



AGENDA

**HERITAGE VALLEY POLICY ADVISORY COMMITTEE (HVPAC)
Wednesday, November 26, 2014, 9:00 a.m.
Santa Paula City Hall, Council Chambers
970 Ventura Street, Santa Paula, CA 93060**

- Item #1** **CALL TO ORDER**
- Item #2** **INTRODUCTIONS**
- Item #3** **PUBLIC COMMENTS**
- Item #4** **NOVEMBER 10, 2014 MEETING MINUTES – PG. 2**
- Approve the November 10, 2014, meeting minutes.
- Item #5** **HERITAGE VALLEY TRANSIT SERVICE CONTRACT FOR FIXED ROUTE, DIAL-A-RIDE and ADA PARATRANSIT– PG. 3**
- Approve for recommendation to the VCTC the draft five year Transit Services Contract with MV Transportation, for an amount not-to-exceed \$12,000,000.
- Item #6** **HERITAGE VALLEY TRANSIT SERVICE BUDGET AMENDMENT – PG. 4**
- Approve for recommendation to the VCTC the final budget amendment for fiscal year 2014-2015.
- Item #7** **DETERMINE THE NEXT MEETING DATE**
- Item #8** **ADJOURNMENT**

**MINUTES of the
VENTURA COUNTY TRANSPORTATION COMMISSION (VCTC)
HERITAGE VALLEY TRANSIT SERVICE POLICY ADVISORY COMMITTEE (HVPAC)
November 10, 2014**

Item #1 Call to Order

Chairperson Ralph Fernandez of Santa Paula called the meeting to order at 9:01 a.m.

Item #2 Introductions

PAC Members present: Ralph Fernandez of Santa Paula; Manuel Minjares of Fillmore; Kathy Long of Ventura County; Darren Kettle of VCTC.

Staff present: Vic Kamhi, Aaron Bonfilio, Amy Ahdi and Treena Gonzalez of VCTC.

Other attendees: Aracely Preciado of CAUSE/ASERT; Brian Yanez and Michael Powers of Santa Paula; David Fleisch of Ventura County; David Rowlands of Fillmore; Chap Morris and Jacqui Cervantez of Fillmore Area Transit Company (FATCO); Tom Conlon of MV Transportation.

Item #3 Public Comments

(Public comment heard out of order)

Chap Morris of FATCO noted that the monthly cost of leasing VCTC's fleet will reduce the cost of service for the two month extension period and FATCO will extend their current warranty service part rates to VCTC while in their fleet in is FATCO's custody.

Item #4 October 1, 2014 Meeting Minutes – Action

Manuel Minjares of Fillmore moved to approve the October 1, 2014 meeting minutes. Kathy Long of Ventura County seconded the motion. A voice vote was taken and it passed unanimously.

Item #5 Heritage Valley Transit Service Dial-A-Ride Contract Extension and Budget Amendment – Action

Kathy Long made a motion to:

- Approve a two month extension with FATCO, terminating March 1, 2015.
- Approve the proposed budget amendment for costs associated with the extension.

The motion was seconded by Ralph Fernandez and passed unanimously.

Item #6 Final Draft Schedules and Route – Action

Manuel Minjares made a motion to approve the proposed routes and timetables for fixed route service. The motion was seconded by Kathy Long and passed unanimously.

Item #7 Token Policy – Action

Manuel Minjares made a motion to approve the proposed token policy for the Valley Express system. The motion was seconded by Ralph Fernandez and passed unanimously.

Item #8 Dial-A-Ride Reservation and Scheduling Policies For Certified ADA Paratransit Passengers and General Public Passengers – Action

Kathy Long made a motion to approve the recommended reservation and scheduling policies for Certified ADA Paratransit and General Public Passengers. The motion was seconded by Kathy Long and passed unanimously.

Item #9 Adjournment

Chairperson Ralph Fernandez moved to adjourn the meeting at 9:54 a.m. A voice vote was taken and it passed unanimously.



November 26, 2014

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE
FROM: AARON BONFILIO, PROGRAM MANAGER
SUBJECT: HERITAGE VALLEY TRANSIT SERVICE CONTRACT FOR FIXED ROUTE, DIAL-A-RIDE AND ADA PARATRANSIT

RECOMMENDATION:

- Approve for recommendation to the VCTC the draft five year Transit Services Contract with MV Transportation, for an amount not-to-exceed \$12,000,000.

