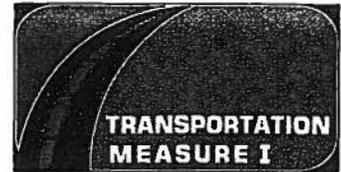




San Bernardino Associated Governments

1170 W. 3rd Street, San Bernardino, CA 92410
Phone: (909) 884-8276 Fax: (909) 885-4407
Web: www.sanbag.ca.gov



-
- San Bernardino County Transportation Commission •San Bernardino County Transportation Authority
 - San Bernardino County Congestion Management Agency •Service Authority for Freeway Emergencies
-

AGENDA

Mountain/Desert Committee

August 16, 2013

9:30 a.m.

Location

**Town of Apple Valley
14975 Dale Evans Parkway
Apple Valley, CA**

Mountain/Desert Committee Membership

Chair

*Ed Paget, Mayor
City of Needles*

*Julie McIntyre, Mayor
City of Barstow*

*George Huntington, Council Member
Town of Yucca Valley*

Vice Chair

*Ryan McEachron, Mayor Pro Tem
City of Victorville*

*Bill Jahn, Council Member
City of Big Bear Lake*

*Robert Lovingood
Board of Supervisors*

*Cari Thomas, Mayor
City of Adelanto*

*Mike Leonard, Council Member
City of Hesperia*

*James Ramos
Board of Supervisors*

*Curt Emick, Mayor
Town of Apple Valley*

*Jim Harris, Council Member
City of Twentynine Palms*

*Janice Rutherford
Board of Supervisors*

San Bernardino Associated Governments (SANBAG) is a council of governments formed in 1973 by joint powers agreement of the cities and the County of San Bernardino. SANBAG is governed by a Board of Directors consisting of a mayor or designated council member from each of the twenty-four cities in San Bernardino County and the five members of the San Bernardino County Board of Supervisors

In addition to SANBAG, the composition of the SANBAG Board of Directors also serves as the governing board for several separate legal entities listed below:

The San Bernardino County Transportation Commission, which is responsible for short and long range transportation planning within San Bernardino County, including coordination and approval of all public mass transit service, approval of all capital development projects for public transit and highway projects, and determination of staging and scheduling of construction relative to all transportation improvement projects in the Transportation Improvement Program.

The San Bernardino County Transportation Authority, which is responsible for administration of the voter-approved half-cent transportation transactions and use tax levied in the County of San Bernardino.

The Service Authority for Freeway Emergencies, which is responsible for the administration and operation of a motorist aid system of call boxes on State freeways and highways within San Bernardino County.

The Congestion Management Agency, which analyzes the performance level of the regional transportation system in a manner which ensures consideration of the impacts from new development and promotes air quality through implementation of strategies in the adopted air quality plans.

As a Subregional Planning Agency, SANBAG represents the San Bernardino County subregion and assists the Southern California Association of Governments in carrying out its functions as the metropolitan planning organization. SANBAG performs studies and develops consensus relative to regional growth forecasts, regional transportation plans, and mobile source components of the air quality plans.

Items which appear on the monthly Board of Directors agenda are subjects of one or more of the listed legal authorities. For ease of understanding and timeliness, the agenda items for all of these entities are consolidated on one agenda. Documents contained in the agenda package are clearly marked with the appropriate legal entity.

**San Bernardino Associated Governments
County Transportation Commission
County Transportation Authority
Service Authority for Freeway Emergencies
County Congestion Management Agency**

AGENDA

Mountain/Desert Committee

August 16, 2013

9:30 a.m.

Location

**Town of Apple Valley
14975 Dale Evans Parkway
Apple Valley, CA**

CALL TO ORDER:

(Meeting Chaired by: Ed Paget)

- I. Pledge of Allegiance
- II. Attendance
- III. Announcements
- IV. Agenda Notices/Modifications – Diane Greve

Notes/Actions

- 1. **Possible Conflict of Interest Issues for the Mountain/Desert Committee Meeting of August 16, 2013.** Pg. 7

Note agenda item contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation on the appropriate item.

Consent Calendar

Consent Calendar items shall be adopted by a single vote unless removed by member request.

- 2. **Attendance Register** Pg. 8

A quorum shall consist of a majority of the membership of each SANBAG Policy Committee, except that all County Representatives shall be counted as one for the purpose of establishing a quorum.

Discussion Items

Regional/Subregional Planning

3. **Morongo Basin Subarea Measure I Major Local Highway Program** Pg. 10

That the Committee recommend the Board, acting as the San Bernardino County Transportation Commission and San Bernardino County Transportation Authority:

1. Approve a budget amendment to increase Task No. 0404, Subregional Transportation Planning, from \$1,446,715 to \$1,526,715 to be funded with \$80,000 of Measure I Morongo Basin Subarea – Project Development/Traffic Management Systems funds for the preparation of a Morongo Basin Transportation Planning study.
2. Approve the attached Morongo Basin Area Transportation Study scope of work.
3. Authorize the release of the Request for Proposals No. 14039 for consultant support to complete the Morongo Basin Area Transportation Study consistent with the approved scope of work.
Tim Byrne

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

Transportation Fund Administration

4. **Project Funding Agreement C13111 for the High Desert Corridor** Pg. 14

That the Committee recommend the Board, acting as the San Bernardino County Transportation Authority:

1. Approve Project Funding Agreement C13111 with the Los Angeles County Metropolitan Transportation Authority for the preliminary engineering phase of the High Desert Corridor Project, which includes a total Measure I contribution of \$4,447,535.
2. Approve a budget amendment to increase Task No. 0516, Measure I Mt/Desert Apportionment and Allocation, by \$500,000 to be funded with Measure I Victor Valley Subarea – Project Development/Traffic Management Systems funds. **Ellen Pollema**

This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG General Counsel and Contract Administrator have reviewed this item and a draft of the Contract.

Discussion Items Continued

Transportation Fund Administration

5. State and Federal Fund Equity Distribution Principle Pg. 24

1. Receive overview of State and Federal funds available for projects in San Bernardino County and current SANBAG policies related to the distribution of those funds;
2. Provide input on policy development to measure proportionality and geographic equity in the distribution of State and Federal funds.
Andrea Zureick

This item was reviewed by the City/County Managers Technical Advisory Committee on August 1, 2013, the Transportation Technical Advisory Committee on August 5, 2013, and the Board Metro Valley Study Session on August 15, 2013.

Transit/Commuter Rail

6. Desert Consolidation Study of Victor Valley Transit Authority, Barstow Area Transit, and Needles Area Transit Pg. 35

That the Committee recommend the Board:

1. Receive and accept the final Desert Consolidation Study completed by AECOM on July 25, 2013; and
2. Direct staff to assist the Cities of Barstow, Adelanto, Hesperia, Victorville, the Town of Apple Valley, the County of San Bernardino, and Victor Valley Transit Authority in efforts to consolidate transit service, creating a new transit agency in the desert. **Mitch Alderman**

This item was also scheduled for review by the Commuter Rail and Transit Committee on August 15, 2013.

7. Transportation Development Act Triennial Performance Audits for Fiscal Years 2008/2009 to 2010/2011 of Barstow Area Transit, Needles Area Transit, Morongo Basin Transit Authority, Mountain Area Regional Transit Authority, Omnitrans, and Victor Valley Transit Authority. Pg. 69

Receive Triennial Performance Audit Reports for Fiscal Years 2008/2009 through 2010/2011 for Barstow Area Transit, Needles Area Transit, Morongo Basin Transit Authority, Mountain Area Regional Transit Authority, Omnitrans, and Victor Valley Transit Authority.
Monica Morales

All the audits will be presented to the respective governing boards. This item was also scheduled for review by the Commuter Rail and Transit Committee on August 15, 2013

Comments from Committee Members

Brief Comments from Committee Members –

Public Comment

Brief Comments by the General Public –

Additional Information

Acronym List

Pg. 108

Complete packages of this agenda are available for public review at the SANBAG offices. Staff reports for items may be made available upon request. For additional information call (909) 884-8276.

ADJOURNMENT:

Next Mountain/Desert Committee Meeting – Friday, September 13, 2013

Meeting Procedures and Rules of Conduct

Meeting Procedures

The Ralph M. Brown Act is the state law which guarantees the public's right to attend and participate in meetings of local legislative bodies. These rules have been adopted by the Board of Directors in accordance with the Brown Act, Government Code 54950 et seq., and shall apply at all meetings of the Board of Directors and Policy Committees.

Accessibility

The SANBAG meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Clerk of the Board at least three (3) business days prior to the Board meeting. The Clerk's telephone number is (909) 884-8276 and office is located at 1170 W. 3rd Street, 2nd Floor, San Bernardino, CA.

Agendas – All agendas are posted at 1170 W. 3rd Street, 2nd Floor, San Bernardino at least 72 hours in advance of the meeting. Staff reports related to agenda items may be reviewed at the SANBAG offices located at 1170 W. 3rd Street, 2nd Floor, San Bernardino and our website: www.sanbag.ca.gov.

Agenda Actions – Items listed on both the "Consent Calendar" and "Items for Discussion" contain suggested actions. The Board of Directors will generally consider items in the order listed on the agenda. However, items may be considered in any order. New agenda items can be added and action taken by two-thirds vote of the Board of Directors.

Closed Session Agenda Items – Consideration of closed session items *excludes* members of the public. These items include issues related to personnel, pending litigation, labor negotiations and real estate negotiations. Prior to each closed session, the Chair will announce the subject matter of the closed session. If action is taken in closed session, the Chair may report the action to the public at the conclusion of the closed session.

Public Testimony on an Item – Members of the public are afforded an opportunity to speak on any listed item. Individuals wishing to address the Board of Directors or Policy Committee Members should complete a "Request to Speak" form, provided at the rear of the meeting room, and present it to the Clerk prior to the Board's consideration of the item. A "Request to Speak" form must be completed for *each* item an individual wishes to speak on. When recognized by the Chair, speakers should be prepared to step forward and announce their name and address for the record. In the interest of facilitating the business of the Board, speakers are limited to three (3) minutes on each item. Additionally, a twelve (12) minute limitation is established for the total amount of time any one individual may address the Board at any one meeting. The Chair or a majority of the Board may establish a different time limit as appropriate, and parties to agenda items shall not be subject to the time limitations.

The Consent Calendar is considered a single item, thus the three (3) minute rule applies. Consent Calendar items can be pulled at Board member request and will be brought up individually at the specified time in the agenda allowing further public comment on those items.

Agenda Times – The Board is concerned that discussion take place in a timely and efficient manner. Agendas may be prepared with estimated times for categorical areas and certain topics to be discussed. These times may vary according to the length of presentation and amount of resulting discussion on agenda items.

Public Comment – At the end of the agenda, an opportunity is also provided for members of the public to speak on any subject within the Board's authority. *Matters raised under "Public Comment" may not be acted upon at that meeting. "Public Testimony on any Item" still apply.*

Disruptive Conduct – If any meeting of the Board is willfully disrupted by a person or by a group of persons so as to render the orderly conduct of the meeting impossible, the Chair may recess the meeting or order the person, group or groups of person willfully disrupting the meeting to leave the meeting or to be removed from the meeting. Disruptive conduct includes addressing the Board without first being recognized, not addressing the subject before the Board, repetitiously addressing the same subject, failing to relinquish the podium when requested to do so, or otherwise preventing the Board from conducting its meeting in an orderly manner. *Please be aware that a NO SMOKING policy has been established for meetings. Your cooperation is appreciated!*

**SANBAG General Practices for Conducting Meetings
of
Board of Directors and Policy Committees**

Basic Agenda Item Discussion.

- The Chair announces the agenda item number and states the subject.
- The Chair calls upon the appropriate staff member or Board Member to report on the item.
- The Chair asks members of the Board/Committee if they have any questions or comments on the item. General discussion ensues.
- The Chair calls for public comment based on "Request to Speak" forms which may be submitted.
- Following public comment, the Chair announces that public comment is closed and asks if there is any further discussion by members of the Board/Committee.
- The Chair calls for a motion from members of the Board/Committee.
- Upon a motion, the Chair announces the name of the member who makes the motion. Motions require a second by a member of the Board/Committee. Upon a second, the Chair announces the name of the Member who made the second, and the vote is taken.

The Vote as specified in the SANBAG Bylaws.

- Each member of the Board of Directors shall have one vote. In the absence of the official representative, the alternate shall be entitled to vote. (Board of Directors only.)
- Voting may be either by voice or roll call vote. A roll call vote shall be conducted upon the demand of five official representatives present, or at the discretion of the presiding officer.

Amendment or Substitute Motion.

- Occasionally a Board Member offers a substitute motion before the vote on a previous motion. In instances where there is a motion and a second, the maker of the original motion is asked if he would like to amend his motion to include the substitution or withdraw the motion on the floor. If the maker of the original motion does not want to amend or withdraw, the substitute motion is not addressed until after a vote on the first motion.
- Occasionally, a motion dies for lack of a second.

Call for the Question.

- At times, a member of the Board/Committee may "Call for the Question."
- Upon a "Call for the Question," the Chair may order that the debate stop or may allow for limited further comment to provide clarity on the proceedings.
- Alternatively and at the Chair's discretion, the Chair may call for a vote of the Board/Committee to determine whether or not debate is stopped.
- The Chair re-states the motion before the Board/Committee and calls for the vote on the item.

The Chair.

- At all times, meetings are conducted in accordance with the Chair's direction.
- These general practices provide guidelines for orderly conduct.
- From time-to-time circumstances require deviation from general practice.
- Deviation from general practice is at the discretion of the Board/Committee Chair.

Courtesy and Decorum.

- These general practices provide for business of the Board/Committee to be conducted efficiently, fairly and with full participation.
- It is the responsibility of the Chair and Members to maintain common courtesy and decorum.

Adopted By SANBAG Board of Directors January 2008

AGENDA ITEM #2
MOUNTAIN/DESERT POLICY COMMITTEE ATTENDANCE RECORD – 2013

Name	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Cari Thomas + City of Adelanto	**	X	X	X	X	X	**					
Curt Emick Town of Apple Valley	**	X	X	X	X	X	**					
Julie McIntyre City of Barstow	**	X	X	X	X	X	**					
Bill Jahn City of Big Bear Lake	**	X		X	X	X	**					
Mike Leonard City of Hesperia	**	X	X	X		X	**					
Ed Paget City of Needles	**	X	X	X	X	X	**					
Jim Harris City of Twentynine Palms	**	X	X	X	X	X	**					
Ryan McEachron City of Victorville	**	X	X	X			**					
George Huntington Town of Yucca Valley	**	X	X	X	X*	X	**					
Robert Lovingood County of San Bernardino	**	X			X	X	**					
Janice Rutherford County of San Bernardino	**						**					
James Ramos County of San Bernardino	**						**					

*Non-voting City Representative attended
+ Measure I Committee representative

**The Mountain/Desert Committee did not meet
x*Alternate Attended

*** New SANBAG Board Member

X = Member attended meeting.
MDCatt12.doc

Empty box = Member did not attend meeting

Crossed out box = Not a Board Member at the time.

AGENDA ITEM #2
MOUNTAIN/DESERT POLICY COMMITTEE ATTENDANCE RECORD – 2012

Name	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Cari Thomas + City of Adelanto	X	X	X	X	X	X	X		X	X	**	X
Rick Roelle Town of Apple Valley		X			X			X		X*	**	
Julie McIntyre City of Barstow	X	X			X	X	X		X	X	**	X
Bill Jahn City of Big Bear Lake	X	X	X	X		X	X	X	X	X	**	
Mike Leonard City of Hesperia	X	X	X	X		X	X	X	X	X*	**	X
Ed Paget City of Needles	X	X	X	X	X	X	X	X	X		**	X
Jim Harris City of Twentynine Palms	X	X	X	X	X	X	X	X	X	X	**	
Ryan McEachron City of Victorville	X	X	X	X	X		X	X	X	X	**	X
George Huntington Town of Yucca Valley	X		X	X	X	X	X	X	X		**	X
Brad Mitzelfelt County of San Bernardino		X				X		X	X	X	**	N/A
Janice Rutherford County of San Bernardino		X					X			X	**	
Neil Derry County of San Bernardino	X	X	X	X				X	X	X	**	N/A
Robert Lovingood*** County of San Bernardino												X
James Ramos*** County of San Bernardino												X

*Non-voting City Representative attended
+ Measure I Committee representative

**The Mountain/Desert Committee did not meet
x*Alternate Attended

*** New SANBAG Board Member

X = Member attended meeting.
MDCatt12.doc

Empty box = Member did not attend meeting

Crossed out box = Not a Board Member at the time.



