



## RTA BOARD AGENDA

Wednesday, November 5, 2014  
BOARD OF SUPERVISORS' CHAMBER  
COUNTY GOVERNMENT CENTER  
1055 Monterey Street, San Luis Obispo, California 93401  
**Meeting starts at 10:00 a.m.**

The *AGENDA* is available/posted at: <http://www.slorta.org>

**President: Shelly Higginbotham**

**Vice President: Debbie Arnold**

Board Members:

Frank Mecham (First District – SLO County)  
Bruce Gibson (Second District – SLO County)  
Adam Hill (Third District – SLO County)  
Caren Ray (Fourth District – SLO County)  
Debbie Arnold (Fifth District – SLO County)  
Tony Ferrara (Arroyo Grande)

Tom O'Malley (Atascadero)  
Debbie Peterson (Grover Beach)  
Jamie Irons (Morro Bay)  
Fred Strong (Paso Robles)  
Shelly Higginbotham (Pismo Beach)  
Jan Howell Marx (San Luis Obispo)

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment by contacting the SLORTA offices at 781-4472. Please note that 48 hours advance notice will be necessary to honor a request.

### CALL TO ORDER AND ROLL CALL

**PUBLIC COMMENTS:** This portion of the agenda is reserved for any members of the public to directly address the San Luis Obispo Regional Transit Authority (RTA) Board on any items not on the agenda and within the jurisdiction of the Board. Comments are limited to three minutes per speaker. The Board will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

### A. INFORMATION AGENDA

- A-1 Executive Director's Report (Information)
- A-2 Planning and Programming of FTA-Funded Projects (Information)

### B. ACTION AGENDA

- B-1 Public Hearing: Consider Runabout Fare Increase Proposal (Approve)

**C. CONSENT AGENDA:** (Roll Call Vote) the following items are considered routine and non controversial by staff and will be approved by one motion if no member of the RTA or public wishes an item be removed. If discussion is desired by anyone, the item will be removed from the consent agenda and will be considered separately. Questions of clarification may be made by RTA Board members, without the removal of the item from the Consent Agenda. Staff recommendations for each item are noted following the item.

- C-1 RTA Board Meeting Minutes of September 10, 2014 (Approve)
- C-2 Executive Committee Meeting Minutes of Aug. 13, 2014 (Information)
- C-3 Draft RTAC Meeting Minutes of October 16, 2014 (Information)
- C-4 Resolution to Submit Application for State Prop 1B Funds (Approve)
- C-5 RTA Purchasing Policy and Procedures Manual Update (Approve)

**D. CLOSED SESSION ITEMS**

D-1-1 It is the intention of the Board to meet in closed session concerning the following items:

**CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov. Code Sec. 54956.8):**

<b>Agency Negotiators:</b>	Geoff Straw
<b>Under Negotiation/Discussion:</b>	Price and Terms of Payment
<b>Properties:</b>	179 Cross Street, San Luis Obispo, CA (APN: 053-257-032)
<b>Negotiating Party:</b>	LTC of SLO, Ltd

**E. BOARD MEMBER COMMENTS**

Next regularly-scheduled RTA Board meeting on January 7, 2015  
It will be a joint meeting with SLOCOG.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**November 5, 2014**

**STAFF REPORT**

**AGENDA ITEM:** A-1

**TOPIC:** Executive Director's Report

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Accept as Information

**BACKGROUND/DISCUSSION:**

**Operations:**

RTA conducted its quarterly Employee of the Quarter barbecue lunch on October 31<sup>st</sup>, and the winner of the award will join us at the November 5<sup>th</sup> Board meeting.

RTA completed its new Bus Operator training class of six (originally eight) candidates on October 16<sup>th</sup> fill open positions. Please welcome Adam, Eric, Humberto, Jason, Mark and Susan to the team. I also wish to acknowledge the training team headed up by Patricia Grimes, including our partners from South County Transit.

The Regional Transportation Advisory Committee met on October 16<sup>th</sup> to discuss progress on Runabout fare program change public outreach efforts, an update Cuesta North Campus Shuttle services, FTA funding/programming, and discuss the joint RTA/SLO Transit Short Range Transit Plan scope of work.

**Maintenance:**

RTA sold two cutaway vans through auction (EBay) over the past two months. Three full-size buses and two staff cars are awaiting auction in the coming weeks.

RTA has completed the phase one implementation of its maintenance software system (Ron Turley Associates). I expect to provide preliminary performance data at the January 2015 Board meeting.

RTA hosted DINEX Corporation for on-site training on bus multiplex systems. Similar to modern cars, multiplex systems use communication protocols for various modules that control subsystems using fiber optic technologies. This facilitates troubleshooting and reduces the weight that the older wiring systems added.

RTA continues to meet preventive maintenance schedules according to manufacturer recommendations.

**Service Planning & Marketing:**

RTA participated in Rideshare's 2<sup>nd</sup> Annual Mobility Management Summit, on October 23<sup>rd</sup>. We are pleased about the depth and breadth of information gathered from our partners in the region regarding the needs of institutional users (social services agencies, private healthcare providers, etc.). The findings from this event will help us tailor our transit services to more cost-effectively meet the travel needs of current and potential future Runabout riders.

RTA will provide advice to South County Transit as it implements an experimental Route 26 service on December 3<sup>rd</sup>, which will facilitate connections to/from the Ramona Park Transit Center, the Pismo Outlets Transit Center, businesses in Shell Beach, and residents in Oceano. This corresponds with the planned SLOCOG Board meeting at Grover Beach City Hall. Potential riders can call RTA/SCT dispatchers at 541-2228 for connection information.

**Finance and Administration:**

RTA has completed its annual fiscal and compliance audit, which was completed by Moss, Levy & Hartzheim, will be provided to Board members at the November 5<sup>th</sup> meeting. The auditors found our financial statements to fairly present the financial position of RTA, and that we expressed our financial position and cash flows in accordance with generally accepted accounting principles. In addition, the auditor found no deficiencies in internal control or compliance with federal programs that might be considered material weaknesses or significant deficiencies. One deficiency identified but not considered to be a material weakness (insufficient back-up for meal reimbursements) has already been addressed internally. Any other recommendations from previous year deficiency findings have been found to be fully implemented.

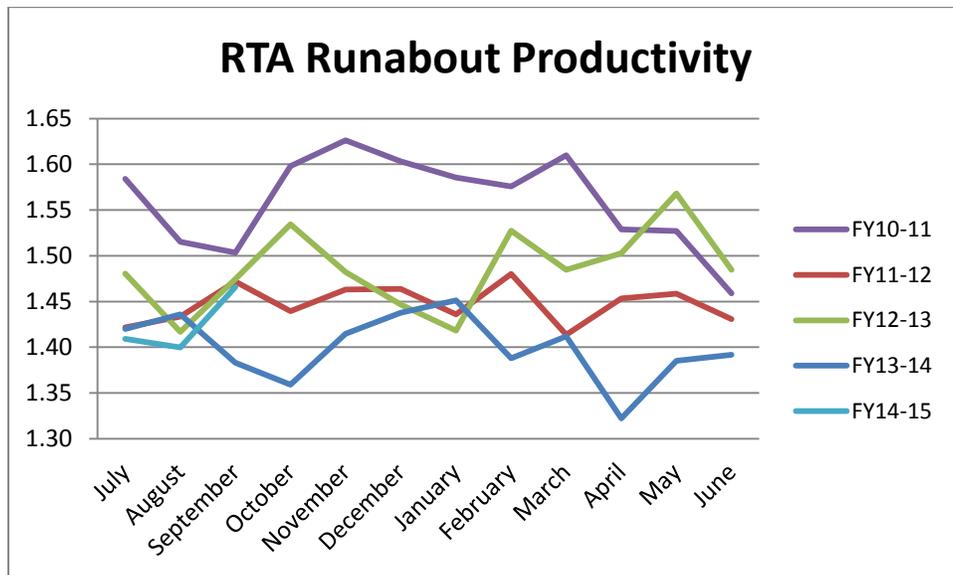
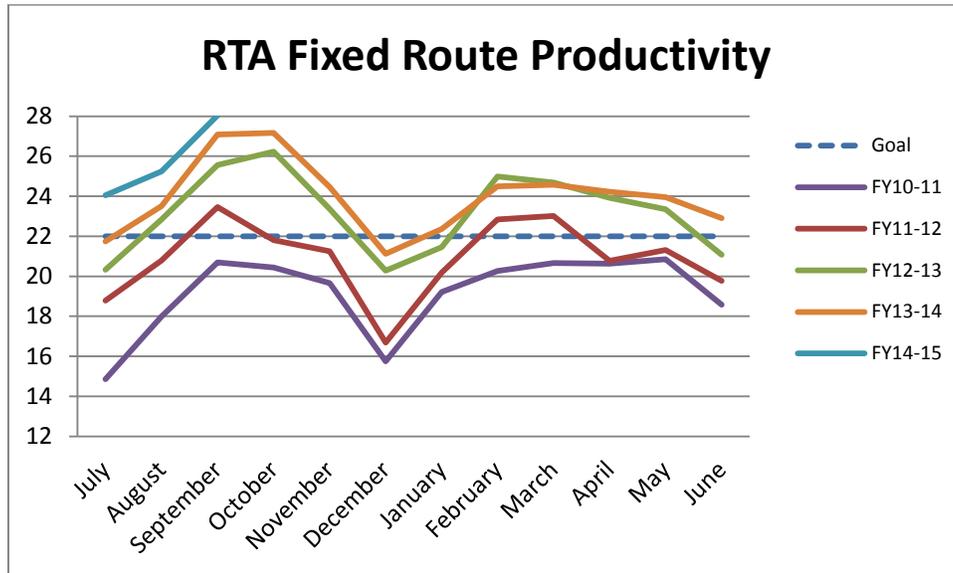
Preliminary year-to-date financial data through September 30, 2014 are included in the ensuing pages. In summary, overall non-capital expenditures equaled 22.25% of the budgeted amount – representing 25% of the year. The greatest savings have been achieved in vehicle maintenance (parts, supplies, outside services and fuel) –which can be attributed in part to the recent replacement of older vehicles and the recently-declining price of fuel. Labor costs were almost exactly on budget for the three RTA departments.

RTA's year-to-date fixed route Farebox Recovery Ratio of 33.10% greatly exceeded the 16% requirement. Weekday core RTA fixed route services achieved 35.31%, while weekend services achieved 25.73%.

RTA fixed route ridership of 205,605 is 4.4% higher than the same period last year (196,869). Runabout ridership demonstrated a slight increase year over year (11,282 vs. 10,969), equating to a 2.9% increase.

RTA fixed route's annual productivity equated to 23.66 passenger-trips per service hour in the first quarter of FY14-15. In comparison, the fixed route service achieved a

productivity figure of 24.01 in the previous fiscal year. RTA Runabout's first quarter FY14-15 productivity equated to 1.42, in comparison to 1.41 in the previous year.



RTA is currently out to bid for an Intelligent Transportation System. This system will provide real-time GPS-based passenger information on all RTA, South County Transit and Paso Express fixed route services. Proposals are due November 14, and the project is being funded through a variety of State and Federal grants, with local matching support provided with TDA funds. Staff will present an update on the procurement at our January 5<sup>th</sup> meeting.

The County Counsel office will begin sending out the Executive Director Annual Review documents in the coming weeks. A closed session will be planned for the January 7<sup>th</sup> Board meeting to complete that review.

RTA plans to publish an RFP to solicit professional consultant services to update our Short Range Transit Plan on November 3<sup>rd</sup>, with proposals due on December 17. As noted in previous Board meetings, RTA and SLO Transit are jointly developing our SRTPs in order to align capital projects and look for opportunities to improve coordination of services. I will serve as the project manager for the study, and each agency will separately consider their respective plan documents late-2015 or early-2016.

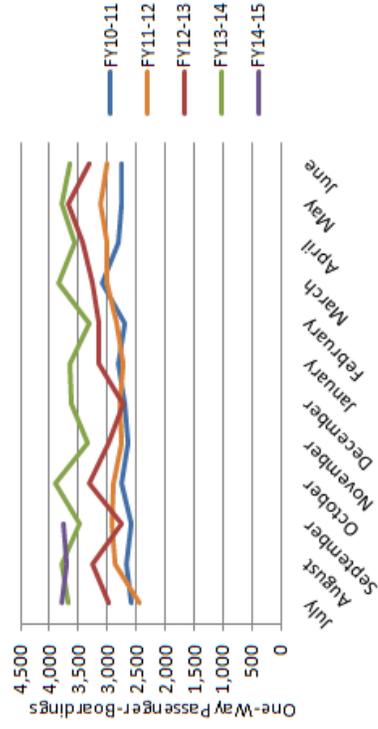
**RTA Operations/Maintenance Facility Planning**

The RTA Property Subcommittee met on October 24<sup>th</sup> to discuss current RTA garage lease arrangements, Downtown Transit Center progress, and environmental planning for the RTA operations/maintenance facility. Staff expects to bring final environmental planning recommendations to the Board at its January 5<sup>th</sup> meeting. Recommendations on the lease will be discussed in Closed Session today.

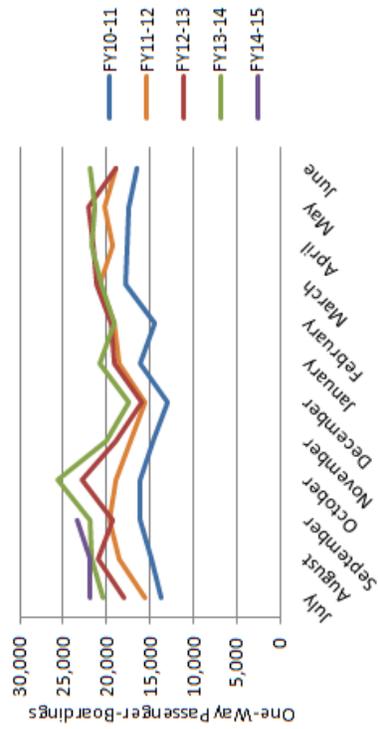
**RTA Route 10 Ridership By Month**



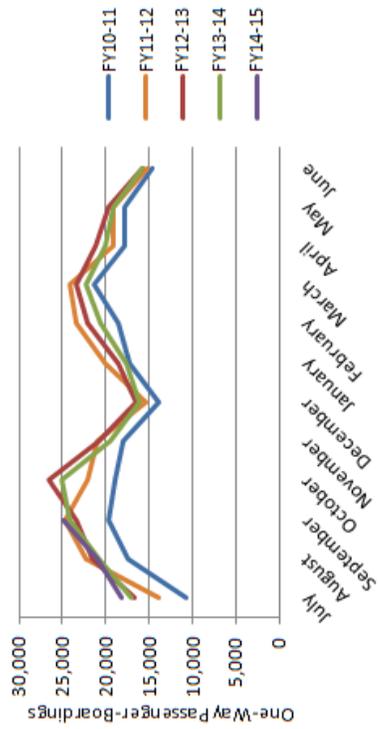
**RTA Runabout Ridership by Mo.**



**RTA Route 9 Ridership By Month**



**RTA Other Fixed Rtes. Ridership/Mo.**



**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

		Adopted Budget FY 2014-15	August Actual	September Budget	September Actual	September Variance	Year to Date FY 2014-15	Percent of Total Budget FY 2014-15
	Hours	66,690	5,422	5,558	5,280	277	16,166	24.24%
	Miles	1,678,830	135,600	139,903	130,435	9,467	400,922	23.88%
<b>Administration:</b>								
Labor	operations cost	753,890	56,973	62,824	60,395	2,429	175,498	23.28%
Labor - Administration Workers Comp	operations cost	42,830	2,684	3,569	2,684	885	15,261	35.63%
Office Space Rental	operations cost	474,900	34,619	39,575	34,704	4,871	103,820	21.86%
Property Insurance	operations cost	16,820	-	-	-	-	15,915	94.62%
Professional Technical Services	operations cost	102,090	-	8,508	5,018	3,490	20,088	19.68%
Professional Development	operations cost	25,750	1,008	2,146	5,426	(3,280)	6,475	25.15%
Operating Expense	operations cost	249,000	16,152	20,750	18,503	2,247	48,381	19.43%
Marketing and Reproduction	hourly	115,330	10,725	9,611	5,900	3,711	20,495	17.77%
North County Management Contract	operations cost	(39,720)	(3,310)	(3,310)	(3,310)	-	(9,930)	25.00%
County Management Contract	operations cost	(80,500)	(6,708)	(6,708)	(6,708)	-	(20,125)	25.00%
SCT Management Contract	operations cost	(78,760)	(6,563)	(6,563)	(6,563)	-	(19,690)	25.00%
<b>Total Administration</b>		<b>1,581,630</b>	<b>105,580</b>	<b>130,401</b>	<b>116,048</b>	<b>14,352</b>	<b>356,189</b>	<b>22.52%</b>
<b>Service Delivery:</b>								
Labor - Operations	hourly	3,734,110	264,531	311,176	270,919	311,176	798,032	21.37%
Labor - Operations Workers Comp	hourly	289,780	18,159	24,148	18,159	5,990	103,256	35.63%
Labor - Maintenance	hourly	889,210	65,025	74,101	66,123	7,977	193,399	21.75%
Labor - Maintenance Workers Comp	hourly	84,810	5,314	7,068	5,314	1,753	30,220	35.63%
Fuel	miles	1,555,560	107,064	129,630	105,885	23,745	326,728	21.00%
Insurance	miles	435,900	38,933	36,325	36,090	235	111,114	25.49%
Special Transportation (includes Senior Vans, Lucky Bucks, etc)	n/a	74,300	5,662	6,192	5,891	301	17,748	23.89%
Avila Trolley	n/a	55,000	8,543	4,583	4,011	572	22,269	40.49%
Maintenance (parts, supplies, materials)	miles	555,770	30,673	46,314	58,519	(12,205)	113,786	20.47%
Maintenance Contract Costs	miles	94,420	979	7,868	3,647	4,221	11,801	12.50%
<b>Total Operations</b>		<b>7,768,860</b>	<b>544,883</b>	<b>647,405</b>	<b>574,559</b>	<b>72,846</b>	<b>1,728,354</b>	<b>22.25%</b>
<b>Capital/Studies:</b>								
Computer System Maintenance/Upgrades		36,400	2,438	-	3,136	(3,136)	6,570	18.05%
Miscellaneous Capital								
Facility Improvements		15,000	-	2,300	2,049	251	2,049	13.66%
Wireless Lift		52,000	-	-	-	-	-	0.00%
Specialized Maintenance Tools		52,000	-	-	-	-	-	0.00%
Desks and Office Equipment		1,800	-	-	-	-	-	0.00%
Vehicle ITS/Camera System		558,030	-	-	-	-	-	0.00%
Bus Stop Improvements		73,750	-	-	-	-	-	0.00%
Bus Rehabilitation		185,000	-	-	-	-	-	0.00%
Bus Procurement Reserve/Large Capital Repairs		81,810	-	-	-	-	-	0.00%
RouteMatch Dispatching Software		40,000	-	-	-	-	22,163	55.41%
Vehicles								
Support Vehicles		62,500	-	-	-	-	-	0.00%
40' Coaches		3,865,710	-	-	-	-	-	0.00%
One Dial A Ride Vehicle		89,300	-	-	-	-	-	0.00%
Runabout Vehicles		191,000	-	-	301,087	(301,087)	301,087	157.64%
<b>Total Capital Outlay</b>		<b>5,304,300</b>	<b>2,438</b>	<b>2,300</b>	<b>306,272</b>	<b>(303,972)</b>	<b>331,869</b>	<b>6.26%</b>
<b>Contingency</b>	hourly	<b>132,585</b>	<b>2,520</b>	<b>11,049</b>	<b>1,675</b>	<b>9,374</b>	<b>4,195</b>	<b>3.16%</b>
<b>Interest Expense</b>	operations cost	<b>73,690</b>	<b>6,720</b>	<b>6,141</b>	<b>6,503</b>	<b>(363)</b>	<b>19,944</b>	<b>27.06%</b>
<b>Loan Paydown</b>		<b>543,130</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Management Contracts</b>		<b>198,980</b>	<b>16,582</b>	<b>16,582</b>	<b>16,582</b>	<b>-</b>	<b>49,745</b>	<b>25.00%</b>
<b>TOTAL FUNDING USES</b>		<b>15,603,175</b>	<b>678,723</b>	<b>813,877</b>	<b>1,021,640</b>	<b>(207,763)</b>	<b>2,490,296</b>	<b>15.96%</b>
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		<b>9,755,745</b>	<b>676,285</b>	<b>811,577</b>	<b>715,368</b>	<b>96,209</b>	<b>2,158,427</b>	<b>22.12%</b>

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU SEPTEMBER 30, 2014  
CURRENT FISCAL YEAR - 2014/2015 (page 1 of 2)**