BACKGROUND:

Pursuant to the Heritage Valley transit service Cooperative Agreement, VCTC is tasked with contract administration for the Heritage Valley transit service, including the administration and management of the transit operator selection process as well as negotiation and administration of the transit operations contract. The member agencies that make up the Heritage Valley Policy Advisory Committee (HVPAC), including the Cities of Santa Paula and Fillmore and the County of Ventura, fund the service and make recommendations to the Commission regarding the service. In accordance with section 6 of the Cooperative Agreement, VCTC may not approve the contract until the HVPAC *“has reviewed the final terms of the contract and made a recommendation to VCTC to act on the contract.”*

DISCUSSION AND RECOMMENDATION:

Following the initial selection and subsequent award, which was reaffirmed through the VCTC's Administrative Committee and the HVPAC meet-and-confer process, staff proceeded to negotiate the final terms of the contract for service with MV Transportation. The contract incorporates the Scope of Work as presented in the Request for Proposals and contains options for the HVPAC to further expand or modify services. If service is expanded, pricing for the expansion is pre-negotiated and firm when the time comes.

Additionally, MV Transportation has taken steps to ensure recruitment of the incumbent staff is done in a timely fashion. Staffing continuity was reaffirmed with new contractual provisions from VCTC that guarantees VCTC the right of review of candidates for key personnel positions, such as the maintenance manager and general manager, and that those selected are required to maintain their position with the contract for a period of not less than two years. MV Transportation has received interest from all but a few of the incumbent employees.

The final draft contract is attached for the HVPAC's review. Staff recommends that the HVPAC approve the contract for recommendation, which will then be presented to the Commission at the December 5, 2014, meeting.



Item # 6

November 26, 2014

MEMO TO: HERITAGE VALLEY POLICY ADVISORY COMMITTEE
FROM: AARON BONFILIO, PROGRAM MANAGER
SUBJECT: FISCAL YEAR 2014-2015 BUDGET AMENDMENT TO THE VCTC HERITAGE VALLEY TRANSIT SERVICE BUDGET

RECOMMENDATION:

- Approve for recommendation to the VCTC the Draft Budget Amendment to the Heritage Valley transit service.

BACKGROUND:

At the November 10, 2014, Heritage Valley Policy Advisory Committee meeting, the Committee approved for recommendation to the Commission the draft contract extension with Fillmore Area Transit Corporation (FATCO) for a period of two months, as well as, an amendment to the Heritage Valley transit service budget to cover the anticipated budgetary shortfall, for an amount of \$183,000, or \$61,000 per member agency. This amount would cover the anticipated excess Contract Services costs associated with the extension period. At the same time that the initial budget amendment was prepared for the HVPAC's consideration, the Commission's Administrative Committee was set to meet with the HVPAC to meet and confer regarding the contractor selection process for the new Heritage Valley transit service. The meet-and-confer process concluded, and the result of which was to continue with the award for contract of services to MV Transportation. Following the outcome of the meet-and-confer process, staff proceeded to negotiate the remaining terms of an Agreement for transit services with MV Transportation. The draft Agreement is presented with this agenda under item #5.

As indicated at the last HVPAC meeting, VCTC staff has prepared for the HVPAC's review the final draft budget amendment to the Heritage Valley transit service for FY14-15.

DISCUSSION AND RECOMMENDATION:

At the June 2014 Commission meeting the FY14-15 VCTC budget was approved, including the budget for the Heritage Valley transit service, for an amount of \$3,738,800. Of this amount, \$1,925,000 was set aside for bus purchases, funded by Proposition 1B grant monies. The initial total annual operating budget, including VCTC staff administration, was \$1,813,800. The operating budgets for the prior fiscal years, FY1314 and FY1213, were \$2,821,900 and \$2,535,024, respectively. The anticipated total operating budget for this year, FY1415, excluding the bus purchase, is \$2,429,630.

VCTC staff has prepared the final budget amendment based on the following factors: the costs associated with the contract with FATCO—including the recent extension for two months; the HVPAC's approval of the annual "post-launch" marketing program; the current (and projected) trend of farebox

revenue for the Dial-a-ride service, as well as, the projected fares of the new Fixed Route and Dial-a-ride program; and, the projected operating cost of service for the remainder of the fiscal year (four months) under the new contract with MV Transportation.

