



BOARD OF DIRECTORS MEETING
Wednesday, January 4, 2012 – 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 services are needed in order to participate in the public meeting, requests should be made through the Recording Secretary at least three (3) business days prior to the Board Meeting. The Recording Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY), located at 1700 West Fifth Street, San Bernardino, California.

A. CALL TO ORDER

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

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Board Meeting: Wednesday, February 1, 2012 at 8 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

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 E-7, Action on Consent Calendar.

- | | |
|---|----|
| 1. Approve Board Minutes – December 7, 2011 | 5 |
| 2. Receive & File Agency Management Report – November 2011 | 12 |
| 3. Authorize Sole Source Purchase Order – Maintenance Services for Financial & Operational Reporting Software | 22 |
| 4. Adopt Resolution No. 255-12, Authorizing Destruction of Records | 24 |



BOARD OF DIRECTORS MEETING
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E. CONSENT CALENDAR CONTINUED

- | | |
|---|----|
| 5. Claims Filed Against Omnitrans – Information Item Only | 29 |
| 6. Press Articles and Letters of Interest to the Board | 30 |
| 7. Action on Consent Calendar | |

F. DISCUSSION ITEMS

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

- | | |
|--|----|
| 1. CEO/General Manager's Report | 33 |
| 2. College Free Pass Program – Presentation | 34 |
| 3. Adopt Investment Policy Statement for 2012 | 36 |
| 4. Authorize Funding Agreement with Pomona Valley Workshop | 48 |
| 5. Authorize Release of Request for Proposals RFP-MNT12-12, Maintenance and Repair of Liquefied Compressed Natural Gas (LCNG Facilities) | 68 |
| 6. Authorize Release of Request for Proposals RFP-OPS12-14, Uniform Supply and Alteration Service | 70 |
| 7. Authorize Release – RFP-SAS12-09 – Closed Circuit Television (CCTV) Viewing Stations | 72 |
| 8. Authorize Award - Contract SAS12-06, Emergency Preparedness and Management Training | 74 |
| 9. Authorize Award - Contract HR12-04, Workers' Compensation Employer Oversight Services | 79 |
| 10. Authorize Purchase of Cisco Wireless Equipment & Implementation of Wireless Local Area Network | 85 |
| 11. Authorize Purchase of Citrix Network Virtualization Software | 87 |
| 12. Approve Fuel Delivery Service Interruption Mitigation Plan for Contract PRC11-06, Liquefied (LNG) Natural Gas Fuel | 89 |

G. CALL FOR PUBLIC OR ADVERTISED HEARING

None.

H. BOARD BUSINESS

Closed Session

Conference with Labor Negotiator, Milo Victoria, concerning unrepresented employees, pursuant to Government Code Section 54957.6

I. REMARKS AND ANNOUNCEMENTS

J. ADJOURNMENT



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: Ernesto DeGuzman, Director of Procurement *[Signature]*

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

FORM MOTION

Staff hereby provides the Omnitrans Board of Directors with a listing of principals and subcontractors associated with action items on the agenda for the January 4, 2012 Board of Director's Meeting.

Item No.	Contract	Principals & Agents	Subcontractors
E-3	Authorize Sole Source Purchase Order Maintenance Services for Financial & Operational Reporting Software	TransTrack Systems, Inc. Phoenix, AZ Mary Sue O'Melia, President	None
F-8	Authorize Award - Contract SAS12-06 Emergency Preparedness and Management Training	Willdan Homeland Solution Anaheim, CA James E. Bailey CEO/President	None
F-9	Authorize Award – Contract HR12-04 Workers' Compensation Employer Oversight Services	Occlink Salinas, CA Jerry Laval, General Manager/President	None
F-10	Authorize Purchase of Cisco Wireless Equipment & Implementation of Wireless Local Area Network	NIC Partners, Inc. Rancho Cucamonga, CA Frank Spaeth, CEO/President	None
F-11	Authorize Purchase of Citrix Network Virtualization Software	GTC Systems, Inc. San Diego, CA Keith Michael, CEO/President	None

MV:ED



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 of Directors 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 completed form to the Recording Secretary prior to leaving the meeting.

I. Board Member Information

Board Member Name	City/County Name	Meeting Date

II. Campaign Contributions

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

III. Financial Interest

1. I have a financial interest of _____, from/in _____
(State income, real property interest, or business position) (Identify company or property location)
and therefore I am abstaining from participation on Agenda Item _____, Subject: _____
2. I have a financial interest of _____, from/in _____
(State income, real property interest, or business position) (Identify company or property location)
and therefore I am abstaining from participation on Agenda Item _____, Subject: _____

IV. Signature

Board Member Signature: _____ Date: _____

Please remember you must state the information into the public record prior to consideration of the involved agenda item(s) and turn in the complete form to the Recording Secretary prior to leaving the meeting.



**BOARD OF DIRECTORS' MEETING
MINUTES
DECEMBER 7, 2011**

A. CALL TO ORDER

Chair Dick Riddell called the regular meeting of the Omnitrans Board of Directors to order at 8:00 a.m., Wednesday, December 7, 2011, at the Omnitrans Facility located at 1700 West 5th Street, San Bernardino, California.

1. Invocation
2. Pledge of Allegiance
3. Roll Call – Self-introductions were made.

BOARD MEMBERS PRESENT

Mayor Dick Riddell, City of Yucaipa – Chair
Councilmember Alan Wapner, City of Ontario – Vice Chair
Councilmember Ron Dailey, City of Loma Linda
Mayor Paul Eaton, City of Montclair
Mayor Pro Tem Paul Foster, City of Redlands
Mayor Pro Tem Lee Ann Garcia, City of Grand Terrace
Councilmember Frank Gonzales, City of Colton
Supervisor Josie Gonzales, County of San Bernardino
Councilmember Ed Graham, City of Chino Hills
Mayor Pro Tem Penny Lilburn, City of Highland
Mayor Pat Morris, City of San Bernardino
Mayor Ray Musser, City of Upland
Councilmember Ed Palmer, City of Rialto
Mayor Pro Tem John Roberts, City of Fontana
Supervisor Janice Rutherford, County of San Bernardino
Mayor Pro Tem Sam Spagnolo, City of Rancho Cucamonga
Mayor Dennis Yates, City of Chino

BOARD MEMBERS NOT PRESENT

Supervisor Brad Mitzelfelt, County of San Bernardino
Supervisor Neil Derry, County of San Bernardino
Supervisor Gary Ovitt, County of San Bernardino

OMNITRANS' ADMINISTRATIVE STAFF PRESENT

Milo Victoria, CEO/General Manager
Scott Graham, Director of Operations
Robert Miller, Chief Financial Officer
Sam Gibbs, Director of Internal Audit Services
Marge Ewing, Director of Human Resources
Ernesto DeGuzman, Director of Procurement
Rohan Kuruppu, Director of Planning & Development Services
William Tsuei, Director of Information Technology
Jeremiah Bryant, Service Planning & Scheduling Manager
Ray Maldonado, Employee Relations Manager
Maurice Mansion, Treasury Manager
Bart Hayashi, sbX Planning Manager
Debra NiCastro, Sr. Contracts Specialist
Jonathan Wu, sbX Construction Manager
Mark Crosby, Loss Prevention Supervisor
Vicki Osborne, Assistant to CEO/General Manager
Carol Angier, Administrative Secretary

OTHER

Carol Greene, Legal Counsel

B. ANNOUNCEMENTS/PRESENTATIONS

The next regular meeting is scheduled Wednesday, January 4, 2012, at 8:00 a.m.

Employee of the Quarter was presented to Fleet Safety & Training Instructor Melvin Cabang.

Operations Analyst Gabe Serna was recognized for his 35 years of service at Omnitrans. Dispatch Supervisor Scot Huffman is also a 35-year employee, but was unable to attend.

C. COMMUNICATIONS FROM THE PUBLIC

Jeff Caldwell, ATU President, stated he objected to the revised Personnel Policy 701 under agenda item F-4 as the Union has not had time to negotiate the revisions. Legal Counsel Greene said the revisions are FTA-mandated and not subject to bargaining. Unless approved by the Board, Omnitrans may lose funding from FTA. The ATU can continue talks with Omnitrans staff after the Board approves this item.

Julie Williams, Rolling Start, stated several customers would like service to Victor Valley.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

None.

E. CONSENT CALENDAR

- 1) Approve Board Minutes – October 5, 2011
- 2) Receive & File Administrative & Finance Committee Minutes – August 8, 2011 and October 11, 2011
- 3) Receive & File Planning & Productivity Committee Minutes – August 26, 2010
- 4) Receive & File Agency Management Report – October 2011
- 5) Receive & File Affirmative Action Status Report as of October 13, 2011
- 6) Adopt Board Meeting Calendar for 2012
- 7) Receive & File First Quarter Report – Fiscal Year 2012 Annual Management Plan
- 8) Receive & File Internal Audit Status Update as of August 31, 2011
- 9) Receive & File sbX Right of Way Status Update – October 2011
- 10) Receive & File College Free Pass Program Update
- 11) Claims Filed Against Omnitrans – Information Item Only
- 12) Press Articles and Letters of Interest to the Board

On motion by Member Yates, seconded by Member Eaton and carried, the Consent Calendar was approved.

F. DISCUSSION ITEMS

- 1) CEO/General Manager's Report

CEO/General Manager Victoria reviewed the CEO/General Manager's Report for October 2011. Service Planning & Scheduling Manager Bryant provided highlights of the significant increases in ridership.

- 2) Receive & File Forward Fuel Purchase Quarterly Report - Presentation

Chief Financial Officer Miller presented the quarterly report for the forward fuel purchase. Legal Counsel Greene recommended that Omnitrans ask the Board for authorization of hedging up to 180,000 gallons of fuel as opposed to a percentage.

Receive and file the quarterly report for the Forward Fuel Purchase and to hedge according to 180,000 gallons instead of a percentage. M/S/C (Morris/Palmer)

Board Member Josie Gonzales objected to the motion.

- 3) Award Contract PRC11-6, LNG Fuel and Hedge Supply; Award Purchase Agreement for Broker Services; Open Margin Account; and Approve Three Percent Overage of Current Hedge Position through January 2012

Authorize the CEO/General Manager to award Contract PRC11-06 for the provision of LNG fuel at both West Valley and East Valley to Clean Energy Corporation, of Seal Beach, California. The authorization is for approval to purchase LNG fuel at monthly natural gas index, plus fixed fees of \$.514 for the period February 1, 2012 through June

30, 2014, and the authority to exercise an option year at monthly natural gas index, plus fixed fees of \$.514, plus CPI (Consumer Price Index) for the period July 1, 2014 through June 30, 2015, at quantities necessary to operate the Omnitrans fleet. Fixed fees shall not exceed the quoted prices for the duration of the contract period; and

Authorize the CEO/General Manager to enter into an agreement with Morgan Stanley Smith Barney, of Washington, DC, for brokerage services for transactions to be executed in Omnitrans name on the NYMEX (New York Mercantile Exchange) and to open a margin account at Morgan Stanley Smith Barney for the period February 1, 2012 through June 30, 2014, and the authority to exercise an option year, for the period July 1, 2014 through June 30, 2015, the costs associated with this agreement, including the option year, will be less than \$18,500. While the exchange can adjust the margin requirements, staff estimates the initial deposit to establish the necessary margin account will be less than \$175,000. M/S/C (Yates/Palmer)

Member Josie Gonzales objected to the motion.

Member Yates requested that Omnitrans staff provide a fuel contingency plan for next month in the event Clean Energy is unable to provide the needed fuel for our facilities.

- 4) Receive and File FTA Drug & Alcohol Compliance Final Audit Report and Approve Proposed Changes to Personnel Policy 701, Substance Abuse

Receive and file the FTA Drug and Alcohol Compliance Program Final Audit Report dated September 30, 2011 and approve the proposed changes to Personnel Policy 701 Substance Abuse. M/S/C (Yates/Lilburn)

- 5) Deobligate and Reobligate FTA, STAF and LTF Funding Related to the E Street Corridor sbX BRT Project

Authorize the CEO/General Manager to de-obligate \$31,567,762 of Federal Transit Administration (FTA) funds, \$5,583,131 of State Transit Assistance (STAF) funds, and \$2,766,213 of Local Transit Funds (LTF) originally obligated for various projects that Omnitrans will delay or no longer pursue as shown in the Funding Sources section, and re-obligate these funds to the E Street Corridor sbX BRT Project. M/S/C (Eaton/Graham)

- 6) Authorize Spend Authority for Utility Deposits and Execution of Agreement for Advance Deposit of Utility Relocation Costs Between Omnitrans and Certain Private Utility Providers for sbX E Street Corridor Bus Rapid Transit Project

Authorize the CEO/General Manager to approve utility deposit amounts not to exceed the Project's utility projected costs of \$1,102,117, plus a 5% contingency of \$55,106 for a total \$1,157,223 and to sign the proposed "Utility Agreement" ("**Agreement**") specific to each affected utility company with minor modifications agreed to by parties with Omnitrans' legal counsel review. M/S/C (Roberts/Spagnolo)

- 7) Authorize Award of Contract MNT12-2 HVAC & EMS Maintenance and Repair Services

Authorize the CEO/General Manager to award Contract MNT12-2 to Ontario Refrigeration Service, Inc., of Ontario, California, for the provision of Heating, Ventilation, and Air Conditioning (HVAC) and Energy Management System (EMS) maintenance and repair services for the East Valley, West Valley, "I" Street, and Feron Boulevard facilities for a two-year base period, beginning December 19, 2011 and ending no later than December 18, 2013, and the authority to exercise three separate one-year periods to extend the contract for a total of three additional years, ending no later than December 18, 2016. The two-year base contract amount is \$132,062, option year one is \$68,548, option year two is \$70,285 and option year three is \$72,070. The total contract price is \$342,965, plus a ten percent contingency of \$34,297, for a total not-to-exceed amount of \$377,262. M/S/C (Yates/Eaton)

- 8) Authorize Award of Contract MNT12-07, Comprehensive Lease/Maintenance of Support Vehicles

Authorize the CEO/General Manager to award Contract MNT12-07 to Enterprise Fleet Management, of Ontario, CA, for the provision of Comprehensive Vehicle Lease/Maintenance Program for thirty - 2012 Ford Fusion hybrids and two - 2012 Ford F150 Super Cab Trucks, starting on December 7, 2011, and ending five years after initial delivery and acceptance of the last vehicle. Based on the proposed pricing, the cost for this acquisition is \$996,106, plus a ten percent contingency of \$99,611, and a capital allocation plan of 3.27 percent, for \$35,830 for a total not to exceed amount of \$1,131,547. M/S/C (Eaton/Spagnolo)

- 9) Authorize Award of Contract SAS12-08, Bus Stop & Amenities Solar Powered Security Lighting

Authorize the CEO/General Manager to award Contract SAS12-08 to Tolar Manufacturing Company Inc., of Corona, CA, for the provision of Bus Stop Amenities Solar Powered Security Lighting. The cost of this acquisition is \$75,730, plus a five percent contingency of \$3,787, for a total contract value of \$79,517; and

Authorize the CEO/General Manager to award Contract SAS12-08 to Urban Solar Corporation, of Victoria, British Columbia, Canada, for the provision of Bus Stop Pole Solar Powered Security Lighting. The cost of this acquisition is \$93,642, plus a five percent contingency of \$4,682, for a total contract value of \$98,324. M/S/C (Graham/Musser)

- 10) Authorization to Rescind Solicitation RFP-MKT12-1, Bus Exterior & Bus Stop Amenities Advertising; Award Extension of Contract IFB-MKT07-1, Exterior Bus Advertising

Authorize the CEO/General Manager to rescind solicitation RFP-MKT12-1, Bus Exterior & Bus Stop Amenities Advertising; and authorize the CEO/General Manager to extend contract IFB-MKT07-1, Exterior Bus Advertising to CBS Outdoors Group, Inc. of New York, New York, for one year, starting January 1, 2012 and ending December 31, 2012. This revenue contract will provide \$650,000 for the one-year term. M/S/C (Palmer/J. Gonzales)

- 11) Authorize Sole-Source Purchase – Annual Software Maintenance Agreement for SAP Enterprise Resource Planning System

Authorize the CEO/General Manager to issue a sole-source purchase order to SAP Public Services of Palo Alto, CA, for the purchase of an annual Software Maintenance Agreement (SMA) for Omnitrans' SAP Enterprise Resource Planning (ERP) system. The Agreement will cover the twelve-month period beginning January 1, 2012 and ending December 31, 2012. The cost of this purchase is \$222,212.72. M/S/C (Yates/Eaton)

- 12) Authorization to Amend and Reissue of RFP-ITS11-12, Real Time Bus Arrival Prediction Information System

Authorize the CEO/General Manager to amend the scope of work and reissue solicitation RFP-ITS11-12 for services to provide design, implementation and maintenance of a Real Time Bus Arrival Prediction Information System (BAPIS). M/S/C (Morris/Palmer)

G. CALL FOR PUBLIC OR ADVERTISED HEARINGS

- 1) Close Public Hearing – Federal Financial Assistance, Federal Transit Administration Section 5307 and Section 5309 – Fiscal Year 2012

Close the Public Hearing concerning the Federal Transit Administration (FTA) §5307 and §5309 for Fiscal Year 2012 to be held at 8:00 a.m., Wednesday, December 7, 2011 at the Omnitrans Metro Facility, 1700 West Fifth Street, San Bernardino, CA 92411. M/S/C (Eaton/Roberts)

H. BOARD BUSINESS


None.