	RT 9 P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 S.M., NIPOMO, A.G., S.L.O.	RT 12 MORRO BAY, CUESTA, SAN LUIS	RT 14 CUESTA, SAN LUIS TRIPPER	RT 15 SAN SIM., CAMBRIA, CAYUCOS, M.B.	TOTAL RTA CORE WEEKDAY	RT 83 FORT HUNTER LIGGETT	RT 7 PASO EXPRESS ROUTE A	RT 8 PASO EXPRESS ROUTE B	TOTAL PASO EXPRESS FIXED ROUTE	PASO EXPRESS DIAL A RIDE
<b>REVENUES:</b>											
FARES	107,457	112,680	78,732	7,829	8,481	315,178	26,270	14,381	15,670	30,052	2,289
<b>TOTAL ROUTE REVENUES</b>	<b>107,457</b>	<b>112,680</b>	<b>78,732</b>	<b>7,829</b>	<b>8,481</b>	<b>315,178</b>	<b>26,270</b>	<b>14,381</b>	<b>15,670</b>	<b>30,052</b>	<b>2,289</b>
<b>EXPENDITURES:</b>											
ADMINISTRATION	52,579	52,973	34,705	2,917	12,447	155,621	5,836	4,129	4,111	8,240	1,690
MARKETING	6,025	6,070	3,977	406	1,426	17,905	0	93	93	186	0
OPERATIONS/CONTINGENCY	159,608	162,308	104,248	9,367	38,463	473,993	19,094	66,486	66,355	132,841	27,056
FUEL	63,058	68,035	38,318	3,989	16,963	190,364	11,379	8,709	9,059	17,768	1,528
INSURANCE	18,112	19,542	11,006	1,170	4,872	54,703	3,268	2,932	3,050	5,982	1,100
<b>TOTAL EXPENDITURES</b>	<b>299,382</b>	<b>308,929</b>	<b>192,253</b>	<b>17,850</b>	<b>74,172</b>	<b>892,585</b>	<b>39,577</b>	<b>82,349</b>	<b>82,668</b>	<b>165,017</b>	<b>31,374</b>
<b>FAREBOX RATIO</b>	<b>35.89%</b>	<b>36.47%</b>	<b>40.95%</b>	<b>43.86%</b>	<b>11.43%</b>	<b>35.31%</b>	<b>66.38%</b>	<b>17.46%</b>	<b>18.96%</b>	<b>18.21%</b>	<b>7.30%</b>
<b>RIDERSHIP</b>	<b>67,292</b>	<b>62,640</b>	<b>48,696</b>	<b>5,692</b>	<b>5,133</b>	<b>189,453</b>	<b>1,767</b>	<b>14,358</b>	<b>16,437</b>	<b>30,795</b>	<b>1,188</b>
<b>SERVICE MILES</b>	<b>73,062.40</b>	<b>78,828.80</b>	<b>44,396.80</b>	<b>4,699.80</b>	<b>19,654.40</b>	<b>220,642.20</b>	<b>13,184.00</b>	<b>11,828.00</b>	<b>12,302.90</b>	<b>24,130.90</b>	<b>4,440.00</b>
<b>SERVICE HOURS</b>	<b>2,387.20</b>	<b>2,405.12</b>	<b>1,575.68</b>	<b>139.77</b>	<b>565.12</b>	<b>7,072.89</b>	<b>264.96</b>	<b>911.09</b>	<b>907.24</b>	<b>1,818.33</b>	<b>372.71</b>
<b>RIDERS PER MILE</b>	<b>0.92</b>	<b>0.79</b>	<b>1.10</b>	<b>1.21</b>	<b>0.26</b>	<b>0.86</b>	<b>0.13</b>	<b>1.21</b>	<b>1.34</b>	<b>1.28</b>	<b>0.27</b>
<b>RIDERS PER HOUR</b>	<b>28.19</b>	<b>26.04</b>	<b>30.90</b>	<b>40.72</b>	<b>9.08</b>	<b>26.79</b>	<b>6.67</b>	<b>15.76</b>	<b>18.12</b>	<b>16.94</b>	<b>3.19</b>
<b>COST PER PASSENGER</b>	<b>4.45</b>	<b>4.93</b>	<b>3.95</b>	<b>3.14</b>	<b>14.45</b>	<b>4.71</b>	<b>22.40</b>	<b>5.74</b>	<b>5.03</b>	<b>5.36</b>	<b>26.41</b>
<b>SUBSIDY PER PASSENGER</b>	<b>2.85</b>	<b>3.13</b>	<b>2.33</b>	<b>1.76</b>	<b>12.80</b>	<b>3.05</b>	<b>7.53</b>	<b>4.73</b>	<b>4.08</b>	<b>4.38</b>	<b>24.48</b>

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
YEAR TO DATE THRU SEPTEMBER 30, 2014  
CURRENT FISCAL YEAR - 2014/2015 (page 2 of 2)**

	RT 9 SAT P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 9 SUN P.R., TEMP., ATAS., S.M., CAL POLY, S.L.O.	RT 10 SAT S.M., NIPOMO, A.G., S.L.O.	RT 10 SUN S.M., NIPOMO, A.G., S.L.O.	RT 12 SAT MORRO BAY, CUESTA, SAN LUIS	RT 12 SUN MORRO BAY, CUESTA, SAN LUIS	RT 15 SAT SAN SIM., MORRO BAY, SAN LUIS	RT 15 SUN SAN SIM., MORRO BAY, SAN LUIS	TOTAL RTA CORE WEEKEND	TOTAL FIXED ROUTE RTA & PASO EXPRESS	RUNABOUT	SYSTEM TOTAL
<b>REVENUES:</b>												
FARES	6,156	3,810	7,023	3,959	3,717	2,393	1,319	905	29,282	400,781	28,980	432,050
<b>TOTAL ROUTE REVENUES</b>	6,156	3,810	7,023	3,959	3,717	2,393	1,319	905	29,282	400,781	28,980	432,050
<b>EXPENDITURES:</b>												
ADMINISTRATION	3,550	2,288	3,318	1,991	2,423	2,273	2,429	1,454	19,727	189,423	174,201	365,314
MARKETING	433	279	404	243	295	277	296	177	2,404	20,495	0	20,495
OPERATIONS/CONTINGENCY	10,835	7,006	10,222	6,133	7,293	6,860	7,559	4,525	60,433	686,361	496,770	1,210,187
FUEL	4,243	2,809	4,251	2,551	2,584	2,477	3,348	2,000	24,265	243,776	74,626	319,930
INSURANCE	1,221	809	1,224	734	744	713	964	576	6,984	70,937	34,422	106,459
<b>TOTAL EXPENDITURES</b>	20,282	13,191	19,419	11,652	13,339	12,600	14,596	8,733	113,813	1,210,993	780,019	2,022,385
<b>FAREBOX RATIO</b>	30.35%	28.88%	36.16%	33.98%	27.87%	19.00%	9.04%	10.36%	25.73%	33.10%	3.72%	21.36%
<b>RIDERSHIP</b>	3,454	2,115	3,877	2,237	1,987	1,248	756	478	16,152	238,167	11,282	250,637
<b>SERVICE MILES</b>	4,930.90	3,264.30	4,940.00	2,964.00	3,003.00	2,878.20	3,890.90	2,324.40	28,195.70	286,152.80	138,900.00	429,492.80
<b>SERVICE HOURS</b>	163.41	105.30	152.75	91.65	111.54	104.65	111.80	66.95	908.05	10,064.23	7,920.35	18,357.29
<b>RIDERS PER MILE</b>	0.70	0.65	0.78	0.75	0.66	0.43	0.19	0.21	0.57	0.83	0.08	0.58
<b>RIDERS PER HOUR</b>	21.14	20.09	25.38	24.41	17.81	11.93	6.76	7.14	17.79	23.66	1.42	13.65
<b>COST PER PASSENGER</b>	5.87	6.24	5.01	5.21	6.71	10.10	19.31	18.27	7.05	5.08	69.14	8.07
<b>SUBSIDY PER PASSENGER</b>	4.09	4.44	3.20	3.44	4.84	8.18	17.56	16.38	5.23	3.40	66.57	6.35

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**November 5, 2014**

**STAFF REPORT**

**AGENDA ITEM:** A-2

**TOPIC:** Planning and Programming of FTA-Funded Projects

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Receive as Information

**BACKGROUND/DISCUSSION:**

SLOCOG staff assists the three urbanized areas in the County in planning and programming Federal Transit Administration funds on an annual basis. In late-August 2014, SLOCOG notified all transit operators in the urbanized portions of the county (RTA/SCT, SLO Transit, Paso Express and Atascadero Transit) that detailed the process that would be used this year, with the goal of bringing a recommended final Program of Projects to the SLOCOG Board at its December 3, 2014 meeting. Of particular interest is a longer planning horizon that would be used this year; each transit agency was required to propose projects in the next five years, and the transit operators endorsed a two-year Program of Projects to assist in normalizing funds over this longer period.

It should be noted that the current two-year federal transportation bill (known as *Moving Ahead for Progress in the 21<sup>st</sup> Century*, or MAP-21) no longer includes discretionary funds for transit capital projects that the region has traditionally used to fund costly bus replacement and/or facility projects. As an example, RTA was successful in recent years in attaining over \$4 million in FTA State of Good Repair funds to replace eleven full-size buses. Instead, MAP-21 provides increased formula funds that small urbanized areas can use for capital projects. As mentioned in earlier RTA and SLOCOG meetings, it is clear that the total amount of FTA funds available to the region has been drastically reduced in comparison to previous years.

RTA used this opportunity to refine the long-range vehicle replacement plan we developed during the 2013 programming cycle. This vehicle replacement plan identifies at least two replacements of each bus type, based on the planned life for each vehicle type and an assumption of status quo service (i.e., no growth over the next 25 years) in the future. While this is not a realistic assumption – certainly RTA services will need to increase over time to meet increasing transit demand – staff wanted to help define the problem using baseline assumptions. In total, RTA identified the need for 62 fixed route / trolley bus replacements and 88 Runabout/Dial-A-Ride cutaway van replacements through 2036. Assuming 5% annual inflation in the cost of vehicles, this equates to over \$48 million for RTA alone. Other potential projects include federally-assisted operating

costs, planning projects, bus stop improvements, facility and equipment purchases/upgrades, and support vehicle purchases.

SLOCOG conducted meetings in each of the three urbanized areas in late-September and October to review proposed projects, and to determine if unanimity could be achieved, despite the scarcity of FTA funds and needs in the region that far outstrip anticipated revenues. All participants agreed that maximizing FTA funds for operating/planning needs is the highest priority, followed by bus replacement / bus rehabilitation projects. RTA staff's next highest priority is solving our long-term operations/maintenance facility needs, followed by a consolidated downtown SLO transit center. The lowest-priority projects – while still important – include bus stop improvement projects, and support vehicles.

The attached table represents the draft Program of Projects for each of the three urbanized areas. This information will be further refined, and the final Program of Projects will be presented by SLOCOG staff to the SLOCOG Board at its December 3<sup>rd</sup> meeting.

**5307 & 5339 Budget by Project/Jurisdiction for FY2013-14 through 2018-19 Applications  
Final as of 10/9/2014**

**North County UZA**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	Actual	Projections	Projections	Projections	Projections	Projections	
5307 Formula Revenues	\$ 949,592	\$ 949,592	\$ 949,592	\$ 949,592	\$ 949,592	\$ 949,592	\$ 5,697,552
5307 STIC Revenues	\$ 597,246	\$ 384,030	\$ 384,030	\$ 384,030	\$ 384,030	\$ 384,030	\$ 2,517,396
<b>Total 5307 Formula &amp; STIC Revenues</b>	<b>\$ 1,546,838</b>	<b>\$ 1,333,622</b>	<b>\$ 8,214,948</b>				
<b>1 RTA Operations</b>	<b>\$ 649,070</b>	<b>\$ 681,520</b>	<b>\$ 715,600</b>	<b>\$ 751,380</b>	<b>\$ 788,950</b>	<b>\$ 828,400</b>	<b>\$ 4,414,920</b>
2 RTA Route 9 Express Service		\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 225,000
3 RTA ADA Vehicles (1/3 each UZA)	\$ 51,000	\$ 88,200	\$ 46,320	\$ -	\$ 127,620	\$ 80,400	\$ 393,540
4 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ 505,410	\$ 505,410
5 RTA Ops/Maintenance Facility (1/3 each UZA)	\$ -	\$ 50,000	\$ 133,330	\$ 133,330	\$ 133,330	\$ 133,330	\$ 583,320
6 RTA Bus Stop Improvements	\$ 24,000	\$ 25,200	\$ 26,460	\$ 27,780	\$ 29,170	\$ 30,630	\$ 163,240
7 RTA Vehicle Maintenance Equipment	\$ 24,000	\$ 25,200	\$ 26,460	\$ 27,780	\$ 29,170	\$ 30,630	\$ 163,240
8 RTA North County Support Vehicle	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ 48,000
9 RTA North County Yard purchase/lease	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
<b>Subtotal:</b>	<b>\$ 748,070</b>	<b>\$ 1,243,120</b>	<b>\$ 998,170</b>	<b>\$ 990,270</b>	<b>\$ 1,158,240</b>	<b>\$ 1,658,800</b>	<b>\$ 6,796,670</b>
<b>1 Atascadero Operating</b>	<b>\$ 222,062</b>	<b>\$ 165,000</b>	<b>\$ 165,000</b>	<b>\$ 173,250</b>	<b>\$ 181,910</b>	<b>\$ 191,010</b>	<b>\$ 1,098,232</b>
2 Atascadero Medium-Duty Buses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Astascadero Minibus Cutaway Buses	\$ -	\$ -	\$ 55,000	\$ 116,000	\$ 82,660	\$ -	\$ 253,660
<b>Subtotal:</b>	<b>\$ 222,062</b>	<b>\$ 165,000</b>	<b>\$ 220,000</b>	<b>\$ 289,250</b>	<b>\$ 264,570</b>	<b>\$ 191,010</b>	<b>\$ 1,351,892</b>
<b>1 Paso Robles Operating</b>	<b>\$ 143,785</b>	<b>\$ 205,300</b>	<b>\$ 215,565</b>	<b>\$ 226,343</b>	<b>\$ 237,660</b>	<b>\$ 249,543</b>	<b>\$ 1,278,197</b>
2 Paso Robles Preventive Maintenance	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 70,000
3 Paso Robles Medium-Duty Buses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 612,640	\$ 612,640
4 Paso Robles Minivans	\$ -	\$ -	\$ -	\$ -	\$ 87,520	\$ -	\$ 87,520
<b>Subtotal:</b>	<b>\$ 213,785</b>	<b>\$ 205,300</b>	<b>\$ 215,565</b>	<b>\$ 226,343</b>	<b>\$ 325,180</b>	<b>\$ 862,183</b>	<b>\$ 2,048,357</b>
<b>Total</b>	<b>\$ 1,183,917</b>	<b>\$ 1,613,420</b>	<b>\$ 1,433,735</b>	<b>\$ 1,505,863</b>	<b>\$ 1,747,990</b>	<b>\$ 2,711,993</b>	<b>\$ 10,196,919</b>
<b>Annual Balance Remaining/(Needed)</b>	<b>\$ 362,921</b>	<b>\$ (279,798)</b>	<b>\$ (100,113)</b>	<b>\$ (172,241)</b>	<b>\$ (414,368)</b>	<b>\$ (1,378,371)</b>	<b>\$ (1,981,971)</b>
<b>Running Balance</b>	<b>\$ 362,921</b>	<b>\$ 83,123</b>	<b>\$ (16,990)</b>	<b>\$ (189,231)</b>	<b>\$ (603,600)</b>	<b>\$ (1,981,971)</b>	

**5339 REVENUE FUNDS**

Projected 5339 Revenues (Capital Only)	\$ 122,260	\$ 102,830	\$ 102,830	\$ 102,830	\$ 102,830	\$ 102,830	\$ 636,410
1 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ -	\$ 291,070
<b>Annual Balance Remaining/(Needed)</b>	<b>\$ 122,260</b>	<b>\$ 102,830</b>	<b>\$ (188,240)</b>	<b>\$ 102,830</b>	<b>\$ 102,830</b>	<b>\$ 102,830</b>	<b>\$ 345,340</b>
<b>Running Balance</b>	<b>\$ 122,260</b>	<b>\$ 225,090</b>	<b>\$ 36,850</b>	<b>\$ 139,680</b>	<b>\$ 242,510</b>	<b>\$ 345,340</b>	

**Central UZA**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	Actual	Projections	Projections	Projections	Projections	Projections	
5307 Formula Revenues	\$ 1,047,364	\$ 1,047,364	\$ 1,047,364	\$ 1,047,364	\$ 1,047,364	\$ 1,047,364	\$ 6,284,184
5307 STIC Revenues	\$ 1,344,709	\$ 1,152,100	\$ 1,152,100	\$ 1,152,100	\$ 1,152,100	\$ 1,152,100	\$ 7,105,209
<b>Total 5307 Formula &amp; STIC Revenues</b>	<b>\$ 2,392,073</b>	<b>\$ 2,199,464</b>	<b>\$ 13,389,393</b>				
<b>1 RTA Operations</b>	<b>\$ 450,000</b>	<b>\$ 472,500</b>	<b>\$ 496,130</b>	<b>\$ 520,940</b>	<b>\$ 546,990</b>	<b>\$ 574,340</b>	<b>\$ 3,060,900</b>
2 RTA ADA Vehicles (1/3 each UZA)	\$ 51,000	\$ 88,200	\$ 46,320	\$ -	\$ 127,620	\$ 80,400	\$ 393,540
3 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ 505,410	\$ 505,410
4 RTA Capital Over-The-Road Coach	\$ -	\$ 644,000	\$ -	\$ -	\$ -	\$ -	\$ 644,000
5 RTA Ops/Maintenance Facility (1/3 each UZA)	\$ -	\$ 50,000	\$ 133,330	\$ 133,330	\$ 133,330	\$ 133,330	\$ 583,320
6 RTA Support Vehicles	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
7 RTA Vehicles Rehab	\$ 48,000	\$ -	\$ 105,840	\$ -	\$ -	\$ -	\$ 48,000
<b>Subtotal:</b>	<b>\$ 599,000</b>	<b>\$ 1,254,700</b>	<b>\$ 675,780</b>	<b>\$ 654,270</b>	<b>\$ 807,940</b>	<b>\$ 1,293,480</b>	<b>\$ 5,285,170</b>
<b>1 SLO City Operations</b>	<b>\$ 1,150,000</b>	<b>\$ 1,154,500</b>	<b>\$ 1,189,140</b>	<b>\$ 1,224,810</b>	<b>\$ 1,261,550</b>	<b>\$ 1,299,400</b>	<b>\$ 7,279,400</b>
2 SLO City Preventive Maintenance	\$ 160,000	\$ 164,800	\$ 169,740	\$ 174,830	\$ 180,070	\$ 185,470	\$ 1,034,910
3 SLO City Support Vehicles	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
4 SLO City Bus Replacement	\$ -	\$ 375,000	\$ 386,250	\$ -	\$ 409,780	\$ 422,070	\$ 831,850
5 SLO City Bus Stop Improvement	\$ -	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ 60,000
6 Central Area Transfer Facility (SLOCOG's Request)	\$ -	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ 50,000
7 SLO City Vehicle Rehab	\$ 202,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal:</b>	<b>\$ 1,360,000</b>	<b>\$ 1,374,300</b>	<b>\$ 1,413,880</b>	<b>\$ 1,399,640</b>	<b>\$ 1,851,400</b>	<b>\$ 1,906,940</b>	<b>\$ 9,306,160</b>
<b>Total:</b>	<b>\$ 1,959,000</b>	<b>\$ 2,629,000</b>	<b>\$ 2,089,660</b>	<b>\$ 2,053,910</b>	<b>\$ 2,659,340</b>	<b>\$ 3,200,420</b>	<b>\$ 14,591,330</b>
<b>Annual Balance Remaining/(Needed)</b>	<b>\$ 433,073</b>	<b>\$ (429,536)</b>	<b>\$ 84,804</b>	<b>\$ 145,554</b>	<b>\$ (459,876)</b>	<b>\$ (1,000,956)</b>	<b>\$ (1,201,937)</b>
<b>Running Balance</b>	<b>\$ 433,073</b>	<b>\$ 3,537</b>	<b>\$ 88,341</b>	<b>\$ 233,895</b>	<b>\$ (225,981)</b>	<b>\$ (1,226,937)</b>	

**Assumptions:**

1. All revenues assumes no increases.
2. All projects assumes a five percent increase in cost per year
3. FY2013/14 is Actual for 5307 but Projected for 5339

**5339 REVENUE FUNDS**

<b>Projected 5339 Revenues (Capital Only)</b>	\$ 112,820	\$ 112,820	\$ 112,820	\$ 112,820	\$ 112,820	\$ 112,820	\$ 676,920
1 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ -	\$ 291,070
<b>Annual Balance Remaining/(Needed)</b>	\$ 112,820	\$ 112,820	\$ (178,250)	\$ 112,820	\$ 112,820	\$ 112,820	\$ 385,850
<b>Running Balance</b>	\$ 112,820	\$ 225,640	\$ 47,390	\$ 160,210	\$ 273,030	\$ 385,850	

**South County UZA**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
	Actual	Projections	Projections	Projections	Projections	Projections	
5307 Formula Revenues	\$ 797,284	\$ 797,284	\$ 797,284	\$ 797,284	\$ 797,284	\$ 797,284	\$ 4,783,704
5307 STIC Revenues	\$ 630,273	\$ 384,030	\$ 384,030	\$ 384,030	\$ 384,030	\$ 384,030	\$ 2,550,423
<b>Total 5307 Formula &amp; STIC Revenues</b>	<b>\$ 1,427,557</b>	<b>\$ 1,181,314</b>	<b>\$ 7,334,127</b>				

1 SCT Operating	\$ 400,000	\$ 420,000	\$ 460,000	\$ 483,000	\$ 507,150	\$ 532,510	\$ 2,802,660
2 SCT Capital - Trolley Buses	\$ 144,000	\$ -	\$ 160,000	\$ -	\$ -	\$ -	\$ 160,000
3 SCT Capital 35' Buses	\$ 396,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 SCT Support Vehicles	\$ 41,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,600
5 SCT Bus Stop Improvements	\$ -	\$ 30,000	\$ 31,500	\$ 33,080	\$ 34,730	\$ 36,470	\$ 165,780
6 SCT Transit Center Improvements	\$ -	\$ -	\$ 50,000	\$ 75,000	\$ -	\$ -	\$ 125,000
7 SCT Intelligent Transportation Systems (ITS)		\$ 100,000				\$ 40,000	\$ 140,000
<b>Subtotal:</b>	<b>\$ 441,600</b>	<b>\$ 550,000</b>	<b>\$ 701,500</b>	<b>\$ 591,080</b>	<b>\$ 541,880</b>	<b>\$ 608,980</b>	<b>\$ 3,435,040</b>
1 RTA Operations (Replace JARC)	\$ -	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,050	\$ 486,200	\$ 2,210,250
2 RTA Route 10 Express Service	\$ -	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 225,000
3 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ 505,410	\$ 505,410
4 RTA Capital Over-The-Road Coach	\$ -	\$ 396,000					\$ 396,000
5 RTA ADA Vehicles (1/3 each UZA)	\$ 51,000	\$ 88,200	\$ 46,320	\$ -	\$ 127,620	\$ 80,400	\$ 393,540
6 RTA Ops/Maintenance Facility (1/3 each UZA)	\$ -	\$ 50,000	\$ 133,330	\$ 133,330	\$ 133,330	\$ 133,330	\$ 583,320
7 RTA Vehicle Rehab	\$ -	\$ 100,800	\$ -	\$ -	\$ -	\$ -	\$ 100,800
<b>Subtotal:</b>	<b>\$ 51,000</b>	<b>\$ 1,060,000</b>	<b>\$ 649,650</b>	<b>\$ 624,330</b>	<b>\$ 774,000</b>	<b>\$ 1,255,340</b>	<b>\$ 4,414,320</b>
1 Central Area Transfer Facility (SLOCOG's Request)		\$ 25,000	\$ 25,000				\$ 50,000
<b>Total:</b>	<b>\$ 492,600</b>	<b>\$ 1,635,000</b>	<b>\$ 1,376,150</b>	<b>\$ 1,215,410</b>	<b>\$ 1,315,880</b>	<b>\$ 1,864,320</b>	<b>\$ 7,899,360</b>
<b>Annual Balance Remaining/(Needed)</b>	<b>\$ 934,957</b>	<b>\$ (453,686)</b>	<b>\$ (194,836)</b>	<b>\$ (34,096)</b>	<b>\$ (134,566)</b>	<b>\$ (683,006)</b>	<b>\$ (565,233)</b>
<b>Running Balance</b>	<b>\$ 934,957</b>	<b>\$ 481,271</b>	<b>\$ 286,435</b>	<b>\$ 252,339</b>	<b>\$ 117,773</b>	<b>\$ (565,233)</b>	

**5339 REVENUE FUNDS**

<b>Projected 5339 Revenues (Capital Only)</b>	\$ 122,500	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 86,000	\$ 552,500
1 RTA Capital 40' Buses (1/3 each UZA)	\$ -	\$ -	\$ 291,070	\$ -	\$ -	\$ -	\$ 291,070
<b>Annual Balance Remaining/(Needed)</b>	<b>\$ 122,500</b>	<b>\$ 86,000</b>	<b>\$ (205,070)</b>	<b>\$ 86,000</b>	<b>\$ 86,000</b>	<b>\$ 86,000</b>	<b>\$ 261,430</b>
<b>Running Balance</b>	<b>\$ 122,500</b>	<b>\$ 208,500</b>	<b>\$ 3,430</b>	<b>\$ 89,430</b>	<b>\$ 175,430</b>	<b>\$ 261,430</b>	

**Santa Maria UZA**

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
1 Rt 10 Fixed Route Operations - SM UZA	\$ 220,350	\$ 226,960	\$ 233,770	\$ 240,780	\$ 248,000	\$ 255,440	\$ 1,425,300

**Assumptions:**

1. All revenues assumes no increases.
2. All projects assumes a five percent increase in cost per year
3. FY2013/14 is Actual for 5307 but Projected for 5339

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**November 5, 2014**

**STAFF REPORT**

**AGENDA ITEM:** B-1

**TOPIC:** Public Hearing on Proposed Runabout Fare Increase

**ACTION:** Authorize staff to implement a Runabout fare increase that equates to twice the comparable fixed-route cash fare

**PRESENTED BY:** Geoff Straw

**STAFF RECOMMENDATION:** Implement a Runabout fare increase on February 1, 2015

**RTAC RECOMMENDATION:**

**BACKGROUND/DISCUSSION:**

We have completed our analysis, public outreach and discussion with our partner agencies on the proposed RTA Runabout fare adjustment and recommend that the Board adopt the proposed increase. This Runabout fare increase would be effective February 1, 2015.