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 3

Date: August 16, 2013

Subject: Morongo Basin Subarea Measure I Major Local Highway Program

Recommendation:* That the Committee recommend the Board, acting as the San Bernardino County Transportation Commission and San Bernardino County Transportation Authority:

1. Approve a budget amendment to increase Task No. 0404, Subregional Transportation Planning, from \$1,446,715 to \$1,526,715 to be funded with \$80,000 of Measure I Morongo Basin Subarea – Project Development/Traffic Management Systems funds for the preparation of a Morongo Basin Transportation Planning study.
2. Approve the attached Morongo Basin Area Transportation Study scope of work.
3. Authorize the release of the Request for Proposals No. 14039 for consultant support to complete the Morongo Basin Area Transportation Study consistent with the approved scope of work.

Background: Based on discussions at the June 21, 2013 Morongo Basin Representative Subarea Meeting following the Mountain Desert Committee Meeting, SANBAG staff has developed a draft scope of work (refer to Attachment 1) to address some of the issues raised with regards to defining transportation infrastructure needs.

*

	<p><i>Approved</i> <i>Mountain/Desert Policy Committee</i></p> <p>Date: _____</p> <p>Moved: _____ Second: _____</p> <p>In Favor: _____ Opposed: _____ Abstained: _____</p> <p>Witnessed: _____</p>
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COG	CTC	X	CTA	X	SAFE	CMA	
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Check all that apply.

MDC1308a-az

<http://portal.sanbag.ca.gov/mgmt/committee/desert/mdc2013/mdc1308/AgendaItems/MDC1308a1-az.docx>

The Morongo Basin faces transportation challenges with existing and future traffic growth. Access to and within the basin is important to ensure economic vitality of the entire basin. A basin-wide transportation study will assist in planning for and funding future transportation needs. The Morongo Basin Area Transportation Study scope of work is attached.

The scope focuses on evaluation of the existing and future transportation system, identification of projects to address existing and forecast congestion and development of an implementation plan. The results from the study will be used as a basis for future funding allocation recommendations. The study will be overseen by a project Technical Advisory Committee (TAC), consisting of representatives from the County, City of Twentynine Palms and Town of Yucca Valley. Meetings of the TAC will be held on an as-needed basis. It is anticipated that the study would be completed within 6-8 months.

SANBAG will seek consultant support to complete the study based on the approved scope of work. Based on SANBAG policy and the budget amendment in recommendation No. 1, the Executive Director has the authority to release the Request for Proposals for this transportation study. Staff recommends that Request for Proposals No. 14039 associated with the approved scope of work be released. Per SANBAG Contracting and Procurement Policy 11000, revised May 1, 2013, the Executive Director will execute a contract with the consultant selected by the procurement evaluation panel.

Financial Impact: This item is not consistent with the proposed Fiscal Year 2013/2014 budget. A budget amendment is required to increase Task No. 0404 by \$80,000 to be funded by Measure I Morongo Basin Subarea – Project Development/Traffic Management System funds.

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

Responsible Staff: Tim Byrne, Chief of Planning

Morongo Basin Area Transportation Study (MBATS)

Draft Scope of Work

August 7, 2013

The Morongo Basin faces transportation challenges with existing and future traffic growth. Access to and within the basin is important to ensure economic vitality of the entire basin. A basin-wide transportation study will assist in planning and identification of funding for future transportation needs. The study will be overseen by a technical advisory committee (TAC) consisting of representatives of the County, City of Twentynine Palms and Town of Yucca Valley. Meetings of the TAC will be held on an as-needed basis. One presentation to the SANBAG Mountain/Desert Committee is anticipated to present the results of the study.

1. Existing Conditions Assessment

The existing Morongo Basin transportation setting will be defined in terms of infrastructure and performance. The assessment will define the relationship of the basin to the rest of San Bernardino County and to Riverside County. Activities will include:

- Define roadway/highway system, including functional classifications of major collector and above.
- Define countywide roadway/highway system performance, documenting traffic volume, level of service and accident data. Movements of military traffic will need to be analyzed. A limited number of traffic counts may need to be collected.

2. Develop Refined Transportation Model & Forecasts

A modeling tool will be developed to ensure that reasonable future traffic volumes can be forecast throughout the basin. SBTAM was applied to develop a refined citywide model for the updated Yucca Valley General Plan Circulation Element. Economies of scale could be achieved by expanding this model to the entire basin. Activities will include:

- Review existing and future SBTAM and Yucca Valley citywide model zone structure and networks to recommend adjustments for the Morongo Basin model.
- Review demographic forecasts for the basin and present to study team. Growth forecasts will be developed by transportation analysis zone and reviewed by staff from each jurisdiction. SANBAG will provide an initial dataset of 2012 and 2040 households (single and multi-family dwellings) and 2012 and 2040 employment (retail and non-retail) by SBTAM TAZ. The consultant will need to work with the jurisdictions to refine these growth forecasts based on the MBATS zone system.
- Develop Morongo Basin model and perform base year model validation.
- Document model development.
- Prepare future baseline model forecasts.
- Analyze level of service for the baseline roadway network and identify locations/segments where traffic problems are likely to occur.

3. Identification and Costing of Transportation Projects

Improvement projects will be identified to address the existing and future problem locations identified in Tasks 1 and 2. Projects will be identified in consultation with the cities and County. Planning-level cost estimates will be developed for each project, with logical segments suitable for incorporation into an implementation plan.

4. Analysis of Transportation Projects

Based on the future model run developed in Task 2 and the projects identified in Task 3, evaluate the future transportation network with regard to its ability to satisfy future travel demands. Future network performance will be summarized, identifying any remaining bottlenecks and infrastructure needs. The TAC will assist in refining and finalizing future project needs for the basin.

5. Recommendations and Implementation Plan

Information from the previous tasks will be utilized to generate recommended future infrastructure improvements in the basin. An implementation plan will be developed for the future improvement projects considering implementation timeframe, prioritization and funding mechanisms.

Schedule

The study is expected to take 6-8 months.



- San Bernardino County Transportation Commission
- San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency
- Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 4

Date: August 16, 2013

Subject: Project Funding Agreement C13111 for the High Desert Corridor

Recommendation:* That the Committee recommend the Board, acting as the San Bernardino County Transportation Authority:

1. Approve Project Funding Agreement C13111 with the Los Angeles County Metropolitan Transportation Authority for the preliminary engineering phase of the High Desert Corridor Project, which includes a total Measure I contribution of \$4,447,535.
2. Approve a budget amendment to increase Task No. 0516, Measure I Mt/Desert Apportionment and Allocation, by \$500,000 to be funded with Measure I Victor Valley Subarea – Project Development/Traffic Management Systems funds.

Background: In February, 2012, the Board allocated \$500,000 in Victor Valley Project Development/Traffic Management System (PD/TMS) funds to the High Desert Corridor project (HDC) to contribute to the initial environmental studies and the addition of a passenger rail component to the project. Additionally, on April 11, 2013, the SANBAG Board allocated \$3,947,535 in Measure I Major Local Highways Program (MLHP) originally designated for Green Tree Boulevard to the HDC project development effort. This allocation of MLHP funds was a replacement for HDC earmark funds that were used on the Green Tree Boulevard project.

*

	<p><i>Approved</i> Mountain/Desert Policy Committee</p> <p>Date: _____</p> <p>Moved: _____ Second: _____</p> <p>In Favor: _____ Opposed: _____ Abstained: _____</p> <p>Witnessed: _____</p>						
<table border="1" style="margin: auto;"> <tr> <td>COG</td> <td>CTC</td> <td>CTA</td> <td>X</td> <td>SAFE</td> <td>CMA</td> </tr> </table>	COG	CTC	CTA	X	SAFE	CMA	
COG	CTC	CTA	X	SAFE	CMA		

Currently, the HDC has \$30 million in Measure R funds from the Los Angeles County Metropolitan Transportation Authority (Metro) and \$15.5 million in Regional Improvement Program (RIP) funds from Caltrans District 7. The City of Victorville and the High Desert Corridor JPA were granted \$16.4 million in Federal Demonstration funds for the project that was to be used for environmental clearance work. This includes the earmark which is being replaced by the current allocation of MLHP funds.

The subject agreement defines the roles and responsibilities of the signatory agencies in funding and administering the Measure I funds for the preliminary engineering phase of the HDC from the SR14 in Los Angeles County to the SR18/Bear Valley Road in San Bernardino County.

Metro and Caltrans staff will continue working on the environmental clearance for the Project, which is currently expected in Fall 2014. Staff will provide periodic updates to the Board on the progress of the Project.

Financial Impact: This item is not consistent with the approved SANBAG Fiscal Year 2013/2014 budget. A budget amendment is required to increase Task No. 0516 by \$500,000 in Measure I Victor Valley Subarea – PD/TMS funds.

Reviewed By: This item is not scheduled for review by any other policy committee or technical advisory committee. SANBAG General Counsel and Contract Administrator have reviewed this item and a draft of the Contract.

Responsible Staff: Ellen Pollema, Transportation Planning Analyst



CONTRACT SUMMARY SHEET

Contract No. C 13111 Amendment No. _____

By and Between

San Bernardino County Transportation Authority and Los Angeles County Metropolitan
Transportation Authority

Contract Description High Desert Corridor from the SR14 in Los Angeles County to the SR18/Bear Valley Road in San Bernardino County

Board of Director's Meeting Date: 9/4/2013	
Overview of BOD Action: Approve Project Funding Agreement C13111 with LA Metro for the HDC in the amount of \$4,447,535; amend Task 0516 to add \$500,000 Victor Valley MSI PD/TMS funds.	
Is this a Sole-Source procurement? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

CONTRACT OVERVIEW					
Original Contract Amount	\$	4,447,535.00	Original Contingency Amount	\$	
Revised Contract Amount <i>Inclusive of prior amendments</i>	\$		Revised Contingency Amount <i>Inclusive of prior amendments</i>	\$	
Current Amendment Amount	\$		Contingency Amendment	\$	
TOTAL CONTRACT VALUE	\$	4,447,535.00	TOTAL CONTINGENCY VALUE	\$	
TOTAL BUDGET AUTHORITY (contract value + contingency)					\$ 4,447,535.00

Contract Start Date 9/4/13	Current Contract Expiration Date 6/30/17	Revised Contract Expiration Date
Has the contract term been amended? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - please explain.		

FINANCIAL INFORMATION				
<input type="checkbox"/> Budget authority for this contract currently exists in Task No. _____.				
<input checked="" type="checkbox"/> A Budget Amendment is required.				
How are we funding current FY? \$500,000 MI VV PD/TMS and \$3,947,535 MI VV MLHP Bond funds				
<input type="checkbox"/> Federal Funds	<input type="checkbox"/> State Funds	<input type="checkbox"/> Local Funds	<input type="checkbox"/> TDA Funds	<input checked="" type="checkbox"/> Measure I Funds
Provide Brief Overview of the Overall Funding for the duration of the Contract: \$500,000 MI Victor Valley PD/TMS Funds and \$3,947,535 MI Victor Valley MLHP Bond Funds				
<input checked="" type="checkbox"/> Payable <input type="checkbox"/> Receivable				

CONTRACT MANAGEMENT INFORMATION	
Check all applicable boxes:	
<input type="checkbox"/> Retention? If yes, indicate % _____.	
<input type="checkbox"/> Disadvantaged Business Enterprise (DBE) Goal _____ %	

Eileen Polloma	Eileen Polloma		7/31/13
Project Manager (Print Name)	Signature		Date
Andrea Zureick	Andrea Zureick		7/31/13
Task Manager (Print Name)	Signature		Date
Andrea Zureick	Andrea Zureick		7/31/13
Dir. of Fund Admin. & Programming (Print Name)	Signature		Date
Jeffery Hill	Jeffery Hill		7/31/13
Contract Administrator (Print Name)	Signature		Date
W-STANESIA	W-STANESIA		7/31/13
Chief Financial Officer (Print Name)	Signature		Date

PROJECT FUNDING AGREEMENT C13111

BETWEEN

SAN BERNARDINO ASSOCIATED GOVERNMENTS

AND

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION
AUTHORITY**

FOR

**THE HIGH DESERT CORRIDOR
FROM THE SR-14 IN LOS ANGELES COUNTY
TO THE SR-18/BEAR VALLEY ROAD IN SAN BERNARDINO COUNTY**

THIS Project Funding Agreement (“Agreement”) is made and entered into this ____ day of _____ by and between the San Bernardino Associated Governments acting in its capacity as the San Bernardino County Transportation Authority (hereinafter referred to as “SANBAG”) and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (hereinafter referred to as “METRO”). SANBAG and METRO shall be individually or collectively, as applicable, known as “Party” or “Parties.”

RECITALS

A. The Measure I 2010-2040 Expenditure Plan and the Victor Valley Subarea transportation planning partners have identified projects eligible for partial funding from Measure I 2010-2040 Victor Valley Subarea Project Development/Traffic Management System (PD/TMS) and Major Local Highway Program (“MLHP”) funds;

B. The High Desert Corridor Project connects the Antelope Valley in Los Angeles County to the Victor and Apple Valleys in San Bernardino County with a highway, energy production and/or transmission facilities, and high speed rail feeder service line (“PROJECT”), and is one of the projects identified as eligible for such funding;

C. The High Desert Corridor Joint Powers Authority (“HDCJPA”) was created by the Counties of Los Angeles and San Bernardino to provide for the planning and implementation of the PROJECT, and the State of California through its Department of Transportation (“CALTRANS”) has undertaken Project Approval and Environmental

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Page 1 of 7

Document work funded by METRO through the CALTRANS Measure R Program Project Approval and Environmental Document (PA&ED) Funding Agreement dated April 1, 2010. HDCJPA has designated METRO as the Project Manager.

D. SANBAG has determined that the PROJECT is eligible to receive the Victor Valley Subarea PD/TMS and MLHP funds for the environmental document phase of work (hereinafter referred to as "PHASE") which is currently underway;

E. On February 1, 2012, SANBAG's Board of Directors approved allocation of \$500,000.00 in Victor Valley Subarea PD/TMS funds to METRO for the PROJECT PHASE;

F. On April 11, 2013, SANBAG's Board of Directors approved allocation of \$3,947,535.00 in Victor Valley Subarea MLHP funds to METRO for the PROJECT PHASE;

G. This Agreement is to be carried out in accordance with the policies in the Measure I 2010-2040 Strategic Plan;

H. Parties desire to proceed with the PROJECT in a timely manner;

I. This Agreement is intended to delineate all of SANBAG's duties and funding responsibilities and certain of METRO's duties and funding responsibilities for the PROJECT PHASE;

J. SANBAG and METRO are entering into this Agreement with the understanding that SANBAG will reimburse METRO for eligible PROJECT PHASE expenditures with a maximum of \$500,000 in PD/TMS funds and \$3,947,535.00 in MLHP funds;

K. SANBAG and METRO acknowledge that the PD/TMS funds were allocated to the PROJECT to add a passenger rail component to the PROJECT PHASE; and

L. SANBAG and METRO acknowledge that the MLHP funds became readily available due to the transfer of idle earmark funds from the PROJECT to the Green Tree Boulevard portion of the Yucca Loma Corridor project.

NOW, THEREFORE, SANBAG and METRO agree to the following:

SECTION I

SANBAG AGREES:

1. To reimburse METRO for a portion of the actual cost of the PROJECT PHASE up to a maximum of \$500,000 in PD/TMS funds and \$3,947,535.00 in MLHP Funds. SANBAG shall have no further responsibilities to provide

- any funding for PROJECT exceeding this amount unless prior authorization has been approved by the SANBAG Board of Directors.
2. To reimburse METRO within 30 days after METRO submits an original and two copies of the signed invoices in the proper form covering those actual allowable PROJECT PHASE expenditures that were incurred by METRO or CALTRANS up to a maximum of \$4,447,535.00, consistent with the invoicing requirements of the Measure I 2010-2040 Strategic Plan, including backup information. Invoices may be submitted to SANBAG as frequently as monthly.
 3. When conducting an audit of the costs claimed under the provisions of this Agreement, to rely to the maximum extent possible on any prior audit of METRO performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to SANBAG when planning and conducting additional audits.
 4. SANBAG shall assign a project liaison for the purpose of attending Project Development Team (PDT) meetings.

SECTION II

METRO AGREES:

1. To be the Project Manager for this PROJECT PHASE and to diligently undertake and complete the work in a timely manner.
2. To be responsible for expending that portion of the eligible PROJECT expenses that are incurred by CALTRANS and METRO, subject to reimbursement by SANBAG hereunder, for an amount not to exceed \$500,000 in PD/TMS funds and \$3,947,535.00 in MLHP Funds, and are reimbursable by SANBAG in accordance with Section I, Paragraph 2. Expenses relative to time spent on the PROJECT PHASE by CALTRANS and METRO are considered eligible PROJECT PHASE expenses and may be charged to the PROJECT PHASE funds subject to SANBAG's guidelines.
3. To abide by all SANBAG, County, State, and Federal laws, regulations, policies and procedures pertaining to the PROJECT.
4. To prepare and submit to SANBAG an original and two copies of signed invoices for reimbursement of eligible PROJECT PHASE expenses. Invoices may be submitted to SANBAG as frequently as monthly.