I. REMARKS AND ANNOUNCEMENTS

Member Wapner said several items on the Discussion portion of the agenda were previously discussed at the Administrative & Finance Committee, which he chairs. He said these items should be on the Consent Calendar from now on, and Board Members can pull them if they wish to discuss it. The remainder of the Board agreed.

J. ADJOURNMENT

The Board adjourned at 9:15 a.m. The next regular meeting is January 7, 2012 at 8:00 a.m. with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.



Carol Angier, Recording Secretary



November 2011
FISCAL YEAR 2012

Agency Results

Operating Revenue

November total Operating Revenue of \$5,522,006 is \$71,619 under budget. Year-to-Date (YTD) Operating Revenue of \$27,695,316 is \$272,811 under budget. The negative monthly variance is driven by passenger fares and non-transportation revenue being less than planned. The YTD variance is driven by passenger fares, non-transportation revenue and capital funds for operations being lower than planned.

Operating Expense

November Operating Expense of \$5,122,699 is \$619,655 or 11% under budget. YTD Operating Expense of \$26,063,469 is \$2,646,949 or 9% under budget. The positive monthly and YTD variances are driven by labor, fringe benefits, material and supplies, services, casualty and liability all coming in under budget.

Ridership

During the month of November, Omnitrans carried a total of 1,341,129 passengers. This consisted of 1,302,912 on Fixed Route service and 38,217 on Demand Response routes. YTD Ridership is 6,783,288, which reflects a total system increase of 7.92% when compared to the same period last year.

Revenue Hours/Revenue Miles

During the month of November, Omnitrans provided a total of 64,081 revenue hours reflecting an increase of 2.51% versus the same period last year. Omnitrans logged a total of 874,777 revenue miles during the month, reflecting an increase of 4.87% when compared to same period last year. YTD Omnitrans provided a total of 329,332 revenue hours reflecting an increase of .15% versus the same period last year. Also, YTD Omnitrans logged a total of 4,470,207 revenue miles reflecting an increase of 1.48% when compared to same period last year.

Farebox Recovery Ratio

November farebox revenue for Fixed Route/Omnalink is \$1,076,400 versus \$1,249,051 for the same period last year. This is a decrease of 13.82%. The farebox recovery ratio for the month is 26.38%. YTD farebox revenue for Fixed Route/Omnalink is \$5,508,409 versus \$5,711,352 for the same period last year. This is a decrease of 3.55%. YTD farebox recovery ratio is 26.17%.

November farebox revenue for Access is \$120,787 versus \$121,131 for the same period last year. This is a decrease of .28%. Farebox recovery ratio for the month is 12.58%. YTD farebox revenue for Access is \$637,803 versus \$606,491 for the same period last year. This is an increase of 5.16%. YTD farebox recovery ratio is 13.15%.

Financials

Total Salaries and Benefits of \$3,271,024 are \$151,586 under budget for the month of November. YTD Salaries and Benefits of \$16,467,262 are \$645,785 or 4% under budget. The positive monthly and YTD variances are primarily driven by headcount being less than planned.

Total Services are \$198,741 or \$55,442 under budget in November. YTD Total Services are \$807,611 or \$463,303 under budget. The positive monthly and YTD variances are principally driven by professional services being less than planned.

Materials and Supplies are \$599,699 or \$213,129 under budget in November. YTD Materials and Supplies are \$3,222,016 or \$842,127 under budget. The positive monthly and YTD variance is principally driven by gasoline and CNG fuel being less than planned.

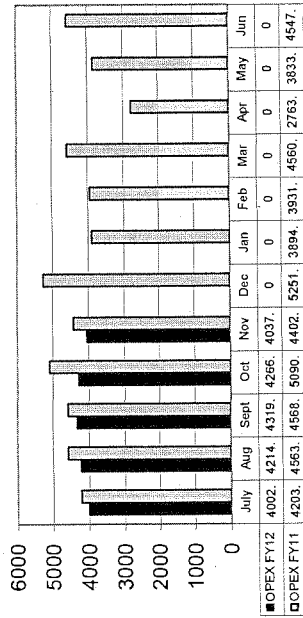
Purchased Transportation is \$720,720 or \$11,980 over budget in November. YTD Purchased Transportation is \$3,682,390 or \$138,690 over budget. The current month and YTD variance is driven by demand being up approximately 10 % over the prior year.

Other Expenses are \$332,514 or \$211,478 under budget in November. YTD Other Expenses are \$1,884,191 or \$834,424 under budget. The current month and YTD variances are primarily driven by insurance, printing and advertising, utilities and maintenance budgets all coming in under budget.

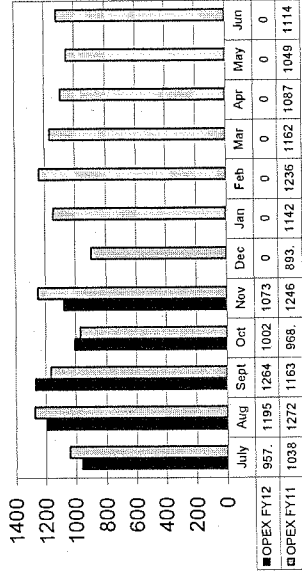
**PERFORMANCE STATISTICS
FISCAL YEAR 2012
November 2011**

	<u>Current Month</u>		<u>YR/YR inc/(dec) CURRENT</u>	<u>Year-To-Date</u>		<u>YR/YR inc/(dec) YTD</u>
	<u>Nov 2012</u>	<u>Nov 2011</u>		<u>Nov 2012</u>	<u>Nov 2011</u>	
Total Passenger Revenue & Subsidy						
Fixed Route	\$1,073,089	\$1,245,514	-13.8%	\$5,492,071	\$5,687,039	-3.4%
Demand Response	\$124,098	\$124,669	-0.5%	\$654,141	\$630,806	3.7%
Total Passengers						
Fixed Route	1,302,912	1,182,652	10.2%	6,584,026	6,099,501	7.9%
Demand Response	38,217	35,157	8.7%	199,262	185,721	7.3%
Farebox Recovery Ratio						
Fixed Route/OmniLink	26.38%	28.57%		26.17%	25.88%	
Access	12.58%	13.67%		13.15%	14.05%	
Total Passengers per Revenue Hour						
Fixed Route	26.3	23.8	10.4%	26.0	23.6	10.0%
Demand Response	2.6	2.7	-3.1%	2.6	2.7	-3.7%
Revenue per Passenger						
Fixed Route	0.82	1.05	-21.8%	0.83	0.93	-10.5%
Demand Response	3.25	3.55	-8.4%	2.61	3.40	-23.3%
Cost per Passenger						
Fixed Route	3.10	3.72	-16.7%	3.17	3.74	-15.4%
Demand Response	26.22	26.50	-1.0%	25.38	24.77	2.5%
Cost per Revenue Hour						
Fixed Route	81.55	88.72	-8.1%	82.24	88.38	-7.0%
Demand Response	68.79	71.71	-4.1%	66.14	67.04	-1.3%
	<u>Actual</u>	<u>Target</u>				
On Time Performance						
Fixed Route	85.89%	90%				
Demand Response	93.07%	90%				
Headcount (includes PT Operators)	627	644				

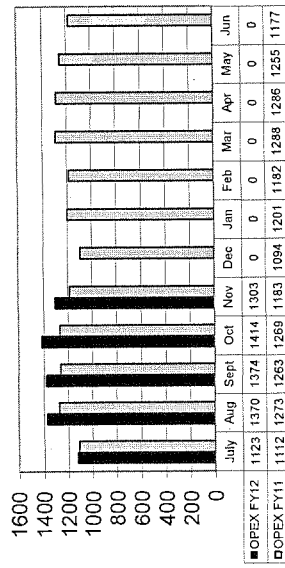
Fixed Route Operating Expense Thousands



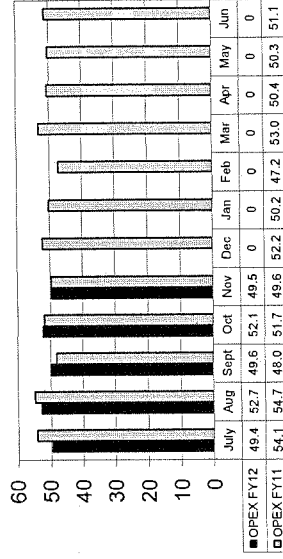
Fixed Route Passenger Revenue Thousands



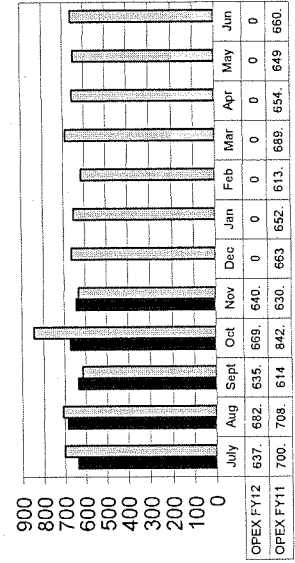
Fixed Route Ridership Thousands



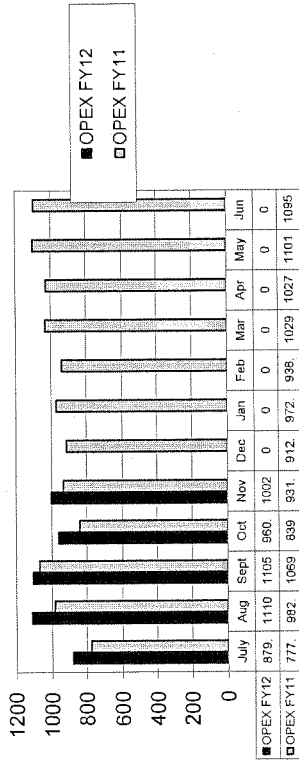
Fixed Route Revenue Hours Thousands



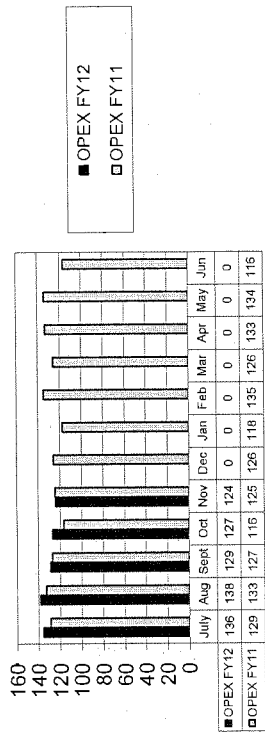
Fixed Route Revenue Miles Thousands



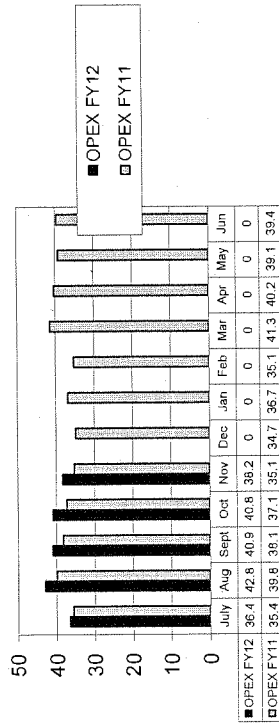
Demand Response Operating Expense Thousands



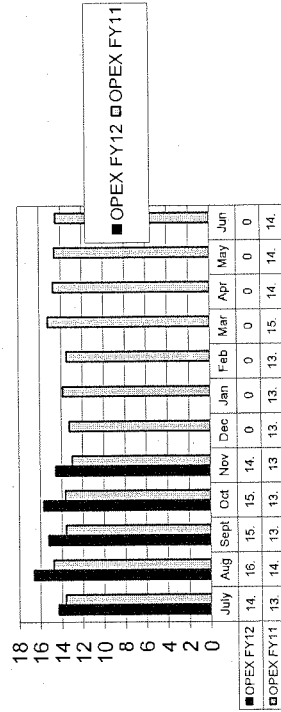
Demand Response Passenger Revenue Thousands



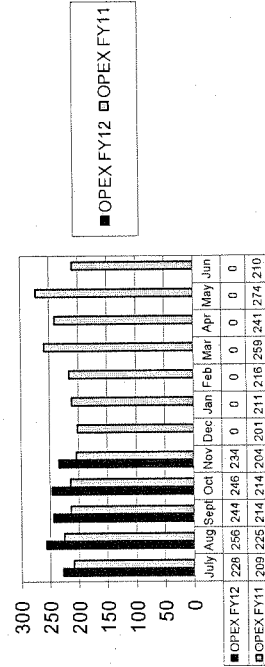
Demand Response Ridership Thousands



Demand Response Revenue Hours Thousands



Demand Response Revenue Miles Thousands



Statement of Operations

Fiscal Year: 2012

CURRENT MONTH: November 2011

YEAR-TO-DATE: November 2011

	<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unf)</u>	<u>% of Budget</u>	<u>Operating Revenues</u>	<u>Actual</u>	<u>Budget</u>	<u>Fav/(Unf)</u>	<u>% of Budget</u>
Passenger Fares	1,171,950	1,243,062	(71,113)	94%	Passenger Fares	6,011,863	6,215,312	(203,450)	97%
Measure I Subsidy - Fares	25,237	23,719	1,518	106%	Measure I Subsidy - Fares	134,349	118,596	15,754	113%
Measure I Subsidy - Operating	380,448	380,448	0	100%	Measure I Subsidy - Operating	1,902,238	1,902,238	0	100%
Auxiliary Transportation Revenue	76,915	75,417	1,498	102%	Auxiliary Transportation Revenue	412,676	377,083	35,593	109%
Non-Transportation Revenue	(41,469)	0	(41,469)	0%	Non-Transportation Revenue	(71,022)	0	(71,022)	0%
LTF Operating	2,493,008	2,493,008	0	100%	LTF Operating	12,465,040	12,465,041	(1)	100%
STAF Operating	193,020	193,020	0	100%	STAF Operating	965,098	965,098	(0)	100%
Capital Funds for Operations	1,222,899	1,184,952	37,947	103%	Capital Funds for Operations	5,875,075	5,924,759	(49,684)	99%
Total Revenues	5,522,006	5,593,625	(71,619)	99%	Total Revenues	27,695,316	27,968,127	(272,811)	99%
<u>Operating Expenses</u>									
Labor	2,174,429	2,088,146	(86,282)	104%	Labor	10,445,625	10,440,732	(4,893)	100%
Fringe Benefits	1,096,595	1,334,463	237,868	82%	Fringe Benefits	6,021,636	6,672,314	650,678	90%
Services	198,741	254,183	55,442	78%	Services	807,611	1,270,914	463,303	64%
Materials and Supplies	599,699	812,829	213,129	74%	Materials and Supplies	3,222,016	4,064,143	842,127	79%
Occupancy	217,167	232,308	15,141	93%	Occupancy	910,127	1,161,538	251,411	78%
Casualty and Liability	193,699	206,632	12,934	94%	Casualty and Liability	847,083	1,033,161	186,078	82%
Taxes and Fees	388	5,250	4,863	7%	Taxes and Fees	2,815	26,250	23,435	11%
Purchased Transportation	720,720	708,740	(11,980)	102%	Purchased Transportation	3,682,390	3,543,701	(138,689)	104%
Printing and Advertising	26,282	79,417	53,135	33%	Printing and Advertising	150,405	397,083	246,678	38%
Miscellaneous Expense	(187,993)	(16,141)	171,852	1165%	Miscellaneous Expense	(192,935)	(80,703)	112,232	239%
Lease and Rental	82,973	36,527	(46,446)	227%	Lease and Rental	166,696	181,285	14,589	92%
Total Operating Expense	5,122,699	5,742,354	619,655	89%	Total Operating Expense	26,063,469	28,710,419	2,646,949	91%
Net Gain (Net Loss)	399,308	(148,729)	548,036		Net Gain (Net Loss)	1,631,847	(742,292)	2,374,139	
Sal & Ben	3,271,024	3,422,609	151,586	96%	Sal & Ben	16,467,262	17,113,046	645,785	96%
Other	332,514	543,993	211,478	61%	Other	1,884,191	2,718,614	834,424	69%

12/15/2011



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager

FROM: Mae Sung, Accounting Manager

SUBJECT: INVESTMENT STATUS

FORM MOTION

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

BACKGROUND

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

SUMMARY

All of the Agency's investments are invested with the Local Agency Investment Fund (LAIF) and Union Bank. Please refer to the attachment for the investment activity of the Agency for the month of November, 2011. Sufficient funds are available to meet the obligations of the Agency for the next thirty-one days.