Staff first raised the specter of a fare increase at the March 6, 2013 Board meeting, which introduced a range of methods to address burgeoning Runabout demand – including cost-saving measures, revenue enhancing alternatives, and a variety of administrative solutions. At the July 9, 2014 Board meeting, staff presented a proposed Runabout fare structure that is based on twice the comparable fixed route cash fare. The twice-the-fixed-route-fare proposal is both expressly permitted under the Americans with Disabilities Act, and is the practice of most transit agencies surveyed.

The Runabout fare increase is being recommended for three primary reasons:

1. The current average public subsidy per passenger-trip on Runabout is over \$60, while it is less than \$4 on RTA fixed route services. With ever-increasing demand for Runabout services, it is not financially sustainable to continue to increase Runabout service levels without either increasing revenues and/or cutting the daily fixed route span of service.<sup>1</sup>

---

<sup>1</sup> Cutting the fixed route daily span of service will reduce the annual hours that Runabout must operate during the day, thereby cutting Runabout operating costs. Reducing fixed route headways during the day would not reduce annual Runabout operating costs.

2. The fares are not equitable between the Runabout and fixed route services. For example, the current Runabout fare is actually less than the current fixed route cash fare for over 20 zone-to-zone trips, despite Runabout requiring a greater per-passenger public subsidy.
3. Increasing Runabout fare levels will likely result in slowing the increasing demand for additional annual hours of Runabout service.

The following is a summary of what has been undertaken since the Board authorized staff to solicit input on the Runabout fare proposal at its July 9, 2014 meeting.

To kick off our public outreach process, we first sent a letter and Fact Sheet to every registered Runabout rider explaining why a fare increase was being considered. That packet of information was also sent to every social service agency in the county. Staff presented the proposed fare increase at all seven City Councils, the County Board of Supervisors, the Los Osos Community Advisory Committee, and the Morro Bay Public Works Advisory Board. Staff then conducted three public workshops at various locations throughout the county. Notices were placed in all RTA buses that invited Runabout riders to contact us via phone, email or letter, and to consider submitting testimony during the November 5<sup>th</sup> Public Hearing. Attendees at the October 23<sup>rd</sup> Mobility Management Summit were reminded of the fare proposal and the opportunity to submit testimony. Finally, an advertisement was placed in the October 29<sup>th</sup> edition of The Tribune inviting interested parties to attend today's Public Hearing.

Admittedly, RTA has not received a significant number of testimony submittals. No members of the general public attended the October 14<sup>th</sup> workshop in Grover Beach nor the October 15<sup>th</sup> workshop in Atascadero, and only one Runabout rider attended the October 16<sup>th</sup> workshop in San Luis Obispo. That attendee was concerned that any increase in the Runabout fare would impact riders' independence because they would not be able to afford to get out of their houses as often. She also inquired about potential cost-saving solutions, and I shared with her my copy of both the March 2013 and July 2014 staff reports that details steps RTA has taken to address the three reasons a Runabout fare increase is being considered. In our discussion, she suggested that a local foundation or service club should seek donations to subsidize the Runabout fares of those persons on a fixed- or limited-budget.

As of October 24<sup>th</sup>, RTA only received nine testimony submittals, including those submitted via email, letter and phone. Of these submittals, four stated that they understood why the increase is being considered, while three of those four support the fare increase but the fourth stated it would result in a financial hardship. Five respondents stated any fare increase would result in a financial hardship; one of these five stated the proposed fare for local trips within San Luis Obispo would be reasonable, but the fare for longer trips between San Luis Obispo and Cayucos or Morro Bay would be too expensive. One attendee at the September 23<sup>rd</sup> Board of Supervisors meeting stated that the proposed fare increase would result in a financial hardship, and RTA should consider other cost-saving measures first.

At its July 17<sup>th</sup> meeting, the RTA Regional Transit Advisory Council supported the notion of Runabout fares being set at twice the comparable fixed route fare. However, the RTAC suggested that a cap of twice the RTA Regional Day Pass be considered in order to limit the impact to Runabout riders that travel very long distances. Since the current Regional Day Pass is priced at \$5.00, this results in a current cap of \$10.00. Otherwise, the maximum Runabout price would be \$12.50 under the current fixed route fare table. Staff supports this suggested cap formula.

It should be noted that a Grover Beach City Councilperson asked how Runabout fares would be set when multiple transfers are required for fixed route users. As a way of clarification, the Runabout fares would be based on the fixed route zones used by RTA or the local fixed route provider in all instances but one: the Runabout fare for riders making regional trips beginning or ending in Oceano would be based on the connecting South County Transit fixed route transfer to RTA, since RTA does not otherwise serve Oceano. As demonstrated in Table 1 on the next page, all other communities listed as an origin and destination are served by RTA. Trips beginning or ending in Oceano that would not require a fixed route rider to transfer to/from RTA would be \$2.50 (twice the South County Transit fixed route fare), or \$0.25 higher than under the current Runabout fare matrix.

The previous RTA fare increase – \$0.25 per zone for both fixed route and Runabout – was implemented in 2010. Fixed route fares were solely increased in 2008, and both fixed route and Runabout fares were increased in 2000. To some degree, some of the disparity in Runabout vs. fixed route fares resulted from not proportionately increasing fares on both services simultaneously.

Staff proposes to inform the Board in the future any time one of the local fixed route services in the County proposes to increase its fare and how that would impact the resulting Runabout fare.

It should be noted that Item A-2 presented at the July 9, 2014 Board meeting suggested that, because South County Transit might consider a fare increase for its fixed route services on February 1, 2015, RTA should consider implementing the Runabout fare increase on February 1<sup>st</sup>. However, SCT has since decided it will delay consideration of a fare increase until later in 2015. Regardless, RTA staff continues to suggest that the proposed Runabout fare increase program continue to be considered for implementation on February 1, 2015. This will permit RTA to determine preliminary trends in preparation for the FY15-16 Budget, and will assist with Bus Operator resource planning / shift-bidding set for May 24, 2015.

### **Staff recommendation**

Consider public input summarized in this report, as well as any input received during the Public Hearing. Set Runabout fares at twice the comparable fixed route cash fare, with a cap based on twice the Regional Day Pass price.

*This Page Left Intentionally Blank*

**TABLE 1: Runabout Fares Set At Twice the Fixed Route Fare; \$10 Cap**

**DESTINATION**

	Arroyo Grande	Atasc.	Avila Beach	Cambria	Cayucos	Cuesta Area	Grover Beach	Los Osos	Morro Bay	Nipomo	Oceano	Paso Robles	Pismo Beach	San Luis Obispo	San Miguel	San Simeon	Santa Marg.	Santa Maria	Temple.
Arroyo Grande	\$2.50	\$8.00	\$2.50	\$10.00	\$10.00	\$8.00	\$2.50	\$9.00	\$9.00	\$4.00	\$2.50	\$10.00	\$2.50	\$4.00	\$10.00	\$10.00	\$8.00	\$5.00	\$9.00
Atasc.	\$8.00	\$3.00	\$8.00	\$10.00	\$10.00	\$8.00	<u>\$10.00</u>	\$9.00	\$9.00	\$9.00	<u>\$10.00</u>	\$4.00	\$8.00	\$4.00	\$5.00	\$10.00	\$3.00	\$10.00	\$3.00
Avila Beach	\$2.50	\$8.00	\$0.00	\$10.00	\$10.00	\$8.00	\$2.50	\$9.00	\$9.00	\$4.00	\$2.50	\$10.00	\$2.50	\$4.00	\$10.00	\$10.00	\$8.00	\$5.00	\$9.00
Cambria	\$10.00	\$10.00	\$10.00	\$3.00	\$3.00	\$5.00	<u>\$10.00</u>	\$4.00	\$4.00	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	\$6.00	<u>\$10.00</u>	\$3.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>
Cayucos	\$10.00	\$10.00	\$10.00	\$3.00	\$3.00	\$5.00	<u>\$10.00</u>	\$4.00	\$4.00	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	\$6.00	<u>\$10.00</u>	\$3.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>
Cuesta Area	\$8.00	\$8.00	\$8.00	\$5.00	\$5.00	\$3.00	<u>\$10.00</u>	\$4.00	\$4.00	\$9.00	<u>\$10.00</u>	\$10.00	\$8.00	\$4.00	\$10.00	\$5.00	\$8.00	\$10.00	\$9.00
Grover Beach	\$2.50	<u>\$10.00</u>	\$2.50	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$2.50	<u>\$10.00</u>	<u>\$10.00</u>	\$6.50	\$2.50	<u>\$10.00</u>	\$2.50	\$6.50	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$7.50	<u>\$10.00</u>
Los Osos	\$9.00	\$9.00	\$9.00	\$4.00	\$4.00	\$4.00	<u>\$10.00</u>	\$3.00	\$3.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	\$9.00	\$5.00	<u>\$10.00</u>	\$4.00	\$9.00	<u>\$10.00</u>	\$10.00
Morro Bay	\$9.00	\$9.00	\$9.00	\$4.00	\$4.00	\$4.00	<u>\$10.00</u>	\$3.00	\$3.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	\$9.00	\$5.00	<u>\$10.00</u>	\$4.00	\$9.00	<u>\$10.00</u>	\$10.00
Nipomo	\$4.00	\$9.00	\$4.00	<u>\$10.00</u>	<u>\$10.00</u>	\$9.00	\$6.50	\$10.00	\$10.00	\$3.00	\$6.50	<u>\$10.00</u>	\$4.00	\$5.00	<u>\$10.00</u>	<u>\$10.00</u>	\$9.00	\$4.00	\$10.00
Oceano	\$2.50	<u>\$10.00</u>	\$2.50	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$2.50	<u>\$10.00</u>	<u>\$10.00</u>	\$6.50	\$2.50	<u>\$10.00</u>	\$2.50	\$6.50	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$7.50	<u>\$10.00</u>
Paso Robles	\$10.00	\$4.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$3.00	\$10.00	\$6.00	\$4.00	<u>\$10.00</u>	\$4.00	<u>\$10.00</u>	\$3.00
Pismo Beach	\$2.50	\$8.00	\$2.50	\$10.00	\$10.00	\$8.00	\$2.50	\$9.00	\$9.00	\$4.00	\$2.50	\$10.00	\$2.50	\$4.00	\$10.00	\$10.00	\$8.00	\$5.00	\$9.00
San Luis Obispo	\$4.00	\$4.00	\$4.00	\$6.00	\$6.00	\$4.00	\$6.50	\$5.00	\$5.00	\$5.00	\$6.50	\$6.00	\$4.00	\$2.50	\$6.00	\$6.00	\$4.00	\$6.00	\$5.00
San Miguel	\$10.00	\$5.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$4.00	\$10.00	\$6.00	\$3.00	<u>\$10.00</u>	\$5.00	<u>\$10.00</u>	\$4.00
San Simeon	\$10.00	\$10.00	\$10.00	\$3.00	\$3.00	\$5.00	<u>\$10.00</u>	\$4.00	\$4.00	<u>\$10.00</u>	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	\$6.00	<u>\$10.00</u>	\$3.00	\$10.00	<u>\$10.00</u>	<u>\$10.00</u>
Santa Marg.	\$8.00	\$3.00	\$8.00	\$10.00	\$10.00	\$8.00	<u>\$10.00</u>	\$9.00	\$9.00	\$9.00	<u>\$10.00</u>	\$4.00	\$8.00	\$4.00	\$5.00	\$10.00	\$3.00	\$10.00	\$3.00
Santa Maria	\$5.00	\$10.00	\$5.00	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	\$7.50	<u>\$10.00</u>	<u>\$10.00</u>	\$4.00	\$7.50	<u>\$10.00</u>	\$5.00	\$6.00	<u>\$10.00</u>	<u>\$10.00</u>	\$10.00	\$3.00	<u>\$10.00</u>
Temple.	\$9.00	\$3.00	\$9.00	<u>\$10.00</u>	<u>\$10.00</u>	\$9.00	<u>\$10.00</u>	\$10.00	\$10.00	\$10.00	<u>\$10.00</u>	\$3.00	\$9.00	\$5.00	\$4.00	<u>\$10.00</u>	\$3.00	<u>\$10.00</u>	\$3.00

Note: All prices indicated in **bold/italics/underline** would be greater than \$10 in the absence of a cap.

**DRAFT**  
**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**MINUTES OF SEPTEMBER 10, 2014**  
**C-1**

---

**BOARD MEMBERS PRESENT:**

SHELLY HIGGINBOTHAM, CITY OF PISMO BEACH (*President*)  
DEBBIE ARNOLD, FIFTH DISTRICT, COUNTY OF SAN LUIS OBISPO (*Vice President*)  
FRANK MECHAM, FIRST DISTRICT, COUNTY OF SAN LUIS OBISPO (*Past President*)  
TONY FERRARA, CITY OF ARROYO GRANDE  
BRUCE GIBSON, SECOND DISTRICT, COUNTY OF SAN LUIS OBISPO  
ADAM HILL, THIRD DISTRICT, COUNTY OF SAN LUIS OBISPO  
JAMIE IRONS, CITY OF MORRO BAY  
TOM O'MALLEY, CITY OF ATASCADERO  
DEBBIE PETERSON, CITY OF GROVER BEACH  
CAREN RAY (FOURTH DISTRICT, COUNTY OF SAN LUIS OBISPO)  
JAN MARX, CITY OF SAN LUIS OBISPO  
FRED STRONG, CITY OF PASO ROBLES

**BOARD MEMBERS ABSENT:**

**STAFF PRESENT:**

GEOFF STRAW, EXECUTIVE DIRECTOR  
TANIA ARNOLD, CFO & DIRECTOR OF ADMINISTRATION  
TIM MCNULTY, SAN LUIS OBISPO COUNTY COUNSEL  
ANNA MAFORT-LACY, ADMINISTRATIVE ASSISTANT  
PHIL MOORES, OPERATIONS MANAGER  
ANNAMAY BEEKMAN, BUS OPERATOR  
MARY GARDNER, MARKETING & COMMUNITY RELATIONS MANAGER  
TRENA WILSON, ADMINISTRATIVE ASSISTANT  
OMAR MCPHERSON, GRANTS MANAGER

---

**CALL TO ORDER AND ROLL CALL:** President Shelly Higginbotham called the meeting to order at 8:30 a.m. A roll call was taken and a quorum was present.

**Public Comments:** **Mr. Eric Greening**, Atascadero, thanked bus operator Tracey Johnson for getting him safely and happily to the meeting this morning. He thanked all the drivers for keeping him safe. Last year RTA placed the Cuesta College stop on the weekend schedule during its renewable energy fair. He asked if RTA would be doing it again this year. The event will be held Sunday, October 5. He suggested the Cuesta stop be part of the regular route seven days a week.

**A. INFORMATION AGENDA:**

**A-1 Executive Directors Report:** **Mr. Straw** began his report by responding to Mr. Greening's request that the Cuesta stop be automatically serviced October 5. Staff has not heard of demand for the bus to stop at the Cuesta campus during weekends. We will take a look at that.

RTA celebrated its fifth anniversary of taking the service in-house. Staff conducted our "Celebrate Safety" program in conjunction with this milestone as a way to acknowledge employees who had no preventable bus collisions or injuries. Administrative staff went out to meet operators and maintenance staff at their job sites to provide breakfast or lunch, as well as hand out flashlights and safety whistle key chains.

Runabout service demand has been increasing substantially over the last few years, particularly during peak travel times. Staff now has ceased taking new subscription reservations—also known as standing orders. We will continue to honor those who have existing subscriptions. ADA does not require transit agencies to accept subscription requests. RTA will formally implement the revised No-Show Policy effective October 1. All active Runabout riders will receive a mailer explaining the new policy. It also includes a letter and Fact Sheet about the proposed Runabout fare structure. These materials will be mailed on September 15.

We started a new Bus Operator training class of eight candidates on September 2; some with commercial driving experience and some without. We also rehired a former supervisor as a bus operator. All new candidates should be ready for revenue service by mid October.

The Regional Transportation Advisory Committee (RTAC) met on July 16 and discussed the potential Runabout fare changes, the CMAQ-funded express bus services and the North County Transit Consolidation. RTAC unanimously recommended the increased fare proposal on Runabout with a maximum of twice the cost of a Regional Day Pass, currently \$10.

The Employee of the Quarter award ceremony was conducted on July 18. **Annamay Beekman** was selected by her peers and passengers as the winner. She primarily provides Runabout service. **Mr. Phil Moores** introduced Ms. Beekman. He commended her for doing an outstanding job. **Ms. Beekman** said she enjoys driving Runabout. All of the riders have different needs. I treat them all like family. I dearly love them.

The next Employee of the Quarter will be held on Friday, October 31. Everyone is welcome to dress up.

RTA took delivery of five Runabout vehicles. They are smaller than the cutaways we have been purchasing, carrying up to 12 ambulatory passengers rather than 16. They are designed for maximum wheelchair space.

Staff continues to work with Ron Turley Associates to implement our new vehicle maintenance software system. We hope to have it fully operational by the end of September and expect to have our first report by the end of the first quarter 2015.

**Mr. Straw** introduced **Ms. Mary Gardner** as the new Manager of Marketing and Community Relations. He discussed some of the changes made to the position. He also thanked South County Transit Board Chairman **Mr. Jim Guthrie** and former Rideshare employee **Ms. Angela Nelson** for participating in the interview process.

The second annual Mobility Management Summit will be held on October 23<sup>rd</sup> from 11 a.m. to 1 p.m. at the Madonna Conference Center.

Staff is working with partners to begin the joint Short Range Transit Plan for RTA and SLO Transit. We will be taking the lead and plan to kick-off the study in October 2014. It will take about 12-18 months to complete the project.

Staff implemented slight schedule modifications to Route 9, as well as Paso Express Routes A and B, to make them more efficient. These changes went into effect August 17. We also launched the Cuesta North Campus evening service when classes began on August 18. Our 9 p.m. run is the most popular. Most passengers disembark in Paso Robles.

Preliminary year-end financial data for fiscal year 2013-14 are under budget. Overall non-capital expenditures equaled 89.4% of the annual budgeted amount. Labor costs were at 98% for operations, 95% for vehicle maintenance and 96% for administration. Fuel costs came in at 81%. Maintenance came in at 65% of the budgeted amount.

Farebox Recovery Ratio was at 31.2%, up by 1.3% over the previous year. RTA set a ridership records for both fixed route and Runabout, at almost 770,000 and 44,000 respectively. Fixed route ridership increased by 3.9% over the previous year. Runabout increased by 14.9% over the previous year—a trend that is not financially sustainable given current revenues.

Annual productivity for fixed route is 24 passenger trips per hour, which is a gain of 3.4% over the previous year. Runabout's productivity is 1.4 passenger trips per hour, a decline over the previous year.

Staff is now developing a plan for a formal site selection and environmental evaluation of our long-term operations facility. The land at 40 Prado continues to provide rental income. The City of Paso Robles allows RTA to park vehicles at 4<sup>th</sup> and Pine Streets. This property is currently in escrow. Staff is looking at options for new locations and will bring alternatives to the Board for future consideration.

**Mr. Straw** concluded his Executive Director's report.

**President Higginbotham** opened to Board comment.

**President Higginbotham** opened public comment.

**Mr. Greening** clarified the RTAC recommendation was to get public input on the Runabout fare increases before we come back with a final recommendation. We must get Runabout riders into the discussion about how to solve the problem. If we don't solve it this way, we must do something else and we need Runabout users to help provide creative ideas.