5. To maintain all source documents, books and records connected with its performance under this Agreement for a minimum of five (5) years from the date of the Final Report of Expenditures submittal to SANBAG or until audit resolution is achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of SANBAG during normal business hours at METRO's Office. Copies will be made and furnished by METRO upon written request by SANBAG.
6. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support METRO's requests for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT work elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation, and other allowable expenditures by CALTRANS and METRO.
7. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Final Report of Expenditures and final invoice no later than 120 days following the completion of those expenditures. An original and two copies of the Final Report of Expenditures shall be submitted to SANBAG and must state that these PROJECT funds were used in conformance with this Agreement and for those PROJECT-specific work activities described.
8. To cooperate in having a PROJECT-specific audit completed by SANBAG, at SANBAG's option and expense, upon completion of the PROJECT. The audit must state that all funds expended on the PROJECT were used in conformance with this Agreement.
9. To repay to SANBAG any reimbursement for Measure I costs that are determined by subsequent audit to be unallowable within one hundred twenty (120) days of METRO receiving notice of audit findings, which time shall include an opportunity for METRO to respond to and/or resolve the findings. Should the findings not be otherwise resolved and METRO fail to reimburse moneys due SANBAG within one hundred twenty (120) days of audit findings, or within such other period as may be agreed between both Parties, SANBAG reserves the right to withhold future payments due METRO from any source under SANBAG's control.
10. To include SANBAG in PDT meetings and in related communications on PROJECT progress, to provide at least quarterly schedule updates to SANBAG, and to consult with SANBAG on critical issues relative to the PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable Federal, State and Local laws and regulations pertaining to the PROJECT PHASE, including policies in the applicable program in the Measure I 2010-2040 Strategic Plan, as amended, as of the Effective Date of this Agreement.
2. SANBAG shall have no further responsibilities to provide any funding for PROJECT exceeding \$500,000 in PD/TMS funds and \$3,947,535.00 in MLHP Funds unless prior authorization has been approved by the SANBAG Board of Directors;
3. Eligible PROJECT reimbursements shall include only those costs incurred by METRO for PROJECT-specific work activities that are described in this Agreement and shall not include escalation or interest.
4. Neither SANBAG nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by METRO under or in connection with any work, authority or jurisdiction delegated to METRO under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, METRO shall fully defend, indemnify and save harmless SANBAG, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by METRO under or in connection with any work, authority or jurisdiction delegated to METRO under this Agreement. METRO's indemnification obligation applies to SANBAG's "active" as well as "passive" negligence but does not apply to SANBAG's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.
5. Neither METRO nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by SANBAG under or in connection with any work, authority or jurisdiction delegated to SANBAG under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, SANBAG shall fully defend, indemnify and save harmless METRO, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by SANBAG under or in connection with any work, authority or jurisdiction delegated to SANBAG under this Agreement. SANBAG's indemnification obligation applies to METRO's "active" as well as "passive" negligence but does not apply to METRO's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782.

6. This Agreement will be considered terminated upon reimbursement of eligible costs by SANBAG or June 30, 2017, whichever is sooner, provided that the provisions of Paragraphs 5, 6, 7, 8, and 9 of Section II, and Paragraphs 4 and 5 of Section III, shall survive the termination of this Agreement. The Agreement may also be terminated by SANBAG, in its sole discretion, in the event the PROJECT PHASE work does not progress within twelve (12) months of the Effective Date of this Agreement.
7. SANBAG may terminate this Agreement if METRO fails to perform according to the terms of this Agreement and if this failure jeopardizes the delivery of the PROJECT according to the terms herein.
8. The Recitals to this Agreement are true and correct and are incorporated into this Agreement.
9. This Agreement is effective and shall be dated on the date executed by SANBAG.

In witness whereof, the Parties have executed this Agreement by their authorized signatories below.

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

**LOS ANGELES COUNTY
METROPOLITAN
TRANSPORTATION AUTHORITY**

By: _____
W.E. Jahn,
Chairperson

By: _____
Arthur T. Leahy
Chief Executive Officer

Date: _____

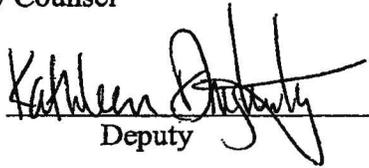
Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

JOHN KRATTLI
County Counsel

By: _____
Eileen Monaghan Teichert
AUTHORITY General Counsel

By:  _____
Deputy

Date: _____

Date: _____

By: _____
Jeffery Hill
Contract Administrator

Date: _____



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 5

Date: August 16, 2013

Subject: State and Federal Fund Equity Distribution Principle

- Recommendation:***
1. Receive overview of State and Federal funds available for projects in San Bernardino County and current SANBAG policies related to the distribution of those funds.
 2. Provide input on policy development to measure proportionality and geographic equity in the distribution of State and Federal funds.

Background: In California, Regional Transportation Planning Agencies and County Transportation Commissions, such as SANBAG, are authorized by State law to allocate certain State and Federal funds for transportation projects within the county. The Measure I 2010-2040 Ordinance specifies that State and Federal transportation funds are to be distributed proportionally among the Valley and Mountain/Desert subareas, and the adopted SANBAG Measure I 2010-2040 Strategic Plan further identifies geographic equity over the life of the Measure as one of the key principles of the Strategic Plan. However, the Strategic Plan does not define how proportionality or geographic equity is to be measured, and while the Expenditure Plan assumed State and Federal funds are available to supplement Measure I funds and even contains policies concerning the use of these funds, there are no adopted policies or procedures in place to monitor whether State and Federal funds are distributed equitably among geographic areas within the region.

*

COG	CTC	X	CTA	X	SAFE		CMA		

Check all that apply.
 MDC1308a-pc
 MDC1308a1-pc

Approved
Mountain/Desert Policy Committee

Date: _____

Moved: _____ Second: _____

In Favor: _____ Opposed: _____ Abstained: _____

Witnessed: _____

The purpose of this agenda item is to provide background on the various State and Federal fund sources apportioned to SANBAG and the current Board-approved allocation policies related to those funds and to solicit input on methods to monitor equitable distribution of these funds over the life of the Measure.

There are three major State and Federal funding sources that are apportioned to SANBAG for allocation decisions according to eligibility and adopted SANBAG allocation policies: Congestion Mitigation and Air Quality (CMAQ) and Surface Transportation Program (STP) funds, which are federal funds, and State Transportation Improvement Program (STIP) funds, which are typically Federal funds administered by the California Transportation Commission (CTC) through a State program. A summary of each fund source and typical funding levels are provided in Attachment A. The SANBAG Board-adopted allocation policies for these funds are described below.

CMAQ Funds Allocation Policy: SANBAG Policy 40001 defines a prioritization for the use of CMAQ funds in the Valley subarea: 1) Board-approved regional programs such as rideshare, freeway service patrol, regional signal synchronization; 2) Transit and rail capital and start-up operating costs; 3) High Occupancy Vehicle facility components of the Measure I Valley Freeway Program. The Mountain/Desert subareas do not have policies developed through the Strategic Plan related to the allocation of State and Federal funds, but in 2003 the SANBAG Board adopted a similar policy for the Mountain/Desert area that would allocate per priority 1 and 2 above with any balance of funds available allocated through a call for projects.

STP Funds Allocation Policy: SANBAG Policy 40001 states that all STP funds apportioned to the Valley subarea will be allocated to the Measure I Valley Freeway Program. Although there is no defined allocation policy in the Mountain/Desert subareas, the funds available for the Victor Valley subarea are considered public share funds and are being used to augment Measure I Major Local Highway Program allocations to projects identified in the Measure I 2010-2040 Ten-Year Delivery Plan. For the Rural Mountain/Desert Subareas, SANBAG has allocated funds through set-asides and priority project allocations, administered calls for projects, and has even exchanged Measure I Valley Major Projects Program funds; however, because of the limited eligibility of Valley Freeway Projects for these rural area funds, to do this again would require careful consideration.

STIP Funds Allocation Policy: Section IV.B.4.b. of the Strategic Plan concerning Financial Analysis of the Valley Freeway Program states that 100% of all State and Federal funds available to the Valley subarea for roadway programs will be allocated to the Valley Freeway Program with the exception of certain

interchanges and railroad grade separation projects. Again, while there is no defined allocation policy in the Mountain/Desert subareas, the funds available for the Victor Valley subarea are considered public share funds and are being used to augment Measure I Major Local Highway Program allocations to projects identified in the Measure I 2010-2040 Ten-Year Delivery Plan. There is nothing in the STIP Guidelines that dictates how funds are to be distributed between areas of a county, but there is a focus on performance measurement and cost effectiveness, both of which must be reported on in the STIP submittals. SANBAG has historically tried to maintain a 75/25 percent split of STIP funds between the Valley and Mountain/Desert subareas, respectively, a split that was reinforced in the Strategic Plan funding assumptions.

Special Funding Opportunities: In addition to the annual apportionments described above, over the past decade special funding opportunities have arisen, such as Proposition 1B and the American Recovery and Reinvestment Act (ARRA), and the SANBAG Board has acted to define distribution policies. While most funds have been distributed within the county based on program eligibility, project readiness, and full funding availability, the Board adopted allocation formulas for the Proposition 1B State Local Partnership Program (SLPP) based on 50% population/50% centerline miles and a local/federal exchange program for ARRA funds that were distributed on a per capita basis.

As far as State and Federal agencies are concerned, SANBAG has flexibility in the distribution of funds within the county. As detailed in Attachment A, the only fund source with distribution limitations is STP, which has distinct urban and rural apportionments. This provides flexibility to SANBAG to determine how to monitor the proportional and equitable distribution of these funds.

Policy Decision #1

The first policy decision that will be the subject of a future recommendation is how to define the proportional and equitable distribution that is referenced in both the Ordinance and the Strategic Plan. The discussions assume that the use of the words “proportional” and “equitable” were intended to be interchangeable in the Ordinance and Strategic Plan. The concept would be for proportionality/equity to be measured from 2010 through 2040, just as equity is being viewed for Measure I funds. Staff has identified the following measures that are typically used in the distribution of transportation funds while remaining consistent with current Board-approved policies:

1A. Legislative Distribution

This option measures distribution of funds between subareas according to how each individual fund source was distributed to each county by the state. As detailed in Attachment A, this is fund-specific and can be based on factors such as

population, severity of air quality problems, and road miles. For example, STP funds would be made available to each subarea based on generally a per capita distribution, CMAQ would be distributed based on a combination of population and air quality factors, and STIP would be distributed based on a combination of population and road miles.

1B. Population-Based Distribution

This option measures distribution of funds based on the population of each subarea. STP distribution would be based on population within the federally defined urban/rural area splits within the county. CMAQ and STIP would be distributed based on population in each subarea.

1C. Centerline Miles Distribution

This option measures distribution of funds based on the amount of centerline road miles on the federal road network within each subarea. STP distribution would be based on road miles within the federally defined urban/rural area splits within the county. CMAQ and STIP would be distributed by road miles within each subarea. In this calculation, the centerline miles for the Interstate in the North Desert and Colorado River subareas were removed from the calculation because improvement to I-15 and I-40 in those subareas were not contemplated in the Measure and this would disproportionately weight the share of State and Federal funds to these subareas.

1D. Hybrid – 50/50 Population and Centerline Miles Distribution

This option measures distribution of funds using a hybrid approach with 50% of the funding based on population in each subarea as described in B above and 50% based on centerline miles in each subarea as described in C above.

1E. Measure-Based Distribution

This option measures distribution of funds based on the distribution of Measure funds to each subarea. STP distribution would be based on Measure distribution within the federally defined urban/rural area splits within the county. CMAQ and STIP would be distributed based on the Measure distribution to each subarea.

Policy Decision #2

The second policy decision that will be the subject of a future recommendation is whether or not to measure distribution on a fund-by-fund basis or on an accumulated basis. For both cases, the concept would be for proportionality/equity to be measured from 2010 through 2040, just as equity is being viewed for Measure I funds.

2A. Fund-by-Fund Distribution

This option would measure distribution of each individual fund source according to the distribution options above to ensure that each individual fund source is distributed equitably between subareas.

2B. Accumulated Distribution

This option would measure the cumulative distribution of funds after each fund source is distributed according to the options above.

Goal of this Exercise

Before discussing which options staff finds most favorable, it is important to clarify the goal of this exercise. The Strategic Plan was developed based on a set of twelve “overarching principles”. The overarching principles are intended to be the foundation of policy decisions with regard to Measure programs. Geographic equity over the life of the Measure is the sixth overarching principle identified in the Strategic Plan. The first five principles are as follows:

1. Deliver all Expenditure Plan projects at the earliest possible date.
2. Seek additional and supplemental funds as needed for completion of all Expenditure Plan projects.
3. Maximize leveraging of State, federal, local, and private dollars.
4. Ensure use of federal funds on otherwise federalized projects.
5. Sequence projects to maximize benefit, minimize impact to the traveling public, and support efficient delivery.

Restrictive policies concerning the allocation of State and Federal funds will definitely ensure geographic equity over the life of the Measure but can run counter to the first five principles that focus on delivering projects efficiently and maximizing funding sources that can augment Measure. It is not reasonable to expect that each subarea would have priority projects ready for delivery at any given time meeting the various eligibility requirements for multiple fund sources. It may not even be reasonable to expect that this could be accomplished on five or ten year intervals. Forcing expenditure of funds on set time constraints can result in lower priority projects moving forward simply because they can be delivered. Therefore, staff does not expect that the information resulting from this exercise would be used at any set interval of time to ensure equity or to dictate allocation decisions. Rather staff expects that this information will be used to inform allocation decisions, to provide each subarea assurance that their share of funds is being monitored, and to provide a means to measure how funds are being distributed over time, with the goal being an equitable distribution of funds by 2040.

Favored Options

Staff currently favors the use of Option 1A and Option 2B in measuring the equity of State and Federal fund distribution, but will be obtaining further input from technical and policy committees.

Option 1A measures distribution of funds between subareas according to how each individual fund source was distributed to each county by the state. Staff favors 1A because this most closely follows the current allocation policies approved by the SANBAG Board. Choosing to move to a maintained miles-based or hybrid-based distribution can alter distributions by 10-20% and could have a significant impact on the deliverability of the Measure programs as contemplated in the Strategic Plan.

Additionally, since each individual fund source has its own eligibility limitations and time constraints, staff favors Option 2B that allows for monitoring fund distribution shares by overall total of all funding sources rather than by each individual fund source. This will provide the Board flexibility to make meaningful allocation decisions that can take funding applicability, performance measures, funding gaps, project and fund management complexity, and project schedules into consideration. For example, nothing would prevent the Board from allocating a certain fund based on strict allocation formulas so that every subarea gets a share, as was done for the SLPP funds, but this would also give the Board flexibility to choose to focus the more cumbersome Federal funds on larger projects and State funds on smaller projects in the rural areas. The development of this policy does not attempt to amend the existing fund allocation policies, but the Board could choose to approve exceptions to the allocation policies if it benefits the delivery of certain projects.

Attachment B includes examples of how each distribution method compares to the actual allocations that have occurred since the beginning of Measure I 2010-2040 assuming that funds are monitored by overall total of all funding sources (Option 2B). The funding sources included in the total of actual allocations are CMAQ, STP, STIP, SLPP, Trade Corridors Improvement Fund, and Corridor Mobility Improvement Account.

Next Steps

After discussion of these considerations with the Transportation Technical Advisory Committee, the City/County Managers Technical Advisory Committee, and SANBAG Policy Committees, staff will return to the General Policy Committee with recommended policy language for the measurement of equitable distribution of State and Federal funds between subareas. Additionally, in accordance with the approved initiatives for Fiscal Year 2013/2014, staff will develop a “dashboard” based on the approved policy that will monitor the

distribution of funds to subareas. This can be used for information when the Board is making allocation decisions and will provide a tool to ultimately ensure an equitable distribution of State and Federal funds over the life of Measure I 2010-2040.

Financial Impact: This item has no impact on the adopted SANBAG Fiscal Year 2013/2014 budget.

Reviewed By: This item was reviewed by the City/County Managers Technical Advisory Committee on August 1, 2013, the Transportation Technical Advisory Committee on August 5, 2013, and the Board Metro Valley Study Session on August 15, 2013.