OMNITRANS
Treasurer's Report
Month ending November 2011

Institution - Investment Type	Description	Starting Balance	Deposits	Disbursements	Interest Yield	Ending Balance
-------------------------------	-------------	------------------	----------	---------------	----------------	----------------

Cash and Investments Under the Direction of the Treasurer

Local Agency Investment Fund		<u>\$3,827,313.76</u>			0.38%	
		\$ 6,200,000.00			0.38%	
			\$ (1,250,000.00)		0.39%	
			\$ (650,000.00)		0.38%	
			\$ (650,000.00)		0.38%	
		<u>\$10,027,313.76</u>	<u>\$ (2,550,000.00)</u>			<u>\$7,477,313.76</u>
Net LAIF Funds				<u>\$7,477,313.76</u>		
Fair Marketing Value	Fair Value Factor				1.001847592	\$ 7,491,128.79
Union Bank Money Market GMRA	Interest	\$ 6,438,754.86	\$528.28		0.10%	
				(\$101,436.88)		
		<u>\$ 6,439,283.14</u>		<u>(\$101,436.88)</u>		
				\$ 6,337,846.26		
				<u>\$ 6,337,846.26</u>		<u>\$ 6,337,846.26</u>
Union Bank CD		\$ 25,000.00		\$ 25,000.00	0.30%	\$ 25,000.00
		<u>\$10,332,789.36</u>				
	Passenger	\$1,117,356.32				
	Grants' Revenue	\$560,842.80				
	Miscellaneous Revenue	\$148,413.58				
	Transfers From (To) LAIF	\$2,650,000.00		(\$6,200,000.00)		
	Transfers From (To) Money Market	\$101,436.88				
	Transfers From (To) CD					
	Accounts Payable			(\$4,455,186.29)		
	Payroll and Payroll Taxes			(\$3,200,243.51)		
	Employee Benefits			(\$380,065.51)		
	Bank Service Charge			(\$1,333.25)		
		<u>\$14,810,838.94</u>		<u>(\$14,236,828.56)</u>		
Net Union Bank Operating Funds				<u>\$574,010.38</u>		<u>\$ 574,010.38</u>
Petty Cash		\$ 3,000.00				\$ 3,000.00

Cash and Investments Under the Direction of Fiscal Agents

Wachovia Bank N.A.	\$ 75,000.00		
Workmens' Comp. Adjuster			
York Insurance Services			\$ 75,000.00
Total Cash & Investments			<u>\$ 14,505,985.43</u>

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

Prepared by: Mae Sung
Mae Sung, Accounting Manager

Approved by: Milo Victoria
Milo Victoria, CEO/General Manager, Treasurer

@ Source of Market Value: California State Pooled Money Investment Board Report.
(1) Union: "Summary of Market Value" posted on monthly fiscal agent statements.
(2) LAIF: "Pooled Money Investment Account Market Valuation".

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



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

FROM: Milo Victoria, CEO/General Manager *[Signature]*

SUBJECT: PAYROLLS AND WARRANTS FOR NOVEMBER, 2011

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

Payroll Period	Amount	Register #
10/19/11-11/01/11	\$336,716.22	22
11/02/11-11/15/11	\$296,510.66	23
11/16/11-11/29/11	\$297,237.35	24

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

Payroll Period	Amount	Register #
10/10/11-10/23/11	\$870,172.42	22
10/24/11-11/06/11	\$840,228.03	23
11/07/11-11/20/11	\$918,253.95	24

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

Register Date	Amount	Register #
11/03/2011	\$2,875,568.69	523-524
11/10/2011	\$442,715.15	525
11/17/2011	\$1,136,902.45	526

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

MV: ms



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: William Y. Tsuei, Director of Information Technology *[Signature]*
Ernesto N. DeGuzman, Director of Procurement *[Signature]*

**SUBJECT: AUTHORIZE SOLE SOURCE PURCHASE ORDER
MAINTENANCE SERVICES FOR FINANCIAL & OPERATIONAL
REPORTING SOFTWARE**

FORM MOTION

Authorize the CEO/General Manager to issue a sole source purchase order to TransTrack Systems, Inc., of Phoenix, AZ for the annual maintenance and support of Omnitrans' TransTrack software used for financial and operational reporting to SANBAG (San Bernardino Associated Governments), beginning July 1, 2011 and ending June 30, 2012. The cost of this purchase is \$35,000.

BACKGROUND AND SUMMARY

This is an annual software maintenance and support agreement and is only available directly from TransTrack. There are no third party support providers available for this service. Service will include software upgrades, maintenance, training and support of the TransTrack software and support of required third party software.

The delay in submittal of this request was due to the late receipt of the notice of renewal. While the service dates are from July 1, 2011 through June 30, 2012, the notice was not received until late October 2011.

FUNDING SOURCE

Funding for this purchase is in the Information Technology Services Department's operating budget for Fiscal Year 2012.

Department Number	1320
Expenditure Code	505170

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

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

CONCLUSION

For the above reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to issue a sole source purchase order to TransTrack Systems, Inc., of Phoenix, AZ for the annual maintenance and support of Omnitrans' TransTrack software used for financial and operational reporting to SANBAG (San Bernardino Associated Governments), beginning July 1, 2011 and ending June 30, 2012. The cost of this purchase is \$35,000.

MV:WYT



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: William Tsuei, Director of Information Technology *[Signature]*

**SUBJECT: ADOPT RESOLUTION NO. 255-12
AUTHORIZING DESTRUCTION OF RECORDS**

FORM MOTION

Adopt Resolution No. 255-12, including Appendix A, authorizing destruction of records in accordance with Omnitrans' Records Management Program.

BACKGROUND AND SUMMARY

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.

MV:wyt

RESOLUTION NO. 255-12

**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 4th day of January 2012, by the following vote to wit:

AYES:

NOES:

ABSENT:

Milo Victoria, CEO/General Manager
Secretary, Omnitrans Board of Directors

Dick Riddell, Chair
Omnitrans Board of Directors

Approved as to form:

Carol Greene
Legal Counsel for Omnitrans

APPENDIX "A"
LIST OF OMNITRANS RECORDS TO BE DESTROYED
JANUARY 4, 2012

FILE NAME

YEARS TO BE DESTROYED

ALL DEPARTMENTS

Correspondence Files	FY 2008
Departmental Copies of Budgets	FY 2007
Departmental Copies of Accounts Payable Records	FY 2007
Departmental Copies of Accounts Receivable Records	FY 2006
Departmental Copies of Memoranda of Understanding	CY 2006
Employee Grievance Files - Closed	FY 2002
Desk Calendars & Diaries	CY 2010
Telephone Message Books or Slips	CY 2009
Department Monthly Reports	FY 2010

EXECUTIVE OFFICE

Statement of Economic Interests	CY 2003
Loss Runs	CY 2007- 2008
Claims - (Resolved for more than five years)	Prior to 1/31/2007
Compact Disks of Board Meetings	CY 2011
Lawsuit - West Valley CNG Station - Closed 6/2005	
Lawsuit - Harris - Closed 12/2005	

FINANCE

Accounts Payable Records (With Grant closed and audited for three or more years)	FY 2005
Accounts Receivable Records	FY 2005
Annual Budgets	FY 2001
Balance Sheets	FY 2006
Banking Records	FY 2006
Capital Property Records (Inventory)	FY 2004
External Audits	FY 2001
Financial Reports and Statements	FY 2001
FTA and STA Annual Reports	FY 2005
General Accounting Procedures	FY 2001
General Accounting Records	FY 2005
Investments & Insurance Policies (if no open claims)	FY 2005
Payroll Records	CY 2005
Profit & Loss Statements	FY 2001
Tax Returns & Reports	FY 2005

HUMAN RESOURCES

Applications for Employment & Related Documents	CY 2009
Employee Accident/Incident Reports & Related Documents (Resolved for over five years)	CY 2005
Employees Personnel Files (Terminated)	CY 2001
Personnel Requisitions	CY 2008
Receipt Books	CY 2007
Service Awards Annual Records	CY 2005
Surveys	CY 2005

APPENDIX "A"
LIST OF OMNITRANS RECORDS TO BE DESTROYED
JANUARY 4, 2012

MAINTENANCE

Operators' Daily Reports	CY 2008
Supervisors' Reports/Tailgate Forms	CY 2008
Maintenance Records of Disposed Vehicles	FY 2008
Work Orders	CY 2008
A/P Receipts & Statements	CY 2008
Nextel Bills	CY 2008
Goodyear Mileage	CY 2008
CII List	CY 2008
Estimate Of Repair	CY 2008
Period Report Back-Up	CY 2008
AQMD Inspection Forms	CY 2008
CNG Daily Inspections	CY 2008
LCNG Fueling Station Inspection	CY 2008
Retrofit/Rebuild	CY 2007

MARKETING

Customer Contact Forms	FY 2008
Daily Sales Report	FY 2008
Employee Rideshare Record Forms	FY 2004
Promotional Contests/Drawings	FY 2008
Rideshare Affected Site Files	FY 2006

OPERATIONS

Dispatch Logs	FY 2008
Service Interruption Reports	FY 2008
Daily Overtime Logs	FY 2008
Alternative Transportation Logs	FY 2008
Field Supervisor Logs	FY 2008
Schedule Adherence	FY 2008
Sign-on Sheets	FY 2008
Nutrition Trip Sheets	FY 2009
Contract Services Accident Reports (Resolved for over five years)	FY 2003-2004
Customer Contact Forms	FY 2004-2005
Waybills	CY 2004

PLANNING

Access Fare Structure, Zone Maps, Requests and General Issues	CY 2002
Annual Service Plan	CY 1991
Comments on Proposed Regulations	CY 2007
Comprehensive Operational Analysis Reports	CY 1991
Cooperative Service Agreements	CY 2001
Fixed Route Summary Reports	CY 2007
Fixed Route Surveys - All Routes	CY 2007
Omnitrans ADA Plan & Workpapers	CY 2002
On-Board Survey Forms	CY 2009
Short Range Transit Plan	CY 1991
Title VI Updates	CY 2004

APPENDIX "A"
LIST OF OMNITRANS RECORDS TO BE DESTROYED
JANUARY 4, 2012

PROCUREMENT

Completed Contracts (if grant is closed and audited with no activity since FY 2004)	FY 2008
Formal Procurement Documents (other than resulting contracts)	FY 2008
Purchase Orders and Related Documentation	CY 2008

SAFETY/HEALTH & REGULATORY COMPLIANCE

Employee Health Related Records	CY 1981
Environmental Related Records (EPA)	CY 1981
Regulatory Compliance Inspection Reports (with no activity since CY 2002)	CY 2002
Internal Inspection Reports	CY 2008
Safety and Health Training Records	CY 2008

CY = Calendar Year FY = Fiscal Year

Note 1: All documents connected to an ongoing or active investigation, audit, or legal action are excluded

Note 2: Documents prior to year listed were previously approved for destruction by the Board of Directors.



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

FROM: Milo Victoria, CEO/General Manager *[Signature]*

SUBJECT: CLAIMS FILED AGAINST OMNITRANS FOR DECEMBER 2011 –
INFORMATION ITEM ONLY

CLAIMANT	DATE OF LOSS	CLAIM NUMBER
Alviso, Jesus	06/16/11	2011120667
Blanco, Sebastian	11/08/11	2011120996
Guzman, Maria	11/10/11	2011120839
Hernandez, Mary	07/05/11	2011120999
Hernandez, Mary	09/21/11	2011121000
Hunter, Bridget	11/15/11	2011120837
Knight, Marcia	11/21/11	2011121059
May, Cedreona	10/26/11	2011120802
Taylor, Altheia	11/28/11	2011120956
White, Brandie	11/08/11	2011120774

Summary of Accidents
Injury Inside Coach
Coach/Vehicle Accident

No. of Claimants
8
2

For the Claims Above:

20% of claims were filed 1 to 5 days after the incident.
30% of claims were filed 6 to 10 days after the incident.
50% of claims were filed 11 or more days after the incident.

/ca

Omnitrans • 1700 West Fifth Street • San Bernardino, CA 92411
Phone: 909-379-7100 • Web site: www.omnitrans.org • Fax: 909-889-5779

Serving the communities of Chino, Chino Hills, Colton, County of San Bernardino, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa.

POINT OF VIEW

Making plans to boost quality of life

By Hasan Ikhtrata

It's tempting in times like these to want to hang on to every penny — to view an expenditure as an expense, not an investment, even when the longer-term benefit is significant.

So it is with our system of highways, rail lines and bridges — a system so underfunded that it threatens our very livelihood in Southern California. We get a small reminder of that every time we're stuck in traffic, but in fact the situation is far more precarious than some might want to admit.

Take state highway bridges, as an example. There are nearly 8,000 of them — 7,965, to be exact — in the six-county region that makes up the Southern California Association of Governments. Of those, 9 percent — 721 — are structurally deficient, and another 19 percent — 1,474 — are functionally obsolete. If just one of them were to fail, the cost would be extraordinary, in dollars, delay and, potentially, lives.

In the coming days and weeks, you will be hearing more about SCAG's Regional Transportation Plan/Sustainable Communities Strategy, designed to address the region's transportation needs to 2035 and beyond. The plan is about more than just better roads and streets and other transportation mode choices. It is also a plan for improving the quality of life for our residents by providing more choices for where they will live, work and play.

To that end, the plan includes three guiding principles: mobility, economy and sustainability. Together, they are essential to preserving and improving a quality of life we've come to cherish in Southern California. Jobs, education, health care and healthy living —

they're all connected, in one way or another, to safe, secure and efficient transportation systems.

Consider:

- Thirty-four percent of jobs in the region, and \$253 billion in economic output, are related to goods movement. Meanwhile, Southern California has lost 800,000 jobs overall since 2007. We not only can't afford the risk of losing market share due to crumbling infrastructure, we need to make it a priority to build on what we have.

- The SCAG region already is home to 18 million people — 49 percent of the California total — and will add another 4 million by 2035 (predominantly our children and grandchildren). As it is, we waste 3.3 million hours a year sitting in traffic. Studies show that a 10 percent reduction in traffic can add 132,000 jobs per year.

- Although our roadways are among the nation's safest in terms of injury collisions, there has been an alarming increase in fatalities involving "active transportation" — such as walking and bicycling. Twenty-one percent of all fatalities now involve pedestrians.

- As transportation needs grow, so too does the possibility of reduced air quality. That's not acceptable, from either a lifestyle or legislative perspective. In fact, Senate Bill 375 calls for reduced greenhouse gas emissions from passenger vehicles by 8 percent per capita by 2020 and 13 percent by 2035. Increasing the efficiency of our transportation system is critical to meeting these standards.

SCAG's Regional Transportation Plan proposes investing more than \$500 billion over the next 23 years to address the above actions and needs. It sounds like a lot of money by 2035, and it is. But the return on invest-

ment for future generations is significant.

We project, in fact, that for every dollar spent in support of this plan, the region will recover \$2.90 in economic prosperity. That includes roughly 4.2 million jobs — 167,900 each year — that will be created over the life of the plan.

This plan will allow us to exceed the standards in S.B. 375, reducing greenhouse gas emissions by 8 percent per capita by 2020 and 16 percent per capita by 2035.

How we pay for a safe, efficient transportation network is a challenge. California currently gets 92 cents for every gas tax dollar sent to Washington. Another complication for our future generations is that as vehicles become more fuel efficient, gasoline tax revenues will decline 80 percent.

To compensate for the declining gas tax revenues, the 2012-2035 Regional Transportation Plan lays out a broad user-fee financing strategy. It would include options such as: user fee highway tolls on added highly congested lanes, private sector financing, and, eventually by 2025, a replacement of the gasoline tax with mileage-based user fees.

We urge you to attend the local workshops on the plan (see www.scag.ca.gov for date and location). We want and appreciate your input.

Thank you in advance. The future has arrived at lightning speed, and together we can make the choices and investment needed to make sure that our transportation system meets the challenge.

Hasan Ikhtrata is executive director of the Southern California Association of Governments, comprised of 191 cities and six counties serving 18 million residents.

PASSENGER TRANSPORT

December 5, 2011



Two 35-year employees of Omnitrans—Gabe Serna, left, and Scot Huffman, center—reflect on their tenures with the public transit agency at a media open house event. At right is Omnitrans CEO/General Manager Milo Victoria.

Omnitrans Commemorates 35 Years

Omnitrans in San Bernardino, CA, observed the 35th anniversary of its launch of service with a media open house at agency headquarters, followed by free rides throughout the system on Nov. 25.

"From the start, the people of Omnitrans have worked to create a quality transportation system for the San Bernardino Valley," said Chief Executive Officer/General Manager Milo Victoria. "From the humble beginnings of yesteryear to the high-tech plans for the future, we remain focused on the customer."

The open house program highlighted

Omnitrans' history, accomplishments, current programs, and projects on the horizon. For example, the agency has provided more than 1.4 million rides in each of the last three months; the "Go Smart" pass pilot program has given more than 450,000 free rides to college students since August; and Omnitrans is making plans to construct a new transit center in downtown San Bernardino.

The agency entered service in 1976 with 29 vehicles and 60 employees. Omnitrans now operates a fleet of 158 transit buses, all running on compressed natural gas, and has 640 employees.

Trial ordered for stabbing suspect

Knife attack killed Omnitrans bus driver

By Mike Cruz Staff Writer

SAN BERNARDINO — A Rialto man was ordered held for trial Wednesday in the deadly stabbing of an Omnitrans bus driver last year in Rialto — the transportation agency's first ever killing of a driver in the line of duty.

Judge Annemarie Pace announced her decision regarding Robert Darrell Johnson after listening to Rialto law enforcement officers testify at a preliminary hearing in San Bernardino Superior Court.