**President Higginbotham** closed public comment.

**President Higginbotham** closed Board comment.

**A-2 Schedule for Runabout Fare Change Public Meetings:** **Mr. Straw** briefly provided a recommended schedule for gathering public input. Staff identified a two-tier process on getting the word out about the proposed Runabout fare changes. First, we are attending all city council meetings around the county in September and October. Staff will announce the proposed changes during public comment if we are not able to be formally placed on a City Council's agenda. Other venues include the County Board of Supervisors meeting and Los Osos Citizens Advisory Council meeting. We are also conducting three public workshops: In Grover Beach on October 14, Atascadero on October 15, and San Luis Obispo on October 16. Signs are posted on the Runabout vehicles and letters are going out to all current riders.

Staff will summarize the information received through this outreach as part of the Runabout fare proposal public hearing that will be conducted at the November 5<sup>th</sup> Board meeting.

Staff recommendation is to receive and endorse RTAC's recommendation that RTA pursue the proposed Runabout fare program, with the caveat that the maximum one-way Runabout fare be set at twice the fixed route Regional Day Pass price. Also, direct staff to schedule a presentation at each jurisdiction's governing body meeting and conduct public workshops on the proposed Runabout fare increase program.

**Mr. Straw** concluded his report.

**President Higginbotham** suggested sending out notifications to various agencies, such as Tri-Counties Regional Center and Department of Social Services. **Mr. Straw** said staff is already working with Tri-Counties Regional Center. Letters will be going out to all contacts for the Mobility Summit and service agencies as well.

**Board Member Jamie Irons** asked for clarification about no longer taking standing orders. **Mr. Straw** said staff continues to accept Runabout applicants and reservations. We ceased accepting new standing orders--when someone calls one time and sets up recurring trips.

**Board Member Fred Strong** inquired about having more flexibility to schedule medical appointments farther in advance than one week. **Mr. Straw** said the ADA states paratransit providers cannot place priority of one ride over another. Also studies show increased no-shows when rides are scheduled too far in advance. We cannot deny trip requests when an approved rider calls, although we can negotiate up to one hour on either side of the requested pick-up time if the requested time is not available. They are guaranteed a ride.

**President Higginbotham** opened public comment.

**Mr. Greening** pointed to page A-2-5 and noted the number 1 origin and destination pair begins and ends in San Luis Obispo. Do the fixed route riders of SLO Transit also face the threat of reduced span of service? If not, why not? He said the fare increase will have minimal impact on the cost to operate Runabout. The subsidy per trip is about \$60. If this fare increase must be implemented, the intent would be to deter casual trips or motivate them to use fixed routes. That is where the cost savings will occur. There should be an honest discussion between RTA, riders, social service agencies and service providers about ways to what the needs actually are and how to address the needs in the most cost-effective way possible. I encourage the Board to approve opening the discussion through these public workshops.

**Mr. Straw** said it is important to recognize Runabout is the ADA paratransit service for the entire county and all fixed routes therein. If RTA must reduce its span of service, Runabout would not run along the corridors in which we operate. But SLO Transit or other local service agency continues to operate at the same service levels, Runabout must still operate within SLO Transit's service area.

**President Higginbotham** confirmed staff will present findings from the various public outreach efforts and venues such as the mobility summit at the November Board meeting.

**President Higginbotham** closed public comment.

**Board Member Tony Ferrara** observed there seem to be more transportation options nowadays, such as Uber. At some point, we may want to reassess the how we structure Runabout compared with other modes of transportation people can use.

**President Higginbotham** closed Board comment.

**B. ACTION AGENDA:**

**B-1** Establish Facility Technical Advisory Committee (FTAC): **Mr. Straw** presented the need to establish a new Facility Technical Advisory Committee that will advise staff on future development of a long-term operations and maintenance facility. The committee will also provide input on the development of the Coordinated Downtown Transit Center. Staff seeks three members from the City of San Luis Obispo, two from SLO County, one from San Luis Obispo Council of Governments (SLOCOG) and Caltrans District 5. The committee will meet occasionally as proposals come forward. This committee will be separate from the Property Search Subcommittee, but RTA would like to have one member from the Subcommittee also serve on FTAC. The recommendation is for the Board to instruct staff to solicit members from the four jurisdictions identified to service on FTAC.

**Mr. Straw** concluded his report.

**President Higginbotham** opened to Board comment.

**President Higginbotham** opened public comment.

**President Higginbotham** closed public comment.

**President Higginbotham** closed Board comment.

**Board Member Frank Mecham** moved to approve Action Agenda Item B-1. **Board Member Adam Hill** seconded, and the motion unanimously carried on a voice vote with all members present.

**B-2 Affirm Role of Property Subcommittee and Appoint Board Liaison to FTAC:** **Mr. Straw** briefly reviewed the history of the RTA Property Subcommittee and its function. The Subcommittee consists of Board members Fred Strong, Jan Marx, Shelly Higginbotham and Debbie Arnold. Staff recommends affirming the role of the RTA Property Subcommittee and appointing a Board liaison to the FTAC.

**Mr. Straw** concluded his report.

**President Higginbotham** opened Board comment.

**Board Member Marx** volunteered to serve on FTAC.

**President Higginbotham** opened public comment.

**President Higginbotham** closed public comment.

**President Higginbotham** closed Board comment.

**Board Member Mecham** moved to approve Action Agenda Item B-2, appointing Board Member Marx to the committee. **Board Member Hill** seconded, and the motion unanimously carried on a voice vote with all members present.

**C. CONSENT AGENDA:**

- C-1 Draft RTAC Meeting Minutes of July 17 2014 (Approve)
- C-2 Authorization to issue RFP to conduct Joint Short Range Transit Plan Study (Approve)
- C-3 Reprogram RTA Prop 1B Funds to SCT Bus Purchase (Approve)
- C-4 RTA Board Meeting Minutes of July 9, 2014 (Approve)

**President Higginbotham** opened Board comment.

**President Higginbotham** opened public comment.

**President Higginbotham** closed public comment.

**Board Member Tom O'Malley** moved to approve Consent Agenda Items. **Board Member Mecham** seconded, and the motion unanimously carried on a roll call vote all members present.

**BOARD MEMBER COMMENTS:**

**President Higginbotham** congratulated to **Board Member Ferrara** for being elected as President of California Biggest Cities.

**ADJOURNMENT:** **President Higginbotham** adjourned the RTA meeting at **9:27 a.m.**

Respectfully Submitted,

Anna Mafort-Lacy  
RTA, Administrative Assistant



San Luis Obispo Regional Transit Authority  
Executive Committee Meeting  
Minutes 8/13/2014  
C-2

Members Present: Shelly Higginbotham, President  
Debbie Arnold, Vice President  
Frank Mecham, Past President

Members Absent:

Staff Present: Geoff Straw, Executive Director  
Anna Mafort-Lacy, Administrative Assistant  
Tim McNulty, County Counsel

Also Present: Ron DeCarli, SLOCOG  
Aida Nicklin, SLOCOG  
Eric Greening, Atascadero

1. **Call to Order and Roll Call:**

**President Shelly Higginbotham** called the meeting to order at 10:02 a.m. Silent Roll Call was taken and a quorum was present.

2. **Public Comments:**

**Mr. Eric Greening**, Atascadero, said it is a joy to ride the buses. The drivers are very pleasant and morale appears to be good. The passengers are having a good experience. It will get tight with Cuesta beginning the school year Monday and Cal Poly resuming sessions next month. I would like to commend Bus Operator **Ms. Tracey Johnson** for briefing her passengers about Friday's event in Atascadero. She provided suggestions for the park-and-riders use the Albertson's lot off Curbaril to get to her bus on Friday morning on Route 9.

3. **Information Items**

A. Information Items:

#### A-1 Executive Director's Report

**Mr. Straw** began his report by announcing RTA celebrated its five-year anniversary on August 2. Staff used this milestone to also conduct its annual Celebrate Safety program by providing breakfast and lunch to bus operators and mechanics. Administrative staff went out on the buses and thanked drivers in front of passengers for doing a great job. We also provided them with flashlights and safety whistle keychains.

RTA held its quarterly barbecue on July 18. Annamay Beekman is the Employee of the Quarter and will be at the September 10 Board meeting. The next barbecue is scheduled for October 31.

We are no longer taking new subscription trip requests for Runabout. There are getting to be too many "standing order" requests, especially by institutional users.

RTA is planning a new Bus Operator training class with up to eight candidates. The class will begin on Tuesday, September 2.

The Regional Transportation Advisory Committee (RTAC) met on July 17 and discussed the potential Runabout fare changes as well as the Congestion Mitigation Air Quality (CMAQ) funding of new express bus services. RTAC recommended that RTA pursue increasing the Runabout fares to be equal to twice the cash fixed route fare with a cap that is twice the cost of the \$5 Regional Day Pass, currently \$10.

Staff took delivery of five new Runabout cutaway vehicles last week. These vans are slightly smaller, carrying up to 10 passengers. They are more maneuverable and have better fuel economy. **Mr. Ron DeCarli**, San Luis Obispo Council of Governments (SLOCOG), inquired about the lifespan of these vans. **Mr. Straw** said they are good for four years or 150,000 miles. The vehicles they are replacing have more than 300,000.

We are working with Ron Turley Associates to implement the new vehicle maintenance software system. We hope to have it fully operational by the end of September. We will begin reporting some of the date at the November meeting.

**Ms. Mary Gardner** is the new Marketing and Community Relations Manager. She began August 11 and brings great marketing credentials. We will create a marketing plan that will feed into the budget and the Short Range Transit Plan with SLO Transit.

The Mobility Management Summit will be on Thursday, October 23. This event will be a listening session and we would like elected officials to hear from various agencies regarding what they are up against while working together to find solutions.

Caltrans is allowing RTA and SLO Transit to begin working on the joint SRTP earlier than expected. We will begin the study by going out to bid in October. This will enable us to gather data during the busy spring months.

Staff made minor adjustments to the schedules for Route 9 and Paso Express Routes A and B starting Sunday, August 17. These tweaks are mainly to address some timing issues and increase connectivity between the routes. We will also begin operating the new Cuesta North County late evening shuttle service on Monday, August 18.

We hit another record for both the fixed routes and Runabout. Fixed route ridership went up about 4%. Runabout increased by 15% over the previous year. This represents about a \$300,000 cost overrun to operate Runabout.

**Mr. Straw** will attend a workshop on October 7 to begin the planning process for the new facility. We've identified some money in next year's FTA 5307 funds to do the planning. **Mr. DeCarli** asked if RTA has a cost-sharing agreement with the other jurisdictions for the FTA 5307 split. **Mr. Straw** said staff prepared a five-year plan for 5307 and 5339 and presented it to the operators in the three urbanized areas.

**Mr. Straw** concluded the Executive Director's report.

**Mr. Greening** pointed out the Runabout fare increase proposal will come as a shock to many people. He suggested it be presented in the context that all service—Runabout and fixed route—will be affected if nothing is done, and all ideas to help contain cost overruns are welcome.

**Vice President Debbie Arnold** asked if RTA would consider writing a letter in support of installing an enhanced crosswalk in Santa Margarita. **Mr. Straw** agreed.

#### A-2. Schedule for Runabout Fare Change Public Meetings

**Mr. Straw** distributed a preliminary list of suggested city council and public meeting dates to address the proposed Runabout fare increases. **Mr. Greening** recommended making sure the Atascadero Dial-A-Ride is aware of the meeting and available to transport people to the North County event on October 15. **Mr. Straw** continued by saying staff will send out letters to active Runabout riders who've ridden in the last year. Los Osos has the highest per capita use in the entire county. We are trying to get on the agenda of the September 25 LOCAC meeting. We are giving ourselves enough time to try and get on all city council agendas. I understand some agendas are full. We will do public comment on any meetings for which we cannot get on the agenda.

**President Higginbotham** suggested outlining the reasons for the fare increase, highlighting the fact that the entire service could be threatened. That way, they will have a better understanding of the situation even if they do not come to the workshop.

**Past President Mecham** inquired if staff would be doing any radio guest spots. **Mr. Straw** said he would look into it. **Mr. Greening** pointed out election season will soon fill up spots. **Mr. Greening** asked if staff would have any preliminary feedback at the RTAC meeting. **Mr. Straw** thought so.

#### A-3 Need for RTA Bus Parking Lot in Paso Robles

**Mr. Straw** briefly reviewed the current locations of RTA park-outs, which include Cambria, Nipomo and Paso Robles, as a way to reduce deadhead travel time and miles. We have been parking rent-free at the current Paso Robles location on 4<sup>th</sup> and Pine Streets for several years. This location has been for sale and has gone into escrow. They are looking to close around December. We need to get out of there. Staff worked with the city, county, school district and a real estate broker to seek out options. We considered a small parcel out by the Paso Robles airport, but it creates a bit of deadhead and is not ideal from an operations standpoint.

**Mr. Straw** discussed the option of leasing a parcel just north of the Paso Train Station. This would be an ideal location, since it is adjacent to where the Paso Express buses are parked. RTA will have to move and extend the existing fence and install a new bus exit gate. Improvements are expected to cost about \$10,000. Rent will be \$1,500 per month. The landlord wants us to pay for half the cost to move the fence on their property as part of the upfront cost. If we stay a second year, they will reimburse us for the other half of this cost. **Mr. DeCarli** noted the maximum time RTA will have use of the lot will be about three years.

**Vice President Arnold** suggested working with the State to park at the fairgrounds. **Mr. Straw** said it is unsecured and our buses were broken into and vandalized when we parked when we parked there in the past. There are also many events that may impact our ability to park buses. We need enough space for six big buses, at least two Runabout vehicles and up to 12 employee passenger vehicles. The school district does not have enough space. One option we are looking into is parking behind Cuesta College North campus near the temporary buildings. This could be a great long-term solution, but it is a dirt area and close to nearby homes, which might cause noise problems because our buses start operating at 4:30am. **Vice President Arnold** suggested looking at the Ravine Water Park lot and using a temporary fence.

More discussion ensued about various locations and options in and around Paso Robles, Templeton and San Miguel.

**Mr. Straw** concluded his report by stating staff would take another look at the airport, fairgrounds and Water Park to see if these are possibilities as a short term solution. Plan A is to approach Cuesta College to possibly secure parking at their North Campus. Plan B is to find short term solution and have it in place before December. Staff must get direction at the September Board meeting and adopt something no later than the November meeting.

**4. Action Items**

None

**5. Consent Agenda Items**

C-1 Executive Committee Meeting Minutes of April 16, 2014

**Vice President Arnold** moved to approve Consent Agenda Items and **Past President Mecham** seconded. The motion passed on a voice vote.

**6. Agenda Review:**

**Mr. Straw** quickly reviewed the Board agenda for the meeting of September 10, 2014. He noted Action Item B-1 will address replacing the facility committee with a staff-focused Facility Technical Advisory Committee (FTAC). This item will also request the Board appoint a liaison to serve on the committee.

**7. Closed Session Items:**

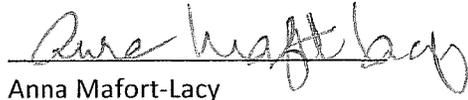
None

**8. Open Session:**

None

**9. Adjournment: **President Higginbotham** adjourned the meeting at 10:58 a.m.**

Respectfully Submitted,



Anna Mafort-Lacy  
Administrative Assistant

Acknowledged by,



Shelly Higginbotham  
RTA President

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
REGIONAL TRANSIT ADVISORY COMMITTEE**

**October 16, 2014**

**Draft MINUTES**

**C-3**

Members Present:	Michael Seden – Hansen ( <i>Chair</i> ) Eric Greening ( <i>Vice Chair</i> ) Gamaliel Anguiano Dawn Patterson Dominique Bonino Todd Katz Phil Moores Mark Dariz	City of Paso Robles Fixed Route Representative SLO Transit Atascadero Transit Cal Poly Fixed Route Alternate Rep. South County Transit (SCT) Runabout/DAR Representative
Members Absent:	John Diodati Anthony Gutierrez Janeen Burlingame	County of San Luis Obispo Cuesta College Morro Bay Transit
Staff Present:	Geoff Straw Anna Mafort Tania Arnold	RTA RTA RTA
Guest:	Eliane Wilson Pete Rodgers	SLOCOG SLOCOG

**1. Call Meeting to Order, Roll Call:**

Chairperson **Michael Seden-Hansen** called the meeting to order at 2:05 p.m. Roll call was taken; a quorum was present.

**2. Public Comments:**

None

**A. Information Agenda Items**

**A1. Manager's Report (Receive):**

**Mr. Straw** said RTA graduated seven new bus operators last week. Cuesta North Campus Shuttle service began August 18 during the evenings, four runs per day, Monday through Thursday. It's free for Cuesta students and takes them to any bus stop they want to go in Paso Robles, Templeton or Atascadero. ADA riders can request a drop-off within  $\frac{3}{4}$  mile of the fixed route service free of charge. The general public can also request a route deviation, but will be charged \$10. We average 4-5 riders per trip and most people travel around Paso Robles. We are moving the bus stop and will implement the change on November 3.

**Mr. Straw** summarized outreach efforts and feedback received to date on the proposed Runabout fare increases. The subsidy cost per rider is more than \$60 for Runabout, compared with \$3.50 for fixed routes. If the demand trend continues, we will need to find more money or cut services. He reviewed some of the current and suggested Runabout fares. **Mr. Eric Greening** inquired about the functionality of those riders who cited the increased fare would create a financial hardship. Are they capable of riding the fixed routes? **Mr. Straw** said staff can reach out to these people and provide more information and provide all options available to them. Travel training and an assessment process are likely to be the next steps in the process. The last fare increase was \$.25 in 2008. The fares should mirror twice the fixed route. The committee discussed the current RTAC bylaws and what role it plays in the Runabout appeals process.

Staff has been selling retired vehicles on eBay. Two sold for more than expected. Three more will soon be listed.

RTA is currently going out to bid for a new ITS program. The submission deadline is November 14.

**Mr. Straw** concluded his report.

**A2. Member Comments/ Reports from Jurisdictions (Receive):**

**Ms. Dawn Patterson** said the City of Atascadero just completed its CHP Annual Exam and passed with flying colors.

**Mr. Greening** said fixed route riders are generally happy. Drivers are very cool and competent. Standees are shifting from the 7:08 a.m. to the 6:53 a.m. runs out of Atascadero.

**Mr. Gamaliel Anguiano** said SLO Transit enjoyed the biggest September yet with a 4% increase in ridership. October 20-24 will mark week-long free rides in honor of Rideshare month. We started a pilot program of providing hand sanitizers on the buses in preparation to the cold and flu season. Finally we are expanding WiFi on 3-4 buses in the next few days.

**Ms. Dominique Bonino** said Cal Poly is hosting several fares for Rideshare month.

**Ms. Eliane Wilson** said in 14 days she will be making her presentation on paratransit in three different countries, including France, Spain and California.

**Mr. Pete Rodgers** said the SLOCOG Highway 101 Mobility Study is on the website. He discussed the RFP for vanpools. Staff is working with CalTrans about creating a freeway park and ride at Spyglass in Shell Beach.

**Mr. Todd Katz** noted San Luis Obispo synchronized the stop lights along Higuera and Los Osos Valley Road, making traffic control more effective.

**Mr. Phil Moores** said South County Transit will launch a test Route 26 on December 3. This will provide express service from Ramona Garden Park to the Pismo Beach Premium Outlets

transit center, out to Shell Beach and back around. The goal is to determine if this will assist with productivity and if it is something riders would like to have on an on-going basis.

## **B. Action Items**

### **B1. Planning & Programming of FTA-Funded Projects (Recommend): Mr. Straw**

announced SLOCOG staff requested all transit operators in the three urbanized areas of the county to prepare a five year capital project list. They will present a two-year Program of Projects to the December 3<sup>rd</sup> Board meeting. One challenge is that the two-year federal transportation bill known as Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) expired September 30. It did not include discretionary funds for transit capital projects. Cal Trans controls FTA 5339, which is a capital projects fund created out of MAP-21. None of the 5339 funds have been released.

**Mr. Straw** concluded his report.

**B2. Authorize Prop 1B Grant Submittals (Recommend): Mr. Straw** presented the resolution to apply for the Prop 1B funds still available. There are two components: Approximately \$2.1 Million for Capital Projects, and about \$213,000 for Safety and Security measures.

Staff asks RTAC to recommend authorizing the attached resolution authorizing the RTA Executive Director to submit a Proposition 1B grant application of up to \$2.1 million for potential capital projects and up to \$213,000 for potential Safety and Security Capital projects for the fiscal years 2014/15 and 2015/16 apportionments.

**Mr. Straw** concluded his report.

**Mr. Anguiano** made a motion to approve staff recommendation. **Mr. Greening** seconded and the motion carried on a voice vote with no oppositions or abstentions.

### **B3. Joint SLO Transit/RTA Short Range Transit Plan (Recommend):**

**Mr. Straw** presented the Scope of Work for the Joint RTA and SLO Transit seven-year plan. There are four primary objectives: Assess the current and projected conditions; assess core RTA and SLO Transit services; develop a financially constrained plan for the two services; and, identify and make recommendations for individual and joint service efficiencies.

There are three key components for the RTAC and SLO Transit's Mass Transit Committee to jointly consider as identified on the Scope of Work: 1) Overview of the systems on page 4; 2) Overview of draft revenue on page 7; and, 3) Review of draft plans as outlined on page 12.

The two groups will come together for joint meetings to review these three key components. These meetings are expected to take place in March 2015, July 2015 and January 2016. Each governing body will present their own meeting minutes.

**Mr. Rodgers** inquired about the five-year plan. **Mr. Straw** said this plan will be a five-year constrained plus two additional years unconstrained. He noted that March is the best time of the year to conduct passenger surveys.

**C. CONSENT AGENDA ITEMS:**

**C-1 RTAC Minutes of 7-17-14 (approve)**

**Mr. Greening** made a motion to approve the draft minutes and **Ms. Patterson** seconded. The motion carried with a voice vote with **Mr. Dariz** abstaining.

**D. ADJOURNMENT:**

The meeting adjourned at 3:12 p.m.

Next RTAC Meeting: **January 15, 2015**

Respectfully Submitted:

Anna Mafort-Lacy  
Administrative Assistant  
San Luis Obispo Regional Transit Authority

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**November 5, 2014**

**STAFF REPORT**

**AGENDA ITEM:** C-4

**TOPIC:** Resolution Authorizing Administrator to Submit Application on behalf of RTA for State Proposition 1B Funds

**ACTION:** Approve

**PRESENTED BY:** Geoff Straw, Executive Director

**STAFF RECOMMENDATION:** Adopt Resolution

California Proposition 1B was passed by voters in November 2006. Staff estimates that up to \$2.1 million will be apportioned to San Luis Obispo County for transit-related capital projects over the next two years for general capital-related projects, and up to \$213,000 for safety/security projects. RTA is an eligible recipient for both of these funding sources.