Responsible Staff: Andrea Zureick, Director of Fund Administration and Programming

ATTACHMENT A State and Federal Fund Overview

CMAQ Funds

General Overview: CMAQ funds are authorized to fund transportation projects or programs located in nonattainment or maintenance areas that contribute to attainment of ambient air quality standards. CMAQ eligibility is conditional upon analyses showing that the project will reduce emissions of criteria pollutants. Activities typically eligible for funding by CMAQ include high occupancy vehicle (HOV) lanes, transit improvements, travel demand management strategies, traffic flow improvements such as signal synchronization, and public fleet conversions to cleaner fuels.

Typical Annual Funding Level: Funds are apportioned to SANBAG based upon a formula that considers population and the severity of ozone and carbon monoxide air quality problems within the nonattainment or maintenance area. SANBAG has historically received about \$29 million per year with \$22M available for the South Coast Air Basin (Valley and Mountains subareas) and \$7 million available for the Mojave Desert Air Basin (remaining Mountain/Desert subareas). However, the funds can be used interchangeably if desired.

Current SANBAG Board-Approved Allocation Policy: SANBAG Policy 40001 defines a prioritization for the use of CMAQ funds in the Valley subarea: 1) Board-approved regional programs such as rideshare, freeway service patrol, regional signal synchronization; 2) Transit and rail capital and start-up operating costs; 3) High Occupancy Vehicle facility components of the Measure I Valley Freeway Program. The Mountain/Desert subareas do not have policies developed through the Strategic Plan related to the allocation of State and Federal funds, but in 2003 the SANBAG Board adopted a similar policy for the Mountain/Desert area that would allocate per priority 1 and 2 above with any balance of funds available allocated through a call for projects.

STP Funds

General Overview: STP provides flexible funding that may be used for projects on any federal-aid highway, bridge projects on any public road, transit capital projects, and public bus terminals and facilities.

Typical Annual Funding Level: Funds are apportioned to SANBAG based upon a formula that considers population for a portion of the apportioned funds and a mixture of population and road miles for the balance. SANBAG has historically received about \$22 million per year with \$1.09 million taken off the top and allocated to the County of San Bernardino as State funds for use on rural roads. About \$20 million is divided among urbanized areas in the County with approximately \$17 million available for the Valley subarea and \$3M available for the Victor Valley subarea. The balance is for areas outside of the urban areas. These distributions represent what SANBAG received under prior transportation acts and will change slightly under MAP-21, but the impact is not yet known. Urban area funds can be used interchangeably between urban areas, but urban area funds cannot be used outside of the urban area and vice versa.

ATTACHMENT A

State and Federal Fund Overview

Current SANBAG Board-Approved Allocation Policy: SANBAG Policy 40001 states that all STP funds apportioned to the Valley subarea will be allocated to the Measure I Valley Freeway Program. Although there is no defined allocation policy in the Mountain/Desert subareas, the funds available for the Victor Valley subarea are considered public share funds and are being used to augment Measure I Major Local Highway Program allocations to projects identified in the Measure I 2010-2040 Ten-Year Delivery Plan. For the Rural Mountain/Desert Subareas, SANBAG has allocated funds through set-asides and priority project allocations, administered calls for projects, and has even exchanged Measure I Valley Major Projects Program funds; however, because of the limited eligibility of Valley Freeway Projects for these rural area funds, to do this again would require careful consideration.

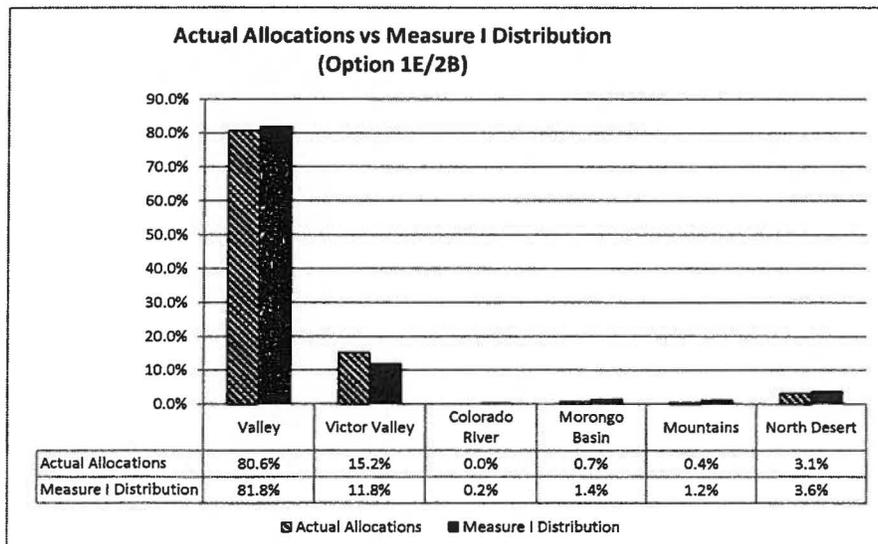
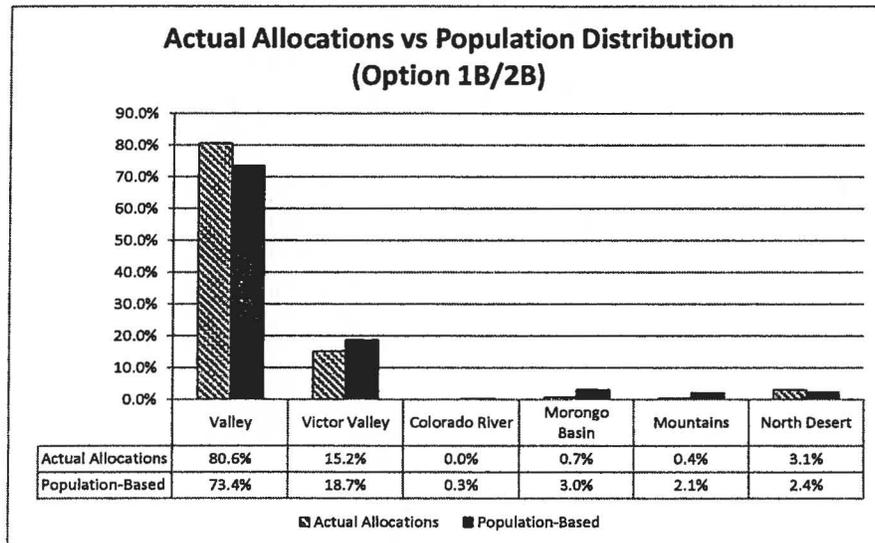
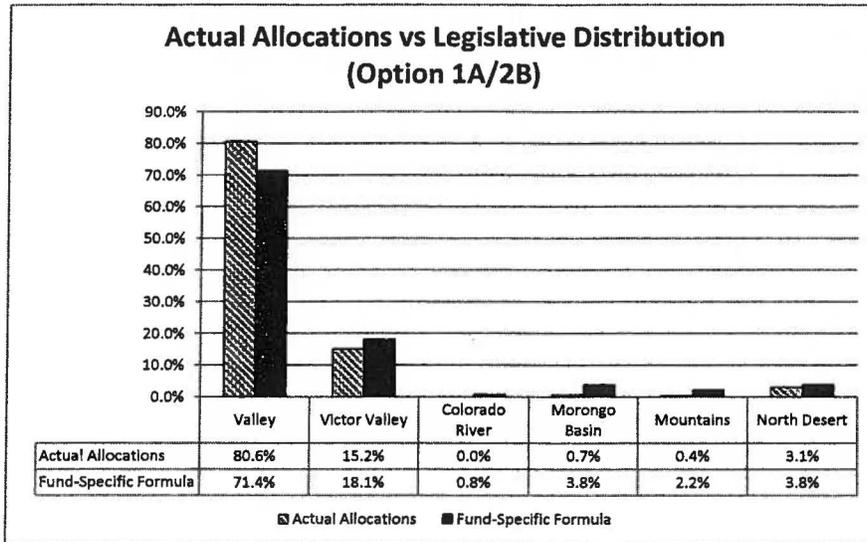
STIP Funds

General Overview: The STIP is a five-year program of transportation projects that is updated every two years that is funded through the State Highway and Federal Trust Fund Accounts. STIP funds provide flexible funding for transportation infrastructure projects on freeways, local roads, and transit systems. The STIP consists of two broad programs: 75% of the funds are apportioned to regional agencies through the Regional Transportation Improvement Program (RTIP or RIP) and 25% is apportioned to Caltrans through the Interregional Transportation Improvement Program (ITIP or IIP). SANBAG is responsible for developing the list of projects for funding through the RIP. These projects nominations are approved for programming by the California Transportation Commission (CTC). The IIP projects are nominated for programming by Caltrans.

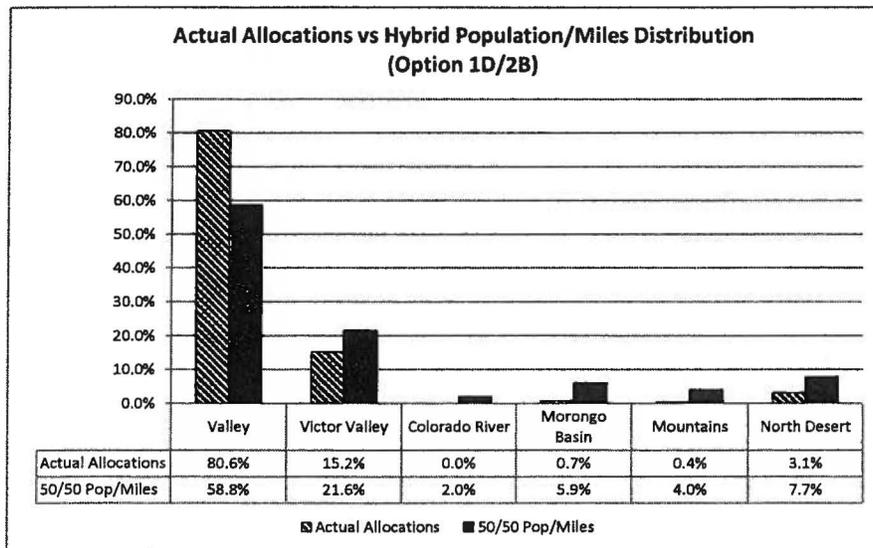
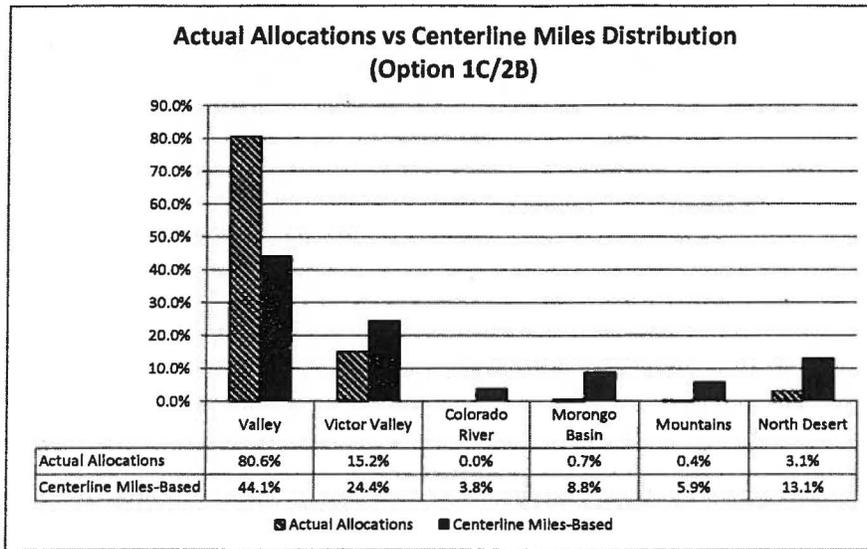
Typical Annual Funding Level: Funds are apportioned to SANBAG based upon a formula of 75% population and 25% road miles. As stated earlier, funding levels have been very volatile. In the upcoming 2014 STIP, SANBAG's share of the estimated \$893 million available for new programming through Fiscal Year 2018/2019 is estimated to be \$44 million. However, as has been the case for the past several STIP cycles, the new programming capacity exists only in the two new years of the STIP period, and the projects currently programmed may be required to be delayed to match funding availability in the first three years.

Current SANBAG Board-Approved Allocation Policy: Section IV.B.4.b. of the Strategic Plan concerning Financial Analysis of the Valley Freeway Program states that 100% of all State and Federal funds available to the Valley subarea for roadway programs will be allocated to the Valley Freeway Program with the exception of certain interchanges and railroad grade separation projects. Again, while there is no defined allocation policy in the Mountain/Desert subareas, the funds available for the Victor Valley subarea are considered public share funds and are being used to augment Measure I Major Local Highway Program allocations to projects identified in the Measure I 2010-2040 Ten-Year Delivery Plan. There is nothing in the STIP Guidelines that dictates how funds are to be distributed between areas of a county, but there is a focus on performance measurement and cost effectiveness, both of which must be reported on in the STIP submittals. SANBAG has historically tried to maintain a 75/25 percent split of STIP funds between the Valley and Mountain/Desert subareas, respectively, a split that was reinforced in the Strategic Plan.

Attachment B - Actual Allocations vs Distribution Methodologies (Fiscal Years 2010/2011 - 2012/2013)



Attachment B - Actual Allocations vs Distribution Methodologies (Fiscal Years 2010/2011 - 2012/2013)





- San Bernardino County Transportation Commission
- San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency
- Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 6

Date: August 16, 2013

Subject: Desert Consolidation Study of Victor Valley Transit Authority, Barstow Area Transit, and Needles Area Transit

- Recommendation:*** That the Committee recommend the Board:
1. Receive and accept the final Desert Consolidation Study completed by AECOM on July 25, 2013; and
 2. Direct staff to assist the Cities of Barstow, Adelanto, Hesperia, Victorville, the Town of Apple Valley, the County of San Bernardino, and Victor Valley Transit Authority in efforts to consolidate transit service, creating a new transit agency in the desert.

Background: In May of 2012, San Bernardino Associated Governments (SANBAG), commissioned a study, with AECOM, to look at consolidating transit services in the desert, managed by the City of Barstow, City of Needles, and Victory Valley Transit Authority (VVTA).

AECOM completed a series of interviews with VVTA, Cities of Barstow and Needles to determine the needs of each of the agencies. Additionally, AECOM reviewed each or their respective service networks, budgets, and transit expenditures to determine how consolidation would affect each agency and their

*

	<p><i>Approved</i> Mountain/Desert Policy Committee</p> <p>Date: _____</p> <p>Moved: _____ Second: _____</p> <p>In Favor: _____ Opposed: _____ Abstained: _____</p> <p>Witnessed: _____</p>
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COG		CTC	X	CTA		SAFE		CMA	
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Check all that apply.

MDC1308a-ns

Attachments: <http://portal.sanbag.ca.gov/mgmt/committee/commuter/crtc2013/crtc1308/AgendaItems/mdc1308a1-ns.pdf>

current transit service levels. Attachment A is the final report for the Desert Consolidation Study which was completed on July 25, 2013.

The study considered four alternatives:

1. **Maintain Current Operations** – This represents the current operations and was evaluated to form a baseline for comparing the other alternatives.
2. **Complete Merger** – A new/modified joint powers agreement alternative represents the most extreme change where a new transit authority comprised of the current VVTA member agencies and the Cities of Barstow and/or Needles would merge their respective transit services.
3. **Contract Management** – VVTA would become the managing agent for transit services in Barstow and/or Needles, which would still allow for local ownership of each system.
4. **Limited Contract Management** – The partial transfer of responsibility/coordination alternatives with Barstow and Needles retaining local control and management of each system while coordinating with VVTA for certain functions such as budgeting, grant management, performance reporting, purchasing, and capital development.

These alternatives allow for a wide spectrum of options for each of the transit operators, including options of maintaining their current status. After evaluating and analyzing the data, two recommendations were developed.

The first recommendation is for the City of Needles to enter into a partial transfer of responsibility and/or coordination with VVTA in areas which include capital program development, route planning and grant management in order to utilize VVTA resources. However, this may not reduce costs as the City of Needles currently provides a cost effective operation which includes Needles Area Transit, Dial-A-Ride and Medical Dial-A-Ride services. This recommendation would not meet any of the City's short or long range goals, primarily being to connect the City of Needles to other parts of the County, as additional funding for these services is unavailable.

The second recommendation was for the Barstow Area Transit (BAT), managed by the City of Barstow, and VVTA to consolidate to form a single new transit authority serving the Victor Valley, Barstow, and unincorporated areas. This would require the member agencies of VVTA and BAT to enter into a new Joint Powers Agreement. The current VVTA member agencies include the Cities of Victorville, Hesperia, Adelanto, the Town of Apple Valley, and the First

Supervisory District of the County. The new agency would add representatives from the City of Barstow and the Third Supervisory District of the County.