The bus driver, 47-year-old Lawrence Kester, was stabbed at 10:40 a.m. on May 7, 2010, while the bus was in motion near the intersection of Baseline and Riverside Avenue in Rialto. The 40-foot coach veered off the road and struck a tree.

Kester, of Fontana, was taken to Arrowhead Regional Medical Center where he later died.

After hearing the testimony Wednesday, Pace said sufficient evidence existed to hold over Johnson for trial on murder charges in Kester's death. The defendant returns to court Dec. 17 to enter a plea on the charges.

Rialto Detective Rory Scalf testified that a female rider on the bus told him that someone yelling "Stop!" had gotten her attention.

"She looked up and saw the subject stabbing the bus driver," Scalf said.

The woman was one of at least five people on the bus — all of whom ran when the bus crashed, the detective said.

Officers testified that witnesses saw Johnson run off the bus and go inside a nearby Bank of America, where he threw down a knife. Johnson, 35, then went into a Stater Bros supermarket, where he was taken into custody.

Investigators had said earlier that Johnson told people in the bank what he had done, and while inside Stater Bros, he yelled that he had stabbed someone.

Officer Travon Ricks responded to the

location and removed Kester from the driver's seat on the bus to get him help, he testified.

"He was slumped back with a bloody shirt and multiple stab wounds," Ricks said. Authorities estimated Kester was stabbed 17 times.

Police recovered a knife, which was described by a witness as a "butcher knife," inside the bank with an 8- to 9-inch blade and a black handle.

Officer Shaughn Ford said he helped apprehend Johnson at Stater Bros, where a store manager had already placed handcuffs on Johnson, according to court testimony.

The manager reported that Johnson was "acting strange," Ford said under defense questioning. The officer helped put Johnson in a Rialto patrol car.

"He was acting pretty hostile. He was yelling," Ford said in testimony. Johnson had been calm while inside the store, he said.

Deputy Public Defender Erin Alexander, who represented Johnson, told the court that she objected to the holding order against her client.

Alexander argued that certain witnesses only saw "bits and pieces" of things. She also said no evidence was presented at the hearing of blood being found on Johnson's shirt nor of a confession that would connect her client to the stabbing.

People were running off the bus. Someone could have grabbed the knife to get it away, the defense lawyer explained.

"There could be a number of reasons why someone would grab the knife," Alexander said in court.

Alexander and Deputy District Attorney William Lee, who prosecuted the case, did not comment after the proceedings.

Kester is the first driver to die in the line of duty in the bus company's now 35-year history, according to Omnitrans. He left behind a wife and eight children.

mike.cruz@inlandnewspapers.com, 909-386-3880



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

FROM: Milo Victoria, CEO/General Manager

SUBJECT: CEO/GENERAL MANAGER'S REPORT

Ridership for November 2011 was 1,341,129, compared to 1,217,809 in November 2010. This is a 10.1 percent increase from November of last year.

Year-to-date system-wide ridership through November 2011 was 6,783,288 which is an increase of 7.92 percent from last year-to-date. Fixed route ridership increased by 484,340 passengers year-to-date. Ridership on Access increased by 17,272 passengers, and OmniLink decreased by 3,731 passengers. Year-to-date OmniGo ridership was 20,729.

Year-to-date pass outlet sales through November 2011 decreased by 17,736 units, with 36,419 units sold compared to 54,155 units sold last year. This represents a decrease of 32.8 percent year-to-date. Revenue from pass outlet and ticket sales increased 11.4 percent from last year (\$2,419,319.40 vs. \$2,171,575.35 last year, an increase of \$247,744.05).

Year-to-date fixed route revenue through November 2011 was \$5,508,409 compared to \$5,711,352 last year, which is a decrease of 3.55 percent.

On-time performance for November 2011 was 85.89 percent.

During the month of November, there were five vandalism incidents on Omnitrans buses – one in Pomona, one in Redlands, one in Fontana, and two in San Bernardino.

Omnitrans participated in three outreach events in November – American Lung Association Fight for Air Walk on November 5, Media Open House (hosted by Omnitrans) on November 15, and Rialto Christmas Parade on November 19.

MV/ca



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: Wendy Williams, Director of Marketing *[Signature]*

SUBJECT: COLLEGE FREE PASS PROGRAM

FORM MOTION

Receive presentation on status of the "Go Smart" college free ride pilot program for 2011-12.

BACKGROUND AND SUMMARY

With funding support from Omnitrans JPA members and participating local colleges, Omnitrans implemented a one-year pilot program offering "fare free" trips to enrolled students at California State University San Bernardino, Chaffey College (three campuses), Crafton Hills College, and San Bernardino Valley College for the 2011-12 academic year. The program began at community colleges on August 15 and at CSUSB on September 22 to coincide with the start of their fall terms. College students swipe their identification cards in Omnitrans fare boxes to validate their eligibility and to track student usage. Through the first 17 weeks of the program, over 580,000 trips were tallied and attributed to 9,015 unique ID cards. This represents approximately 17 percent of enrolled students. Refer to chart below for weekly totals.

Beyond the 1-year pilot program, Omnitrans is working with administration and student government at each college to fund an ongoing program through student fees. Fees must be approved by a vote of the student body at each campus. Omnitrans will be providing student trip data to contributing jurisdictions so that they can report emission reduction calculations to the South Coast Air Quality Management District, the source of AB2766 funds used for the pilot.

Timeline

January – March:

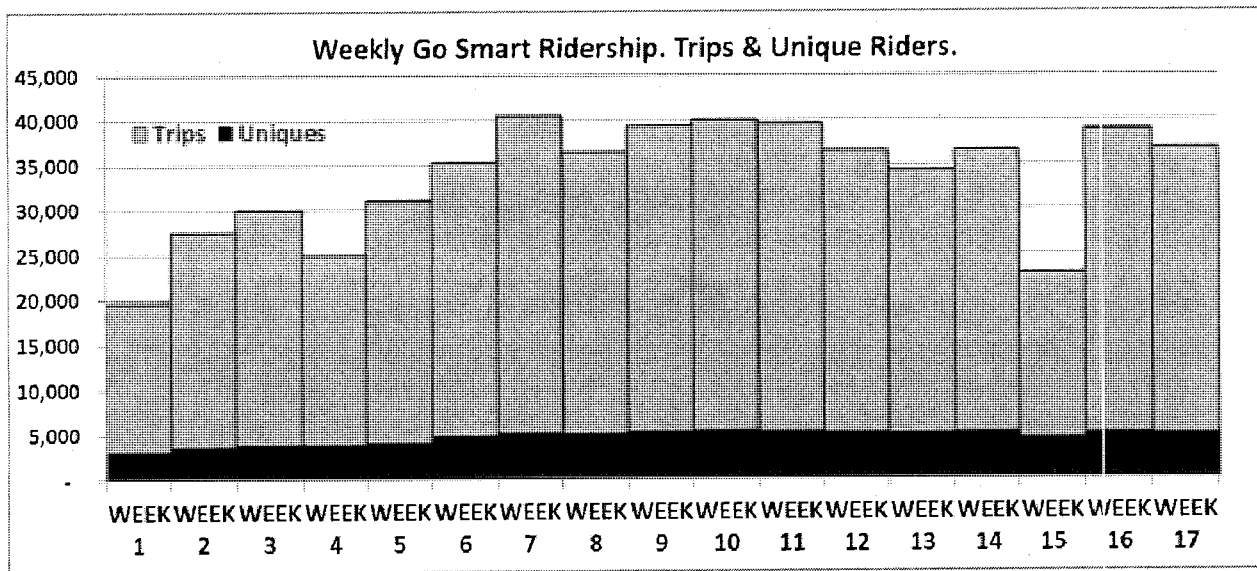
- Provide progress reports to colleges and JPA partners
- Work with college administration and student government on referendums

Spring 2012:

- Student referendums to consider fees to continue in 2012-13 and beyond.

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Serving the communities of Chino, Chino Hills, Colton, County of San Bernardino, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa.



Status of Commitment from JPA members (as of December 13, 2011)

JPA Member	Amount	Status
County of San Bndo.	\$8,000	Paid 9/30/11
Chino	\$18,375	Paid 8/9/11
Chino Hills	\$8,175	Paid 9/29/11
Colton	\$14,895	Invoiced 11/21/11
Fontana	\$93,165	Paid 8/15/11
Grand Terrace	\$5,775	Paid 8/15/11
Highland	\$12,000	Paid 7/28/11
Loma Linda	\$12,180	Paid 8/17/11
Montclair	\$7,305	Paid 8/5/11
Ontario	\$40,830	Paid 8/9/11
Rancho Cucamonga	\$91,545	Paid 8/5/11
Redlands	\$15,000	Paid 8/15/11
Rialto	\$51,375	Recommended by staff, tabled by Council on 7/12/11
San Bernardino	\$141,765	Paid \$35,441 to date (paying quarterly)
Upland	\$23,445	Paid 9/6/11
Yucaipa	\$34,725	Paid 8/29/11
TOTAL	\$578,555	
<i>Paid to date</i>	<i>\$405,961</i>	
To Come	\$172,594	

MV: WW



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: Robert Miller, Chief Financial Officer *RLM*
Donald Walker, Director of Finance *DW*

SUBJECT: INVESTMENT POLICY STATEMENT FOR 2012

FORM MOTION

Adopt Omnitrans' current Investment Policy Statement to carry forward for period covering January 1, 2012 through December 31, 2012.

This item was not submitted for review by the Administrative and Finance Committee as there were no changes made to the Board adopted Investment Policy Statement for the period covering January 1, 2011 through December 31, 2011.

SUMMARY AND 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 2011 was adopted by the Omnitrans Board of Directors on January 5, 2011 and there were no changes made to the Investment Policy Statement for calendar year 2012. During fiscal year 2012 (July 1, 2011 – June 30, 2012), Omnitrans continues to employ the services of Union Bank for its general banking needs. Union Bank was awarded a five year contract beginning July 1, 2007 and ending no later than June 30, 2012.

At Union Bank, only the projected minimum amount is maintained in the general operating account. Proposition 1B funds are in a Government Managed Rate Account (GMRA), along with a performance security deposit of \$25,000 from Commonwealth International, Inc., is also held at Union Bank. All other available cash funds are invested in the Local Agency Investment Fund (LAIF) in accordance with the Investment Policy Statement.

MV:rm:dw

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INVESTMENT POLICY STATEMENT
January 1, 2012 – December 31, 2012

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 refers 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 Chief Financial Officer 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 Chief Financial Officer, 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
- Chief Financial Officer
- 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 Chief Financial Officer 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 Chief Financial Officer 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 Chief Financial Officer 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 Chief Financial Officer 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 Chief Financial Officer.



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: Rohan Kuruppu, Director of Planning and Development Services *[Signature]*

SUBJECT: AGREEMENT BETWEEN POMONA VALLEY WORKSHOP AND OMNITRANS

FORM MOTION

Authorize the CEO/General Manager to enter into a funding agreement with Pomona Valley Workshop (PVW) for the purchase of four (4) vehicles, operating expenses, and administrative costs.

Omnitrans Legal Counsel has reviewed and approved this contract.

BACKGROUND

Omnitrans is the designated Federal Transit Administration (FTA) grantee for the San Bernardino Valley. PVW is a social service agency located in Montclair, California within San Bernardino County. In order for PVW to receive funds for their project, the funds need to be included in an Omnitrans' FTA §5316 Job Access Reverse Commute (JARC) and §5317 New Freedom funds grant. The attached agreement has been created to make PVW a sub-grantee.

This project is in grant CA-57-X017-00 and CA-37-X090-00. The budget identifies \$392,259 in Federal Transit Administration §5316 New Freedom and \$152,545 in Federal Transit Administration §5317 with a total local match of \$401,072 to be provided by PVW. In addition, Omnitrans will be reimbursed for administering PVW funding agreement in the amount of \$21,792.

PVW will use this funding for the purchase four (4) vehicles and operating expenses. PVW will be hiring a transportation coordinator who will oversee the day-to-day operation and maintenance of the vehicles. The vehicles for this project will be used for trips to job sites, work, day programs, and home. Funding for this project will also help pay for the maintenance and operating expenses for the vehicles including, but not limited to, transportation coordinator, drivers, permits, fuel, insurance, startup cost and potential marketing.

Omnitrans • 1700 West Fifth Street • San Bernardino, CA 92411
Phone: 909-379-7100 • Web site: www.omnitrans.org • Fax: 909-889-5779

Serving the communities of Chino, Chino Hills, Colton, County of San Bernardino, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa.

FINANCIAL IMPACT

Omnitrans will be charging 4 percent of the total project cost (approximately \$21,792) to account for all administrative costs associated with managing this project on behalf of PVW.

MV:RK:NS

POMONA VALLEY WORKSHOP
and
OMNITRANS
FUNDING AGREEMENT
FOR CAPITAL AND OPERATING EXPENSES FOR POMONA VALLEY
WORKSHOP'S IN MOTION PROGRAM

This Funding Agreement for capital and operating expenses by and between Pomona Valley Workshop ("**PVW**") and Omnitrans ("**Omnitrans**"), a Joint Powers Authority, is entered into this ___ day of _____, 2012 (PVW and Omnitrans are collectively referred to herein as the "**Parties**").

Recitals

A. This Agreement describes the respective responsibilities of PVW and Omnitrans for funding capital and operating expenses related to the PVW In Motion Program in connection with Omnitrans Fiscal Year 2006 - 2008 Section 5316 Job Access Reverse Commute (JARC) Grant Agreement attached hereto as Exhibit "A" (the "**JARC Grant Agreement**") and Omnitrans Fiscal Year 2006 - 2008 Section 5317 New Freedom (NF) Grant Agreement attached hereto as Exhibit "B" (the "**NF Grant Agreement**") (referred to collectively herein as "**Grant Agreements**").

B. Omnitrans previously submitted a grant application for Section 5316 JARC and Section 5317 NF funds for Fiscal Year 2006 to 2008 to the Federal Transit Administration ("**FTA**") to obtain funding for the Project. On **September 15, 2008** the FTA awarded Omnitrans \$407,949 in Section 5316 JARC funds and \$158,647 in Section 5317 NF funds. The parties now desire that the JARC and NF funds awarded to Omnitrans be used for the benefit of PVW, as a Sub-grantee. PVW desires to use proceeds from JARC and NF grant funds to finance capital and operating expenses that PVW incurs in carrying out the PVW In Motion Program ("**Project**").

C. PVW desires to hire a transportation coordinator who will oversee the day to day operation and maintenance of the Project. PVW hopes to use JARC and NF funds to operate and maintain vehicles used in the Project, which will fill in the gap for access services and will include trips to participants' job sites, work, day programs, and homes. PVW also desires to utilize JARC and NF funds to cover permitted costs related to operating and maintaining vehicles used in the Project, including, but not limited to, costs related to drivers, permits, fuel, insurance, startup costs, and potential marketing.

D. As a Sub-grantee receiving JARC and NF funds, PVW desires to undertake the Project and comply with all provisions of the Grant Agreements and applicable federal, state and local laws and regulations ("**Applicable Law**").

NOW THEREFORE, based on the forgoing recitals and the following promises and covenants the parties agree:

1. **Obligations of Omnitrans.** Pursuant to, and to the extent provided in, this Agreement, Omnitrans shall take the following actions:

a. Omnitrans shall reimburse PVW for the Project, up to \$392,259 in JARC funds and \$152,545 in NF funds, in conformity with the following procedures:

1. For each disbursement requested, PVW shall provide a written invoice to Omnitrans specifying the amount requested to be disbursed and the purpose of the disbursement, and shall provide such additional supporting documentation and background information as Omnitrans may reasonably require (the "**Disbursement Request**").

2. Each Disbursement Request shall be accompanied by a written certification of PVW's Executive Director or Director of Administration that such disbursement will not constitute any violation of the terms of the Grant

Agreements, or of Applicable Law, and that PVW will use the disbursement for the purpose indicated in the Disbursement Request.

3. Within five (5) business days of the receipt of an invoice and accompanying certification, Omnitrans shall notify PVW as to what, if any, additional supporting documentation and background information it requires.

4. Within the first week of the following month after invoice submittal to Omnitrans pursuant to above, Omnitrans shall: (i) disburse (including through electronic transfer of funds, if so requested and if PVW provides the necessary information) the amount requested, unless Omnitrans provides written notice that it cannot disburse such amount without violating the terms of either the Grant Agreements or of Applicable Law; and (ii) notify PVW through written notice as to why it is unable to disburse some or all of the requested funds without violating the terms of either the Grant Agreements or of Applicable Law.

5. To the extent that the FTA advises Omnitrans that a disbursement would constitute a violation of the terms of either the Grant Agreements or Applicable Law, Omnitrans shall have no obligation to disburse such funds. Notwithstanding any PVW certification, Omnitrans may solicit, at PVW's expense, a legal opinion from competent counsel of its choice if Omnitrans has a good faith and reasonable question about whether a disbursement will result in a violation of the terms of the Grant Agreements or of Applicable Law.

6. Omnitrans shall have no liability to PVW for any refusal to disburse funds so long as Omnitrans has documented and provided written notice to PVW that such disbursement would constitute a violation of the terms of the Grant Agreements or of Applicable Law.

d. Omnitrans shall prepare and submit to the FTA on a timely basis all required periodic reports and milestone updates, so long as it timely receives all necessary information from PVW.

e. Omnitrans shall conduct itself so that any aspect of Omnitrans' participation in this Agreement and the actions required of it hereunder, will be in compliance with the terms of the Grant Agreements and with Applicable Law.

f. Omnitrans shall comply with all requirements of the FTA Master Agreement, found at <http://www.fta.dot.gov/documents/16-Master.pdf>.