Besides RTA, eligible recipients of the Proposition 1B funds include San Luis Obispo Regional Transit Authority, the City of Morro Bay, the City of San Luis Obispo, the City of Atascadero, the City of Paso Robles and San Luis Obispo County. Grants will be due to the San Luis Obispo Council of Governments by February 1, 2015. Projects must be transit-related capital projects and have a minimum life span of 10 years.

**Staff Recommendation**

Approve the attached resolution authorizing the RTA Executive Director to submit a Proposition 1B grant application of up to \$2.1 million for potential capital projects and up to \$213,000 for potential Safety and Security Capital projects for the fiscal years 2014/15 and 2015/16 apportionments. Please note that these amounts are subject to a competitive application process for the entire region. Both the RTA Executive Committee and RTAC recommended approval of this item.

SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
RESOLUTION NO. 14-\_\_\_\_\_

A RESOLUTION OF THE SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
BOARD OF DIRECTORS, AUTHORIZING SUBMITTAL OF A GRANT APPLICATION  
TO THE SAN LUIS OBISPO COUNCIL OF GOVERNMENTS FOR  
CALIFORNIA PROPOSITION 1B PROGRAM FUNDS

**WHEREAS**, the San Luis Obispo Regional Transit Authority is an eligible applicant for California Proposition 1B Program funds; and,

**WHEREAS**, the San Luis Obispo Regional Transit Authority is in need of various capital-related materials, supplies, and equipment, all of which are eligible for purchase under the California Proposition 1B Fund Program; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority will continue to provide public transportation services in San Luis Obispo County; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority is seeking grant funding to optimize the use of Transportation Development Act funds provided by the various jurisdictions included in the Joint Powers Agency Agreement; and

**WHEREAS**, the San Luis Obispo Regional Transit Authority is requesting up to \$2,300,000 for the FY14/15 funding year cycle from the Proposition 1B Fund Program for the purchase of various materials, supplies and equipment including transit vehicle replacement.

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the San Luis Obispo Regional Transit Authority Board of Directors authorizes the Executive Director or his designee to submit a proposal to the San Luis Obispo Council of Governments from the California Proposition 1B Fund Program of up to \$2,100,000 for general capital projects and up to \$213,000 for Safety and Security capital projects for the upcoming funding cycle.

**BE IT FURTHER RESOLVED**, that the President of the Board is directed to sign this resolution to authorize the submittal of said funding requests.

**BE IT FURTHER RESOLVED**, that the Executive Director or his designee is hereby authorized to submit said funding requests.

Upon motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, and on the following roll call, to wit:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAINING:**

The foregoing resolution is hereby adopted this 5<sup>th</sup> day of November 2014.

\_\_\_\_\_  
Shelly Higginbotham, Chairperson  
San Luis Obispo Regional Transit Authority

**ATTEST:**

\_\_\_\_\_  
Geoff Straw, Executive Director  
San Luis Obispo Regional Transit Authority

**APPROVED AS TO FORM AND LEGAL EFFECT:**

By: \_\_\_\_\_  
Timothy McNulty  
RTA Counsel

Date: \_\_\_\_\_

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**November 5, 2014**

**STAFF REPORT**

**AGENDA ITEM:** C-5

**TOPIC:** RTA Purchasing Policy and Procedures Manual Update

**ACTION:** Review and Approve

**PRESENTED BY:** Geoff Straw, RTA Executive Director

**STAFF RECOMMENDATION:** Approve Updated Purchasing Policy and Procedures Manual

**BACKGROUND/DISCUSSION:**

To ensure continued eligibility for FTA Section 5307 reimbursement funds, RTA must ensure its procurement policy meets federal requirements. The attached draft Purchasing Policy and Procedures Manual is based on the policy adopted in 2008, with changes to reflect corrected position titles and thresholds for contract language.

**Staff recommendation:** Approve the updated RTA Purchasing Policy and Procedures Manual as presented.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**  
**PURCHASING POLICY AND PURCHASING MANUAL**

**ADOPTED OCTOBER 8, 2008**

**UPDATED NOVEMBER 5, 2014**

**CHAPTER I**

**RTA PURCHASING POLICIES, GOALS AND OBJECTIVES,**

Policies, Goals, And Objectives

It is the responsibility of the Finance Department to coordinate, monitor, and record all phases of RTA purchasing of supplies, equipment, materials, services, and construction. The Finance Department is also responsible for the sale of RTA surplus and obsolete property.

In the course of performing its responsibilities, the RTA Staff is guided by certain policy objectives, broadly stated as follows:

- A. Conserve public funds through reduction in cost and improvement in quality of supplies, equipment, materials, services, construction procured, and reduce the overhead cost of contracting, buying, and selling.
- B. Achieve and promote cost-effective procurements by:
  - 1. Analyzing alternative approaches for each procurement, such as: purchase, time-share, lease, intergovernmental/interagency agreements.
  - 2. Structuring each procurement through consolidation of similar products and separation of dissimilar ones.
  - 3. Eliminating purchase of unnecessary or duplicative items and services.
  - 4. Encouraging price and quality competition among suppliers, vendors, contractors, and consultants.
- C. Reduce the volume and streamline the flow of paperwork; at the same time, maintain accurate documentation of transactions.
- D. Utilize competent technical expertise where needed in the initiation and administration of procurements and contracts.
- E. Adhere to participation goals and procedures incident to RTA's Disadvantaged Business Enterprise Policy.
- F. Follow the procedures of the Purchasing Manual, with the aim of furthering the goals and objectives that are the reason for such procedures.
- G. Perform all duties and responsibilities in compliance with local, state, and federal law, and consistent with applicable standards of conduct and ethics.

- H. Require that vendors present acceptable documentation evidencing the quality of the product and the accuracy of representations relative to the product.

#### Standards Of Conduct

- A. Duty to Disclose. RTA employees shall not be involved in any purchasing decisions, tasks, or procedures (including participation in initiation, award, or administration of a contract) in which they or persons related to them have a real or apparent conflict of interest, as more particularly defined in Subsection B, below. In cases where there may be such conflict of interest, employees have the responsibility to report in writing such conflict to the CFO/Director of Administration. Failure to make such disclosure is subject to discipline, as hereinafter defined.
- B. Conflict of Interest. The Political Reform Act of 1974 maintains a conflict of interest code, Section 87500 under which certain designated employees and corporate directors are required to disclose economic interests and are prohibited from participating in decisions which may have an effect on their financial interests.

For the purpose of these Purchasing Manual Standards of Conduct, it is further required that no employee, or corporate director of RTA shall participate in procedures, tasks, or decision relative to initiation, award, or administration of a contract if a conflict of interest, real or apparent, exists. Such a conflict of interest arises when: (a) the employee, or corporate director; (b) any member of his or her immediate family; (c) his or her business associate; or (d) an organization which employs, or which is about to employ, any of the above has a financial or other interest in a firm that participates in a RTA bidding process or that is selected for an award.

- C. Gratuities and Contingent Fees. No Board Member, Officer, or employee of RTA knowingly shall solicit, accept, or agree to accept gifts, gratuities, or favors in connection with actual or potential procurement and contracting activities.
- D. Confidential Information. No member of the RTA staff shall use confidential information for his or her actual, anticipated, or apparent personal gain, or for the actual, anticipated, or apparent personal gain of any person related to such employee as such relationship is defined in Subsection B, above. "Confidential Information" is defined to include any proprietary, privileged, or nonpublic information, coming to the employee's attention as a result of employment by RTA, the knowledge of which makes possible financial gain.
- E. Discipline for Violation. The violation of any of these Standards of Conduct will subject the violator to any disciplinary proceedings or action deemed appropriate by RTA, up to and including dismissal.

#### Delegation Of Authority

- A. The Board of Directors of RTA authorizes and delegates to the Executive Director the authority and responsibility to:
  - 1. Approve and execute all Purchase Requisitions.
  - 2. Approve and execute Purchase Orders and Contracts which do not exceed \$30,000.00.
  - 3. Approve and execute Change Orders and Contract Amendments as may from time to time be necessary, which do not exceed \$15,000.00 or 10% of the original total contract price, whichever is greater.

4. Approve and execute Blanket Purchase Orders whose estimated annual dollar amount does not exceed \$30,000.00.
5. Approve and execute settlements of claims against RTA in the amount not to exceed \$5,000.00 per claimant.
6. Execute all contract documents including purchase orders, blanket purchase orders, contracts, change orders, contract amendments, and settlements after any necessary approval by the Board of Directors of RTA.

All of the above is to be within the approved RTA official budget and consistent with the established policies and approved projects of RTA.

All Purchase Orders, Contracts, Blanket Purchase Orders, Contract Change Orders, Contract Amendments, and proposed claim settlements in excess of the amounts set forth above shall be submitted for approval to the Board of Directors of RTA prior to execution.

In those instances, where work must progress immediately, the Executive Director may approve any Purchase Order, Blanket Purchase Order, Contract, Change Order, Contract Amendment, or claim settlement within the budget and under an approved project. The facts and circumstances of such action shall be reported to the Board of Directors at its next meeting for ratification.

Consistent with the plans and programs of RTA, including the Disadvantaged Business Enterprise program, purchase requisitions for goods or services estimated to exceed \$10,000.00 shall be competitively bid and, where appropriate, formally advertised, with proposals on such items submitted in writing and opened and evaluated prior to the award of a Purchase Order or Contract. Purchase Requisitions for services or goods estimated to be less than \$10,000.00 may be competitively bid by contacting two or more qualified vendors or suppliers, documenting and evaluating their bids prior to the award of a Purchase Order or a Contract. Sole source procurements of over \$10,000.00 for goods and services shall be allowed only on an exceptional and fully documented basis, or if the public exigency will not permit the delay, incident to advertising.

- B. The Executive Director may delegate, in writing, any of the authorities granted to him under this Resolution; provided, however, that the said Executive Director shall retain overall responsibility for the control over all matters conducted by him or as a result of his delegation of authority hereunder.

## CHAPTER II

### PURCHASE REQUISITION PROCEDURES

#### General Requirements

The purpose of this chapter is to outline the method by which materials, supplies, equipment and services will be requested and to indicate the manner in which purchase requisitions will be prepared and controlled.

Properly executed Purchase Requisitions (PR's) are required to initiate procurement action.

The individual initiating the PR is responsible for the accuracy and adequacy of information supporting the request. Requests should be submitted early enough to have a purchase order and/or contract prepared, reviewed and issued in time for the material or service to be obtained when needed.

Requirements for the procurement of materials, supplies, equipment, and services, (not covered by the petty cash procedure) are submitted to the Finance Department, via computer, on a properly completed and approved Purchase Requisition before the Finance Department may proceed with procuring the requirement. Requisitions restricting competitive procurement shall be supported with an appropriate "justification memorandum".

The Purchase Requisition shall be completed, and a Purchase Order (PO) issued prior to the commitment of any RTA Funds. Exceptions will occur in emergency situations only.

#### Purchase Requisition Preparation - Direct

Complete the Purchase Requisition pursuant to RTA policy and with appropriate data on price, quantity, budget cost center, recommended supplier or manufacturer, and a detailed description of the product including any model numbers or part codes.

For a Service Contract, leave the Qty and Unit of Measure blank and enter the total dollars for the service in the Estimated Unit Price box.

**Sole Source.** If a sole source item is specified, the sole source must be justified in writing.

#### Development Of Technical Specifications For Equipment/Materials

A. Technical Specifications shall be prepared by in-house staff, or depending upon the type of equipment/materials, may be prepared by a consultant.

The originator shall coordinate closely with the requesting department to determine the detailed requirements for the piece of equipment/material required. The description should include:

1. A statement of the qualitative nature of the equipment/material to be procured including form, fit, and function.
2. Minimum essential characteristics and standards required to satisfy its intended use.
3. Reliability and testing requirements.
4. Quality control requirements needed to guarantee the required performance of the equipment/materials.

- B. The technical specification shall be prepared for the equipment/material, providing adequate detail to ensure that any potential source will be fully appraised of RTA's requirements. Where possible, the specifications, including performance, form, fit, and function, shall be broad enough to allow as many sources as possible to bid. Product specifications should be in sufficient detail to define requirements, but not to inhibit competition. When it is impractical or uneconomical to develop a clear, accurate description of the technical requirements, a "brand name or approved equal" description may be used to define the performance or other salient features of the requirement. When so used, the specific features which must be met by equipment/material shall be clearly stated. Brand names that are known to meet the "or approved equal" requirements shall be listed.
- C. A market survey may be conducted to determine the source(s) that offer products which meet the requirements. Extreme caution must be exercised to avoid discussions of budgeted dollar amounts.
- D. Where an equipment/material item can be procured from only one source because of patent or proprietary rights, the originator shall prepare a sole source justification, in accordance with the procedures in Chapter VI, in addition to the specification.

#### Technical Specifications and Statements Of Work (Prepared by Requestor)

Technical Specifications/Statements of Work for solicitation of offers, for competitively bid or negotiated procurements, shall describe accurately and in clear, concise language the technical requirements to be met by a contractor in satisfying RTA needs. These documents shall be in a format that describes, in logical steps, the complete service or item to be delivered for each portion of the total requirement from inception to 100% completion.

Technical Specifications/Statements of Work shall not be directed toward any particular prospective contractor. Descriptive literature from one prospective contractor shall not be used as the sole basis for writing specifications/statements of work. The requirements set forth in the instructions to Bidders/Proposers shall not contain features that unduly restrict competition.

#### Development Of Scope Of Work For Professional/Consultant Services

Solicitations of offers for professional/consultant services shall clearly and accurately set forth all requirements which the bidders must fulfill, including the factors to be used in evaluating the bids or proposals. The Scope of Work shall be developed by the requesting department and shall contain the appropriate information in the following format:

- A. General. A broad description of the services and project/program objectives. This section describes the contractor's specific responsibilities and the items i.e., property, materials, etc. that must be furnished by the Contractor.
- B. Applicable Standards. This part contains a description of all standards the Contractor must fulfill, including RTA, federal, state and local standards that are applicable to the project.
- C. RTA Furnished Data, Property or Services. This portion contains detailed lists of all data, property, and services which will be provided to the Contractor by RTA for use in the performance of the Contract.
- D. Specific Task Breakdown. This portion shall contain, in detail, all tasks the Contractor must perform, and where applicable, should specify step by step instructions and coordination requirements.

- E. Data Submission/Delivery Schedules. This portion shall specify the data that must be submitted for approval and the schedule requirements for submission/approval to assure the project progresses in a logical, expeditious manner.

#### Professional or Consultant Services Contract Requirements

Purchase Requisitions for professional or consultant services shall have the following documentation attached:

- A. A complete and comprehensive Scope of Work.
- B. An itemized listing of Evaluation criteria and their related point values.
- C. Desired delivery schedule (milestones).

Capital Purchase Requisitions shall contain the Grant Project Number and shall have pre-approval by the Grants Department prior to proceeding with the procurement.

#### Lease vs. Purchase Alternatives

A PR for leasing equipment must be accompanied by an analysis addressing the economics of lease vs. purchase. The extent of the analysis should be appropriate to the size and complexity of the procurement.

#### Changes To Purchase Requisitions

Problems may arise regarding changes made to PR's between the time they are initiated and the time they reach the Purchasing Department for purchase action. If any change in estimated dollar amounts or scope of work is made to the PR, the person making the change should inform previous signatories prior to forwarding the PR to the next level of approval. Purchase Requisitions that are questionable upon arrival at Purchasing will be returned to the originator for clarification prior to procurement action.

#### Exceptions

Certain expenses are routinely incurred without the issuance of purchasing documentation. These expenses typically include the following types of items:

- A. Emergencies coordinated through Finance Department - A procurement requisition shall be submitted as soon as possible.
- B. Payroll reimbursement, taxes, deductions, and associated benefit payments pursuant to staffing plans and fringe benefit plans.
- C. Reimbursement of petty cash.
- D. Non-Contract temporary help.
- E. Travel expenses, travel advances and employee expense reimbursements.
- F. Conferences, staff seminars and work shops.
- G. Utilities.
- H. Medical expenses.
- I. Return and re-stocking of bus parts to suppliers.
- J. Legal expenses.

K. Insurance.

Approvals Of Purchase Requisitions, Purchase Orders and Blanket Purchase Orders

A. **Purchase Requisitions** - (Other than for Bus Parts)

<u>Dollar Limits</u>	<u>Approval</u>
up to \$ 5,000	Managers
up to \$30,000	Executive Director
over \$30,000	Executive Director with Board of Directors approval.
Sole Source > \$10,000	Executive Director, Board of Dir. and if applicable FTA pre-approval

NOTE: Dues and subscriptions, office supplies and non-capital office equipment and furniture must be coordinated with the Administrative Assistant.

All capital procurements of office furniture and equipment must be coordinated through the Manager, Finance and Administration.

B. **Purchase Orders/Blanket Purchase Orders and Change Orders**

<u>Dollar Limits</u>	<u>Issued By</u>
up to \$10,000	Finance Department
up to \$30,000	Executive Director
over \$30,000	Executive Director, with approval from Board of Directors
Sole Source > \$10,000	Executive Director with Board of Director approval

\* In the absence of the Executive Director, the CFO/Director of Administration and Administration is authorized to approve purchase orders over \$ 10,000 for board approved projects.

**In rare cases, Purchase Orders below \$30,000 that did not require Board Approval, require Change Orders resulting from unforeseeable situations that cause the Original Purchase Order to reach or exceed \$30,000, shall be brought before the Board immediately.**

## **CHAPTER III**

### **METHODS OF PROCUREMENT**

#### Methods Of Procurement

The following methods of procurement may be used as appropriate:

#### Procurement By Small Purchase Procedures

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the simplified acquisition threshold currently set at \$2,500.00. If small purchasing procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

#### Procurement By Micro-Purchases

Procurement by micro-purchases are those purchases under \$2,500.00. Purchases below that threshold may be made without obtaining competitive quotations if RTA determines that the price is fair and reasonable. Such purchases are exempt from Buy America requirements. There should be equitable distribution among qualified suppliers (in the local area) and no splitting of procurements to avoid competition. The Davis-Bacon act applies to construction contracts between \$2,000.00 and \$2,500.00. Minimum documentation is required: A determination that the price is fair and reasonable and how this determination was derived.

#### Procurement By Sealed Bids/Invitation For Bid (IFB)

Bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the overall lowest and best.

- A. In order for sealed bidding to be feasible, the following conditions should be present:
1. A complete, adequate, and realistic specification or purchase description is available;
  2. Two or more responsible bidders are willing and able to compete effectively for the business;
  3. The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the bases of price.
  4. No discussion with bidders is needed.
- B. If this procurement method is used, the following requirements apply:
1. The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time to prepare bids prior to the date set for opening bids;
  2. The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services sought in order for the bidder to properly respond;
  3. A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. When specified in bidding documents, factors such as discounts,

transportation costs, and life cycle costs shall be considered in determining which bid is lowest;

4. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
5. Any or all bids may be rejected if there is a sound documented business reason.

C. The sealed bid method is the preferred method for procuring construction if the conditions in previous paragraphs apply.

#### Procurements by Competitive Proposal/Request For Proposals (RFP)

A. The competitive proposal method of procurement is normally conducted with more than one source submitting an offer i.e., proposal. Either a fixed price or cost reimbursement type contract is awarded. This method of procurement is generally used when conditions are not appropriate for the use of sealed bids. If this procurement method is used the following requirements apply:

1. Requests for proposals will be publicized. All evaluation factors will be identified along with their relative importance.
2. Proposals will be solicited from an adequate number of qualified sources.
3. RTA will have a method in place for conducting technical evaluations of the proposals received and for selecting awards.
4. Awards will be made to the most responsible firm whose proposal is most advantageous to RTA's program with price and other factors considered.

#### Procurement of Architectural And Engineering Services (A&E)

RTA will use competitive proposal procedures based on the Brooks Act when contracting for A & E services. Other types of services considered A&E services include program management, construction management, feasibility studies, preliminary engineering, design, surveying, mapping, and services which require performance by a registered or licensed architect or engineer. The Brooks Act requires that:

- A. All offeror's qualifications be evaluated;
- B. Price be excluded as an evaluation factor;
- C. Negotiations be conducted with only the most qualified offeror; and
- D. Failing agreement on price, negotiations with the next most qualified offeror be conducted until a contract award can be made to the most qualified offeror whose price is fair and reasonable to RTA.

This "qualifications based procurement method" can only be used for the procurement of A&E services. This method of procurement cannot be used to obtain other types of services even though a firm that provides A&E services is also a potential source to perform other types of services.

These requirements apply except to the extent any state adopts or has adopted by statute a formal procedure for the procurement of architectural and engineering services.

## Procurement By Noncompetitive Proposals (Sole Source)

- A. Sole Source procurements are accomplished through solicitation or acceptance of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. A contract amendment or change order that is not within the scope of the original contract is considered a sole source procurement that must comply with this subparagraph.
1. Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:
    - a. The item is available only from a single source;
    - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
    - c. FTA authorizes noncompetitive negotiations;
    - d. After solicitation of a number of sources, competition is determined inadequate; or
    - e. The item is an associated capital maintenance item as defined, and can only be procured directly from the original manufacturer or supplier of the item to be replaced.
- B. RTA must first certify in writing:
1. That such manufacturer or supplier is the only source for such item; and
  2. That the price of such item is no higher than the price paid for such item by like customers.
  3. Obtain F.T.A. pre-approval on procurements of \$100,000.00 and above
- C. Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profit, is required.
- D. Options: RTA may include options in contracts. An option is a unilateral right in a contract by which, for a specified time, a grantee may elect to purchase additional equipment, supplies, or services called for by the contract, or may elect to extend the term of the contract. If RTA chooses to use options, the requirements below apply:
1. Evaluation of options. If required in the solicitation, the option quantities or periods contained in the contractor's bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of such options will be considered a sole source procurement.
  2. Exercise of Options.
    - a. RTA must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract awarded.
    - b. An option may not be exercised unless RTA has determined that the option price is better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised.