The study showed that consolidating these two agencies would provide savings due to lower administrative and operating costs. These cost savings could be used to support an enhanced Barstow-Victorville Link (B-V Link) service, the National Training Center at Fort Irwin (NTC) service, and improved service on routes throughout the VVTA and BAT service regions and adjoining areas. Currently the B-V Link and NTC services are funded through VVTA using mostly federal funds programmed by SANBAG. In addition, cost savings to operate BAT's Americans with Disabilities Act (ADA) service could be realized by combining operating costs of both agencies.

In terms of administrative costs, which are entirely funded by LTF, there would be a significant savings. With the addition of five full-time employees, as recommended in the recently completed VVTA Comprehensive Operational Analysis and bolstered by the VVTA Triennial Transportation Development Act Audit, VVTA can manage the operations of their existing service levels and those of BAT's at no additional expense. Thus providing an estimated savings of \$2,213,879 over the next five years. It is important to note that each County District currently contributes to their retrospective transit agency; First District to VVTA and Third District to BAT. With consolidation, funds from both Districts would be directed to the new transit agency with any remaining LTF funds "returning to source" for street and road improvements per the Transportation Development Act.

On July 31, 2013, representatives of SANBAG, VVTA, Needles, San Bernardino County and Barstow met to discuss the study, stakeholder concerns, and next steps. City of Needles staff indicated that due to the small size of their operation and remoteness of their service area, as compared to the Barstow and VVTA areas, their transit operation would not benefit from either recommendation, but will take them under advisement.

Staff representing each of the member agencies within VVTA and BAT were in concurrence to move forward with consolidation. These stakeholders requested SANBAG staff develop informational data to inform their respective board and councils, facilitate the process to achieve the consolidation, and present this study to each city council and the VVTA board.

At this time SANBAG staff requests the Committee recommend the Board receive and accept the Desert Consolidation Study completed by AECOM, dated July 25, 2013 and direct staff to assist the Cities of Barstow, Adelanto, Hesperia, Victorville, the Town of Apple Valley, the County of San Bernardino First and

Third Districts, and Victor Valley Transit Authority (VVTA) in their efforts to consolidate transit service, creating a new transit agency serving the desert region.

Financial Impact: This item is consistent with the SANBAG Fiscal Year 2013/2014 Budget, Task No. 0309.

Reviewed By: This item was also scheduled for review by the Commuter Rail and Transit Committee on August 15, 2013.

Responsible Staff: Mitch Alderman, Director of Transit and Rail Programs

ATTACHMENT A

AECOM Transportation

Study
Final Report

July 25, 2013

Submitted to
San Bernardino Associated Governments

Submitted By
AECOM Technical Service, Inc

Desert Consolidation Study

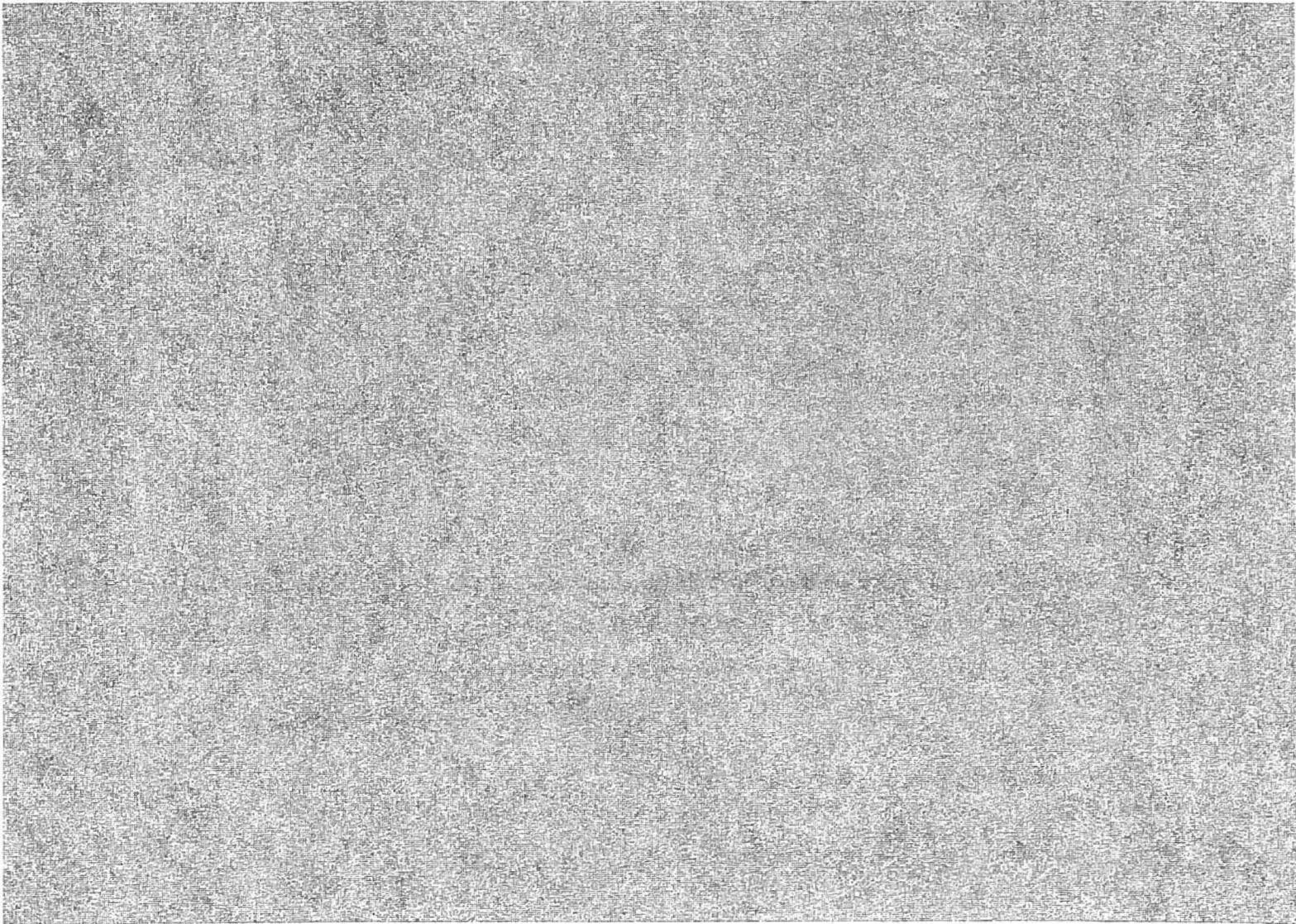


Table of Contents

Chapter 1: Introduction 1-1

1.1 Transit Service Description 1-1

1.1.1 Victor Valley Transit Authority 1-1

1.1.2 City of Barstow 1-3

1.1.3 City of Needles 1-4

1.1.4 Goals and Objectives for Consolidation 1-5

1.1.5 San Bernardino County/SANBAG 1-6

1.1.6 City of Barstow 1-6

1.1.7 City of Needles 1-7

1.1.8 Victor Valley Transit Authority 1-8

1.1.9 Overall 1-8

Chapter 2: Definition of Consolidation Alternatives and Analysis 2-1

2.1 Definition of Consolidation Alternatives 2-1

2.1.1 Alternative 1 - Maintain Current Operations (Baseline) 2-1

2.1.2 Alternative 2 – Complete VVTA/Barstow/Needles Merger 2-1

2.1.3 Alternative 3 – Contract Management 2-2

2.1.4 Alternative 4 – Limited Contract Management 2-2

2.2 Criteria for Analysis 2-2

2.2.1 Impact to VVTA 2-3

2.2.2 Impact to Goals and Objectives 2-3

2.2.3 Impact to Administration 2-3

2.3 Analysis of Each Alternative 2-3

2.3.1 Alternative 1 - Maintain Current Operations 2-3

2.3.2 Alternative 2 – Complete VVTA/Barstow/Needles Merger 2-4

2.3.3 Alternative 3 - Contract Management 2-10

2.3.4 Alternative 4 – Limited Contract Management 2-13

2.4 Recommendation 2-14

2.4.1 Barstow 2-15

2.4.2 Needles 2-15

2.4.3 Victor Valley Transit Authority 2-16

2.4.4 Overall 2-16

Chapter 3: Implementation 3-1

3.1 Consolidation of VVTA and Barstow 3-1

3.2 Needles: Limited Contract Management 3-2

Chapter 4: Operations 4-1

List of Tables

Table 1-1: VVTA Expenditures for Fiscal Year 2013 1-2

Table 1-2: Barstow Transit Expenditures for FY 2013 1-4

Table 1-3: Needles Transit Expenditures for FY 2013 1-5

Table 2-1: Administrative Cost Impacts of Consolidation 2-9

Chapter 1: Introduction

In 2012, SANBAG and San Bernardino County commissioned this analysis of consolidating transit programs operated by the cities of Barstow and Needles with Victor Valley Transit Authority (VVTA). The defining purpose of the analysis is to reduce administrative costs of the multiple transit programs and improve transit service in the desert which will allow the cities of Barstow and Needles to focus on other funding needs. For VVTA, the consolidation of Barstow and Needles transit services into its program would represent a significant service and operational expansion and would require changing the Joint Powers Agreement of VVTA. All entities involved in the analysis are concerned that consolidation might affect VVTA's local subsidy and negatively impact current services of their respective cities and surrounding unincorporated areas. This analysis looks separately at Barstow and Needles to determine the best consolidation alternative for each city. Chapter 1 provides an overview of each transit service and a description of what each jurisdiction would like to see from consolidation.

1.1 Transit Service Description

The descriptions for each system provide an overview of the services provided, governance of transit operations, and current budgets.

1.1.1 Victor Valley Transit Authority

VVTA is governed by a Joint Powers Agreement (JPA) between San Bernardino County and the Town of Apple Valley, and the cities of Adelanto, Hesperia, and Victorville. VVTA is governed by a five-member board of directors made up of an elected official from each member of the JPA. Technical oversight is achieved through a Technical Advisory Committee comprised of staff from each of the JPA members.

VVTA provides three types of fixed route services: county routes, local routes and deviated routes. The local fixed and deviated routes provide service in the urban areas with local routes operating connecting the communities and deviated providing circulation within each community. VVTA provides three county routes that are longer distance routes serving unincorporated areas. The Barstow-Victorville Line (B-V Link) provides service between Barstow and Victor Valley. This service has recently been extended to the San Bernardino Valley and operates three days per week; Monday, Wednesday, and Thursday. In 2012 VVTA started two new services: the NTC Commuter service to Fort Irwin and a Vanpool program.

Direct Access is VVTA's ADA curb-to-curb demand response paratransit service. Direct Access users must make a reservation at least one day in advance to utilize the service. Currently,

Direct Access service area boundaries are not defined. Customers must be ADA certified in order to use the service. To become certified for Direct Access service, prospective paratransit users must complete an application and provide verification of their impairment from a healthcare provider to VVTA. Those eligible for Direct Access service may have a physical health, mental health, or mobility issue that precludes them from using regular fixed route service. Some customers may be able to use Direct Access on temporary or conditional basis depending on the nature of the disability but are required to use fixed route service at other times.

In 2011, VVTA operated 120,000 total revenue service hours on weekdays and 15,000 revenue hours on Saturdays. VVTA currently does not provide Sunday service. Fixed and deviated routes, including County routes, accounted for approximately three-quarters of the revenue hours provided with Direct Access service accounted for the other quarter. In 2011, VVTA operated 2.2 million revenue miles and spent a total of approximately \$8.5 million on operations: \$7.5 million on fixed and deviated routes and \$1.0 million on Direct Access service. Direct Access accounted for approximately 13% of operating expenditures. In 2011, VVTA generated \$1.7 million in passenger fare revenues. Table 1-1 presents VVTA's expenditures for FY 2013. The table shows that administration costs represents 9.25% of the budget.

Table 1-1: VVTA Expenditures for Fiscal Year 2013

System	Amount	Percent
Fixed Route	\$5,163,619	42.22%
Complementary Paratransit	\$2,969,202	24.28%
Community Routes	\$955,718	7.81%
B-V Link	\$105,042	0.86%
SB Vly Lifeline	\$362,000	2.96%
NTC Ft. Irwin Commuter	\$497,853	4.07%
Van Pools	\$896,750	7.33%
VVTA Yard/Facilities	\$148,924	1.22%
VVTA Administration	\$1,131,969	9.25%
TOTAL:	\$12,231,077	-
Less Operating Capital	\$1,135,404	-
TOTAL:	\$11,095,673	-

Source: VVTA FY 2013 Budget

VVTA has 9.5 Full Time Equivalent (FTE) employees for administration of the organization. Prior the addition of the Mobility Manager Position in Fiscal Year 2013, the staffing level at VVTA has only increased by 2.5 positions in the last 12 years, which lags behind the rate of growth of the VVTA system as in comparison to the COA's determination of a lag behind the system's staffing needs even before considering consolidation. The COA recommends adding an additional five FTEs. The staffing need in the COA does not assume consolidation with Barstow and/or Needles.

1.1.2 City of Barstow

Barstow Area Transit (BAT) is the public transportation service within the Barstow area. There are three fixed routes that serve the cities of Barstow, Lenwood, and Grandview. Two rural county dial-a-ride services are operated by BAT, with the east route serving the cities of Yermo, Daggett, Newberry Springs, and surrounding areas; and the west route serving the City of Hinkley and surrounding areas. ADA dial-a-ride service is also provided BAT. MV Transportation is the contractor for the City of Barstow transit service. The City of Barstow also oversees volunteer driver programs in Trona and the Big River areas.

BAT provided 174,002 rides on the fixed route services and 26,800 dial-a-ride rides in FY11. The volunteer driver programs in Trona and Big River carried 643 and 683 people respectively. Overall, the transit program carried 201,202 passengers in FY11. This represented a 23% decline in passengers over the previous year. Stakeholders have mentioned that ridership has since increased after returning county services to a dial-a-ride versus flex route system.

The City of Barstow employs a Transit Manager to oversee BAT operations. Transit issues occupy 100% of this employee's time. Besides the one municipal employee, some transit costs are allocated to other departments for administrative functions such as payment of contracts and other administrative duties.

The City of Barstow's transit program, including operations in Trona and Big River areas, is projected to cost a total of \$2,512,778 for FY13. Of that amount, approximately 7.25% is expected to be funded by fares. Local Transportation Funds (LTF) is expected to fund 66.14% of the operating costs. Other operating sources that represent approximately 27% of the operating budget per source include Measure I (10.59%) and FTA Section 5311 (15.95%).

Administration costs for Barstow represents 12.84% of the total BAT budget with the remaining 87.16% going towards operations and maintenance as shown on Table 1-2. The Barstow capital program consists of the purchase of two CNG vehicles for BAT, and two minivans for Trona, and two minivans for Big River. The capital purchases are funded primarily through PTMISEA.

Table 1-2: Barstow Transit Expenditures for FY 2013

Item	Category	BAT Fixed Route	BAT Dial-A-Ride	Big River	Trona	Total
Salary & Benefits	Admin	\$71,036	\$31,617	\$22,028	\$22,028	\$146,709
Travel	Admin	\$3,460	\$1,540	\$1,200	\$1,200	\$7,400
Dues Memberships	Admin	\$415	\$185			\$600
Supplies	Admin	\$1,592	\$708	\$100	\$100	\$2,500
Ads	Admin	\$3,114	\$1,386			\$4,500
Tech Supplies	Admin	\$0	\$0	\$200	\$200	\$400
Communications	Admin	\$692	\$308	\$1,500	\$1,500	\$4,000
Vehicle Fuel	O&M	\$0	\$0			\$0
Vehicle Maint	O&M	\$0	\$0			\$0
Contract Fuel	O&M	\$85,108	\$289,815	\$15,000	\$15,000	\$404,923
Repairs	O&M	\$1,730	\$770	\$11,774	\$11,774	\$26,048
Fees	Admin	\$221	\$99			\$320
Contract Services	O&M	\$1,208,366	\$537,828			\$1,746,194
Workmans Comp	O&M			\$6,500	\$6,500	\$13,000
Liability Insurance	Admin	\$4,397	\$1,957	\$9,000	\$9,000	\$24,354
Transtrack	Admin	\$8,304	\$3,696			\$12,000
IT Cost Allocation	Admin	\$2,513	\$1,119			\$3,632
Interest Expense	Admin	\$1,730	\$770			\$2,500
Indirect Cost	Admin	\$64,309	\$28,623	\$10,689	\$10,077	\$113,698
TOTAL		\$1,456,987	\$900,421	\$77,991	\$77,379	\$2,512,778
Percent O&M						87.16%
Percent Administration ¹						12.84%

Source: Barstow Area Transit FY 2013 Budget

1.1.3 City of Needles

Needles Area Transit (NAT) is the public transit service within the City of Needles. Service operates along one deviated fixed route that traverses the city. Besides the deviated fixed route service, transit service in Needles includes a dial-a-ride program and medical transportation service that takes area residents to Bullhead City, Arizona for medical appointments, both services operated by the Needles Senior Citizens Club. McDonald Transit Associates, Inc., a private contractor, operates the NAT service. NAT carried 30,397 passengers in FY11 with an additional 4,185 people using either the dial-a-ride or medical services.