2. **Payment of Administrative Expenses of Omnitrans.** As compensation for the obligations undertaken by Omnitrans pursuant to the terms of this Agreement, an indirect overhead charge will be charged to and paid from Section 5316 Grant # CA-37-X090-00 and Section 5317 Grant # CA-57-X017-00 grant funds to account for all administration costs associated with managing the Project (the "**Administrative Expenses**"). Omnitrans will charge 4% of the total FTA amount (approximately \$21,792) as Administrative Expenses. Administrative Expenses shall not be deducted from the Project funds granted to PVW, as set forth in Section 1.a., above.

3. **Warranties of PVW.** PVW warrants to Omnitrans that:

a. PVW has or will have, prior to the necessity of expending them, all funds necessary to provide the local matching funds required to receive Section 5316 and 5317 grants funds (the "**Match Obligation**"). The approximate amount of the Match Obligation for the Project is \$401,072.

b. To PVW's knowledge, the submittal of the contemplated Section 5316 and 5317 grant application by Omnitrans on behalf of PVW will not violate the terms of the Grant Agreements or any provision of the Applicable Law.

c. PVW shall conduct itself so that all aspects of the Project and any aspect of PVW participation in this Agreement, including the actions contemplated by this Agreement, will be in compliance with the terms of the Grant Agreements and with Applicable Law, including laws or regulations related to planning studies.

d. PVW will use the disbursements for the purposes indicated in its Disbursement Request.

e. PVW shall agree to comply with 49 U.S.C. § 5323(j) and FTA regulations, “Buy America Requirements,” 49 C.F.R. Part 661, and any amendments thereto.

f. PVW shall comply with all requirements of the FTA Master Agreement, found at <http://www.fta.dot.gov/documents/16-Master.pdf>, including submission to Omnitrans on a quarterly basis, of reports that document the status of the Project’s implementation progress, including task completion status, budget status, and adherence to the Project, as defined in the Grant Applications.

4. Obligations of PVW. Pursuant to, and to the extent provided in, this Agreement, PVW shall take the following actions:

a. Provide to Omnitrans all information that is reasonably needed for the performance of its obligations hereunder and pursuant to the Grant Agreements.

b. Satisfy its Match Obligation and submit evidence of the dollar amount and source(s) of the funds, as Omnitrans may reasonably require. PVW may utilize its payment of staff salaries, benefits and expenses in administrative support for the Project to satisfy its Match Obligation.

c. Notify Omnitrans of any changes in the scope or description of the Project.

e. Certify to Omnitrans for each Disbursement Request, that to the best of its knowledge such disbursement will not constitute any violation of either the provisions of the Grant Agreements or of Applicable Law and that PVW will use the disbursement as indicated in the Disbursement Request.

f. Provide to Omnitrans all information needed for quarterly project reporting and milestone updates in a timely manner to allow Omnitrans enough time to prepare and submit to the FTA on a timely basis all required or requested FTA reports and updates. In no event shall such reports be received later than fifteen (15) days prior to the required date of submission to the FTA of such report or update. Omnitrans shall provide PVW with sufficient advance notice of the required dates of submission for all reports or updates.

g. PVW shall insure that all aspects of the Project and any aspect of PVW participation in this Agreement and the actions contemplated of it by this Agreement will be in compliance with the terms of the Grant Agreements and with all Applicable Law.

5. **Exercise of Rights under the Agreement.** The CEO/General Manager of Omnitrans, or his designee, shall exercise the rights of Omnitrans under this Agreement including, without limit, accepting the certifications of PVW required under the terms of this Agreement. The Executive Director of PVW, or her/his designee, shall exercise the rights of PVW under this Agreement; however, any certifications of PVW required under the terms of this Agreement shall be provided only by the Executive Director or such other representative of PVW as is specified by action of the PVW governing body.

6. **Insurance and bonding requirements.** PVW shall require that any contractor providing services with respect to the Project obtain and maintain insurance of the type and in the amounts that Omnitrans would require of its contractors performing similar services on a project similar to the improvements for the longer period of: 1) the duration

of this Agreement, or 2) for the duration of such contractor's involvement in the Project. All insurance policies shall name Omnitrans and its directors, officers, employees and volunteers as additional named insureds. Further, PVW will require that any contractors provide bid and performance bonds as may be required by Applicable Law.

7. **PVW Contract Damages.** Omnitrans shall be responsible to compensate PVW for any damage or loss which PVW suffers by virtue of Omnitrans' breach of any term of this Agreement, including without limit any and all damages, loss, claims (including without limit reasonable attorneys' fees for any action or fine of the FTA), arising from such breach.

8. **Omnitrans Contract Damages.** PVW shall be responsible to compensate Omnitrans for any damage or loss which Omnitrans suffers by virtue of PVW's breach of any term of this Agreement, including without limit any and all damages, loss, claims (including without limit reasonable attorneys' fees for any action or fine of the FTA), arising from such breach.

9. **Term.** This Agreement shall terminate upon the rejection of any grant application for the Project by the FTA or, assuming the award of the grant sought, upon the completion of the disbursement of the funds obtained from the grant and the completion of all reports, updates or any other documentation or responsibility of Omnitrans related to the grant. In all events, this Agreement shall terminate within the time limits set forth in applicable FTA procedures and regulations but in no event later than three (3) years from the date of the Agreement's execution date.

10. **Force Majeure.**

a. An "Uncontrollable Force" (force majeure) is any occurrence beyond the control of a Party which causes that Party to be unable to perform its obligations hereunder and which a Party has been unable to overcome by the exercise of due diligence, including but not limited to, flood, drought, earthquake, storm, fire, pestilence, lightning and other natural catastrophes, epidemic, war, riot, civil disturbance or disobedience, strike, labor dispute, action or inaction of legislative bodies, judicial bodies, or regulatory agencies, or other proper authority, excepting the governing body of the Party asserting the Uncontrollable Force, which may conflict with the terms of this Agreement. In no event shall any Uncontrollable Force excuse the obligation to issue Disbursements to PVW as soon as Omnitrans is reasonably able to do so.

b. Subject to Section 10(a), neither Party shall be considered to be in default in the performance of any of the agreements contained in this Agreement when and to the extent failure of performance shall be caused by an Uncontrollable Force.

c. If either Party, because of an Uncontrollable Force, is rendered wholly or partly unable to perform its obligations under this Agreement, the Party shall be excused from whatever performance is affected by the Uncontrollable Force to the extent so affected provided that: (i) the nonperforming Party within one week after the occurrence of the Uncontrollable Force, gives the other Party written notice describing the particulars of the occurrence; (ii) the suspension of performance is of no greater scope and of no longer duration than is required by the Uncontrollable Force; (iii) the nonperforming Party uses its best efforts to remedy its inability to perform (this subsection shall not require the settlement of any strike, walkout, lockout, other labor disputes or any other dispute on terms which, in the sole judgment of the Party involved in the dispute, are contrary to its interest, it being understood and agreed that the settlement of any disputes shall be at the sole discretion of the Party having the difficulty); and (iv) when the nonperforming Party is able to resume performance of its obligations under this Agreement, that Party shall give the other Party written notice to that effect.

d. If either Party's ability to perform cannot be corrected when the Uncontrollable Force is caused by the actions or inactions of legislative bodies, judicial bodies, or regulatory agencies or other proper authority, the Parties agree to meet in good faith to determine if this Agreement may be amended to comply with the legal or regulatory change which caused the nonperformance of the Parties.

11. Authorization by Omnitrans. Omnitrans represents that the terms and execution of this Agreement, including all Exhibits, have been duly authorized by Omnitrans' governing board and that the persons signing this Agreement on its behalf have the necessary authority to do so.

12. Authorization by PVW. PVW represents that the terms and execution of this Agreement, including all Exhibits, have been duly authorized by PVW governing body and that the persons signing this Agreement on its behalf have the necessary authority to do so.

13. Headings. All paragraph headings throughout this Agreement are for convenience of reference only.

14. Additional Documents. Each of the Parties shall execute such additional documents as the other Party may reasonably request in order to carry out or implement any of the provisions of this Agreement, which request shall not be unreasonably refused.

15. Litigation Expenses. If after this Agreement is in effect, any action or proceeding of any nature shall be commenced seeking to enforce, construe or rescind, or otherwise relating to this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover from the other, in addition to all other sums recoverable, its reasonable litigation expenses, including reasonable attorney's fees, expert witness fees and other related litigation expenses and costs.

16. **Entire Agreement.** This Agreement constitutes the sole and entire agreement between the parties hereto, and no modification, alteration or amendment shall be binding unless expressed in writing signed by the Parties. No representation, warranty, covenant, inducement or obligation not included in this Agreement shall be binding, and this Agreement supersedes all prior negotiations, agreements, arrangements and undertakings among the Parties hereto with respect to the matters set forth in this Agreement. It is the intent of the Parties that this Agreement is an integrated agreement and that no evidence may be introduced to vary in any manner its terms and conditions.

17. **Accuracy of Representations.** As of the date each signed this Agreement, the representations herein of both Parties are true and correct in all material respects.

18. **Originals and Copies.** This Agreement with the Exhibits attached hereto may be executed in counterparts, each of which shall be deemed an original. In any action or proceeding, an exact and correct copy may be used in lieu of an original.

19. **Construction of Agreement.**

a. **Equal Construction.** This Agreement and the Exhibits attached hereto shall not be construed in favor of or against a Party by reason of participation or lack of participation of that Party or its counsel in the drafting of this Agreement and the Exhibits attached hereto. This Agreement and the attached Exhibits shall be interpreted and construed as drafted by all Parties with equal participation in the drafting hereof.

b. **Internal Consistency.** The Parties intend that the terms of this Agreement and of the Exhibits are all internally consistent with each other and should be construed to that end. If any irreconcilable inconsistency shall be determined between the terms of this Agreement and the terms of any of the Exhibits attached hereto, the terms of this Agreement shall control over the terms of any of the Exhibits.

20. **Notices** All notices hereunder shall be in writing and shall be effective upon receipt. All notices and communications, including invoices, between the Parties to this Agreement shall be either personally delivered, sent by first-class mail, return receipt requested, or sent by overnight express delivery service, postage or other charges fully prepaid, as follows:

To Omnitrans:

Omnitrans
1700 West Fifth Street
San Bernardino, CA 92411

Attention: Nancy Strickert, Project Manager

To PVW

PVW
4650 Brooks Street
Montclair, CA 91763

Attention: Karen Jones, Executive Director

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

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

OMNITRANS

POMONA VALLEY WORKSHOP

By: _____

Milo Victoria, CEO/General Manager

By: _____

Karen Jones, Executive Director

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: _____

Legal Counsel

DOT



FTA

**U.S. Department of
Transportation**

Federal Transit Administration

Part 9: Agreement

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**GRANT AGREEMENT
(FTA G-14, October 1, 2007)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official's electronic signature is entered for this Grant Agreement, FTA has Awarded Federal assistance in support of the Project described below. Upon Execution of this Grant Agreement by the Grantee named below, the Grantee affirms this FTA Award, and enters into this Grant Agreement with FTA. The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(14), October 1, 2007, <http://www.fta.dot.gov/documents/14-Master.pdf>
- (2) The Certifications and Assurances applicable to the Project that the Grantee has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE GRANTEE DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING THE DATE OF THIS FTA AWARD SET FORTH HEREIN.

FTA AWARD

FTA hereby awards a Federal grant as follows:

Project No: CA-37-X090-00

Grantee: OMNITRANS

Citation of Statute(s) Authorizing Project: 49 USC 5316 - Job Access and Reverse Commute/TEA-21 3037

Estimated Total Eligible Cost (in U.S. Dollars): \$3,093,839

Maximum FTA Amount Awarded [Including All Amendments] (in U.S. Dollars): \$2,475,071

Amount of This FTA Award (in U.S. Dollars): \$2,475,071

Maximum Percentage(s) of FTA Participation:

Percentages of Federal participation are based on amounts included in the Approved Project Budget, modified as set forth in the text following the Project Description.

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

Original Project Certification Date: 9/3/2008

Project Description:

FY06-08 Section 5316 JARC Capital

The Project Description includes information describing the Project within the Project Application submitted to FTA, and the Approved Project Budget, modified by any additional statements displayed in this Grant Agreement, and, to the extent FTA concurs, statements in other documents including Attachments entered into TEAM-Web.

Awarded By:
Edward Carranza
Deputy Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION
09/04/2008

EXECUTION OF GRANT AGREEMENT

The Grantee, by executing this Grant Agreement, affirms this FTA Award; adopts and ratifies all statements, representations, warranties, covenants, and materials it has submitted to FTA; consents to this FTA Award; and agrees to all terms and conditions set forth in this Grant Agreement.

By executing this Grant Agreement, I am simultaneously executing any Supplemental Agreement that may be required to effectuate this Grant Agreement.

Executed by:
Durand Rall
General Manager
OMNITRANS
09/15/2008

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

SUPPLEMENTAL AGREEMENT
(Attachment to FTA G-14, October 1, 2007)

It is the practice of the Federal Transit Administration to enter into a formal agreement with the Designated Recipient for projects that the Designated Recipient does not carry out directly. Under this Grant Agreement, the Grant Recipient is not the Designated Recipient. Therefore, the Designated Recipient hereby agrees to permit the Grant Recipient under this Grant Agreement to receive and dispense the Federal assistance funds described in this Grant Agreement. The Designated Recipient further agrees that the Grant Recipient shall assume all responsibilities set forth in this Grant Agreement.

The Federal Government and the Grantee under this Grant Agreement hereby agree that the Designated Recipient is not in any manner subject to or responsible for the terms and conditions of this Grant Agreement and is a party to this Grant Agreement only to assign the right to receive and dispense Federal funds to the Grantee as described above.

FTA Official:
Edward Carranza
Deputy Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION

Designated Recipient:
Rosemary Ayala
Senior Administrative Officer
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

Grant Recipient:
Durand Rall
General Manager
OMNITRANS
09/15/2008

DOT



FTA

U.S. Department of
Transportation

Federal Transit Administration

Part 9: Agreement

UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION

GRANT AGREEMENT
(FTA G-14, October 1, 2007)

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official's electronic signature is entered for this Grant Agreement, FTA has Awarded Federal assistance in support of the Project described below. Upon Execution of this Grant Agreement by the Grantee named below, the Grantee affirms this FTA Award, and enters into this Grant Agreement with FTA. The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(14), October 1, 2007, <http://www.fta.dot.gov/documents/14-Master.pdf>
- (2) The Certifications and Assurances applicable to the Project that the Grantee has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE GRANTEE DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING THE DATE OF THIS FTA AWARD SET FORTH HEREIN.

FTA AWARD

FTA hereby awards a Federal grant as follows:

Project No: CA-57-X017-01

Grantee: OMNITRANS

Citation of Statute(s) Authorizing Project: 49 USC 5317 – New Freedom/TEA-21 3037

Estimated Total Eligible Cost (in U.S. Dollars): \$1,278,863.00

Maximum FTA Amount Awarded [Including All Amendments] (in U.S. Dollars): \$1,023,090.00

Amount of This FTA Award (in U.S. Dollars): \$1,023,090.00

Maximum Percentage(s) of FTA Participation:

Percentages of Federal participation are based on amounts included in the Approved Project Budget, modified as set forth in the text following the Project Description.

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

Original Project Certification Date: 9/3/2008

Project Description:

FY06-08 Section 5317 New Freedom Capital

The Project Description includes information describing the Project within the Project Application submitted to FTA, and the Approved Project Budget, modified by any additional statements displayed in this Grant Agreement, and, to the extent FTA concurs, statements in other documents including Attachments entered into TEAM-Web.

Awarded By:
Edward Carranza
Deputy Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION
09/04/2008

EXECUTION OF GRANT AGREEMENT

The Grantee, by executing this Grant Agreement, affirms this FTA Award; adopts and ratifies all statements, representations, warranties, covenants, and materials it has submitted to FTA; consents to this FTA Award; and agrees to all terms and conditions set forth in this Grant Agreement.

By executing this Grant Agreement, I am simultaneously executing any Supplemental Agreement that may be required to effectuate this Grant Agreement.

Executed by:
Durand Rall
General Manager
OMNITRANS
09/15/2008

It is the practice of the Federal Transit Administration to enter into a formal agreement with the Designated Recipient for projects that the Designated Recipient does not carry out directly. Under this Grant Agreement, the Grant Recipient is not the Designated Recipient. Therefore, the Designated Recipient hereby agrees to permit the Grant Recipient under this Grant Agreement to receive and dispense the Federal assistance funds described in this Grant Agreement. The Designated Recipient further agrees that the Grant Recipient shall assume all responsibilities set forth in this Grant Agreement.

The Federal Government and the Grantee under this Grant Agreement hereby agree that the Designated Recipient is not in any manner subject to or responsible for the terms and conditions of this Grant Agreement and is a party to this Grant Agreement only to assign the right to receive and dispense Federal funds to the Grantee as described above.

