other system permitted by law.

CHAPTER 7. Liability of Members

108100. The members, whether individually or collectively, shall not be liable for any act or omission of the district, including, but not limited to, any of the following:

- (a) Performing any and all things necessary to carry out the purposes of this part.
- (b) Any act of the district or for any act of the district's agents or employees.
- (c) The payment of wages, benefits, or other compensation to officers, agents, or employees of the district.
- (d) The payment of workers' compensation or indemnity to agents or employees of the district for injury, illness, or death.

CHAPTER 8. Detachments

108200. (a) Territory within the district may be detached from the district by a supermajority vote of the directors, which shall be at least 80 percent of the nonweighted vote of the existing board, if all pending legal and financial obligations have been ~~satisfied~~ *satisfied, and upon approval of SB LAFCO*.

(b) The detachment of territory from the district shall become effective upon giving of the notice required in Section 57204 of the Government Code, except that the detached territory shall not be relieved from liability for taxation for the payment of any bonded indebtedness existing at the time of detachment and provided that all other pending legal and financial obligations have been resolved by mutual agreement.

(c) Notice of the detachment of territory from the district shall be given to each assessor whose roll is used for a tax levy made pursuant to this part and with the State Board of Equalization pursuant to Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code.

CHAPTER 9. Annexation

108300. (a) Any territory annexed into a member city shall ~~automatically~~ be annexed into the ~~district~~ *district upon approval of SB LAFCO*. For annexation of territory in the unincorporated county into the district, the annexation shall require approval of the ~~board~~ *board and of SB LAFCO*.

(b) A city located within the County of San Bernardino that is not a member of the district may join the district pursuant to Section 108032.

CHAPTER 10. Dissolution

108400. (a) The district may be dissolved upon a supermajority vote of the directors, which shall be at least 80 percent of the nonweighted vote of the ~~board~~ *board, and approval of SB LAFCO*. However, the winding up of the district shall be conducted by the board and the general manager. The district shall not be fully dissolved and terminated until all debts, financial obligations, and liabilities are paid in full and any and all remaining assets after payment of all debts, financial obligations, and liabilities are distributed to the members.

(b) Distribution of assets to each member shall be made in the same proportion as that reflected in the accumulated capital contribution accounts from the records of the Omnitrans JPA, as shown and maintained by the district's finance director in the district's books of accounts. Cash may be distributed in lieu of property or equipment.

(c) (1) If the directors cannot agree as to the valuation of the property or to the manner of asset distribution, the question shall be submitted to arbitration, as set forth in this subdivision and the directors shall make the distribution or valuation as directed by arbitrators.

(2) Three arbitrators shall be appointed.

(3) The arbitration shall be binding and shall be conducted pursuant to Title 9 (commencing with Section 1280) of Part 3 of the Code of Civil Procedure. Any hearings shall be held within the county. All notices, including notices under Section 1290.4 of the Code of Civil Procedure, shall be given to the governing body of each member.

108401. The board shall wind up the affairs of the district.

~~SEC. 2.~~ **SEC. 4.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code and Section 6 of Article XIII B of the California Constitution.

ITEM # _____ F4

DATE: January 8, 2020

TO: Board Chair David Avila and Members of the Omnitrans Board of Directors

FROM: Erin Rogers, Interim CEO/General Manager

SUBJECT: CEO/GENERAL MANAGER'S REPORT

California Transit Indemnity Pool (CalTIP) – The Board of Directors Meeting was held on December 5-6 in San Diego. Agenda items included discussion of financial matters and safety & loss control issues.

Spark of Love Toy Drive - As we've done for more than a decade, Omnitrans proudly supported the 27th Annual KABC/Southern California Firefighters "Stuff A Bus" Spark of Love Toy Drive event held in Ontario. This wonderful annual event collects new, unwrapped toys for local underserved children; we stuffed 14 Omnitrans buses with gifts that were distributed in San Bernardino County! In addition to supplying vehicles, Omnitrans employees donate gifts and several coach operators and staff volunteer their time to help greet donors and load toys.

Director of Strategic Development, **Jeremiah Bryant** has been accepted to the **Eno Transit Senior Executive (TSE) Program**, provided by the Eno Center for Transportation. Eno provides government and industry leaders with timely research and an independent voice on policy issues. Through its professional development programs, Eno cultivates creative and visionary leadership. Jeremiah was selected through a highly competitive application process. The week-long program will be held in Alexandria, VA in March. Please join me in congratulating Jeremiah.

SBCTA/Omnitrans Consolidation Study Update – On December 17 we met with SBCTA staff to discuss the Consolidation Study. The meeting was very productive; items of discussion included scope, schedule, communication protocols and points of contact. The project kick-off meeting will be held the week of January 6.

Oscar Tostado, West Valley Maintenance Manager, retired from Omnitrans on December 30th after 34 years of service. Oscar began working for Omnitrans as a Supervisor in 1985 when West Valley was a metal shed and mechanics worked on dirt floors. Oscar worked on many important projects during his tenure including transitioning Omnitrans fleet from diesel fuel to clean alternative fuels. To honor Oscar the Maintenance Department held a retirement party on December 17th and invited the Grammy Award Winning Mariachi Divas to perform for Oscar and his family. Several retirees, family members, and employees from all departments filled the room to say their goodbyes and thank Oscar for his dedicated service to Omnitrans.

ER