## CHAPTER IV

### CAPITAL PURCHASE PROCEDURES

#### Determination of Capital Purchases

Capital purchases consist of items that are:

- A. Non-expendable tangible property which costs at least \$500.00 and has a useful life of more than one (1) year. Includes: vehicles, office and shop equipment and major bus components valued at \$700.00 or more. (See Chapter VIII).
- B. Costs associated with the construction of buildings and facilities.
- C. Real property.
- D. Expendable incidentals, labor force account, overhead and other costs associated with a capital purchase.

All capital purchases should be included in the annual capital budget.

All capital expenditures which are not included in the capital budget must be approved by the Assistant General Manager prior to the commitment of funds.

#### Procedures for Capital Purchases

- A. Originating Department/Project Manager.
  - 1. Develops purchasing requirement and prepares a Capital purchase requisition using purchase requisition processing as outline in Chapter II.
  - 2. Obtains/creates support documents for the purchase requisition as necessary. (Technical specification, Scope of Work, Plans, etc.)
  - 3. Obtains required approval for the requisition via the Hierarchy of Approval (See Chapter II).
  - 4. The CFO/Director of Administration forwards the requisition to Grants Manager for verification of Funding availability and assignment of Authorization Code.
- B. Grants Administration:
  - 1. Receives hard copy of the Purchase Requisition for review.
  - 2. The Grants Manager reviews and approves/denies the purchase of the Capital requisition.
  - 3. When Approved, the Grants Manager assigns an Authorization Code and returns the requisition to Finance for processing.
- C. Finance.
  - 1. Receives and dates the purchase requisition.
  - 2. Reviews purchase requisition for completeness and proper approval.

3. Determines method of procurement based on RTA purchasing policies and requirements on the purchase requisition.
  - a. If less than \$2,500.00, purchases item from appropriate source at a price determined as fair and reasonable.
  - b. If between \$2,500.00 and \$10,000.00, obtains a minimum of two bids, documenting and evaluating each bid prior to award.
  - c. If greater than \$10,000.00, solicits competitive bids.
- D. Originating Department.
  1. Conducts Cost & Price Analysis.
  2. Requests Board approval if needed (Originating Department).
  3. Selects Vendor (with Finance Department)
- E. Purchasing Department.
  1. Prepares purchase order (PO).
  2. Obtains signatures on PO according to delegation of authority.
  3. Submits PO to Vendor/Project Manager.
- F. Originating Department/Project Manager/Receiving Department.
  1. Verifies services or goods have been received.
  2. Verifies merchandise or material to the corresponding PO.
  3. Receives goods or material into computer. If it is a service, verifies pricing/price sheet. The receiving person then signs and dates packing slip. Makes proper notation on the packing slip if it is only a partial delivery for a particular order.
  4. Signs and forwards packing slip/invoice to Accounts Payable.
- G. DBE Officer.
  1. Receives capital check register.
  2. Verifies DBE compliance and forwards to Grants Administrator.
- H. Finance Department – Accounts Payable.
  1. Processes Capital Grant check payments.

## CHAPTER V

### NON-CAPITAL PURCHASE PROCEDURE

#### Introduction

This chapter sets forth the procedure for the procurement of non-capital supplies, material, equipment and services. These purchases shall be made competitively except where it is clearly in the best interest of RTA to accomplish such purchases by less formal methods.

- A. Competition and Price Reasonableness. Purchases not exceeding \$2,500.00 may be accomplished without securing competitive quotations if the prices are considered to be fair and reasonable. Reasonableness of a proposed price may be determined by comparison of the proposed price with:
1. Prices found reasonable on recent previous purchases.
  2. Current price lists.
  3. Catalogs.
  4. Advertisements.
  5. Similar items in a related industry.
  6. Purchasing Agent's/Buyers knowledge of the item being procured.

Purchases greater than \$2,500.00 and not exceeding \$10,000.00 may be accomplished by obtaining two or more written quotations from qualified sources.

Purchases in excess of \$10,000.00 require formal competitive bidding.

#### Procedures For Non-Capital Purchases

- A. Originating Department/Project Manager.
1. Develops purchasing requirement and enters purchase requisition into computer.
  2. Obtains and forwards to Purchasing, support documents for the purchase requisition as necessary (Technical Specifications, Scope of Work, Plans, etc.).
  3. Verifies required approval for the requisition is obtained: reference approvals as set forth in Chapter 3.
  4. Verifies approved purchase requisition is furnished to Finance Department.
- B. Finance Department.
1. Receives hard copy of purchase requisition and assumes responsibility for processing.
  2. Reviews purchase requisition for completeness.
  3. Determines method of procurement based on RTA purchasing policies and requirements of the purchase requisition.
    - a. If less than \$2,500.00 purchases item from appropriate source at a price determined as fair and reasonable.

- b. If between \$2,500.00 and \$10,000.00 obtains a minimum of two bids, documenting and evaluating each bid prior to award.
- c. If greater than \$10,000.00 competitive bids are solicited.

C. Purchasing Department.

1. Prepares purchase order (PO).
2. Obtains authorized signature on PO.
3. Submits PO to Vendor/Project Manager.

D. Receiving Department.

1. Receives merchandise or material.
2. Verifies merchandise or material to the corresponding PO.
3. Signs and dates packing slip. Make proper notation on the packing slip if it is a partial delivery for a particular order.
4. Forwards record of receipt to the originator who then keys the receipt into the computer. Stock Parts are received and keyed by Stores.

E. Originating Department.

1. Verifies services or material received and enters receipt into computer. Forwards copy of invoice and packing slip/receiver to Accounts Payable.

F. Accounts Payable (After material/services received).

1. If not previously received in computer, stamps and forwards copy of original invoice to originating department for receipt.
2. Processes payment.

## CHAPTER VI

### SOLE SOURCE NON-COMPETITIVE NEGOTIATION

#### Policy

Consistent with the plans and programs of RTA purchase requirements for goods or services estimated to exceed \$25,000.00 should be competitively bid. Sole Source Non Competitive Negotiation for goods or services shall be allowed only on an exceptional and fully documented basis if: (1) an emergency situation exists requiring immediate action (in order for this authority to be used, the need must be compelling and of unusual urgency), or (2) only one vendor exists, (3) FTA authorizes after solicitation competition is determined inadequate, (4) the item is an associated capital maintenance item as defined in 49 U.S.C. §5307 (a) (1) that is procured directly from the original manufacturer or supplier of the item to be replaced. RTA must first certify in writing to FTA: (i).that such manufacturer or supplier is the only source for such item; and (ii) that the price of such item is no higher than the price paid for such item by like customers.

#### Justification Procedure

Each sole source selection decision exceeding \$10,000.00 must be supported by documentation which justifies the selection of the specified contractor. The following will guide the Originating Department in preparing the sole-source justification:

- A. It will not be sufficient merely to conclude in general that a certain source is uniquely qualified or is the only company that can meet a certain delivery requirement. If a unique capability is claimed, particulars and details must be furnished of how the source is solely qualified (merely preferring a specific model or make or desirability is not sufficient). General conclusions and statements as to capability, experience, personal know-how, and so forth, will not be acceptable.
- B. If a claim is made that time requirements dictate a sole source, RTA must factually demonstrate that the delivery schedule is critical and must furnish a precise statement of the damage that will be sustained if the delivery schedule is changed to allow competition. A mere recitation of an administratively established deadline, commissioning date, or implementation schedule is not enough. If it is claimed that only one source can furnish a particular product or service, RTA must also demonstrate why another product or service which is obtainable competitively cannot be procured in lieu of the sole source item. Finally, the summary statement must make the firm declaration that for the reasons listed only the proposed source is capable of performing the required effort.
- C. Additionally, the following must be provided to the Grants Administrator in order to obtain concurrence from FTA if the procurement is FTA funded and greater than \$100,000.00:
  1. Cost and/or price analysis.
  2. Legal opinion that the purchase will comply with state and local laws, if required.
  3. A summary of the negotiations with the contractor, including subjects discussed and agreements reached.
  4. The basis for determining that the price was fair and reasonable.

## Procedures for Sole Source Non-Competitive Procurements

- A. Originating Department.
  - 1. Identifies requirements and prepares specifications and processes appropriate approved Purchase Requisition.
  - 2. Prepares written sole-source justification.
- B. Finance Department/DBE Officer.
  - 1. Reviews and approves Purchase Requisition and sole-source justification.
- C. Originating Department/DBE Officer/Finance Department.
  - 1. Develops pre-negotiation objectives.
- D. Finance Department.
  - 1. Solicits price proposal from vendor.
- E. Purchasing Department/Originating Department.
  - 1. Performs cost and/or price analysis determine reasonableness of vendor's price. Certifies that the price is fair and reasonable.
- F. Grants Administrator
  - 1. If FTA funded over \$100,000.00, requests FTA's concurrence.
- G. Finance Department/Originating Department.
  - 1. Prepares contract documents.
- H. Grants Administrator.
  - 1. If grant-funded, reviews for adherence to FTA Guidelines.
- I. Finance Department/Originating Department.
  - 1. Forwards contract to contractor for execution.

## CHAPTER VII

### NEGOTIATION AND SEALED BID PROCUREMENT REQUIREMENTS

#### Introduction

This chapter outlines RTA procedures for competitive bids and negotiated procurements. It is applicable to all Professional/Personal Services, equipment and construction procurements of RTA.

#### Policy

All procurement transactions will be conducted in a manner providing full and open competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

Unreasonable requirements placed on firms in order for the to qualify to do business;

Unnecessary experience and excessive bonding requirements;

Noncompetitive pricing practices between firms or between affiliated companies;

Noncompetitive awards to any person or firm on retainer contracts;

Organizational conflicts of interest. An organizational conflict of interest means that because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice to RTA; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage;

The specification of only a "brand name" product without listing its salient characteristics and not allowing "an equal" product to be offered.

Proposals or qualifications leading to a negotiated procurement or competitive bid should be formally advertised and solicited from at least three potentially qualified proposers in order to obtain the greatest possible competition. RTA technical personnel are responsible (with consultant assistance as required) for providing the technical specifications and drawings for equipment, materials and construction contracts.

Requesters are responsible for providing additional and special terms and conditions to cover such items as material delivery dates, progress reporting requirements and selective contract controls, together with the technical requirements, to the Finance Department.

#### Time and Material Contracts

RTA will use time and material contracts only:

After a determination that no other type of contract is suitable; and  
If the contract specifies a ceiling in price that the contractor shall not exceed except at its own risk.

#### Procedures

Purchasing is responsible for assembling the Invitation For Bid (IFB) or Request For Proposal (RFP) package. An IFB package includes a bid form covering all items to be bid, technical specifications, the special terms and conditions recommended by the appropriate departments, and any contractual provisions or standard clauses required by the federal government (e.g., EEO compliance, minimum wage rates bid guarantees and bonding requirements). A RFP contains similar provisions plus a Statement of Work, the contract terms and conditions, and the evaluation criteria that will be utilized to determine Proposer selection.

All IFB's and RFP's shall be based on a clear and accurate description of the technical requirements for the material, product or service to be procured. Such requirements shall not contain features which unduly restrict competition.

All departments and groups involved in the preparation of the bid package, IFB or RFP shall review the portions for which they are responsible. When all reviews have been completed and approvals obtained, Purchasing will issue the final documents.

#### Procedures For Preparation Of Solicitation Documents

The CFO/Director of Administration or the Designated Employee is responsible for preparation of the IFB/RFP. The RFP will identify for the proposer the types of technical expertise which are required for the particular job. The proposers will then be evaluated on their competence in those areas. The technical criteria must be listed in the RFP so that the proposer is aware of the items and their relative emphasis.

#### A. Prepare a Draft IFB/RFP

1. Develop the Scope of Work and any required technical specifications, drawings, plans, photographs, etc. (Requestor)
2. Establish realistic procurement schedule. (Requestor)
3. Develop and incorporate the appropriate "boilerplate" of Terms and Conditions. (Finance)
  - a. If FTA funded, include required clauses and Forms.
  - b. Check for insurance or bonding requirements.
4. Specify number of proposals to be submitted. (i.e., An electronic copy, an original and four copies for an RFP Review Committee of four).
5. Specify evaluation criteria (RFP). (Requestor/Finance)

#### B. Develop a "Review and Concur" memorandum with the draft Bid/Proposal. (Finance)

1. Distribute for review as necessary to the following:
  - a. Originator.
  - b. Others as appropriate.

#### Pre-Bid/Pre-Proposal Conference

If a Pre-Bid or Pre-Proposal Conference is deemed necessary, Purchasing will include this information in the Bid or Proposal solicitation document and schedule a room for this meeting.

The meeting will be chaired by the Department responsible for the procurement and will cover at least the following issues:

- Instruction to offerors;
- Funding source;
- Contract type;
- Evaluation Criteria;
- Specific points that need to be addressed in Proposals;
- DBE goal if established;

- Critical dates;
- Bonding requirements;
- Answer questions regarding the Terms and Conditions of the Agreement/Contract. (Buyer)
- Answer questions regarding the Scope of Work, Technical Specs, Plans, etc. (Requestor and evaluation Team members)

### Addenda

All changes to Bids or Proposals will be made by issuing written Addenda. This Addenda will be issued to all who attended the Pre-Bid or Pre-Proposal Conference or received a Bid or Proposal packet. Receipt of this Addenda must be indicated on the Bid or Proposal form.

### Guidelines For The Evaluation Of Request For Proposals

Proposals for professional services contracts are evaluated in terms of responsibility and responsiveness by an evaluation team. Emphasis is placed on the technical expertise of the firm, both in terms of past efforts and proposed approach to the project. While price is a consideration, it is not necessarily the determining factor. The objective is to select the firm or individual that can best perform the services, or supply the material or equipment most suitable to RTA after price and other factors have been considered.

Following the receipt of sealed proposals by the Finance Department, several steps are normally completed prior to the selection of a firm to do the work.

- A. Proposals are opened privately. Strict confidentiality as to the nature and cost of the proposal are maintained throughout the negotiation process. Only after award of the contract is the successful firm revealed to the public and the terms and conditions made known.
- B. Evaluation Team. In order to evaluate the proposals received, a team is formed with representatives from the originating department as well as Purchasing. The team would typically consist of RTA staff members, and on an as needed basis representatives from other agencies. In some cases independent consultants may be retained to provide particular expertise to RTA as part of the review team. The team members are to have experience with and responsibility for the disciplines that will be involved with the project. The DBE Officer may also be a member of the team. The review team shall be approved by the Finance Manager.
- C. Evaluation Criteria. Included in the RFP is a list of the evaluation criteria which will be used by the evaluation team in reviewing the proposals. Criteria is listed numerically in order of importance (some criteria may have sub-criteria). Typically the evaluation criteria or factors will relate to the areas of technical expertise, project approach, experience of firms personnel and completeness of response. Project cost may or may not be evaluation criteria.
  1. Project Approach: The proposer will be evaluated on its understanding of the nature and scope of the work to be performed. The evaluation committee will consider both organization and experience with attention to factors such as:
    - a. Experience and make-up of the firm.
    - b. Experience of key personnel assigned to the project.
    - c. Experience with government agencies.
    - d. Experience with transit projects.
    - e. Past achievements.
    - f. Commitment of key personnel to the project.
    - g. Suitability of equipment/service to RTA.

2. Affirmative Action/Disadvantaged Business Enterprise: Bids or Proposals that do not meet or exceed established DBE goals and it is determined good faith efforts were not sufficient, the Bid/Proposal may be considered non-responsive.
3. Cost and Price Information: The following criteria will be used in the evaluation of cost proposals.
  - a. Clarity and visibility of proposed cost breakdown for the proposal and its subcontractors and sub-consultants.
  - b. Credibility of labor hours and dollar cost estimates when related to the proposed project approach.
  - c. Total price.

RTA will require finalists to submit evidence to ensure the proposer's financial capability to perform the effort required by the RFP.

- D. Evaluation Form. Purchasing will prepare an evaluation form to be used by team members in evaluating the proposals. The form must be based on the criteria listed in the RFP.

The evaluation team members, individually evaluate the proposals and fill out the evaluation form. The score is then totaled. A team meeting is held to verify the scoring process, reconcile individual scores, determine a "team" score, and decide how many proposers in the top ranking category are to be invited for oral interviews. The number of people interview varies depending on the size and importance of the project and the quality of proposals received.

The results are submitted to the Finance Department for further processing and it is the responsibility of the Finance Department to notify the finalists considered for oral interviews. Oral interviews are not mandatory.

- E. Oral Interviews. The team members prepare lists of questions that they may ask the proposers during the oral interviews. These questions generally address items that are not sufficiently covered by the proposers in the proposals, or that require further clarification.
- F. Selection. Upon completion of the interview, the evaluation team members re-evaluate their original recommendations and discuss the oral performance of the proposers and their previously submitted proposals. A final selection is then made by staff based on oral performance and proposal evaluation of responsiveness and responsibility and telephone reference information. The selection of the single source or several sources deemed within the competitive range is delivered to Purchasing for cost and/or price negotiations in the recommended order of selection. Evaluators will substantiate each rating with a brief narration explaining their evaluation.

#### Negotiation With Selected Proposer

The following activities are coordinated by the Finance Department.

- A. Establish initial meeting with selected Proposer.
- B. Provide detailed information to Proposer consisting of:
  1. Detailed schedule for negotiations and contract execution.
  2. Discuss proposed contract type.

3. Discuss and/or provide any new or additional information available regarding the project.
  4. Solicits “Best And Final Offer”.
- C. Request the following information from the Proposer:
1. Name, address, and phone number of any federal or state agency which has audited the contractor’s direct and indirect rates in the past two years. Provide a copy of any written approvals or agreements which may exist.
  2. Labor rates by job classification and the basis of the rates.
    - a. Full disclosure of proposed rates.
    - b. List of OH accounts and dollar amounts for each.
  3. Basis of application and allocation.
    - a. Identify and explain any recent changes or deviation in burden formulation
  4. Insurance certificates are required prior to contract execution.
- D. Determine the need, utility, and availability of a pre-contract audit. Company preference is in the order of the following list:
1. Use current, existing audit information from federal or state agency.
  2. Obtain new audit through a third party.
  3. Manager, Finance performs desk audit of information obtained from Proposer along with Originating Department.
  4. Debriefs unsuccessful proposers as needed.

Documentation (Procurement Summary)

Procurement Summary shall include but not be limited to the rationale for:

- A. Method of procurement rationale.
- B. Selection of contract type.
- C. Reason for contractor selection.
- D. Basis for the contract price.
- E. Cost and Price Analysis.
- F. Changes to standard terms and conditions.
- G. Unusual circumstances or agreements.
- H. Determination that the Contract Amount is fair and reasonable.
- I. RTA will use time and material type contracts only:
- J. After a determination that no other type of contract is suitable; and
- K. If the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.

### Contract Preparation

The Finance Department in coordination with the Originating Department will prepare the negotiated contract and review for accuracy and completeness. This review should verify the following:

- A. Placement of Insurance and Claims requirements on program sheet.
- B. Consistency of prices with:
  - 1. Award Page.
  - 2. Consideration Article.
  - 3. Cost and Price Analysis.
- C. Contract documents are complete and properly listed on the Award Page.
- D. Contractor's name is consistent on all pages.
- E. Period of Performance is consistent on Award page and performance Article.
- F. Index is completed to match the Articles.
- G. Contract must be signed by Contractor's authorized representative(s) and RTA's Executive Director.

In addition the Finance Department in coordination with the Originating Department shall:

- A. Prepare Purchase Requisition and verify amount is sufficient. (Requestor)
- B. Prepare two (2) duplicate originals of Contract and transmittal letter.
- C. Review final contract and letter.
- D. Mail to Contractor
- E. Follow up progress with Contractor.
- F. Prepare transmittal letter for the Manager, Finance and Admin signature.
- G. Mail fully executed contract, transmittal letter and delegation letter.
- H. Make internal distribution.

### Confidentiality Of Proposals

Proposers may be required to submit corporate financial data and labor rates which are usually considered by the proposers to be privileged information. Therefore, all documentation received in response to RFP's is to be treated as confidential. If the need arises to share the contents of a proposal with another company or firm, the permission of a responsible official of the proposing firm must be acquired prior to such dissemination. **Furthermore, dissemination of proposals within RTA should be controlled and restricted to those persons with a demonstrable "need to know".**

### Guidelines For The Evaluation Of Sealed Bids

An Invitation For Bid is formally advertised in local and/or national newspapers, magazines or trade publications. In addition, bid lists, DBE Directory and letters of interest are reviewed for qualified/interested vendors.

- A. Sealed bids are received and opened at time and place specified in IFB. Bids are opened publicly and bid amounts become knowledge of all bidders.

- B. Bidders may not modify bids after they have been opened. Bid price offered is a “best price offer”.
- C. Bid bonds, if required, must accompany bid.
- D. In awarding bid, consideration will be given to price, financial responsibility of the bidder, responsiveness to the IFB, suitability of the labor and/or material offered and DBE participation, if requested.
- E. In the event a single bid is received, RTA may conduct a price or cost analysis of the bid. A price analysis is the process of examining the bid and evaluating the separate cost elements. Where it is impossible to obtain a valid price analysis, it may be necessary for RTA to conduct a cost analysis of the bid price.
- F. Firm fixed price contract is awarded.

#### Contract Cost And Price Analysis For Every Procurement Action

RTA will perform a cost or price analysis in connection with every procurement action, including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, RTA will make independent estimates before receiving bids or proposals.

- A. Cost Analysis. A cost analysis must be performed when the offeror is required to submit the elements (i.e., labor hours, overhead, materials, etc.) of the estimated cost, e.g., under professional consulting and architectural and engineering services contracts.  
  
A cost analysis will be necessary when adequate price competition is lacking and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public or on the basis of prices set by law or regulation.
- B. Price Analysis. A price analysis may be used in all other instances to determine the reasonableness of the proposed contract price.
- C. Profit. RTA will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor’s investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.
- D. Federal Cost Principles. Costs or prices based on estimated costs for contracts under grants will be allowable only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles. RTA may reference its own cost principles that comply with applicable Federal cost principles.
- E. Cost Plus Percentage of Cost Prohibited. The cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.

#### Payment Provisions In Third Party Contracts

- A. Advance Payments. FTA does not authorize and will not participate in funding payments to a contractor prior to the incurrence of costs by the contractor unless prior written concurrence is obtained from FTA.