FTA Official:
Edward Carranza
Deputy Regional Administrator
FEDERAL TRANSIT ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION

Designated Recipient:

Rosemary Ayala
Senior Administrative Officer
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

Grant Recipient:
Durand Rall
General Manager
OMNITRANS
09/15/2008



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager

FROM: Jack Dooley, Director of Maintenance
Ernesto DeGuzman, Director of Procurement

SUBJECT: AUTHORIZE RELEASE OF RFP-MNT12-12, MAINTENANCE AND REPAIR OF LIQUEFIED COMPRESSED NATURAL GAS (LCNG) FACILITIES

FORM MOTION

Authorize CEO/General Manager to release Request for Proposals RFP-MNT12-12, for the provision of the Maintenance and Repair of Liquefied Compressed Natural Gas (LCNG) Facilities for Omnitrans' East Valley and West Valley properties for a period of three base years and two single option years, beginning May 1, 2012 and ending no later than April 30, 2017.

SUMMARY AND BACKGROUND

Maintenance and repair services to Omnitrans' LCNG facilities are currently under contract, which is due to expire April 30, 2012. This equipment is critical to Omnitrans' revenue operations as it provides for the fueling of the buses. To ensure that the LCNG facilities are kept in proper operating condition, staff recommends continuing the services of a contractor to provide the required maintenance and repair services.

Under the terms of this RFP, Omnitrans is requiring services for a turn key maintenance program that includes all scheduled work on the LCNG stations.

FUNDING SOURCE

The cost associated with this procurement is budgeted in the Maintenance Department's Fiscal Year 2012 Operating Budget. Funding for the out years will be covered in each respective year's operating budget, as follows:

Department	1200
Expenditure Code	505060

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Phone: 909-379-7100 • Web site: www.omnitrans.org • Fax: 909-889-5779

Serving the communities of Chino, Chino Hills, Colton, County of San Bernardino, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland and Yucaipa.

ASW

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

This procurement meets the requirements of Omnitrans' current Procurement Policy and Procedures Manuals.

PROPOSAL EVALUATION CRITERIA

- Plan to meet requirements as discussed in the Scopes of Work
- Pricing
- Relevant experience, qualifications and success in providing the services as outlined in the solicitation
- Presentation/Interview
- References from other institutions and clients who are comparable to the Agency
- Quality of the proposal, specifically the provision, adequacy and completeness of response
- Firm's financial stability

PROPOSED TIME LINE

January 4, 2012:	Request for Proposal (RFP) package available
January 17, 2012:	Pre-proposal meeting (9:00 a.m.)
January 26, 2012:	Request for Information Deadline
February 9, 2012:	Bid Deadline; no later than 3:00 p.m.
February 21, 2012	Presentation/Interview
April 4, 2012:	Contract Award Target Date
April 18, 2012:	Notice to Proceed
May 1, 2012:	Anticipated Contract Start Date
April 30, 2017:	Anticipated Contract End Date

CONCLUSION

For the foregoing reasons, staff recommends that the Board of Directors authorize CEO/General Manager to release Request for Proposals RFP-MNT12-12, for the provision of the Maintenance and Repair of Liquefied Compressed Natural Gas (LCNG) Facilities for Omnitrans' East Valley and West Valley properties for a period of three base years and two single option years, beginning May 1, 2012 and ending no later than April 30, 2017.

MV:CV



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *mv*

FROM: P. Scott Graham, Director of Operations *PSG*
Ernesto DeGuzman, Director of Procurement *EDG*

SUBJECT: AUTHORIZE RELEASE - RFP-OPS12-14, UNIFORM SUPPLY AND ALTERATION SERVICE

FORM MOTION

Authorize the CEO/General Manager to release solicitation RFP-OPS12-14 for the provision of Uniform Supply and Alteration Service for Omnitrans bus Operations staff for a two-year base period, with three single-option years, beginning April 1, 2012 and ending no later than March 31, 2017.

SUMMARY AND BACKGROUND

Omnitrans requires all of its Coach Operators, Coach Operator Instructors, Fleet Safety and Training Instructors, and Field Supervisors to wear uniforms while on duty.

To support this requirement, Omnitrans retains the services of a qualified firm to supply and perform alterations on uniforms. Required services include provision of new uniforms, alterations, and affixing patches to the uniforms.

Staff recommends a two-year base contract with three single year options as it makes more efficient use of staff time and reduces costs through increased economies of scale. The three option terms will help ensure that the Contractor meets the requirements of the contract before Omnitrans considers exercising each single year option.

FUNDING SOURCES

The required services will be budgeted in the Operations Department's operating budget for each respective year.

Department Number 1100
Expenditure Code 504230

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

This procurement meets the requirements of Omnitrans' current Procurement Policy and Procedures Manuals.

PROPOSAL EVALUATION CRITERIA

- Pricing
- Responsiveness to Scope of Work
- Quality of Sample Uniforms
- Experience
- Quality of References

PROPOSED TIME LINE

January 4, 2012	Request for Proposals (RFP) available
January 19, 2012	Requests for Information (RFI), Clarification, and Approved Equal Deadline
February 3, 2012 – 2:00 P.M.	Proposal Deadline
March 7, 2012	Contract Award Target Date
March 12, 2012	Notice to Proceed
April 2, 2012	Anticipated Contract Start Date

CONCLUSION

For the foregoing reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to release solicitation RFP-OPS12-14 for the provision of Uniform Supply and Alteration Service for Omnitrans bus Operations staff for a two-year base period, with three single-option years, beginning April 1, 2012 and ending no later than March 31, 2017.

MV:AC



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager

FROM: Jack Dooley, Interim Director of Safety & Regulatory Compliance
Ernesto DeGuzman, Director of Procurement

**SUBJECT: AUTHORIZE RELEASE OF: RFP-SAS12-09, CLOSED CIRCUIT
TELEVISION (CCTV) VIEWING STATIONS**

FORM MOTION

Authorize CEO/General Manager to release solicitation RFP-SAS12-09 for the provision of Closed Circuit Television (CCTV) viewing stations at Omnitrans' East Valley, West Valley and I-Street facilities.

SUMMARY AND BACKGROUND

The existing CCTV viewing consoles and office furniture in the Omnitrans' Security and Dispatch Centers have not been upgraded for approximately 20 years and no longer meet modern standards. The current built-in work surfaces have deteriorated and stand-alone cabinets used for document control are rusting. The condition of the work environment has contributed to a number of mishaps and complaints. Occurrences such as minor cuts along the hand, knees bumping against furniture, low back pain, and neck pain while performing regular tasks have been reported.

The scope of work includes removal of the existing built-in furniture, providing a workspace layout plan that maximizes space, productivity, efficiency, and ergonomic needs, providing and installing CCTV viewing/emergency communications console furniture systems, and training on the proper and safe use of the equipment. A total of twelve CCTV viewing/emergency consoles are anticipated to be installed.

FUNDING SOURCE

The cost associated with this procurement is budgeted in the Safety & Security Department Capital Funds as follows:

<u>Source</u>	<u>Year</u>	<u>Description</u>
FTA	FY09	CCTV Viewing Stations
STA	FY09	CCTV Viewing Stations

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

This procurement meets the requirements of Omnitrans' current Procurement Policy and Procedures Manuals.

PROPOSAL EVALUATION CRITERIA

- The company's plan to assist the Agency to meet its goals and requirements as discussed in the RFP.
- The company's pricing proposal including, but not limited to, discounts, service charges, other charges, or alternate financial models.
- The company's relevant experience, qualifications and success in providing the goods and/or services as outlined in the Request for Proposals.
- The company's references from other institutions and clients who are comparable to the Agency.
- The quality of the proposal, specifically the provision, adequacy and completeness of the response.
- Financial stability of the firm.

PROPOSED TIME LINE

January 4, 2012	Request for Proposals (RFP) available
January 19, 2012, 8:00 a.m.	Pre-Proposal Meeting
January 27, 2012, 5:00 p.m. PST	Requests for Information (RFI), Clarification, and Approved Equal Deadline
February 10, 2012 – 3:00 P.M. PST	Proposal Deadline
April 4, 2012	Contract Award Target Date
April 18, 2012	Notice to Proceed
April 23, 2012	Anticipated Contract Start Date
October 26, 2012	Anticipated Contract End Date

CONCLUSION

For the foregoing reasons, staff recommends that the Board of Directors authorize CEO/General Manager to release solicitation RFP-SAS12-09 for the provision of Closed Circuit Television (CCTV) viewing stations at Omnitrans' East Valley, West Valley and I-Street facilities.

MV:CV



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: Jack Dooley, Interim Director of Safety & Regulatory Compliance *[Signature]*
Ernesto DeGuzman, Director of Procurement *[Signature]*

SUBJECT: **AUTHORIZE AWARD OF CONTRACT SAS12-06, EMERGENCY PREPAREDNESS AND MANAGEMENT TRAINING ,**

FORM MOTION

Authorize the CEO/General Manager to award Contract SAS12-06 to Willdan Homeland Solutions of Anaheim, CA, for the provision of Emergency Preparedness and Management Training Services for one year beginning January 16, 2012 and ending January 15, 2013. The contract amount is not to exceed \$149,500, plus a ten percent contingency of \$14,950, for a total not-to-exceed amount of \$164,450.

BACKGROUND AND ANALYSIS

On October 5, 2011, the Board of Directors authorized staff to release RFP-SAS12-06, Emergency Preparedness and Management Training, to obtain the services of a qualified firm to provide security and emergency response training for agency personnel and Omnitrans' service area emergency responders (fire, law enforcement, etc.) to be prepared for any new threats.

Staff released the Request for Proposals, and public notices of the RFP were published in two local newspapers and posted on Omnitrans' website. Nine firms were solicited from an initial bidders' list created by staff from a variety of sources.

Six proposals were received prior to the scheduled bid deadline of 2:00 p.m., November 8, 2011. Four were found to be responsive and responsible.

Omnitrans' Evaluation Committee, comprised of the Security & Loss Prevention Supervisor, and three of our service area emergency responders evaluated the proposals based upon the criteria set forth in the RFP.

The results, based on a best possible score of 100 points, are exhibited below:

Criteria	Maximum Points	Willdan	EPC	Talon	TSG
Quoted Price		\$149,500	\$83,430	\$279,960	\$288,000
Project Approach	30	29.5	28.3	25.3	26.3
Qualifications/References	20	19.8	17.3	19.5	17.0
Proposed Staff	20	19.0	17.8	17.0	16.0
Price	20	17.3	20.0	11.5	8.3
Schedule	10	10.0	10.0	8.5	9.5
Totals	100	95.6	93.4	81.8	77.1

Willdan Homeland Solutions scored the highest overall, demonstrating a wide range of experience, excellent project approach, qualified staff, good references and reasonable pricing. Staff recommends awarding a contract to Willdan Homeland Solutions.

FUNDING SOURCE

The cost associated with this procurement is provided by a grant Omnitrans received from the Department of Homeland Security:

FUNDING	GRANT	FISCAL YEAR	PROJECT NAME
FEMA	2010RAT0K016	2010	Emergency Preparedness




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

This procurement meets the requirements of Omnitrans' current Procurement Policy and Procedures Manuals.

CONCLUSION

For the above reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to award a contract to Willdan Homeland Solutions of Anaheim, CA, for the provision of Emergency Preparedness and Management Training Services for one year beginning January 16, 2012 and ending January 15, 2013. The contract amount is not to exceed \$149,500, plus a ten percent contingency of \$14,950, for a total not-to-exceed amount of \$164,450.

MV:CV

 Omnitrans STANDARD CONTRACT 1700 West Fifth Street San Bernardino CA 92411	<input checked="" type="checkbox"/>	New				Contract Number SAS12-06
	<input type="checkbox"/>	Change				
	<input type="checkbox"/>	Cancel				
	Omnitrans Department Safety & Security Department		Dept. No. 1630		Project Emergency Preparedness & Management Training	
	Omnitrans Procurement Representative Christine Van Matre		Telephone 909-379-7122		Total Contract Amount not to exceed \$149,500	
Contract Type:						
		Contract Start Date January 16, 2012	Contract End Date January 15, 2013	Original Amount \$	Amended Amount	

THIS CONTRACT is entered into in the State of California by and between Omnitrans, a Joint Powers Authority; hereinafter called Omnitrans, and

Name

Willdan Homeland Solutions

hereinafter called Consultant

Address

2401 E. Katella Ave., Suite 220

**CONTRACT DOCUMENTS AVAILABLE
UPON REQUEST**

Anaheim, CA 92806

Telephone

714-940-6370

Federal ID No.

26-0099886

IT IS HEREBY AGREED AS FOLLOWS:

- Contract Documents.** The complete Contract Record includes all of the following Contract Documents, either included herewith or incorporated herein by reference, and they are included in their entirety as a part of this Contract, A first, then B, then C:
 - This signed Agreement dated _____ 2012 and any and all of its Amendments, Appendices, Exhibits and Attachments;
 - Omnitrans' Solicitation Number RFP-SAS12-06 dated October 5, 2011 and any and all of its Amendments, Appendices, Exhibits and Attachments;
 - Consultant's Proposal dated November 8, 2011 and any and all of its Amendments, Appendices, Exhibits and Attachments, including email clarification dated December 7, 2011 that Willdan will provide local meeting facilities for training classes for JPA members.
- Scope of Work.** The Consultant agrees to perform certain work set forth and particularly described in the aforementioned documents, incorporated herein by reference.
- Compensation.** Omnitrans agrees to pay, and the Consultant agrees to accept in full, payment for the work outlined in the Contract Documents, the sum of:

Description	Quantity	Unit Cost	Total
Training classes (field exercises, table tops, drills) and transit vehicle infrastructure training (as described in Section 4.0, 3.B.1)	4	\$10,567	42,268
Training classes for on-site disaster and NIMS/SEMS (ICS 100, 200, 300, 400, 700,	4	\$8,794	35,176

800) (as described in Section 4.0, 3.B.2)			
Training classes will be held for Agency employees to review the new and revised procedures and policies (as described in Section 4.0, 3.B.3)	2	\$9,914	19,828
New written procedures/policies (as described in Section 4.0, 3.A.1)	9	\$2,388	\$21,492
Revision of Omnitrans' existing procedures (as described in Section 4.0, 3.A.4)	17	\$1,808	\$30,736
Grand Total			\$149,500

4. **Contract Duration.** The duration of this contract is one year with a start date of January 16, 2012 and an end date of January 15, 2013.

5. **Statement of Economic Interests**

- A. In some cases, consultants to government agencies are required to file statements of economic interests under agency conflict-of-interest codes. Generally speaking, consultants who perform the duties of a government employee over a significant period of time, or who make or participate — without significant intervening review — in the making of government decisions, may be required to file (FPPC Regulation 18701).
- B. Disclosure is made on the "Statement of Economic Interests" (Form 700). The form must be filed within 30 days of contract award, by April 1 of each year during which Consultant is under contract with Omnitrans, and within 30 days after expiration of agreement. If it is determined, based on Fair Political Practices Commission (FPPC) guidelines, that Consultant is required to file Form 700, Consultant will be so notified by Omnitrans' Filing Officer. Consultant must note that the FPPC may impose administrative penalties for violation of Form 700 reporting requirements of up to \$5,000 per violation.
- C. Filed forms are public documents and will be available to anyone upon request.
- D. The consultant must refrain from making or participating in a government decision that has a reasonably foreseeable material financial effect on his or her personal financial interests, regardless of whether the individual is required to file a statement of economic interests.

6. **Omnitrans Contacts.**

Contract Technical Activities: Mark Crosby, Security & Loss Prevention Supervisor at 909-379-7117; email at mark.crosby@omnitrans.org.

Contract Administration: Christine Van Matre, Contracts Specialist at 909-379-7122; email at christine.vanmatre@omnitrans.org.

7. **Required Documents.** As required by the RFP, the final award of this contract is contingent on the receipt of the following remaining documents:

Certificates of Insurance for:

- **General Liability:** \$1,000,000; per occurrence, \$2,000,000 aggregate for bodily injury, personal injury and property damage liability; *Omnitrans named as Additional Insured.* Provide copy of endorsement

- **Comprehensive Automobile Liability:** \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *Omnitrans named as Additional Insured*. Provide copy of endorsement
- **Professional Liability:** \$1,000,000; per occurrence and aggregate.
- **Workers' Compensation:** statutory limits

8. **Instructions.** Sign both originals of this document, and return with the required documents to Omnitrans' Contracts Specialist, within ten (10) business days, addressed as follows:

Omnitrans
Attn: Christine Van Matre – Procurement Department
1700 W. Fifth Street
San Bernardino, CA 92411

This Agreement is executed upon signature by Omnitrans' CEO/General Manager. One signed original will be returned to Contractor.

The Notice to Proceed letter and a purchase order will be issued after all of the above-referenced contingencies have been met and this Agreement has been signed by both Parties. **NO WORK SHALL COMMENCE UNTIL THE NOTICE TO PROCEED HAS BEEN ISSUED.**

IN WITNESS WHEREOF, Omnitrans and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers on its respective behalf.