Final Recommended Budget Amendment:

The total amount of the budget amendment recommended for the HVPAC's approval for recommendation to the VCTC Commission is \$657,030, or \$219,010 per member agency. (This includes the previously approved amount of \$183,000 or \$61,000 per member agency.)

Farebox:

At the time that the original budget was developed, the future passenger fare structure including per-trip passenger fare and monthly pass costs had not been identified. Over the course of the fiscal year the rider policies, including regarding fares and transfers, as well as, the schedule of fares and implementation plan were approved for recommendation by the HVPAC. Based on the trend of farebox revenue received year-to-date and the projected future farebox structure, VCTC staff identified a potential \$41,200 budget shortfall regarding fares. This was derived from the following projections:

<u>Local Fee - Farebox</u>	<u>Average Monthly Farebox</u>	<u>Projected Total Revenue</u>
Months 1 – 8 ¹	\$13,025	\$104,200
Months 9 – 12 ²	\$7,400	\$29,600

<u>YEAR-END FAREBOX PROJECTION</u>	
<u>ORIGINAL</u>	<u>PROJECTED</u>
\$175,000	\$133,800

Operating Cost:

The initial budget projections were made ahead of the solicitation for service. The anticipated costs of service, specifically the hourly rate(s) for the next contract, are now identified. The projected cost of service is expected to be approximately \$137,000 per month based on the approved service levels. As of October 31, 2014, average monthly cost of the dial-a-ride only service is approximately \$213,000 per month. To be conservative, VCTC staff used this average amount for months January and February.

This amount does not reflect the potential lease payments to VCTC from FATCO for use of the fleet purchased for the provision of the new service. (A lease agreement was not executed at the time this agenda was published. However, potential lease payments equal \$11,250 for January and \$15,000 for February. The January lease payment assumes by a credit to FATCO for Delivery Inspections, equal to \$250 per vehicle. Similarly the arrangement for inspections was not finalized at the time this agenda was published.)

¹ Months 1-4 are based on actual farebox recovery and Months 5 and 6 are estimated based on current averages for fiscal year to-date as well as historical data for the same period.

² Estimated farebox revenue for Months 9 – 12 reflect the anticipated ridership rates based on historical data for the service area; specifically, the rate of passengers per hour. A slight decline has been factored in to account for potential loss in ridership, as the riders learn the system. To be conservative and ensure funding is available, staff estimates an average 20% reduction in ridership over the course of the four month period. Similarly the average fare per passenger is expected to decrease slightly from just under \$0.90 per passenger fare to just under \$0.60 per passenger. This is based on the fare structure and reduced rates of the fixed route service, which will make up the bulk of the service operated.

Marketing Program:

At the October HVPAC meeting the Committee reviewed the draft marketing budget and approved moving forward with the staff recommendation to adopt a post-launch marketing program. The cost for which was identified at \$51,000 annually. Consistent with this direction, staff has included the “pro-rated” cost for approximately four months of ongoing marketing tasks. This totals \$17,000 for the remainder of the fiscal year, or \$4,250 per month.

Budget Impact:

As stated above, the total amount of staff’s recommended budget amendment is \$657,030, or \$219,010 per member agency. The following represents the breakdown of the recommended budget amendment:

<u>FUNDING</u>	<u>ORIGINAL</u>	<u>RECOMMENDED</u>
FTA 5307	\$543,895	\$543,895
Proposition 1B	\$1,925,000	\$1,925,000
Local Contribution	\$1,094,905	\$1,751,935
Local Fee - Farebox	\$175,000	\$133,800
Total Funding	\$3,738,800	\$4,354,630

<u>EXPENDITURES</u>	<u>ORIGINAL</u>	<u>RECOMMENDED</u>
Salaries	43,600	43,600
Fringe and Tax Allocation	22,900	22,900
Indirect Cost Allocation	33,800	33,800
Mileage	2,300	2,300
Postage	300	300
Printing	200	200
Marketing	0	17,000
Bank Fees	1,300	1,300
Legal Services	13,000	13,000
Bus Purchase	1,925,000	1,925,000
Contract Services³	1,696,400	2,295,230
Total Expenditures	\$3,738,800	\$4,354,630

³ Contract Services include: \$44,491 for ADA Paratransit scheduling software contract; \$1,702,739 for FATCO dial-a-ride contract; and \$548,000 for MV Transportation contract.