Staffing for NAT is provided by the contractor, McDonald Transit. The City of Needles' Transit Services Manager/Secretary to the City Manager provides contract and administrative oversight of the transit operations. These duties require less than 10% of their total paid hours. The only other staff commitment to transit service is a ride coordinator/dispatcher, employed by the city at the Senior Center, who coordinates the dial-a-ride and medical transportation programs.

¹ This does not include the contractors administration costs that are charged to the City within the operations contract

The FY13 budget for the City of Needles projects transit costs to be a total of \$399,942. This includes the costs for NAT, the dial-a-ride program, and the Medical Transport program. Of the \$399,942, approximately \$30,750, or 7.7% would be classified as administrative expenses that support staff time dedicated to transit, advertising of transit services, and administrative tools to support the transit program. Operations and maintenance costs for transit services total approximately \$286,500, or 71.6% with the remaining costs for non-vehicle maintenance. Table 1-3 provides an overview of expenditures for FY 2013.

Table 1-3: Needles Transit Expenditures for FY 2013

Item	Category	Dial-A-Ride Medical	Dial-A-Ride	Dial-A-Ride Total	NAT	Total
Internet Access	Administration	\$300	\$600	\$900	\$0	\$900
Advertising	Administration	\$0	\$250	\$250	\$500	\$750
Administration	Administration	\$2,789	\$6,300	\$9,089	\$7,600	\$16,689
Travel per Diem	Administration	\$100	\$0	\$100	\$125	\$225
Dues and Memberships	Administration	\$0	\$0	\$0	\$200	\$200
Computer/Software	Administration	\$0	\$0	\$0	\$12,000	\$12,000
Vehicles	Capital	\$0	\$0	\$0	\$0	\$0
Capital Expenditures	Capital	\$0	\$0	\$0	\$0	\$0
Buildings	Non-veh. Maint.	\$0	\$0	\$0	\$82,608	\$82,608
Salaries and Wages	Operations	\$2,900	\$8,500	\$11,400	\$0	\$11,400
FICA/Social Security	Operations	\$225	\$650	\$875	\$0	\$875
State Disability	Operations	\$35	\$100	\$135	\$0	\$135
Workers Compensation	Operations	\$300	\$350	\$650	\$0	\$650
Retirement	Operations	\$0	\$535	\$535	\$0	\$535
Medical Exams	Operations	\$100	\$100	\$200	\$0	\$200
Vehicle Insurance	Operations	\$225	\$325	\$550	\$0	\$550
Vehicle Fuel	Operations	\$2,425	\$4,850	\$7,275	\$25,700	\$32,975
Purchased Transportation	Operations	\$0	\$0	\$0	\$237,300	\$237,300
Vehicle Maintenance	Maintenance	\$750	\$1,200	\$1,950	\$0	\$1,950
Total		\$10,149	\$23,760	\$33,909	\$366,033	\$399,942
Percent O&M						71.65%
Percent Administration ²						7.69%
Percent Non-veh						20.65%

Source: Needles Area Transit FY 2013 Budget

1.1.4 Goals and Objectives for Consolidation

To determine the goals and objectives of consolidation and to identify issues and concerns regarding consolidation, the study team held stakeholder meetings in person and via telephone with staff from the City of Barstow, the City of Needles, Victor Valley Transit Authority, San

² This does not include the contractors administration costs that are charged to the City within the operations contract

Bernardino County, and San Bernardino Associated Governments (SANBAG). Stakeholders were asked what benefits they would like to see from consolidation, their impressions of how VVTA can improve transit service in the areas of Barstow and Needles, and what concerns they might have. The information below provides an overview of what the concerns and goals are for each stakeholder and what issues have currently been identified.

1.1.5 San Bernardino County/SANBAG

Representatives of San Bernardino County departments, as well as SANBAG, stated their goal for consolidation is to lower administrative costs for transit services within the county, while also improving service in Barstow and Needles.

1.1.6 City of Barstow

City staff mentioned that the City of Barstow Council has concerns about consolidation, and the additional efforts needed to be made to present the benefits of consolidation for Barstow. The Council's concerns include; the process to close out the current contractor's contract, effects to level of service, and City staffing needs.

Staff stated that existing service levels would need to be met or exceeded for consolidation to make sense for Barstow. Staff also expressed concern regarding the loss of control of transit services in Barstow, community acceptance of another operator providing local transit services, and the feeling that the county is forcing this consolidation upon Barstow. Barstow is concerned about how they would be represented and provide input to the joint transit system.

Barstow stakeholders acknowledge that VVTA, as a transit agency, is in a better position to manage transit operations than the City of Barstow; however, there is a belief that VVTA has a higher overhead. **VVTA spends 9.25% of their budget on administration versus 12.84% spent by Barstow.** One City Council member mentioned that the Barstow City Council would like to see a decrease in administrative costs while maintaining current service for consolidation. Another concern is whether a consolidated system could expand service to meet additional transit needs in the future.

The City's Transit Manager handles most of the activities associated with the BAT program including: contract and service oversight, customer comments/complaints/requests, public information, accounts payable and receivable, reports to the City Council, budgeting, and management of transit data. The contractor operates the service and provides the manager with regular reports. Other departments within the city are responsible for invoicing and insurances requirements. The administrative costs for these activities are allocated by each

department to transit. The City is concerned about ensuring that the current transit manager is retained as part of consolidation.

Barstow has a number of concerns regarding the transit service operations. Barstow operates Sunday service while VVTA does not³. Barstow operates a number of community oriented services for key events throughout the city. Concerns were raised by staff about these services being eliminated if BAT were to be consolidated with VVTA. It was noted that these services could be maintained assuming they do not break charter bus rules if funding is available. Trona and Big River volunteer drivers are managed by the City of Barstow, thus there are concerns about how these areas will be served under a consolidated system.

Barstow stakeholders have questioned where the current fleet that serves Barstow would be housed and maintained under a consolidated system. The current BAT facility is leased and would need upgrades if used. The CNG station in Barstow is on the opposite side of town from the current storage and maintenance base. There is concern regarding the loss of city revenue if transit services do not use the Barstow CNG station. Analysis regarding the costs and benefits of using the current maintenance facility, building a new Barstow facility, or housing all Barstow vehicles in Hesperia will need to be completed to determine the ideal location for the Barstow fleet.

1.1.7 City of Needles

The City of Needles staff is concerned about the benefit of transit consolidation to Needles. Staff agreed that VVTA would be able to offer Needles an experienced transit oversight structure and the ability for transit service in Needles to meet some of the needs identified by the City. However, NAT is already a very cost effective, low cost, low overhead transit system. Oversight of the transit system requires less than 10% of one city employee's time in a given year. During the stakeholder process, Needles identified their major transit needs as intercity service and regional service.

The intercity transit needs for Needles include bus service to Barstow, Victor Valley, and San Bernardino. There is also a need for medical trips to other parts of San Bernardino County, primarily Arrowhead Regional Medical Center in Colton. Even though there are closer hospitals in Arizona and Nevada, state insurance is an issue, thus the need to provide service to the County facility in Colton. The other service demand is to the court system in the City of San Bernardino. With closure of the Needles and Barstow courts by the County, transportation to

³ Sunday service is proposed in VVTA's current COA with implementation of Sunday service expected in September 2013

other court facilities are very important. Due to Needles' isolation, intercity service is extremely important for people who do not have a reliable car since Greyhound Coach Lines no longer serves the area and Amtrak, the passenger train, comes through during overnight hours. Staff from the City mentioned that Metrolink service to Los Angeles would address many of these issues. Needles stakeholders believe that consolidating with VVTA could be a method for getting intercity service, or at very least it is a prerequisite for consolidation.

Other more regional locations identified for connecting service include Las Vegas, Laughlin, Bullhead City, and Lake Havasu City. Needles is the central location for these regional cities and people travel between Needles and these other regional cities for employment and other needs. Improvements in travel between these cities may prevent younger people from leaving the area as they will have transit access to jobs. The local population also needs transportation to the local casinos in Nevada. This transportation need would not be addressed by consolidating with VVTA.

1.1.8 Victor Valley Transit Authority

VVTA staff and the non-county VVTA joint powers members also discussed consolidation through the COA stakeholder process. The general consensus was that there may be some merit in consolidating with Barstow due to the proximity and demand for transit service between the two service areas. Needles, on the other hand, is geographically isolated and located approximately 175 miles away from the VVTA service area with little to no demand for transit service between service areas. Current VVTA JPA members do not want to subsidize service in Barstow and Needles, and do not want to realize an increase in administrative costs applied to their jurisdiction due to consolidation.

1.1.9 Overall

A number of overall concerns regarding consolidation were identified by multiple stakeholders. Of major concern by all stakeholders is the perception of the additional administrative staff levels required at VVTA to accommodate consolidation. The services provided by VVTA have grown while the administrative staffing levels have not kept pace with growth with the level of service provided so VVTA does require more staff before considering consolidation. Administrative staffing needs would not likely increase due to consolidation. Any changes to the VVTA JPA to include Barstow and/or Needles in the system would also require a one-time cost to rebrand a new agency name that will incorporate the operations in all areas. Both Barstow and Needles mentioned that they are concerned about the loss of local control of the system, with major decisions regarding services being made in Hesperia and subject to the approval of other jurisdictions.

Chapter 2: Definition of Consolidation Alternatives and Analysis

This chapter provides a definition of consolidation alternatives for Victor Valley, Barstow, and Needles; a description of the analysis methodology; and the analysis of each alternative for each city. The alternatives include one baseline (no-change) alternative and three alternatives that introduce varying levels of consolidation and coordination. The alternatives were evaluated separately for Barstow and Needles to determine which alternative is the best alternative for each city. Each alternative was also evaluated for Victor Valley Transit Authority (VVTA) to determine the impacts on VVTA.

2.1 Definition of Consolidation Alternatives

Four consolidation alternatives were defined for this project:

1. **Maintain Current Operations** - Represents the current operations and was evaluated to form a baseline for comparing the other alternatives.
2. **Complete VVTA/Barstow/Needles Merger** -A new/modified joint powers agreement alternative represents the most extreme change where VVTA would merge with Barstow and/or Needles.
3. **Contract Management** - VVTA would provide contract management that would allow for local ownership of the system; however, VVTA would be the managing agent for transit services in Barstow and/or Needles.
4. **Limited Contract Management** - The partial transfer of responsibility/coordination alternatives has Barstow and Needles retaining local control and management of the system while coordinating with VVTA for certain functions such as budgeting, grant management, performance reporting, purchasing, or capital development.

2.1.1 Alternative 1 - Maintain Current Operations (Baseline)

This alternative represents the status quo. Under this alternative the municipal operations remain a municipal function for each community. VVTA would not be involved in managing services in Barstow or Needles. This alternative only serves as the baseline for determining the impacts of consolidation and coordination as compared to alternatives 2, 3, and 4.

2.1.2 Alternative 2 – Complete VVTA/Barstow/Needles Merger

This alternative would be the development of a new Joint Powers Agreement (JPA) combining the current five VVTA JPA members, the City of Barstow, and the City of Needles. This would create a new Board of Directors comprised of the Cities of Adelanto, Barstow, Hesperia, Needles, Victorville, the Town of Apple Valley, and San Bernardino County. Staff from cities and

the county supervisor would participate in the Technical Advisory Committee (TAC), the working group that provides input and expertise to the new agency staff in developing projects, budgets, procedures, and policies that are then recommended to the Board of Directors.

2.1.3 Alternative 3 – Contract Management

Under this alternative, VVTA becomes the transit contract manager for the municipal bus systems. Each city would retain its distinct transit system identity and control over policies. VVTA would provide day to day oversight of the contractor and operations, operating as the transit manager. VVTA would be responsible for reporting to the city councils in Barstow and/or Needles. VVTA would provide customer service and public information for each system. This would effectively remove the need for each city to provide day to day management of transit services and the contractor as well as any administrative support functions.

2.1.4 Alternative 4 – Limited Contract Management

This alternative improves coordination by allowing transit services within each city to maintain its own identity and management of transit services, with VVTA coordinating functions such as purchasing, program management, planning, data management, ADA qualification, and dial-a-ride dispatching. This allows for the municipal systems to take advantage of the VVTA infrastructure to support the local transit operation while maintaining transit management and oversight within the city functions. This also allows for the municipal systems to take advantage of planning and capital capabilities that can be provided by VVTA.

2.2 Criteria for Analysis

Each alternative was analyzed separately for both Barstow and Needles. Three criterion were used to evaluate each alternative:

- The first criterion was the impact to VVTA and their roles and responsibilities.
- The second was the ability for the alternative to meet the goals of each of the major stakeholders which are City of Barstow, City of Needles and VVTA.
- The final criterion is the impact to the administration of VVTA and transit administration at the individual cities.

Operating cost is not a criteria because operating costs for each area are dependent more on local conditions than consolidation, thus the major savings would be in administrative functions and capital development, whose impacts will be analyzed. Operating and capital funds would retain their “return to source” status. This would prevent one area from using the funds from another area, except for administration. Details of each criterion are presented below.

2.2.1 Impact to VVTA

Consolidation focuses on modifying VVTA to either be the overall transit provider or provide service for some transit functions for Barstow and Needles. This includes impacts to VVTA's operations, maintenance, and administrative functions and the ability of VVTA to support operations in Victor Valley as well as Barstow and/or Needles.

2.2.2 Impact to Goals and Objectives

The impact to goals and objectives will look at the ability of each alternative to meet the goals and objectives set by stakeholders. This criterion evaluates the impacts of each alternative against the goals and objectives presented previously to determine how well the alternative meets the goals and objectives of stakeholders. This analysis includes looking at the goals and objectives of the Cities of Barstow and Needles as well as goals and objectives of San Bernardino County, SANBAG, and VVTA.

2.2.3 Impact to Administration

Administration of transit service is the key area where consolidation would most likely yield monetary savings. This criterion looks at each of the alternatives to determine the impact on administrative costs and staffing for VVTA, the City of Barstow, and the City of Needles. This also looks at the ability of VVTA administration to handle the additional administrative functions from Barstow and Needles or if additional administrative employees will be necessary.

2.3 Analysis of Each Alternative

This section provides an analysis of each of the alternatives for consolidation. Using the criteria listed above, each alternative is analyzed to determine the impact to each city as well as VVTA. Recommendations for the preferred alternatives for each city are presented in this section.

2.3.1 Alternative 1 - Maintain Current Operations

This alternative represents the status quo and is included so that the other three options have a benchmark for comparison. Under this alternative the municipal operations remain a municipal function. VVTA would not be involved in managing services in Barstow or Needles. This alternative serves as the baseline for determining the impacts of consolidation and coordination.

Under the baseline scenario, Barstow Area Transit will remain a service of the City of Barstow and will continue to manage programs in Trona and Big River. Oversight and contract

management responsibilities will remain with the City, and the City would maintain a full-time transit manager. Barstow would maintain budgeting and reporting duties for BAT.

Like Barstow, the baseline scenario for Needles maintains Needles Area Transit as a service provided by the City of Needles. The City would have 10% of a full-time employee to provide oversight to the contractor and transit operations. Needles would maintain responsibility for budgeting and reporting duties for NAT.

The baseline alternative would have no impact on VVTA. As a separate organization within the high desert that would address transit services within Victor Valley as well as commuter/lifeline services between Victor Valley and neighboring areas which includes vanpool and mobility management.

2.3.2 Alternative 2 – Complete VVTA/Barstow/Needles Merger

This alternative would be the development of a new Joint Powers Agreement (JPA) combining the five VVTA member agencies, the City of Barstow, and the City of Needles. This would create a new Board of Directors comprised the cities of Hesperia, Barstow, Victorville, Needles, Adelanto, the Town of Apple Valley, and one county supervisor. Staff from cities and the county supervisor would participate in the Technical Advisory Committee (TAC), the working group that provides input and expertise to the new agency staff in developing projects, budgets, procedures, and policies that are then recommended to the Board of Directors.