OMNITRANS

WILLDAN HOMELAND SOLUTIONS

Milo Victoria, CEO/General Manager

By

(Authorized signature – sign in blue ink)

Dated

Name

(Print or type name of person signing contract)

Title

(Print or Type)

Dated



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *Milo Victoria*

FROM: Marjorie Ewing, Director of Human Resources *M-E*
Ernesto DeGuzman, Director of Procurement *Ernesto DeGuzman*

**SUBJECT: AUTHORIZE AWARD - CONTRACT HR12-04,
WORKERS' COMPENSATION EMPLOYER OVERSIGHT SERVICES**

FORM MOTION

Authorize the CEO/General Manager to award Contract HR12-04 to Occlink of Salinas, California, for the provision of Workers' Compensation Employer Oversight Services for a base period beginning January 16, 2012 and ending June 30, 2013, and the authority to exercise three separate one-year extensions to the contract ending no later than June 30, 2016. The base contract amount is \$126,000; option year one is \$84,000, option year two is \$72,000, and option year three is \$60,000. The total contract price is \$342,000, plus a ten percent contingency of \$34,200, for a total not-to-exceed amount of \$376,200.

SUMMARY AND ANALYSIS

On October 5, 2011, the Board of Directors authorized staff to release solicitation RFP-HR12-04, Workers' Compensation Employer Oversight Services. Public notices of the RFP were published in two local newspapers and posted on Omnitrans' website. Five firms were solicited from an initial proposers' list created by staff from a variety of sources.

On November 7, 2011, proposals were due. Four proposals were received by the scheduled proposal deadline. Two proposals were deemed responsive and responsible. The evaluation team was comprised of staff from the Administration and Human Resources Departments who completed an assessment of the proposals based upon the criteria set forth in the RFP. A total of 100 points were possible.

The following firms are ranked from highest score to lowest score:

Criteria	Maximum Points	Occlink	Fu-Gen
Project Approach	50	50.0	30.7
Price	25	25.0	16.7
Experience	15	7.3	15.0
References	10	10.0	3.0
Totals	100	92.3	65.4

There are two components to the pricing. A monthly fee and a percentage of shared savings. During the base years, Occlink offers a \$7,000 monthly fee and a 15% share of savings. Fu-Gen offers \$125 per hour, which would calculate to \$10,000 per month using the estimated 80 hours of work per month and they offer 5% share of savings. Occlink's approach is driven by proactive endeavors in lowering claims, moving claims from indemnity to medical only, medical control, minimizing indemnity time off, and prescription solutions, all resulting in cost avoidance. The harder they work at claims and loss trends, severity and frequency, length of claims, reserve and funding trends, the greater the ROI (Return on Investment) for Omnitrans and the vendor. The incentive in our RFP was for the vendor to share in the cost avoidance. The Agency would realize 85% of the cost avoidance and the vendor would receive 15%. Cost Avoidance measure will use the previous year's actual expenses versus the costs associated with this fiscal year claims costs analyzing downward trends. The ratio of employees to claims will also be an indicator of trending; and the cost of current claims will be analyzed for severity.

The average Occlink clients enjoy less than one to twenty (1:20), and in many cases less than one claim to every thirty employees (1:30). It is imperative that guidelines, accountability and the high level decisions and control of workplace injuries are managed by Omnitrans' personnel. Currently, the Omnitrans ratio is one claim to every six employees (1:6). Occlink projects based upon our trends and number of employees, with their services they would reduce roughly forty (40) claims per year or a reduction of fifty (50) percent.

FUNDING SOURCE

The cost associated with this procurement is budgeted in the Administration Department's Fiscal Year 2012 budget and funding for future years will be included in the Human Resources Department's Fiscal Year 2013 through 2016 Operating Budget.

Department Number 1300; 1600
Expenditure Code 503990; 503060




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

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

CONCLUSION

For the above reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to award Contract HR12-04 to Occlink of Salinas, California, for the provision of Workers' Compensation Employer Oversight Services for a base period beginning January 16, 2012 and ending June 30, 2013, and the authority to exercise three separate one-year extensions to the contract ending no later than June 30, 2016. The base contract amount is \$126,000; option year one is \$84,000, option year two is \$72,000, and option year three is \$60,000. The total contract price is \$342,000, plus a ten percent contingency of \$34,200, for a total not-to-exceed amount of \$376,200.

MV:CV

 Omnitrans STANDARD CONTRACT 1700 West Fifth Street San Bernardino CA 92411	<input checked="" type="checkbox"/> New					Contract Number HR12-04
	<input type="checkbox"/> Change					
	<input type="checkbox"/> Cancel					
	Omnitrans Department Human Resources		Dept. No. 1600		Project Workers' Compensation Employer Oversight Services	
	Omnitrans Procurement Representative Christine Van Matre		Telephone 909-379-7122		Total Contract Amount not to exceed \$126,000	
Contract Type: Professional						
		Contract Start Date January 16, 2012	Contract End Date June 30, 2013	Original Amount \$	Amended Amount	

THIS CONTRACT is entered into in the State of California by and between Omnitrans, a Joint Powers Authority; hereinafter called Omnitrans, and

Name

Occlink

hereinafter called Consultant

Address

1219 Abbott Street

**CONTRACT DOCUMENTS AVAILABLE
UPON REQUEST**

Salinas CA 93902

Telephone

Federal ID No.

831-751-1332

26-2666031

IT IS HEREBY AGREED AS FOLLOWS:

- Contract Documents.** The complete Contract Record includes all of the following Contract Documents, either included herewith or incorporated herein by reference, and they are included in their entirety as a part of this Contract, A first, then B, then C:
 - This signed Agreement dated _____ 2012 and any and all of its Amendments, Appendices, Exhibits and Attachments;
 - Omnitrans' Solicitation Number RFP-HR12-04 dated October 5, 2011 and any and all of its Amendments, Appendices, Exhibits and Attachments;
 - Consultant's Proposal dated November 7, 2011 and any and all of its Amendments, Appendices, Exhibits and Attachments;
- Scope of Work.** The Consultant agrees to perform certain work set forth and particularly described in the aforementioned documents, incorporated herein by reference.
- Compensation.** Omnitrans agrees to pay, and the Consultant agrees to accept in full, payment for the work outlined in the Contract Documents, the sum of:
 - BASE CONTRACT AMOUNT NOT TO EXCEED.....\$126,000*
**Based on monthly fee of \$7,000*
 - PERCENTAGE OF SHARED SAVINGS**15%

***Based on share in cost savings resulting from the implementation of cost reduction recommendations which are presented to and approved by Omnitrans as described in RFP-HR12-04. Effective for base years and option years.*

4. **Contract Duration.** The duration of this contract is from January 16, 2012 through June 30, 2013 with the option to exercise at Omnitrans' sole discretion three single option years, as follows: Option Year One from July 1, 2013 through June 30, 2014 for \$84,000 based on monthly fees of \$7,000, Option Year Two from July 1, 2014 through June 30, 2015 for \$72,000 based on monthly fees of \$6,000, and Option Year Three from July 1, 2015 through June 30, 2016 for \$60,000 based on monthly fees of \$5,000.

5. **Statement of Economic Interests**

- A. In some cases, consultants to government agencies are required to file statements of economic interests under agency conflict-of-interest codes. Generally speaking, consultants who perform the duties of a government employee over a significant period of time, or who make or participate — without significant intervening review — in the making of government decisions, may be required to file (FPPC Regulation 18701).
- B. Disclosure is made on the "Statement of Economic Interests" (Form 700). The form must be filed within 30 days of contract award, by April 1 of each year during which Consultant is under contract with Omnitrans, and within 30 days after expiration of agreement. If it is determined, based on Fair Political Practices Commission (FPPC) guidelines, that Consultant is required to file Form 700, Consultant will be so notified by Omnitrans' Filing Officer. Consultant must note that the FPPC may impose administrative penalties for violation of Form 700 reporting requirements of up to \$5,000 per violation.
- C. Filed forms are public documents and will be available to anyone upon request.
- D. The consultant must refrain from making or participating in a government decision that has a reasonably foreseeable material financial effect on his or her personal financial interests, regardless of whether the individual is required to file a statement of economic interests.

6. **Omnitrans Contacts.**

Contract Technical Activities: Marjorie Ewing, Director of Human Resources at 909-379-7261; email at marjorie.ewing@omnitrans.org.

Contract Administration: Christine Van Matre, Contracts Specialist at 909-379-7122; email at christine.vanmatre@omnitrans.org.

7. **Required Documents.** As required by the RFP, the final award of this contract is contingent on the receipt of the following remaining documents:

- **Commercial General Liability** including Products/Completed Operations: \$1,000,000; per occurrence for bodily injury, personal injury and property damage liability and \$2,000,000 aggregate; *Omnitrans endorsed as an Additional Insured.* (include copy of endorsement form CGD4170708)
- **Automobile Liability:** \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *Omnitrans endorsed as an Additional Insured.* (include copy of endorsement form MPT1251103)
- **Professional Liability:** \$1,000,000; per occurrence and aggregate.

- **Workers' Compensation:** statutory limits with Employers' Liability: \$1,000,000 per occurrence

8. **Instructions.** Sign both originals of this document, and return with the required documents to Omnitrans' Contracts Specialist, within ten (10) business days, addressed as follows:

Omnitrans
Attn: Christine Van Matre – Procurement Department
1700 W. Fifth Street
San Bernardino, CA 92411

This Agreement is executed upon signature by Omnitrans' CEO/General Manager. One signed original will be returned to Contractor.

The Notice to Proceed letter and a purchase order will be issued after all of the above-referenced contingencies have been met and this Agreement has been signed by both Parties. **NO WORK SHALL COMMENCE UNTIL THE NOTICE TO PROCEED HAS BEEN ISSUED.**

IN WITNESS WHEREOF, Omnitrans and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers on its respective behalf.

OMNITRANS

OCCLINK

Milo Victoria, CEO/General Manager

By

(Authorized signature – sign in blue ink)

Dated _____

Name

(Print or type name of person signing contract)

Title

(Print or Type)

Dated



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager *[Signature]*

FROM: William Y. Tsuei, Director of Information Technology *[Signature]*
Ernesto N. DeGuzman, Director of Procurement *[Signature]*

SUBJECT: AUTHORIZE PURCHASE OF CISCO WIRELESS EQUIPMENT & IMPLEMENTATION OF WIRELESS LOCAL AREA NETWORK

FORM MOTION

Authorize the CEO/General Manager to issue a purchase order to NIC Partners, Inc. of Rancho Cucamonga, CA, for the purchase of Cisco equipment, as well as, services to implement a wireless Local Area Network (LAN), Voice-Over Internet Protocol (VOIP), and Wireless Network Access Controls at Omnitrans. (A non-binding contingent Purchase Order was issued to vendor to take advantage of \$67,000 savings.) This acquisition utilizes the California Multiple Award Schedules' Cooperative Purchasing Program Contract Number CMAS 3-08-70-2473F. The cost of this acquisition is \$140,905, plus a ten percent contingency of \$14,091, direct labor of \$36,897, sales tax of \$12,400, and a 3.27 percent cost allocation plan of \$6,680, for a total not to exceed amount of \$210,973.

BACKGROUND AND SUMMARY

The implementation of a wireless LAN and associated Network Access Controls and Voice-Over Internet Protocol is Omnitrans' next step in its transition from traditional computing to mobile computing. The implementation of an Agency-wide wireless LAN will allow staff to reach the next step in becoming truly mobile yet fully connected, along with a full array of access controls and voice-over capabilities. With the changes in mobile computing technology and the increasing need for directors, managers and the IPMO staff to stay connected when traveling, and Operations Dispatchers, Field Supervisors and other staff whose work requires field time, the demand for a broad-band WiFi network has increased multi-fold and is no longer supported by Omnitrans' incumbent wire-based network. The establishment of a wireless LAN will allow mobile devices to have access to the information technology network and streamline the download of data from the Onboard Video Surveillance System (OBVSS) and Closed-Circuit Security Camera (CCTV) system video files that are indexed for storage and marked for later review.

Omnitrans • 1700 West Fifth Street • San Bernardino, CA 92411
Phone: 909-379-7100 • Web site: www.omnitrans.org • Fax: 909-889-5779

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Because the Agency has adopted Cisco networking equipment as the backbone for its Multi-Protocol Label Switching (MPLS) network infrastructure, staff strongly recommends the use of Cisco wireless equipment to maximize network capacity and to minimize chances of equipment incompatibilities.

This purchase is the result of a competitive procurement held by staff among multiple vendors from the California Department of General Services' California Multiple Award Schedule.

FUNDING SOURCE

Funding for this purchase is in the Information Technology Services Department's Capital Budget for Fiscal Year 2009 as indicated below.

FUNDING	GRANT NUMBER	FISCAL YEAR	PROJECT NAME
Federal	D0922003F CA-90-Y681	2009	Wireless Equipment
State	D0922003S 09-09-OMNB	2009	Wireless Equipment



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

This acquisition meets the requirements of Omnitrans' Procurement Policy and Procedures.

CONCLUSION

For the above reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to issue a purchase order to NIC Partners, Inc. of Rancho Cucamonga, CA, for the purchase of Cisco equipment, as well as, services to implement a wireless Local Area Network (LAN), Voice-Over Internet Protocol (VOIP), and Wireless Network Access Controls at Omnitrans. (A non-binding contingent Purchase Order was issued to vendor to take advantage of \$67,000 savings.) This acquisition utilizes the California Multiple Award Schedules' Cooperative Purchasing Program Contract Number CMAS 3-08-70-2473F. The cost of this acquisition is \$140,905, plus a ten percent contingency of \$14,091, direct labor of \$36,897, sales tax of \$12,400, and a 3.27 percent cost allocation plan of \$6,680, for a total not to exceed amount of \$210,973.

MV:WYT



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager

FROM: William Y. Tsuei, Director of Information Technology *WYTsuei*
Ernesto N. DeGuzman, Director of Procurement *EDeGuzman*

SUBJECT: AUTHORIZE PURCHASE OF CITRIX NETWORK VIRTUALIZATION SOFTWARE

FORM MOTION

Authorize the CEO/General Manager to issue a purchase order to GTC Systems, Inc. of San Diego, CA, for the purchase of Citrix Network Virtualization software and associated hardware implementation services and training under the Federal General Services Administration (GSA) Cooperative Purchasing Program Contract Numbers GS-35F-0358W, SIN 132-51, and GS-35F-0511T, SIN 132-33. (A non-binding contingent Purchase Order was issued to vendor to take advantage of \$27,000 cost savings.) The cost of this acquisition is \$286,725, plus a ten percent contingency of \$28,673, direct labor of \$23,587, sales tax of \$26,020 and a 3.27 percent cost allocation plan of \$11,936, for a total not to exceed amount of \$376,941.

BACKGROUND AND SUMMARY

Citrix is the back office virtualization utility software that will enable Omnitrans end-users to access applications such as SAP ERP (Enterprise Resource Planning), and Trapeze via private encrypted channels either on Agency premises or while on travel. The proposed Citrix system will also allow IT staff to deploy applications to appropriate users, user groups or departments based on their authority without the need to physically install the applications on individual computers.

As Omnitrans moves toward applying true mobile computing principles, it is expected that the Citrix-based virtualization will play the central role in governing the security of that mobile information technology, as well as, providing the flexible platform that will allow staff to access business applications such as SAP ERP, and Trapeze remotely.

This purchase is the result of a competitive procurement among multiple vendors from the GSA's Schedule 70.


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FUNDING SOURCE

The cost associated with this procurement is budgeted in the Information technology Department's Capital Budget as follows:

FUNDING	GRANT NUMBER	FISCAL YEAR	PROJECT NAME
Federal	D1122001F CA-90Y850	2011	Citrix Software
State	D1122001S 11-03-OMNB	2011	Citrix Software

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

This acquisition meets the requirements of Omnitrans' Procurement Policy and Procedures.

CONCLUSION

For the above reasons, staff recommends that the Board of Directors authorize the CEO/General Manager to issue a purchase order to GTC Systems, Inc. of San Diego, CA, for the purchase of Citrix Network Virtualization software and associated hardware implementation services and training under the Federal General Services Administration (GSA) Cooperative Purchasing Program Contract Numbers GS-35F-0358W, SIN 132-51, and GS-35F-0511T, SIN 132-33. (A non-binding contingent Purchase Order was issued to vendor to take advantage of \$27,000 cost savings.) The cost of this acquisition is \$286,725, plus a ten percent contingency of \$28,673, direct labor of \$23,587, sales tax of \$26,020 and a 3.27 percent cost allocation plan of \$11,936, for a total not to exceed amount of \$376,941.

MV:WYT



DATE: January 4, 2012

TO: Board Chair Dick Riddell and Members of the Omnitrans Board of Directors

THROUGH: Milo Victoria, CEO/General Manager

FROM: Jack Dooley, Director of Maintenance
Ernesto N. DeGuzman, Director of Procurement

**SUBJECT: CONTRACT PRC11-06 LIQUEFIED NATURAL GAS (LNG) FUEL
DELIVERY SERVICE INTERRUPTION MITIGATION PLAN**

FORM MOTION

Approve Omnitrans' Fuel Delivery Contract Service Failure Mitigation Plan for Contract PRC11-06 (Attachment A). The Plan will be activated in the event that one or more of the seven plants from which Clean Energy draws stock is out of service and downgrades its ability to deliver Liquefied Natural Gas (LNG) to Omnitrans' operating divisions in San Bernardino and Montclair; and

Authorize staff to enter into negotiations with Applied LNG Technologies (ALT) for a contingency fuel delivery services agreement to provide coverage in the event that Clean Energy sustains a catastrophic system-wide failure.