B. Progress Payments. RTA may use progress payments provided the following requirements are followed:

1. Progress payments are only made to the contractor for costs incurred in the performance of the contract.
2. When progress payments are used, RTA must obtain title to property (materials, work in progress, and finished goods) for which progress payments are made. Alternative security for progress payments by irrevocable letter of credit or equivalent means to protect the grantee's interests in the progress payments may be used in lieu of obtaining title.

C. Prompt Payment To Subcontractors. Contractor must pay subcontractors for satisfactory performance of their contracts no later than 10 days from the receipt of payment made to the contractor by RTA. Prompt return of retainage payments from the contractor to the subcontractor(s) will be made within 15 days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment among the parties may take place only for good cause and with RTA's prior written approval. If the contractor determines the work of the subcontractor to be unsatisfactory, it must notify RTA's Finance Department immediately in writing and stating the reasons. Failure by contractor to comply with this requirement will be construed to be a breach of contract and subject to contract termination.

#### Liquidated Damages Provisions

RTA may use liquidated damages if it may reasonably expect to suffer damages (increased costs on project involved) from late completion and the extent or amount of such damages would be difficult or impossible to determine.

The assessment for damages shall be at a specific rate per day for each day of overrun in contract time; and the rate must be specified in the third party contract. Any liquidated damages recovered shall be credited to the project account involved unless the FTA permits otherwise.

Liquidated damages may be applied if a contractor fails to achieve Disadvantaged Business Enterprise (DBE) goal established by RTA at time of contract award or later modified, the contract payments will be reduced as liquidated damage and not as a penalty by an amount equal to the mathematical dollar difference between the total contract amount multiplied by the DBE percentage goal and the actual dollar amount of documented DBE participation in the contract.

#### Use Of GSA Schedules And Excess Or Surplus Federal Property

RTA may use Federal supply schedules (FSS) of GSA for the procurement of certain goods and services. Price lists are available from participating GSA contractors and may include an administrative fee for GSA in the price of items on the schedule. RTA must contact GSA for guidance on using the GSA supply schedules.

RTA is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property, whenever such use is feasible and reduces project costs.

#### Intergovernmental Procurement Agreements

To foster greater economy and efficiency, RTA is encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services. The requirements and standards of this apply to procurements entered into under such agreements using FTA funds.

### Cargo Preference--Use Of United Stated-Flag Vessels

RTA agrees to comply with U.S. Maritime Administration regulations, "Cargo Preference - U.S. Flag Vessels in FTA funded projects, to the extent those regulations apply to procurement of equipment, materials, or commodities suitable for transport by ocean vessel.

### Preference For Recycled Products

To the extent practicable and economically feasible, RTA agrees to provide a competitive preference for recycled products in FTA funded projects pursuant to U.S. Environmental Protection Agency guidelines.

### Use Of Value Engineering In Construction Contracts

RTA may use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lowest cost.

### Awards To Lowest Responsive, Responsible Contractor

RTA will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, records of past performance, and financial and technical resources.

### Advertisement of IFBs and RFPs

A notice of an Invitation For Bid or Request For Proposal will be prepared by the Purchasing Department and will be advertised as a public notice and mailed to an adequate number of known vendors listed in RTA's vendor file and other available directories.

Public notice must be published in a newspaper of general circulation in sufficient time prior to the date set for IFB/RFP closing. The notice must include the following minimum information:

- A. A general description of the service or goods to be purchased.
- B. The location of the bid forms and detailed specifications.
- C. Time and location of any Pre-Proposal or Pre-Bid Conference.
- D. The IFB/RFP submittal location and time and date.

## CHAPTER VIII

### ACQUISITION OF SPARE BUS PARTS

#### Acquisition Of Spare Bus Parts

The Urban Mass Transportation Act of 1964, as amended, defines associated capital maintenance items as "... any equipment, tires, tubes and materials, each of which costs no less than one-half (1/2) of one (1) percent of the current fair market value of rolling stock comparable to the rolling stock for which the equipment, tires, tubes, and materials are to be used". Under the Section 9 program, the acquisition of such items is a capital expense for which the Federal share is 80%, subject to the following provisions:

- A. Associated capital maintenance items relate to items for revenue rolling stock only and do not include facilities, facility equipment or non-revenue producing vehicles.
- B. This provision applies only to acquisition of items funded under Section 5307. Items funded under the other capital assistance programs will continue to be acquired under procedures in use currently for acquisition of new rolling stock, although it is expected that most rolling stock will be purchased under Section 5307 grants.
- C. The word "item" used herein refers to a specific unity which is customarily offered by a supplier such as an engine, transmission, generator, axle assembly, or compressor. This definition also includes repair or rebuild kits, and sets of like items such as seats or windows.
- D. In some instances, a grantee may have the personnel and facilities available to manufacture or reconstruct a replacement item in-house. Such activities are eligible for FTA capital assistance under the associated capital maintenance provisions provided that: manufacturing the item in-house, including the material, burden labor and overhead, is more cost effective than purchasing the item from a commercial source; or the required part is unavailable commercially or it has an excessively long lead time that cannot be tolerated by the grantee. Otherwise the acquisition of such items should be by contract.
- E. The cost of reconstruction or rebuilding of associated capital maintenance items is an eligible capital cost if the value of the item after reconstruction is at least 1/2 of one percent of the current value a comparable unit of rolling stock.

Under this provision, an eligible capital activity includes a grantees' rebuilding of any item of equipment, such as generators, starters, etc., for use on rolling stock provided that, after rebuild, the item meets the one-half of one percent threshold test.

- F. The threshold minimum cost of each item eligible for acquisition is one-half of one percent of the straight line depreciated value of the average fleet vehicle cost or the depreciated value of a comparable vehicle of the same age and type as the fleet average for which the equipment and material is being procured. This minimum threshold item cost principle applies equally to all rolling stock, either highway or rail vehicles.

For example, if a grantee desires to purchase associated capital maintenance items for a fleet of 40-foot, heavy duty transit buses with an average fleet age of six years, the cost of each item requested can be no less than one-half of one percent of the straight line depreciated value of an average fleet vehicle cost or comparable six-year-old bus.

Assuming that an average fleet bus or comparable six-year-old bus cost \$180,000 when new, then its depreciated value is \$90,000 ( $6/12 \times \$180,000$ ) and the cost of each associated capital maintenance item must be equal to or exceed \$450 ( $.005 \times \$90,000$ ).

- G. In order to simplify administration of this provision, it is reasonable to establish a value for each specific type of rolling stock based on recent average bid prices in the marketplace. The following table is offered by FTA as the baseline reference for this activity. These values may be revised in the future as prices change.

Threshold Value Tables

Transit Coaches  
Approximate Recent

<u>Type</u>	<u>Bid Average*</u>	<u>½ of 1% Threshold Value</u>
35 - Ft. Length	\$ 470,000	\$ 2,350.00
40-Ft. Length	\$ 475,000	\$ 2,375.00
Articulated	\$ 575,000	\$ 2,875.00

\*or current value of bus receiving part(s)

The same minimum threshold item cost principles apply to rail cars, whether rapid rail, light rail, or commuter rail, including specific models such as articulated light rail vehicles and double-deck commuter cars. The threshold is based on one-half of one percent of the total cost of a new rail car of the same type as that for which the associated capital maintenance item is being purchased. For many types of rail transit cars which currently cost about one million dollars, the one-half percent minimum threshold would be \$5,000.

- H. Repair, rebuild, or refurbishing kits that are readily available from suppliers are eligible for acquisition with FTA funding support under this provision if the cost of the complete kit meets one half of one per centum test.
- I. Acquisition of sets or groups of like items will be included under guidelines similar to those stipulated above for kits. Sets of seats, windows or other like items may be procured providing the total cost of the set meets the one half of one per centum test.
- J. Under the provisions of the STURRA, procurements of associated capital maintenance items may be initiated directly by a recipient of FTA funds through a sole source contract with the original supplier or manufacturer for the item to be replaced if the recipient certifies to FTA that: the manufacturer or supplier is the only source for the item; and the price of such items is no higher than the price of similar items. A certification of compliance with these provisions is contained in the Section 9 Certification.

## CHAPTER IX

### CONTRACT ADMINISTRATION

#### Role Of The CFO/Director of Administration

The CFO/Director of Administration shall be the authorized representative of RTA and shall assume the primary role for purposes of communicating with all vendors, suppliers, and contractors as to a commencement and progress of the contract. The CFO/Director of Administration may, depending upon the peculiarities of the specific procurement, assign this responsibility to the Project Manager or any other appropriate RTA employee, hereafter referred to as the Designated Employee. This delegation of authority shall be made known to the vendor, supplier, or contractor involved.

The role of the CFO/Director of Administration or Designated Employee in reference to contract administration can be divided into the following areas:

- A. Performance Monitoring – Ensure that the supplier provides the goods and services desired at the appropriate location and time.
- B. Financial Monitoring – Ensure that the supplier provides the product at the required price and component costs with all other financial considerations met.
- C. Compliance Monitoring – Ensure that the supplier complies with the terms and conditions of the agreement.
- D. Self Certification – Ensure that RTA “self certify” in the Annual Certification/Assurance Process.
- E. Master Agreement – Ensure that RTA refers to “Master Agreement” which contains a comprehensive list of the requirements applicable to the FTA program, including procurement.
- F. Forms Submittal – Ensure that the following forms are received before award of any contract over \$30,000.00:
  1. Debarment and Suspension – RTA will refrain from awarding any third party contract of any amount with a party included in the “U.S. General Services Administration’s (U.S. GSA) List of Parties Excluded from Federal Procurement or Non-procurement Programs”, implementing Executive Orders Nos. 12549 and 12689, “Debarment and Suspension”. Before entering into any sub-agreement with a sub-recipient, RTA agrees to obtain a debarment and suspension certification from each prospective sub-recipient containing information about the debarment and suspension status and other specific information about the sub-recipients and its “principals”. Before entering into any third party contract exceeding \$100,000.00, RTA agrees to obtain a debarment and suspension certification from each third party contractor containing information about the debarment and suspension status of that third party contractor and its “principals”. RTA will require each third party contractor to refrain from awarding any third party subcontract of any amount (at any tier) to a debarred or suspended subcontractor, and to obtain a similar certification from any third party subcontractor (at any tier) seeking a contract exceeding \$100,000.00.
  2. Interest of Members of or Delegates to the United States Congress – RTA will not admit any member of or delegate to the United States Congress to any share or part of the Project or any benefit derived there from.
  3. Bonus or Commission – RTA will affirm that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its Federal assistance application for a project.

4. Restrictions on Lobbying – RTA will not use Federal assistance funds to support lobbying. The FTA will not make any Federal assistance available to RTA until FTA has: (a) received RTA’s certification that RTA has not and will not use Federal appropriated funds to pay any person or organization to influence an officer or employee of any Federal department or agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal grant, cooperative agreement, or any other Federal award from which funding for the project in originally derived, and (b) RTA’s statement disclosing any lobbying with non-Federal funds that has taken place in connection with obtaining any Federal financing ultimately supporting the project. RTA will provide FTA a copy of each lobbying disclosure statement with the accompanying lobbying certification provided by a prospective third party contractor at any tier or sub-recipient at any tier.
5. Buy America - RTA will comply with FTA’s Buy America regulations 49 C.F.R. Part 661, and any amendments thereto, and any implementing guidance issued by FTA, with respect to each third party contract financed by the Grant Agreement or Cooperative Agreement.
6. Bidders List of Participating Firms – RTA will maintain a bidders list to count all firms that are participating in, or attempting to participate in all DOT assisted contracts as required in 49 CFR Part 26 §26.11.

#### Maintenance Of Procurement Records

The Finance Department shall maintain a procurement contract file for each RTA contract. This file shall contain all records that sufficiently document the significant chronology of the contract, including all formal and informal communication between RTA and the vendor, supplier, or contractor. The file shall include but not be limited to the following records:

- A. Any and all documents evidencing the rationale for the method of procurement.
- B. Any and all documents relating to the selection of vendor, supplier, or contractor.
- C. Any rationale for selection of the contract type.
- D. The basis for the contract price.

#### Contract Amendments And Change Orders

- A. Contract Amendments. Contract amendments shall be used pursuant to any changed Article in the basic contract when it becomes necessary to change the contract cost and/or fee, Statement of Work, Period of Performance, or any other mutually agreeable change to the Contract. All Contract Amendments must be executed in writing by the authorized representative of the Contractor and RTA.

Additions and/or increases in the Scope of Work may constitute a new procurement and, as such, will be processed in the prescribed manner. Or the additional requirements may be formalized by Contract Amendment.

The Project Manager shall coordinate the requirement for a Contract Amendment as soon as the need is known and shall provide the necessary documentation to permit the Amendment to be processed in the most expeditious manner to prevent delays in the Project Schedule.

The minimum documentation required to formalize a Contract Amendment is as follows:

1. A properly executed Purchase Requisition (for changes to Contract Price).
  2. A revised Statement of Work, is appropriate.
  3. Technical Evaluation of Contractor's proposal.
  4. Procurement Summary with Cost and/or Price Analysis.
- B. Change Orders. Under certain unforeseeable conditions it may become necessary to redirect the Contractor's effort to prevent an adverse impact on the Project. In such instances, RTA may issue directions by a unilateral "Change Order." If such a direction causes an increase or decrease in the estimated cost and/or fee, a change in the Period of Performance, or affects any other provision of the Contract, the Change Order shall be incorporated into the Contract by formal Contract Amendment in the most expeditious manner possible.

#### Contract Closeout Procedures

- A. Non-Construction Contracts may include the following:
1. Insure that contract files are closed in a timely manner and the closeout actions are documented on the "CONTRACT CLOSEOUT CHECKLIST" (Appendix C).
  2. Prior to the contract completion date, contact the Project Manager to confirm that no contractor effort will be required after the specified contract completion date. Whenever possible, this action shall be initiated at least 60 days prior to the specified completion date. If the contract will be completed on schedule, proceed with contract closure, otherwise if necessary extend the contract.
  3. Upon completion of the work under the contract, send the "CONTRACTOR'S CLOSEOUT LETTER" (Appendix C), to the contractor. The contractor has 10 days after the receipt of the letter to respond.
  4. Upon return of the "CONTRACTOR'S CLOSEOUT LETTER" review for completeness and acceptability, if the documentation provided is not sufficient follow-up with the Contractor to obtain the required information.
  5. Cost and/or fees withheld in accordance with contract provisions shall not be released to the Contractor until the Contractor has completed the required closing documents, made final disposition of RTA property, and reached final agreement with RTA regarding the amount of final payment due. Withheld costs and/or fees shall be included in the final payment.
  6. Upon confirmation of pending contract completion, determination of whether a final contract audit is required. Final negotiations of indirect rates and disputed costs shall be based on the final audit.
- B. Construction Contract. RTA Project Manager (PM) shall assure the following:
1. The date of substantial completion with the contractor shall be established at the contract signing.
  2. The Architect/Engineer (A/E) PM, or Inspector of Record will be instructed by the RTA PM to prepare a Punch List. The Punch List will be transmitted to the RTA PM.
  3. RTA, PM reviews A/E Punch List and adds or deletes appropriate items.

4. RTA PM indicates which items on the Punch List require completion before “Notice of Substantial Completion” will be recorded. The Punch List is then transmitted to the General Contractor (GC) for action.
5. A/E PM or Inspector of Record to verify all Punch List items that have been addressed. RTA, PM to review and approve.
6. Upon completion of the above referenced items, RTA PM shall prepare a record of “Notice of Substantial Completion.” The contract time shall conclude as of this date and RTA may take occupancy of the premises.
7. The GC will complete administrative documents including items such as certified payrolls, as-builds, warranties, and lien releases. These documents will be transmitted to the A/E for review.
8. RTA PM to review the final change order, accounting data, administrative documents, completed Punch List prior to approval of final payment.
9. RTA PM to prepare and record “Notice of Final Acceptance.”

#### Responsibility For Settlement of Contract Issues/Disputes

RTA alone will be responsible in accordance with good administrative practices and sound business judgment for the settlement of all contractual and administrative issues arising out of procurements.

These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve RTA of any contractual responsibility under its contracts.

#### Contract Termination

The performance of work under a contract may be terminated in part or in whole when RTA determines that such termination is in the best interests of RTA. Contracts may be terminated for convenience, i.e., a reduced need or in the best interests of RTA, or for default, i.e., the Contractor has failed to perform in accordance with the contractual requirements.

When the decision to terminate a contract is made, a “Notice of Termination” shall be sent to the Contractor by Certified Mail, Return Receipt Requested. The Notice of Termination shall specify the reason for the termination, the extent to which the performance of work is terminated, i.e., in whole or in part, and the day upon which such termination becomes effective.

After issuance of a Notice of Termination, pursuant to the Termination/Default Article(s) of the Contract, settlement of claims, etc. shall be accomplished as soon as possible to protect the interest of and minimize the liability of RTA.

#### Contract Period of Performance limitation

RTA will not enter into any contract with a period of performance exceeding five (5) years inclusive of options for any procurements of rolling stock without prior written FTA approval. The FTA has lifted the five (5) year limit for contracts when sound and defensible reasons that justify extending a contract beyond five (5) years.

### Prohibition Against Geographic Preferences

RTA shall conduct procurements in a manner that prohibits the use of statutorily or administratively imposed in-state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. This does not preempt State licensing laws. However, geographic location may be a selection criterion in procurements for architectural and engineering (A & E) services provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

### Contract Award Announcement

If RTA announces contract awards with respect to any procurement for goods and services (including construction services) using FTA funding having an aggregate value of \$500,000.00 or more, RTA will:

Specify the amount of Federal funds that will be used to finance the acquisition in any announcement of the contract award for such goods or services; and

Express the said amount as a percentage of the total costs of the planned acquisition.

### Prompt Payment to Subcontractors

RTA will advise all Bidders/Proposers that they must pay all subcontractors for satisfactory performance of their contracts no later than 10 days from the receipt of payment made to them by RTA. Prompt return of retainage payments from the Bidder/Proposer to the subcontractor(s) will be made within 15 days after the subcontractor's work is satisfactorily completed.

Any delay or postponement of payment among the parties may take place only for good cause and with RTA's prior written approval. If the Bidder/Proposer determines the work of the subcontractor to be unsatisfactory, it must notify RTA immediately in writing and state the reasons. Failure to comply with this requirement will be construed to be a breach of contract and subject to contract termination.

## CHAPTER X

### BONDING REQUIREMENTS

#### Bonding

- A. Capital. For construction, and other contracts for less than \$100,000, the grantee is to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds. For contracts for more than \$100,000, however, FTA has established certain minimum bonding requirements. FTA may accept the bonding policy of the grantee as long as these minimum requirements are met:
1. A Bid Guarantee Bond from each bidder equal to 5 percent of the bid price. The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
  2. A Performance bond for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract.
  3. A Payment bond, Materials & Labor bond are incorporated in connection with a contract to assure payment, as required by law, of all persons supplying labor and material in the execution of the work provided for the contract. Payment bond amounts required from contractors are as follows:
    - a. 50% of the contract price if the contract price is not more than \$1 million;
    - b. 40% of the contract price if the contract price is more than \$1 million but not more than \$5 million;
    - c. \$2.5 million if the contract price is more than \$5 million.
  4. A cash deposit, certified check or other negotiable instrument may be accepted by RTA in lieu of performance and payment bonds, provided RTA has established a procedure to assure that the interest of FTA is adequately protected.
- B. Bonding/Non-Capital. RTA may ask for bonds, anytime it is in the best interest to do so.

#### Types of Bonds

- A. Bid Guarantee. The “BID guarantee” shall consist of a firm commitment such as a bid bond, certified or cashier’s check, or other negotiable instrument accompanying a bid as assurance the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified. As a general rule, the bidder’s security is in the amount of 5% of the total bid.
- B. Performance Bond. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor’s obligations under such contract.
- C. Payment Bond and Materials & Labor Bond. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

## CHAPTER XI

### RECEIVING

#### General

The receipt of goods and materials ordered from vendors will be the responsibility of the Stores Department. Where appropriate, goods and materials will be delivered directly to Receiving for distribution to the department which originated the Purchase Requisition (PR).

#### PROCEDURES FOR RECEIVING GOODS AND MATERIALS

Use RTA receiving form with entering employee name, purchase order number, receipt date, receipt reference number or shipping notice number or invoice number. For each item received, accept or change the Quantity Received. If the quantity received is less than ordered, note remaining quantity and date.

#### Receiving Discrepancies

**(Shortages and overages, wrong items and damaged and substandard receipts).**

- A. Stores completes a Discrepancy Report and informs the Finance of discrepancy.
- B. Finance shall inform Originating Department, and Vendor, by phone and letter as necessary.
- C. Purchasing buyer shall hold all paper work until the discrepancy has been settled.
- D. Forward paper work back to Stores for further processing.
- E. Copy of Discrepancy Report is sent to Accounts Payable if applicable.

## CHAPTER XII

### BID PROTEST PROCEDURES

#### Bid Protest Procedures/Policy Before Bid Opening

Each bid proposal shall set a timetable for filing a protest before a bid opening, (10 working days).

The most common types of protest that might be filed before a bid opening would include one based upon restrictive specifications, or alleged improprieties in any type of solicitation that is apparent prior to the scheduled bid opening.

RTA will grant the protesting firm a fair review, and allow up to 10 working days to review or appeal a decision provided no state or federal law or regulation has been violated.

It is the intent of RTA to resolve all protests at the local level.

When a protest is filed before a scheduled bid opening certain steps must be followed:

- A. The protest must be submitted in writing within the specified time frame and sent to the Executive Director for determination. (10 working days)

Regional Transit Authority  
179 Cross Street Suite A  
San Luis Obispo, CA 93401

- B. The protest must contain the reason(s) for the protest and should recommend a remedy.
- C. Where appropriate, RTA will hold an informal conference on the merits of a protest with all interested parties allowed to attend. Interested parties may include all bidders/offerors and subcontractors or suppliers provided they have a substantial economic interest in a portion of the IFB or RFP.
- D. All potential bidders will be advised of a pending protest.
- E. RTA shall not open bids prior to the resolution of the protest, unless it is determined that;
1. The items to be procured are urgently required, or;
  2. Delivery or performance will be unduly delayed by failure to make the award promptly, or;
  3. Failure to make prompt award will otherwise cause undue harm to RTA or the Federal Government.
- F. RTA will respond in writing within 10 working days after receipt of a properly filed protest. The response will be provided by the Finance Department and will include a response to each substantive issue raised in the protest.
- G. After the exhaustion of administrative remedies the protesting party will be given our final decision. The CFO/Director of Administration/Admin has the authority to make the final determination regarding all protests. If the protest is not resolved, and if FTA funded, a protest may then be filed with FTA within 5 working days after receipt of our final decision.