Impact to Barstow

The first and largest impact to Barstow is that the city would no longer provide transit service. Transit service would be provided by an area wide transit agency. Local Transportation Funds (LTF) associated with Barstow Area Transit (BAT) would be directed to the larger transit agency; however, Barstow area LTF would only be used for transit services in the Barstow area thus keeping with “return to source” funding similar and used by SANBAG on Measure I. With the new seven member JPA agency serving Victor Valley, Barstow, Needles, and county areas, the administrative costs would be divided seven ways requiring each member contributing 14.29% of the total administrative costs. However, due to the smaller size of the Needles and Barstow operations, their respective administrative share should be decrease as compared to the large cities and county. There would be a one-time cost of re-branding all Barstow Area Transit services under the consolidated transit agency name.

Barstow would realize an overall reduction in administrative costs related to public transportation under the transit agency and could further reduce costs if the current Barstow transit manger position was eliminated. Transit oversight and reporting would be done by the

new transit agency Board of Directors. A staff representative from Barstow would be a part of the transit agency technical advisory committee (TAC) that provides staff level representation from the City of Barstow and guidance to the Barstow member of the transit agency Board. This would reduce the number of city employees needed for transit.

The benefit that the reduction of administrative costs will have for Barstow is that more LTF will be available to provide additional operations. This would include continued support for B-V Link service once the CMAQ grant expires and National Training Center at Fort Irwin (NTC) commuter service. Additional LTF could also be used to support local service needs in the Barstow area.

Currently, the Barstow Area Transit fleet is stored and maintained at a leased facility in the eastern part of Barstow. This facility is barely large enough to store and maintain the current fleet. The fueling facility for Barstow's fleet is located towards the western end of the city, a long distance from the maintenance and storage facility. The current facility is not large enough to handle any expansion of service. As part of consolidation, a new facility would need to be constructed to support transit service in Barstow. A facility would need to be located close to the fueling station and be large enough to support an expanded fleet. Besides being the operations and maintenance base for Barstow Area Transit services, this facility would also be used to store and maintain B-V Link buses and some of the NTC buses, reducing the cost of deadheading vehicles from Hesperia to Barstow and Fort Irwin. This facility may also be used to store and maintain vehicles for the Helendale service operated by VVTA today.

Barstow mentioned a number of concerns regarding merging with VVTA. One concern is that Barstow does have Sunday service, while VVTA does not. This is expected to change as Sunday service is an official unmet transit need for the Victor Valley area, as determined from the TDA Unmet Needs hearings process, and the COA has proposed limited Sunday service. Other concerns mentioned include service to community events that BAT provides today. This too should not be an issue as a consolidated system will have the ability to provide community service within FTA guidelines, assuming funding is available for the service and the service is provided to the general public.

Trona and Big River have transit programs that are managed by the City of Barstow. A new JPA would need to consider the impact to the programs in these communities including changing from a volunteer driver program to a contracted transit service.

Impact to Needles

The impact for Needles if they were to join VVTA is that Needles would no longer be a provider of transit service. Transit service would be provided by a new JPA that would be headquartered

in Hesperia. This would not change the amount of funding available for transit service in Needles. Administrative costs for Needles are currently very low based on having very little city staff time associated with managing transit service in the city. Administrative costs for transit service will increase for Needles under consolidation since a consolidated system's administrative costs allocation that would be applied to Needles under a consolidated system.

The consolidated transit system would not increase the amount of funding for transit service in Needles. LTF allocated to Needles would remain the same and could only be used for transit service in Needles. The only way to increase funding for Needles Area Transit would be to use a greater portion of County LTF for Needles services. Due to increases in administrative costs, consolidation would reduce the total amount of transit funding available to support operations.

Consolidation would not reduce City staff resources required for transit. Needles would have a staff representative in the consolidated system's Technical Advisory Committee (TAC) which allows the city the opportunity to provide input and oversight on transit issues as well as set transit policy for the consolidated agency.

Operations and maintenance functions for the Needles fleet would need to remain in Needles to maintain efficiencies. Hesperia is located approximately three hours from Needles and Barstow is located approximately two and a half hours from Needles which would result in significant and unreasonable deadhead time and distance impacting both operating and maintenance costs. Buses would only travel to Hesperia for certain maintenance functions.

Needles is hoping that a consolidated system would result in service being provided from Needles to Barstow and Victor Valley. Improved connections from Needles to other regional cities located in Nevada and Arizona is very important to Needles. Consolidation by itself would not improve regional and interregional connections for Needles as funding for these services would not be available based on consolidation.

Victor Valley Transit

Adding either Barstow or Needles (or both agencies) will have impacts for VVTA. The primary impact is that there could be up to two additional JPA members that would share administrative and yard costs which could be; Barstow, Needles, and an additional County member. The current VVTA JPA members would not be responsible for subsidizing operations in Barstow and Needles as the policy of LTF remaining, after being allocated to transit, is returned that particular community.

A merger of VVTA with Barstow and/or Needles into a new agency may not require additional VVTA administrative staff beyond the staffing needs identified for VVTA in the ongoing

Comprehensive Operational Analysis. This is because the addition of Barstow and Needles operations does not add any functional reporting or monitoring requirements beyond routine NTD data collection and reporting; it only adds a small number of additional routes that will need to be monitored. The Comprehensive Operational Analysis (COA) recently completed would propose staff size for VVTA to be sufficient to manage and monitor the Barstow and Needles services in addition to the VVTA services. Consolidation will increase the travel expenditures for administrative staff that will need to travel to Barstow and Needles more often than today.

There are opportunities for operating cost savings for some of the current VVTA services based on a merger with Barstow. Barstow Area Transit will require a new facility to store and maintain buses to improve maintenance of buses and allow for growth of services in the Barstow area. The most ideal location for this facility is at the western end of Barstow near the existing City owned CNG fueling station on West Main Street east of CA 58. Besides housing the Barstow fleet and having enough space to accommodate growth in transit service in Barstow, a few of the current VVTA services could be based in Barstow which would reduce VVTA operating costs based on deadhead/non-revenue movements between Hesperia and Barstow. The VVTA services that could operate out of the Barstow facility include the B-V Link, a number of the NTC commuter buses, and the current VVTA Route 22 Helendale service. Merging with Needles does not produce any additional operating cost benefits for VVTA or Barstow.

VVTA's lease agreement for their new facility, and interest in the lease agreement, is tied to the current JPA. Modifying or creating a new JPA will require an amendment to the lease to be applicable to the new JPA. The modification would have to be approved by the Bondholder and a finding that the amendment will not adversely affect the interest of the Owners. Related to this issue is that interest from the Bonds can only be used on the specified project, the operations and maintenance facility in Hesperia. To apply bond interest to construction of a facility in Barstow, the JPA would have to ensure that the rating agency (Moody's Investor) would not reduce or suspend the bond rating and an analysis of the impact this project will have on the ability the JPA to repay the bonds will need to be conducted.

Consolidated System Considerations

There are a number of one-time costs that have to be considered in consolidation. A consolidated system will require that the system be re-branded. Barstow and Needles are located outside of the Victor Valley area. There will be an expense in rebranding the Victor Valley service, and this expense will be shared amongst all JPA members. Rebranding will need to incorporate a title and graphics that is representative of all JPA members. This could be accomplished with grant funding minimizing the impact on LTF. The other major cost will be upgrading data collection and presentation systems. While all systems use Transtrack

reporting, the way data is collected and the ITS systems may vary from system to system. A consolidated system will need to have the same data and ITS systems.

Another concern for a consolidated system will be demand response service for both County area services and ADA services. Currently, Needles does not provide County area services with all service provided via a deviated fixed route system which is supplemented by ADA service. Barstow provides ADA service and fixed route service within the City of Barstow and general public demand response service, which includes ADA, in the County areas. VVTA operates fixed route, deviated route, and ADA service throughout its service area. ADA service coverage will need to be determined which will likely be a continuation of current policies. It is not likely that countywide ADA service will need to be provided. However, a CTSA countywide service could be studied through innovative Mobility Management tenants.

Currently there are two services that operate between the VVTA service area and the Barstow area. The two services are the National Training Center (NTC) commuter service that carries passengers to and from the NTC at Fort Irwin and the B-V Link which connects Barstow and Victor Valley with the San Bernardino Valley. Both services are being funded by grants as Demonstration Projects. The NTC service has a very high farebox recovery and should require no LTF funding once the grant funds are expended. B-V Link on the other hand will require LTF funding to maintain service levels. LTF funding for both of these services needs to be shared between the Barstow and Victor Valley areas. Consolidation will create a mechanism for equitable LTF funding distribution between Barstow and Victor Valley, and cost savings from consolidation will allow B-V Link services to continue to operate. There are no services operating between Needles and Barstow or Needles and Victor Valley.

Currently, VVTA, Barstow, and Needles have different operations and maintenance contractors. One concern that the VVTA administration staff has is that it would be difficult to manage three different contracts for essentially the same service. The new agency may want to merge the contracts for the consolidated system under one operator. This would require either re-bidding each operations and maintenance contract or merging the current contracts into a single contract with a single operator.

One of the benefits of consolidation is the impact to administrative costs which are entirely funded by LTF. If the proposed VVTA COA administrative staffing levels are attained then there should be minimal impact to the amount of administrative staff or total administrative resources needed to manage a consolidated system. Adding the operations of Barstow and/or Needles would add additional route hours, miles, and vehicles to the current VVTA system, however, it would not impact the cost to manage the system. Table 2-1 presents the administrative cost impacts of consolidation. Barstow and Needles administrative costs are

based on their 2013 budget and projected to 2020 based on a growth factor of 3% per year. VVTA's administrative costs are based on costs projected from the COA. The right half of the table shows the amount each jurisdiction contributes based on each jurisdiction equally sharing the administrative cost burden and what the impact will be when adding additional members. This is based on the current VVTA JPA. The three possible additional JPA members include the City of Barstow, the City of Needles, and The Third District of San Bernardino County. If the Third District of San Bernardino County were to be added as a JPA member, the County would be paying twice as much of the administrative costs as other members (as they would have two members of the new JPA board). VVTA previously distributed administration costs based on amount of service operated; however, the VVTA JPA members concluded that administration should be an equal burden amongst JPA members.

Table 2-1: Administrative Cost Impacts of Consolidation

Budget Year	System Administrative LTF Requirements			Current 5 VVTA Members	Cost per JPA Member ⁴		
	Barstow	Needles	VVTA		+1 Member	+2 Members	+3 Members
2013 Budget	\$322,613	\$30,764	\$1,011,469	\$202,294	\$168,578	\$144,496	\$126,434
2014 Projected	\$332,291	\$31,687	\$1,069,059	\$213,812	\$178,177	\$152,723	\$133,632
2015 Projected	\$342,260	\$32,638	\$1,361,380	\$272,276	\$226,897	\$194,483	\$170,173
2016 Projected	\$352,528	\$33,617	\$1,790,080	\$358,016	\$298,347	\$255,726	\$223,760
2017 Projected	\$363,104	\$34,625	\$1,846,783	\$369,357	\$307,797	\$263,826	\$230,848
2018 Projected	\$373,997	\$35,664	\$1,905,186	\$381,037	\$317,531	\$272,169	\$238,148
2019 Projected	\$385,217	\$36,734	\$1,965,342	\$393,068	\$327,557	\$280,763	\$245,668
2020 Projected	\$396,773	\$37,836	\$2,027,302	\$405,460	\$337,884	\$289,615	\$253,413

Note: Barstow and Needles is based on 2013 Budget with a 3% per year growth factor and VVTA is based on COA cost projections

Beyond administration costs, operating costs would be impacted by consolidation. While VVTA, NAT, and BAT operate in different areas with different cost of living for bus operators, a consolidated system would have a single operator that would have a set overall cost for providing service to the consolidated transit system regardless of whether the service operates in Barstow, Needles, or Victorville. The fixed route cost per hour to operate BAT and VVTA are very similar, with fixed route operating costs per hour around \$60.00 for both systems. NAT has a higher cost per hour for fixed route service which is likely related to the contractor expenses for being more involved in management and oversight compared to Barstow and VVTA. NAT's operating cost per hour was approximately \$80.00 per hour in Fiscal Year 2013. NAT's dial-a-ride hourly costs are very low \$20.00, due to the service delivery method of having senior center employees provide the service. VVTA's ADA service is near \$75.00 an hour. BAT's ADA service is approximately \$86.00. There would be a number of one-time costs

⁴ The 3 possible additional JPA members include the City of Barstow, the City of Needles, and The Third District of San Bernardino County

associated with consolidation. These costs would include branding, vehicle ITS upgrades, and operator training.

The current VVTA JPA members and the City of Barstow would benefit from consolidation, but Needles would not. Current VVTA JPA members would see a reduction in administrative costs since adding additional JPA members would not require additional administrative staff thereby reducing administration costs for each JPA member. Barstow would also see a reduction in administrative costs since most of the oversight functions that occur with city staff would be transferred to the consolidated operation with a lower administration cost allocation than Barstow is currently paying. Any city positions that are funded by LTF would require general fund revenues to replace LTF that would no longer be available. Needles would actually see an increase in administrative cost as their current administrative costs are very low. In terms of operating costs under consolidation, usually the operating costs would default to the higher cost per hour system; however, the scale of VVTA compared to BAT and NAT should allow for operating costs to be more in line with the VVTA's cost structure. For fixed route, the impact to Barstow's operating cost would be negligible; however, NAT's operating cost per hour would likely be reduced. ADA costs for Barstow would likely be reduced, but NAT's would increase significantly unless VVTA were to simply provide oversight over the Senior Center and NAT contractor. Overall, NAT may see a decrease in the cost for their operations but that would be offset by the increase in administrative costs. BAT's operating costs would likely be slightly less than what they are today.

2.3.3 Alternative 3 - Contract Management

Under this alternative, VVTA becomes the transit contract manager for the municipal bus systems. Each city would retain its distinct transit system identity and control over policies. VVTA would provide day-to-day oversight of the contractor and operations, operating as the transit manager. VVTA would be responsible for reporting to city staff and city councils in Barstow and/or Needles. This would effectively remove the need for each city to provide day-to-day management of transit services and the contractor. Following is the analysis of the impacts to both Barstow and Needles, as well as to VVTA.

[NOTE: VVTA previously had a similar organizational structure to the contract management scenario. The VVTA organization operated with a management contract and an operations/maintenance contract with the contract manager reporting to the Board of Directors. A contract management situation would be very similar where VVTA is the contract manager providing oversight for the entire system and the contract, and directly answerable to the individual City Councils.]

Impact to Barstow

A contract management system would result in Barstow maintaining local control of transit service, with administrative staff from VVTA managing the day-to-day operations and providing contractor oversight for the system. The City of Barstow would be responsible for procuring the operations and maintenance contract for BAT services. It may be possible for Barstow service to be included in the current VVTA operations and maintenance contract with Veolia. Contract management will add a layer between the City of Barstow and the operations of BAT.

A contract management scenario would allow Barstow to eliminate the full-time Transit Manager position; however, staff from the City of Barstow will still need to provide oversight over VVTA's management of BAT to ensure that VVTA's oversight of the BAT contractor is meeting the needs of Barstow. Since VVTA would be the main customer service agent and the source of public information, this would include monitoring VVTA's response to customer and service issues. VVTA would be responsible for resolving all service and customer issues regarding BAT services. City staff resources will also be needed to provide oversight of VVTA's management of the BAT.

Contract management may allow for some cost savings for Barstow; however, administrative cost savings would likely be redirected to VVTA to offset the cost of managing the Barstow contract. Barstow would no longer need to maintain a transit manager to oversee the BAT on a day-to-day basis since that will be the role of VVTA. City administrative resources will still be required to manage and procure the operations contract as well as to provide a level of oversight to VVTA's activities.

Under the contract management scenario, there will be no need to rebrand the BAT. VVTA would be responsible for contractor oversight, providing reports to City staff and the City Council, budgeting, and capital asset management. Contract management will not impact the amount of Local Transportation Fund (LTF) available for BAT. Contract management will also not impact the cost for operating BAT. Trona and Big River programs are currently managed by the City of Barstow under the contract for BAT. Any contract management scenario would need to consider the impact to these two communities.

Impact to Needles

A contract management system would result in Needles maintaining local control of transit service, with administrative staff from VVTA managing the day-to-day operations and providing contractor oversight for the system. This will add a management layer between the City of Needles and the operations of Needles Area Transit (NAT) although the City would still be responsible for procurement and negotiation of contracts with the NAT operator. There would

be no operating cost savings from consolidation based on a transfer of contract management to VVTA.

A contract management scenario does not increase the amount of funding available for Needles, nor does it allow Needles to reduce city staff dedicated to transit. City staff would be responsible for contract procurement for the operation and maintenance of NAT. City staff resources will also be needed to provide oversight of VVTA's management of NAT which would use the same amount of city staff and resources as are used today.