BACKGROUND AND SUMMARY

At its December 7, 2011 meeting, the Board authorized the award of Contract PRC11-06 to Clean Energy, of Seal Beach, CA, for the provision of LNG fuel to Omnitrans' East Valley and West Valley operating sites. As the recommended award was for a single provider, the Board directed staff to present to the January 2012 meeting a plan to mitigate any potential service failures. This plan is presented as Attachment (A) to this Board memorandum.

Staff believes that, with multiple sources available from which it may draw its supply, Clean Energy is equipped to respond to the various scenarios it and Omnitrans may encounter, singly and jointly, relative to the physical delivery of LNG fuel to Omnitrans operating sites. However, staff also believes that a systemic redundancy will be of benefit to the Agency in the unlikely event that Clean Energy sustains a prolonged catastrophic system-wide failure where its ability to provide the needed service over a period of time is in doubt. As a second layer of insurance, staff proposes to obtain the services of a second service provider on an on-call, contingency basis to ensure Omnitrans' service stays uninterrupted. Thus, as an adjunct to its request for approval

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of Attachment (A), staff also requests the Board's authority to enter into negotiations with ALT to develop an on-call contingency agreement. ALT is the second proposer who submitted an offer to Omnitrans during the solicitation period for the current contract. ALT's cost proposal was considered not to the advantage of Omnitrans due to its high mark-ups given the large quantities of fuel that Omnitrans anticipates to acquire over the life of the agreement. As an alternate supplier, and given the lower quantities that may be ordered under the proposed contingency engagement, staff believes the originally proposed cost to be within reason. As staff will need time to negotiate the terms of this proposed contingency agreement, staff will submit a separate request to the Board for an award at the February meeting.

CONCLUSION

For the above reasons, staff recommends that the Board approve Omnitrans' Fuel Delivery Contract Service Failure Mitigation Plan for Contract PRC11-06. The Plan will be activated in the event that one or more of the seven plants from which Clean Energy draws stock is out of service and downgrades its ability to deliver Liquefied Natural Gas (LNG) to Omnitrans' operating divisions in San Bernardino and Montclair; and

Authorize staff to enter into negotiations with Applied LNG Technologies (ALT) for a contingency fuel delivery services agreement to provide coverage in the event that Clean Energy sustains a catastrophic system-wide failure.

MV:JD:ED



Clean Energy[®]

North America's leader in clean transportation

Liquefied Natural Gas Supply & Maintenance Points of Contact

Omnitrans – East & West Valley

- Christa Peila, Logistics Manager
 - (562) 546-0331, office line
 - (562) 619-6716, mobile phone
 - cpeila@cleanenergyfuels.com
- Amy Pirtle, Logistics Coordinator
 - (562) 493-7217, office line
 - (562) 305-7264, mobile phone
 - apirtle@cleanenergyfuels.com
- Derek Turbide, Business Development Manager
 - (562) 626-8837, office line
 - (619) 818-7186, mobile phone
 - dturbide@cleanenergyfuels.com
- Chad Lindholm, General Manager
 - (562) 546-0322, office line
 - (562) 822-0923, mobile phone
 - clindholm@cleanenergyfuels.com
- 24/7 Operations and Maintenance Dispatch Center
 - (866) 278-3674, toll free

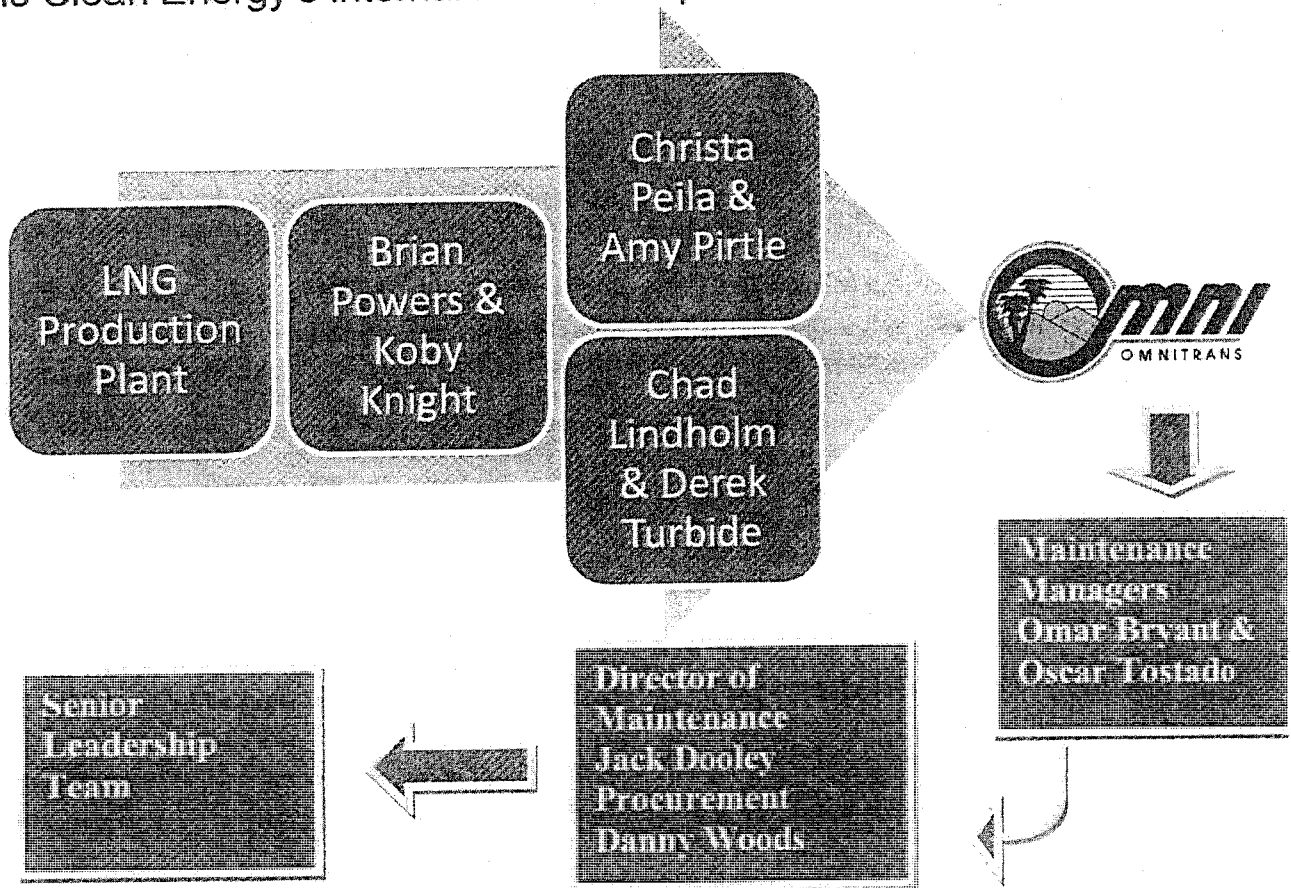
- Tom Bressler, Operations Director
 - (562) 546-0337, office line
 - (562) 305-7264, mobile phone
 - tbressler@cleanenergyfuels.com

- Joe Almeida, Operations Supervisor
 - (562) 448-4042, mobile phone
 - jalmeida@cleanenergyfuels.com

- Brian Powers, Vice President of Operations
 - (562) 546-0308, office line
 - (562) 708-0719, mobile phone
 - bpowers@cleanenergyfuels.com

- Company Headquarters, Seal Beach
 - (562) 493-2804, main line

In the event there is an issue with LNG supply, the following is Clean Energy's internal notification procedure:



LNG Supply Preparedness Overview



LNG Supply Management

To meet the quality of work expected by Omnitrans, CE brings over 2,000 years of combined employee experience in the natural gas fueling industry. This level of experience far exceeds any other natural gas fuel provider and has led to the quality products and services CE provides today.

CE has been supplying natural gas fuel and ancillary services for 14 years. In the LNG sector, CE has been providing these services since 1999; and, in the compressed natural gas (CNG) sector, since 1996. In addition, CE has extensive experience in LNG, CNG and LCNG fueling station design and construction, which provides our customers with a surety of technical understanding that goes beyond fuel supply.

Today, CE delivers nearly 200,000 gallons of LNG on a daily basis to customers in Arizona, California, Idaho, Nevada, New Mexico, Ohio and Texas.

High Quality Products and Services

CE has seven LNG supply sources available to provide product to Omnitrans on a daily basis. Omnitrans' primary fuel source will be CE's Boron Plant, which is approximately 100 miles from Omnitrans' facilities. 175 miles away, Desert Gas Services will be the secondary source. The Williams Plant and CE's Pickens Plant will serve as additional sources in the unlikely event they are ever needed.

The table below details each supply source, on-site storage and daily plant capacity. The blue shaded cells are CE-owned or contracted liquefaction plants. As shown, CE and our contracted suppliers can produce 345,000 gallons per day and have 2.68 million gallons of storage. Recall that CE delivers less than 200,000 gallons per day, which means that even if every plant we pulled from were to stop producing fuel, we could still supply all of our customers for approximately two weeks with storage alone. Given that our plants are hundreds of miles away from one another, the likelihood of this ever happening is near to none. CE is ready and able to serve all of its customers in the event of an emergency.

Source	Storage (LNG Gallons)	Production Capacity (LNG Gallons Per Day)
CE Boron Plant – Boron, CA	1,500,000	180,000
Desert Gas Services – Ehrenberg, AZ	100,000	45,000
Williams Gas Processing Plant – Ignacio, CO	80,000	40,000
CE Pickens Plant – Willis, TX	1,000,000	80,000
TOTAL	2,680,000	345,000
ExxonMobil – Kemmerer, WY	80,000	25,000
BP Painter – Evanston, WY	50,000	40,000
Pioneer – Ulysses, KS	30,000	40,000

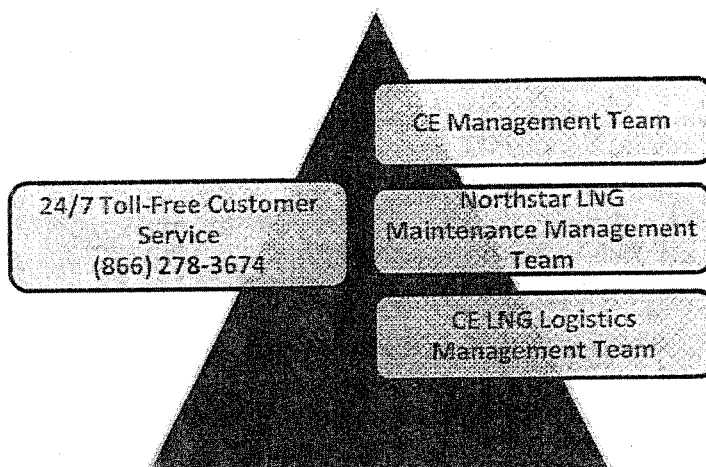
LNG Supply Preparedness Overview



LNG Delivery Support

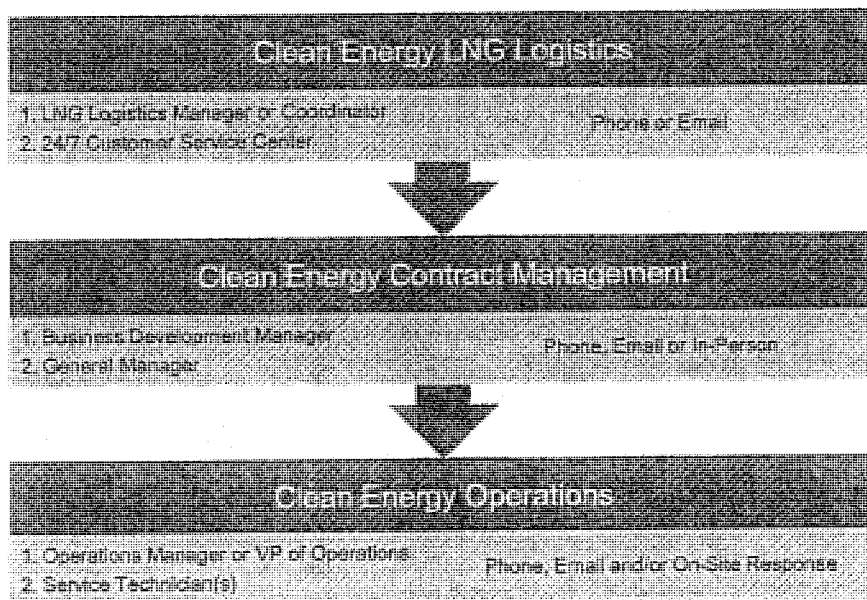
Providing natural gas fuel for vehicles is CE's core business. We recognize that a large factor for success in this industry is delivering when it comes to fueling stations, as well as, fuel delivery and storage support. CE is available within a one-hour response time, on a 24/7 basis, when needed by Omnitrans to assist with fuel delivery. The following chart presents the support firms, resources and arrangements that are available for Omnitrans.

CE Resources Available for Omnitrans



While CE never expects to encounter any communication or support issues, the following table presents a sample LNG support escalation procedure. The escalation procedure initially involves telephone and/or e-mail support, which may result in CE providing on-site support if needed.

Event Escalation Procedure

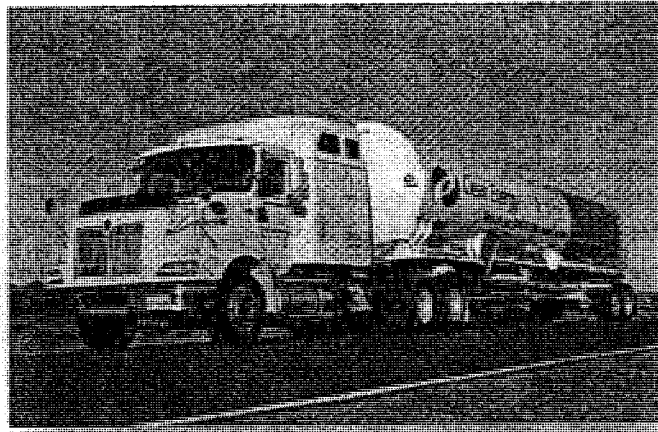


LNG Supply Preparedness Overview



Customer Service

CE has an unprecedented track record when it comes to on time performance and delivering for our customers when they are faced with challenges. CE has never missed a LNG delivery for OmniTrans or any of its customers; and in fact, CE has come through with backup supply for OmniTrans and other LNG users on several occasions when their non-CE supply source was interrupted. As stated previously, CE maintains millions of gallons of LNG storage but as you will find in the following section, we also maintain additional personnel and equipment resources for increased periods of demand. Furthermore, CE manages over 100 natural gas fueling contracts and we are confident that speaking with any of our references will underscore our ability to meet and exceed contractual obligations and customer expectations.

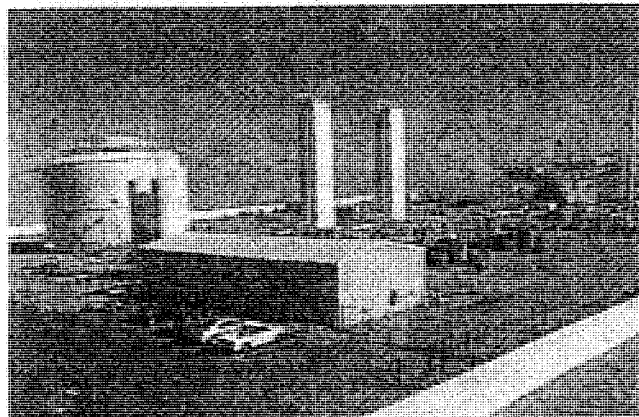


LNG Tanker Trucks and Transport Vehicles

CE currently owns and operates a fleet of 58 LNG tanker trailers. Tanker trailer capacity is 13,000 LNG gallons; however, they are limited to carrying approximately 10,000 LNG gallons to stay within the maximum gross weight set by the U.S. Department of Transportation. CE's inventory includes excess trailers and we have access to additional experienced driving teams to ensure delivery schedules are met without delay in the event of increased customer demand. We presently use three separate transport companies to make the deliveries of our loaded trailers.

Two Local, Sustainable LNG Fuel Supply Sources for OmniTrans

Approximately two years ago in Boron, California, CE opened California's only LNG liquefaction plant. The CE Boron Plant was constructed to meet a growing demand for LNG as a transportation fuel in the southwestern United States. The Plant produces 180,000 gallons of LNG per day and has 1.5 million gallons of LNG storage on-site. CE is the only company capable of maintaining LNG deliveries to all of its customers during any possible production or supply disruption.



Clean Energy California LNG Production Facility

LNG Supply Preparedness Overview



Furthermore, CE is the only LNG fuel provider that is making capital investments for the LNG fueling market to ensure our region receives a sustainable supply of LNG fuel. CE has an exclusive 10-year supply agreement with Desert Gas Services to provide additional supply of LNG in Southern California. The agreement calls for Desert Gas Services to provide 100% of the Plant's production to CE, which initially starts at 45,000 gallons per day. The plant is located not far from Omnitrans on the California border in Ehrenberg, Arizona.