Note that FTA will only entertain a protest that the grantee failed to have or follow their protest procedures. A protest to FTA must be filed in accordance with FTA Circular 4220.1F.

### Bid Protest Procedures/Policy After Bid Opening/Post Award

A protest filed after a bid opening or post award must be filed within 5 working days after the bid opening or notice of award.

The types of protests most commonly filed after bid openings are varied, e.g., one in which the award is made to other than the low bidder, changes to the criteria during bid evaluation, bid compliance, etc.

RTA will grant the protesting firm a fair review, and allow up to 10 working days to review or appeal a decision provided no state or federal law has been violated.

It is the intent of RTA to resolve all protests at the local level.

All protests, including FTA funded projects, must follow certain guidelines.

- A. The protest must be submitted in writing within the specified time frame and sent to the RTA for determination (unless otherwise specified, five working days).

Executive Director  
Regional Transit Authority  
179 Cross Street Suite A  
San Luis Obispo, CA 93401

- B. The protest must contain the reason(s) for the protest and recommend a remedy.
- C. Where appropriate, RTA will hold an informal conference on the merits of a protest with all interested parties allowed to attend. Interested parties may include all bidders/offerors and subcontractors or suppliers provided they have a substantial economic interest in a portion of the IFB or RFP.
- D. RTA will respond in writing within 10 working days after receipt of the protest. The response will be provided by the CFO/Director of Administration will include a response to each substantive issue raised in the protest.
- E. After exhaustion of administrative remedies the protesting party will be given our final decision. The Executive Director has the authority to make the final determination regarding all protests. If the protest is not resolved, and if FTA funded, a protest may then be filed with FTA within 5 working days after receipt of our final decision.
- F. RTA will allow for a request for reconsideration (if data becomes available that was not previously known, or there has been an error of law or regulation).

Note that FTA will only entertain a protest that the grantee failed to have or follow their protest procedures. A protest to FTA must be filed in accordance with FTA Circular 4220.1F.

After a protest that has been rejected by the FTA the protesting firm may file with the Superior Court of the State of California, San Luis Obispo County, 1050 Monterey St, San Luis Obispo, CA 93408

## CHAPTER XIII

### DEFINITIONS

**ACCEPTANCE**: The formal written acceptance by RTA.

**ADDENDA**: Written interpretations or revisions to Invitations for Bids or Requests for Proposals issued by RTA before the bid or proposal opening.

**BID**: Offer of the Bidder for the work when submitted on the prescribed Bid Form, properly signed and guaranteed, including the schedule of bid items.

**BID DOCUMENTS AND SPECIFICATIONS**: A set of documents issued by RTA for the intended work, which includes but is not limited to the Advertisement of Invitation for Bids; Instructions to Bidders; Bid Form; Contractor's Certification; Contract Form; Index to Contract Drawings; Prevailing Rate Schedule; Project Labor Agreement; General Conditions; Contract Drawings; Technical Specifications; and Addenda.

**BID SAMPLES**: Sample required by RTA to be furnished by a Bidder as part of its bid showing the characteristics of a product offered in its bid in order to assure procurement of an acceptable product. These samples are required only when there are certain characteristics of the product which cannot adequately be described in the Specifications.

**BID SECURITY**: The certified check of Bidder's Bond accompanying the bid submitted by the bidder, as a guarantee that the Bidder will enter into a contract with RTA for the performance of work and that it will file the required bonds and insurance if the Contract is awarded to the Bidder.

**BIDDER**: Any individual, firm, partnership, corporation, or combination thereof, submitting a bid for the work contemplated, acting directly or through a duly authorized representative.

**BIDDER'S FILES**: A compilation by RTA of prospective Bidders, the names and addresses of which are recorded according to subject matter, obtained from request for inclusion in the Bidder's Files, listing of bid package holders and bidders of previous procurements, Disadvantaged Business Directories, yellow pages, and sources suggested by technical staff and consultants.

**BLANKET PURCHASE ORDER**: A Purchase Order covering an extended period of time from one vendor.

**BOARD OF DIRECTORS**: The governing body of RTA consisting of seven directors who exercise and perform all powers, duties, functions, rights, and privileges vested in them pursuant to the Articles of Incorporation and By-Laws of the RTA.

**BRAND-NAME PRODUCT**: A commercial product described by brand name and make, model number, or other appropriate nomenclature by which the product is offered for sale to the public by the particular manufacturer, producer, or distributor. The brand name is used by RTA only for the purpose of establishing identification and a general description of the item.

**CHANGE NOTICE**: A notice issued to the Contractor specifying a proposed change to the Contract Documents (Construction Contracts only).

**CHANGE ORDER**: A written unilateral document authorized by RTA and issued to the Contractor amending the Contract Documents (it is a bilateral document for Construction Contracts).

**CONTRACT**: Establishment of a bidding legal relationship obligating the seller to furnish property or services (including construction) and the buyer to pay therefore. It includes all types of commitments

which obligate RTA to an expenditure of funds and which are in writing. It includes all actions resulting from acceptance of offers by awards, notices of award and purchase orders. The Contract becomes effective by written acceptance or performance.

**CONTRACT ADMINISTRATION:** A system for ensuring that Contractors conform within the terms, conditions, and specifications of the Contract and for assuring adequate and timely follow-up.

**CONTRACT MODIFICATIONS:** Any written alteration in the specifications, delivery point, rate of delivery, contract period, price quantity, or other contract provision of an existing contract, whether accomplished by unilateral action in accordance with a contract provision or by a mutual action of the parties to the contract. It includes: (a) bilateral actions, such as amendments and change orders, and (b) unilateral actions such as change notices, notices of termination, and notices of the exercise of an option.

**CONTRACT DRAWINGS:** The official plans, profiles, typical cross-sections, general cross-sections, elevations, and details listed or referenced in the Specifications or amendments thereto; and supplemental drawings approved by RTA, which show the locations, character, dimensions, and details of the work to be performed.

**CONTRACT SCOPE:** Brief narrative of the objectives of the contract.

**CONTRACTING OFFICER:** The “Contracting Officer” is the Executive Director of RTA or such person(s) as he shall designate to act in his behalf in writing. Whenever the term “Contracting Officer” shall appear in this document, the term shall also include his designate(s).

**CONTRACTOR:** The “Contractor” is the person or organization identified as such in the Contract Documents and is singular in number. The term “Contractor” means the Contractor or its authorized representative. The term “Contractor” also means the “third party” for purposes of these procedures which involve Federal Grant Contracts.

**COST ANALYSIS:** Review and evaluation of a Contractor’s cost or pricing data and of the judgmental factors applied in projecting from the data to the estimated costs. A cost analysis is performed in order to form an opinion of the degree to which Contractor’s proposed costs represent what performance of the Contract should cost.

**COST LIMITATION:** The total amount paid to the Contractor/Architect/Engineer for producing and delivering standard services, including designs, plans, drawings and specifications for a project should not exceed six percent (6%) of the independent estimate of the construction costs of the project.

**DBE OFFICER:** The DBE program shall be administered by the Company’s DBE Officer. The DBE Officer shall develop a referral system on managerial and technical assistance for interested DBE’s as well as disseminate information on available business opportunities to the disadvantaged business community to facilitate DBE bidding on company projects. The DBE Officer will work closely with other departments, consultants and others who are responsible for making management and other decisions relative to the Company’s procurement and construction contracts. This officer shall offer guidance to Company personnel regarding their DBE responsibilities.

**DESCRIPTIVE LITERATURE:** Information such as catalog cuts, illustrations, drawings, and brochures which show the characteristics or construction of a product or explain its operation, furnished by a Bidder as part of its Bid to describe the products offered in its Bid and required only when RTA deems such literature is needed to enable it to determine whether the products offered meet the specifications and to establish exactly what the Bidder proposes to furnish.

**DETERMINATION AND FINDINGS (D&F):** A document created for the Contract file to record all the facts that form the basis for an important decision affecting a procurement or contract action.

**DISADVANTAGED BUSINESS ENTERPRISE (DBE)**: A disadvantaged business enterprise is a small business concern which is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals. Socially and economically disadvantaged individuals are those individuals who are citizens of the United States who are Black Americans, Hispanic Americans, Native Americans, which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians, Asian-Pacific Americans, which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea, Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kirbati, Juvalu, Nauru, Federated States of Micronesia, Hong Kong, Subcontinent Asian Americans, which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal, Sri Lanka, women, regardless of ethnicity or race any other minorities or individuals found to be disadvantaged by the Small Business Administration (SBA) pursuant to Section 8(a) of the SBA.

**EVALUATION CRITERIA**: Measurable skills, expertise and conditions used to equate Requests for Proposals.

**EVALUATION FORM**: A form used by the Evaluation Team to measure the Evaluation Criteria defined in the Request for Proposal.

**EVALUATION TEAM**: A group of individuals headed by RTA Finance Department and comprised of RTA staff and outside consultants as needed for evaluating a Request for Proposal.

**FTA**: Federal Transit Administration.

**FINAL ACCEPTANCE**: Final Acceptance of the Work occurs when the Work is fully, completely, and finally accomplished in full, absolute, and strict compliance with the Contract Documents to the satisfaction of RTA.

**GENERAL TERMS AND CONDITIONS**: A part of the Contract Documents. These clauses set forth the rights and responsibilities of the contracting parties.

**INVITATION FOR BIDS (IFB)**: The complete assembly of related documents furnished to prospective Bidders for the purpose of bidding, based on a clear and accurate description of the technical requirements for the material, product, or service to be procured.

**LABOR AND MATERIAL PAYMENT BOND**: A bond assuring payment as required by law of all persons supplying labor and material in the execution of the Work provided for under a contract.

**LEGAL COUNSEL**: (Used as required.)

**LIQUIDATED DAMAGES**: An amount assessed a Contractor when it fails to complete delivery, installation, services, or the work specified in a contract within the contract period of performance or schedule which causes increased costs to RTA or FTA, the extent of which actual damages would be difficult or impossible to assess, or fails to achieve level of DBE participation contractually agreed upon

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**: otherwise referred to herein as RTA.

**NOTICE OF FINAL SETTLEMENT**: A public notice required by State Law that final payment of a construction or construction-related contract is to be made, requesting that claims be filed by subcontractors or suppliers who have not been paid for work or materials provided to the contractor relating to the specific contract.

**NOTICE TO PROCEED**: Written direction to commence delivery, installation, services, or the Work provided for in the Contract.

**OVERHEAD OR INDIRECT COSTS:** The necessary costs which cannot be specifically identified by a Contractor as directly attributable to Contract work, usually the general costs of running the business.

**OWNER:** The “Owner” is the RTA or its authorized representative.

**PERFORMANCE BOND:** A bond securing fulfillment of all the Contractor’s obligations under a Contract.

**PERIOD OF PERFORMANCE:** The period of performance is the period of time allowed in the Contract Documents for completion of the Work from effective date through final date.

**PREBID CONFERENCE/MEETING:** A meeting of RTA and perspective bidders held before a bid opening to discuss any questions or clarifications in Invitation For Bid. This conference is not mandatory.

**PRECONSTRUCTION MEETING:** For a construction project, a meeting with representatives of the Contractor and the Owner before beginning the construction work.

**PREPREPOSAL CONFERENCE/MEETING:** A meeting of RTA and perspective proposers held before Request for Proposals are due to discuss any questions or clarifications. This conference is not mandatory.

**PRICE ANALYSIS:** Process of examining and evaluating the reasonableness of a bidder’s or proposer’s price without evaluation of the separate cost elements and proposed profit of the bidder/proposer.

**PRIME CONTRACTOR PARTICIPATION:** The minimum amount of work to be performed by the Contractor on site with its own staff.

**PROCUREMENT DEPARTMENT:** PD, Procurement or Purchasing.

**PROGRESS PAYMENTS:** Reimbursement to a Contractor for costs incurred by it at a percentage or stage of completion of the Contract Work when the Contract requires long time periods for completion of Contract performance.

**PROGRESS REPORTS:** Periodic reporting of progress. Specific requirements are set forth in the contract document.

**PURCHASE ORDER:** A legal, contractual document used as a written confirmation factually describing all aspects of an agreement reached between the buyer RTA and seller. The end product of a Purchase Order is an item purchase or a rental, maintenance, or office support agreement, or purchase of services.

**PURCHASE REQUISITION:** A form used to initiate procurement action for materials, supplies and/or services.

**RESPONSIBLE BIDDER/PROPOSER:** A bidder having the financial resources, judgment, skill, integrity and ability to fulfill successfully the requirements of the Contract.

**RESPONSIVE BID:** A bid, which conforms to all technical and legal requirements of the Bid Document.

**SMALL DISADVANTAGED BUSINESS CONCERN:** A small disadvantaged business “concern” shall mean an enterprise which is independently owned and operated which is not dominant in its field of operation and which further meets the criteria established by the Small Business Act (15 U.S.C.A. S632) and the implementing regulations (13 CFR 121) and FTA Regulations.

“Owned and Controlled” means a small business concern whose management and daily business operations are controlled by disadvantaged individuals and which is:

A sole proprietorship legitimately owned by individual/individuals who are disadvantaged;

a partnership or joint venture in which at least 51% of the beneficial ownership interest is legitimately held by disadvantaged individuals;

a corporation or other entity, including a publicly-owned business, in which at least 51% of the beneficial ownership interest (i.e., stock) legitimately are held and owned by disadvantaged individuals.

**STATEMENT OF WORK (Or Scope of Work):** Detailed description of project and performance requirements as defined in a Request for Proposal.

**STURAA:** The Surface Transportation and Uniform Relocation Assistance Act of 1987.

**TECHNICAL SPECIFICATIONS:** Detailed description of equipment specifications and project requirements as defined in Invitation for Bid.

## CHAPTER XIV

### LIST OF FTA CLAUSES

#### CLAUSES REQUIRED IN ALL THIRD PARTY CONTRACTS AND SUB-AGREEMENTS

FTA CLAUSES	COMMENTS
Drug and Alcohol Testing	Operational Service Contracts/Safety-Sensitive Functions
Cargo Preference	Equipment and Materials Transported by Ocean Vessels
Seismic Safety	Construction Only
Energy Conservation	
Bus Testing	Rolling Stock/Turnkey Only
Pre-Award and Post Award Delivery Audits	Rolling Stock/Turnkey Only
Lobbying	Construction/Architectural & Engineering/Acquisition of Rolling Stock/Professional Service Contracts/Operational Service Contracts/Turnkey Contracts
Access To Records and Reports	
Federal Changes	
Davis-Bacon Act	All Construction Contracts Over \$2,000.00
Contract Work Hours and Safety Standards	All Construction Contracts Over \$2,000.00
Copeland Anti-Kickback Act	All Construction Contracts Over \$2,000.00
No Government Obligation To Third Parties	
Program Fraud and False Or Fraudulent Statements	
Termination	Most Contracts Over \$10,000.00
Privacy Act	Only When Files Are Maintained
Civil Rights Requirements	
Patent and Rights in Data	Only Research Projects
Transit Employee Protective Agreements	Contracts For Transit Operations By Employees Of Transit Operators
Disadvantaged Business Enterprise	See RTA DBE Program
State and Local Law Disclaimer	
Incorporation Of Federal Transit Administration (FTA) Terms	

#### CLAUSES REQUIRED IN ALL THIRD PARTY CONTRACTS AND SUB-AGREEMENTS OVER \$100,000.00

Buy America	
Clean Water	
Bonding Requirements	
Clean Air	
Recycled Products	
Government-Wide Debarment and Suspension Breaches and Dispute Resolution	

**CHAPTER XV**  
**FORMS**

**CERTIFICATION OF PRIMARY PARTICIPANT  
Regarding Debarment, Suspension and Other Responsibility Matters**

The \_\_\_\_\_ certifies to the best of its knowledge and  
(firm name/principal)  
belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

If unable to certify to any of the statements in this certification, the participant shall attach an explanation to this certification.

The primary participant, \_\_\_\_\_ certifies or  
(firm name/principal)  
affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. sections 3801 et seq. are applicable thereto.

\_\_\_\_\_  
Signature and Title of Authorized Official

The undersigned chief legal counsel for the \_\_\_\_\_ hereby certifies that the \_\_\_\_\_ has authority under State and local law to comply with the subject assurances that the certification above has been legally made.

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Date

**CERTIFICATION OF LOWER-TIER PARTICIPANTS**  
**Regarding Debarment, Suspension and Other Ineligibility and Voluntary Exclusion**

The \_\_\_\_\_  
(firm name/principal)

certifies by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participant in this transaction by any Federal department or agency.

If unable to certify to any of the statements in this certification, such participant shall attach an explanation to this proposal.

The \_\_\_\_\_  
(firm name/principal)

certifies or affirms the truthfulness and accuracy of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. sections 3801 et seq. are applicable thereto.

\_\_\_\_\_  
Signature and Title of Authorized Official

The undersigned chief legal counsel for the \_\_\_\_\_ hereby certifies that the \_\_\_\_\_ has authority under State and local law to comply with the subject assurances and that the certification above has been legally made.

\_\_\_\_\_  
Signature of Attorney

\_\_\_\_\_  
Date

**CERTIFICATION  
OF  
RESTRICTIONS ON LOBBYING**

I, \_\_\_\_\_, hereby certify on behalf (name of proposer) of  
\_\_\_\_\_ that:  
(name of company)

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds, other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in all subcontracts, and that all subcontractors shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance is placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

By \_\_\_\_\_  
(signature of authorized official)

\_\_\_\_\_  
(title of authorized official)

**CERTIFICATION OF DRUG FREE WORKPLACE**

I, \_\_\_\_\_, hereby certify on behalf of  
(name of authorized official)

\_\_\_\_\_ that  
(name of company)

The CONTRACTOR named above, and all Sub-Contractors working on this contract, will comply with Government Code Section 8355 in matters relating to providing a drug-free workplace. The CONTRACTOR and all Sub-Contractors will therefore:

Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance are prohibited, and that specified actions will be taken against employees for violation of these prohibitions, as required by Government Code Section 8355(a).

Establish a Drug-free Awareness Program, as required by Government Code Section 8355(b), to inform employees all of the following:

- The dangers of drug abuse in the workplace.
- The firm's policy of maintaining a drug-free workplace.
- Any available counseling, rehabilitation and employee assistance programs, and
- Penalties that may be imposed upon employees for drug abuse violations, including that no employee who tests positive for use of a controlled substance shall be permitted to work on this contract.

Provide, as required by Government Code Section 8355(c), that every employee who works on the proposed contract:

Will receive a copy of the firm's drug-free policy statement, and  
Will agree to abide by the terms of the firm's statement as a condition of employment on the contract.

**CERTIFICATION:**

I, \_\_\_\_\_, hereby certify that the above-named company, which I am duly authorized to represent, will comply with the Drug Free Workplace requirements of this contract. I understand that this certification is made under penalty of perjury, under the laws of the State of California.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

By \_\_\_\_\_  
(signature of authorized official)

\_\_\_\_\_  
(title of authorized official)

**“BUY AMERICA” PROVISION**

This procurement is subject to the Federal Transit Administration “Buy America” Requirements in 49 CFR Part 66a, as amended.

A “Buy America” Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

A waiver from the “Buy America” Provision may be sought by \_\_\_\_\_ if grounds for the waiver exist.

Section 165a of the Surface Transportation Assistance (STA) Act of 1982 permits FTA participation on this contract only if steel, iron, cement, and manufactured products used in the contract are produced in the United States.

**“BUY AMERICA CERTIFICATE”**

The bidder hereby certifies that it will comply with the requirements of Section 165a of the Surface Transportation Act of 1982 and the regulations in 49 CFR 661.

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

or

The bidder hereby certifies that it cannot comply with the requirements of Section 165a of the Surface Transportation Assistance Act of 1982, but may qualify for an exemption to the requirement pursuant to Section 165b of the STA Act and regulations in 49 CFR 661.7, as amended

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**DBE PARTICIPATION**

The following stated dollar (\$) amount will be the compensation paid to DBE Firms certifiable or certified under the provisions of the "Regional Transit Authority Disadvantaged Business Enterprise Program".

\$ \_\_\_\_\_ Firm Name: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Description of Work \_\_\_\_\_

\$ \_\_\_\_\_ Firm Name: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Description of Work \_\_\_\_\_

\$ \_\_\_\_\_ Firm Name: \_\_\_\_\_

Firm Address: \_\_\_\_\_

Description of Work \_\_\_\_\_

Total DBE percentage participation \_\_\_\_\_%

Total dollar value of DBE participation \$ \_\_\_\_\_

The undersigned hereby certifies that the foregoing statements and information are true and correct.

Name of Bidder: \_\_\_\_\_

Company Name: \_\_\_\_\_

## OFFERORS LIST OF PARTICIPATING FIRMS

Bidder/Proposer must submit with bid/proposal the following information for all participating firms:

### Prime Contractor Information

Company Name \_\_\_\_\_

Age of Firm \_\_\_\_\_

Address \_\_\_\_\_

Annual Gross Receipts \$ \_\_\_\_\_

DBE Certified? \_\_\_\_\_, if yes: Date Certified: \_\_\_\_\_

Phone \_\_\_\_\_ Dollar amount of subcontract \$ \_\_\_\_\_ By (Agency) \_\_\_\_\_

Describe work \_\_\_\_\_

### Subcontractor Information

Company Name \_\_\_\_\_

Age of Firm \_\_\_\_\_

Address \_\_\_\_\_

Annual Gross Receipts \$ \_\_\_\_\_

DBE Certified? \_\_\_\_\_, if yes: Date Certified: \_\_\_\_\_

Phone \_\_\_\_\_ Dollar amount of subcontract \$ \_\_\_\_\_ By (Agency) \_\_\_\_\_

Describe work \_\_\_\_\_

Company Name \_\_\_\_\_

Age of Firm \_\_\_\_\_

Address \_\_\_\_\_

Annual Gross Receipts \$ \_\_\_\_\_

DBE Certified? \_\_\_\_\_, if yes: Date Certified: \_\_\_\_\_

Phone \_\_\_\_\_ Dollar amount of subcontract \$ \_\_\_\_\_ By (Agency) \_\_\_\_\_

Describe work \_\_\_\_\_

(Copy for additional Subcontractors as needed)