Under the contract management scenario, there will be no need to rebrand Needles Area Transit. VVTA would be responsible for contractor oversight, providing reports to City staff and the City Council, budgeting, and capital asset management. Contract management will not impact the amount of Local Transportation Fund (LTF) available for NAT. Contract management will not reduce costs for NAT or increase funding. Contract management will also not improve regional and interregional connections for Needles. The contract management alternative has no benefit to Needles in cost savings or their satisfaction with the current operator. In fact, it could cost NAT marginally more to work with VVTA due to meeting travel times, communications, and other management coordination.

Victor Valley Transit Authority

Contract management requires VVTA to manage the operations and maintenance contractors in Barstow and Needles. This would require VVTA to be an intermediary between the cities and the operations and maintenance contractor adding an unnecessary layer of administration to the provision of transit services in the desert communities. This would require VVTA to provide oversight to as many as three different contractors, one for each system including VVTA. While this may spread the administrative costs for VVTA to other local jurisdictions, it may also reduce VVTA staff availability for VVTA priorities. The level of administrative cost savings would depend on the arrangement between VVTA and the individual cities. This would greatly increase VVTA's workload, requiring staff to attend at least two additional city council meetings per month and developing budgets for three separate systems.

Contract management would have no impact on VVTA operations. There would be no changes in VVTA routes or branding. There will also be no cost savings to operations based on operating certain services out of a facility in Barstow.

Contract Management Considerations

Contract management does very little to reduce the cost for administering or operating transit services in Barstow or Needles. Contract management does allow each of the cities to reduce

the level of staff involvement in transit service and for the professional transit management for Barstow and Needles. The need for VVTA to manage up to three separate operations and maintenance contracts may increase the cost of contract management for the systems beyond the amount spent on administration today.

Contract management would not result in any significant savings in administrative costs overall. VVTA would need to add staff and resources to properly manage the contract of Barstow since they would be separate from the contract that VVTA has for the operation of its system. Needles would likely see an increase in their administrative costs since Needles has a very low cost for administering NAT, together with the remoteness of the operations to VVTA's administrative offices.

2.3.4 Alternative 4 – Limited Contract Management

The Limited Contract Management alternative allows transit services within each city to maintain identity and management of transit services, with VVTA coordinating for certain functions such as purchasing, program management, planning, data management, and dial-a-ride dispatching (assuming that another system has the same ITS capabilities or would invest in ITS). Under this alternative it may be possible for VVTA, BAT, and NAT to coordinate for a joint operations and management contract procurement so one contract operator provides service to all three systems under a single joint contract. This allows for the municipal systems to take advantage of the VVTA infrastructure to support the local transit operation while maintaining transit management and oversight within each city's functions, and for each system (BAT and NAT) to take advantage of planning and capital capabilities that can be provided by VVTA.

Barstow

Limited Contract Management would not result in major changes for Barstow. This alternative would not allow for the reduction in administrative costs for Barstow since day-to-day oversight of the transit system will still be the responsibility of City staff. There may be opportunities for reduction of operating costs through joint purchasing of operating contracts and functions that are managed by VVTA.

The primary benefit to Barstow is in the development of the BAT capital program. Barstow would be able to utilize transit expertise from VVTA in the provision of capital projects that support transit including bus facility construction and procurement of vehicles. It could also allow for sharing a Barstow facility for the B-V service and the county route. Overall, this scenario does not meet the goals for Barstow.

Two considerations for the transfer of responsibilities or coordination are the impact to programs in Trona and Big River. One possibility is that this scenario would have no impact to Trona and Big River since Barstow would maintain the manager of these programs. The other possibility is that these programs would be transferred to VVTA under the oversight of the VVTA mobility manager.

Needles

Limited Contract Management will not have a major impact to Needles nor will it meet many of the City of Needles goals for transit; such as it will not improve connections between Needles and other cities in the area and it does not ensure that services are provided between Needles and Barstow or Victor Valley. What this alternative allows is for VVTA to assist Needles in certain functions such as vehicle procurement, operations contract procurement, grant management, capital programming, and/or planning. This does represent some of the major needs for Needles.

Limited Contract Management will allow Needles to maintain local control of the system. It will allow Needles to maintain the current relationship with the contractor and to maintain the low administrative costs while allowing for professional transit assistance on the functions listed above. This should benefit Needles until the time when Needles is able to coordinate with other transit operators from Mohave County, Arizona and Clark County, Nevada.

Victor Valley Transit Authority

Limited Contract Management will impact VVTA. Additional administrative staff resources will be needed to support coordination and the responsibilities that would be transferred to VVTA. In many instances, this will only represent an addition to the activities that VVTA is already performing, for example, adding additional vehicles to vehicle procurements as part of the capital program. For activities that represent additional effort for VVTA, VVTA would be compensated by the Barstow and Needles. VVTA should be able to address many of the responsibilities that increased coordination/partial transfer of responsibility within the staffing levels proposed in the current VVTA Comprehensive Operational Analysis.

2.4 Recommendation

The recommendations in this section represent the alternative that best meets the needs for Barstow, Needles, and Victor Valley Transit Authority (VVTA) individually and then the areas as a whole. The findings, presented below, have different recommendations for Barstow and Needles. The analysis shows that VVTA would benefit from consolidating systems, as will Barstow; however, Needles would not benefit from consolidation, but would benefit from

coordinating with VVTA for certain services. To meet the City of Needles goals, a study for a Tri-State compact with Arizona and Nevada is recommended to improve regional mobility.

2.4.1 Barstow

The recommendation best for Barstow is that Barstow Area Transit (BAT) and VVTA should be consolidated to form a single transit authority serving both the areas of Victor Valley, Barstow, and unincorporated areas. The analysis above shows that consolidating these two systems into one system has cost advantages for both the City of Barstow and for the current VVTA Joint Powers Authority (JPA) members. Barstow would see lower administrative and operating costs. The operating cost savings can be used to support enhanced Barstow-Victorville Link (B-V Link) service, National Training Center at Fort Irwin (NTC) service, and/or improved service on routes within Barstow and adjoining areas. One contractor should be used to provide service for both Victor Valley and Barstow.

Benefits of consolidation will be further realized with the construction of a new operating and maintenance base in Barstow. Ideally, this facility would be located close to the CNG fueling station, located on West Main Street near CA Highway 58, to reduce the number of miles that Barstow buses need to travel to refuel. A new facility will allow for maintenance and storage of the Barstow fleet in a facility that is better sized, better located, and in better condition. This facility would be designed and built by SANBAG. Consolidation will allow a reduction of the amount of space needed for maintenance since Barstow vehicles could be cycled through the Hesperia (VVTA) maintenance base for major repairs and preventive maintenance. The new Barstow facility should also provide adequate storage space for an increased fleet size to support NTC Commuter service, B-V Link service, Helendale service, and allow for growth in Barstow area services.

2.4.2 Needles

The analysis above shows that the City of Needles provides cost effective operation and management of Needles Area Transit, Dial-A-Ride, and Medical Dial-A-Ride services. The operating cost for transit services in Needles is rather low. Consolidation will not meet the short or long term goals for increasing transit service in Needles or provide connections to neighboring areas. Contract management will not decrease management and oversight costs for the City of Needles. There may be opportunities to improve transit services in Needles through partial transfer of responsibility and/or coordination; however, this may not reduce costs.

Partially transfer of responsibility and/or coordination through limited contract management is the best option for Needles and provides opportunities for VVTA to support improvements to

transit service delivery in Needles. Certain functions that Needles could consider coordinating with VVTA include capital program development including purchasing of vehicles, program development, route planning (Needles services could be added to VVTA planning studies), and grant management.

Long term, Needles and San Bernardino County may want to enter into a tri-state compact with Mohave County in Arizona and Clark County in Nevada for the provision of regional transit service through the entire Mohave Valley area. This will improve coordination and the provision of regional transit services connecting Needles, Bullhead City, Laughlin, Lake Havasu City, and Kingman. A feasibility study for Tri-State services should be conducted. This could be started as a CTSA project to improve mobility in the region. Transit services providing circulation throughout the area and into these cities will improve access to jobs and services for Needles residents, which will go further towards meeting the goals of the City of Needles for transit services compared to consolidation with VVTA.

2.4.3 Victor Valley Transit Authority

VVTA will benefit from consolidation by forming a new single transit authority with the additional members. Creating a new JPA with the current VVTA JPA members and additional members will reduce the share of administrative costs paid by the current VVTA JPA members without the need to add additional administrative staff beyond the staff recommended in the current VVTA Comprehensive Operational Analysis (COA), as long as all services for the Victor Valley and Barstow areas are covered by a single operations and maintenance contract. Certain VVTA services will see a cost reduction once a new operations and maintenance facility is constructed in Barstow.

Alternatively partial transfer of certain responsibilities may be feasible for VVTA under the Limited Contract Management alternative. Certain functions listed in each section could be transferred to VVTA. It is expected that VVTA could take on management of capital programs, grant management, planning, and purchasing. While this could work for both Barstow and Needles, it is only a recommended alternative for Needles after the formation of a new Transit Authority comprised of the Victor Valley and Barstow areas.

2.4.4 Overall

The overall recommendation of this study is that VVTA and Barstow Area Transit (BAT) should merge into one system creating a new Transit Authority, while Needles Area Transit (NAT) should remain an independent city run system. NAT is not included in consolidation since very few of the Needles goals or cost savings can be met by consolidation. Based on the current operating and management costs, there are no opportunities to reduce the operating or

management costs for NAT through consolidation. However, NAT can benefit by using the services of the new Transit Authority for some administrative tasks regarding operator procurement, capital grants and other procurement activities.

Consolidation of VVTA and BAT into a new Transit Authority would not require any additional VVTA staff beyond the staff recommended in the VVTA COA and would add two more JPA members to share system administrative costs, the City of Barstow and San Bernardino County District 3. Once a new operations and maintenance facility is constructed in Barstow, operating costs for certain services will be reduced based on reductions in deadhead time for certain services that could be based in Barstow.

The governance of a new Transit Authority JPA agreement, or a modification of the current agreement, will have the representation on the Board of Directors include the cities of Adelanto, Barstow, Hesperia, and Victorville, the Town of Apple Valley, and the San Bernardino County Supervisorial Districts of 2 and 3, for a total of seven members. Consolidation of VVTA and BAT meets many of the goals set for consolidation. Cost savings from consolidation will allow for continued funding and possible expansion of B-V Link service connecting Barstow, Victor Valley, and the San Bernardino Valley.

Short-term, a partial transfer of responsibility/coordination between NAT and a new Transit Authority consisting of the Barstow and Victor Valley areas could be pursued through Limited Contract Management. Longer term NAT should coordinate with neighboring transit operations in Mohave County, Arizona and Clark County, Nevada to form a multi-state compact for the provision of transit services in the area. A multi-state compact will meet many of Needles goals for consolidation. A bus or rail connection between Needles and Victor Valley cannot be met by consolidation and would require a dedicated funding source (probably a combination of grant and County LTF) to sustain. Some of the functions that VVTA could coordinate and consolidate include management of the procurement of operators, capital programs, grant management, planning, and purchasing.

Chapter 3: Implementation

This chapter presents the steps that are needed to implement the recommendation of consolidating Barstow and VVTA into a new Transit Authority, as well as a partial transfer of responsibility/increased coordination between Needles and the new Transit Authority. Consolidation is a multi-step process. On the other hand, implementation of increased coordination or transfer of certain responsibilities from Needles to the new Transit Authority would be a quick process. The steps for implementation of a consolidated system and partial transfer of responsibility/coordination through Limited Contract Management are discussed as follows.

3.1 Consolidation of VVTA and Barstow

This feasibility study is the first step in creating a consolidated system. While consolidation requires a number of steps, once the findings of the feasibility study are accepted by all relevant agencies, consolidation should not take more than 18 months. This section presents the steps required for consolidation.

The first step towards consolidating VVTA and BAT is presenting the findings of this consolidation study and acceptance of the findings that consolidation should be pursued. This study would be presented by SANBAG staff to a number of governing bodies including SANBAG, VVTA and their respective cities, the City of Barstow, and the City of Needles, and the County of San Bernardino. The adoption of the findings of the feasibility study will allow VVTA and BAT to move to the next step which is outlining the steps and detailed impacts of consolidation.

Delineate the steps and detailed impacts of consolidation. An inventory of BAT and VVTA assets should be developed which includes facilities, vehicles, and equipment. This inventory would include an analysis of the condition of these assets and identification of deficiencies or redundant assets. Operating systems, including farebox, reservation and dispatch systems (VVTA uses Trapeze) and other data recording systems, will be identified to ensure the systems are compatible. The due diligence process should be conducted by a neutral third party. If systems are not compatible then a joint data system may need to be procured. Staffing responsibilities, impacts to staff, needs to be determined. Roles and responsibilities of each municipality and the new Transit Authority will also be identified. Finally the capital needs and one-time items to facilitate consolidation will be identified and procurement estimates be developed.

The next step would be the development of a new Joint Powers Agreement (JPA) to govern transit services. This JPA should be modeled on the current VVTA JPA, adding two additional members; the City of Barstow and the County Supervisor from the Third District. This would include distributing administrative costs of the new agency equally amongst the seven members of the JPA (Adelanto, Apple Valley, Barstow, Hesperia, Victorville, San Bernardino County First District, and San Bernardino County Third District). San Bernardino Associated Governments (SANBAG) would be responsible in consultation with VVTA, Barstow, and their legal counsels for developing up the new JPA document and facilitating its approval by the new member agencies. Once the new JPA has been developed, an agreement between SANBAG and the new Authority will be created and will be presented to the SANBAG Board of Directors and to all of the new Authority members for approval.

Once the new JPA and SANBAG agreement is approved, consolidation of the systems can begin. This would include procuring any systems identified during the due diligence process needed to ensure the Barstow and VVTA operating systems are compatible. A new operations and maintenance contractor will need to be procured for the consolidated areas. The final piece will be the rebranding of VVTA and BAT services into a single system with common marketing materials and identity. If desired, each system can keep their current identity as services of the new Transit Authority. This is the stage where funds will be expended to upgrade systems and fleet and create a common identity. Once these final steps are concluded, the operation of a consolidated system can begin. NAT could contract with this new Transit Authority for certain services.

3.2 Needles: Limited Contract Management

The Limited Contract Management scenario will not be difficult to implement and should be done in conjunction with the establishment of the new Transit Authority in the Barstow and Victor Valley areas. Needles and the new Transit Authority would need to determine what functions the new Authority could coordinate or takeover for the new Authority to support Needles. This discussion would require the City of Needles to determine cost and level of staff effort for functions that they feel would benefit from coordinating with or transferring to a professional transit agency. The new Authority would need to determine if it is feasible to coordinate or takeover functions from Needles and what the impact would be to the new organization. Once it is decided what items can be coordinated and transferred, a Memorandum of Understanding (MOU) would be drawn up between Needles and the new Authority to allow for coordination and/or transfers of responsibility. Once the MOU is signed, coordination and/or transfer of functions can occur immediately. Needles could also purchase time on a grant by grant or procurement basis as needed.

Chapter 4: Operations

Consolidation of Barstow and VVTA will involve operational changes. The primary change will be the change of contract transit service providers either in Barstow or in Victor Valley. The ideal scenario is that a single contract is in place at the time that Barstow and VVTA become one system. This will make both the operations and the administration of the consolidated system more efficient. The consolidated system will have a new branding and may require new route names and numbers to create a unified system.

Short term there would be no change in the location of the operations and maintenance base, with the Barstow fleet stored, maintained, and fueled in Barstow. Planning should be undertaken immediately for a new Barstow operations and maintenance base which will allow for improvements in storage and maintenance of the Barstow fleet, as well as improve operating efficiencies by allowing certain services to be operated from Barstow such as B-V Link, NTC services, and Helendale services.

A Comprehensive Operational Analysis (COA) looks at bus operations in detail. VVTA is currently conducting a COA. Barstow implemented the new services that were based on their recent COA. The next COA for VVTA would include an analysis of services in Barstow. The analyses for a COA are based on data provided by the system, along with a public outreach process. To streamline the data collection and dissemination process, it would be appropriate to utilize VVTA's data systems for the combined Barstow and VVTA services since VVTA is a larger system and the staff is already familiar with these systems. This will require Barstow's systems to be modified to be compatible with VVTA's systems. VVTA staff will monitor Barstow services and will include modifications to the Barstow system in a COA conducted of the consolidated system.

Needles operations will not change based on the findings of the consolidation study. Currently the NAT operation consists of one route that provides service throughout the city once per hour using one vehicle. The City of Needles and the contractor monitor system performance to determine issues that require route modifications. In the future, coordination between Needles and VVTA could occur by having NAT services be included in a COA of the consolidated VVTA service. To begin coordinating for a COA, VVTA would provide the City of Needles a list of data items that are needed for a COA analysis.



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 7

Date: August 16, 2013

Subject: Transportation Development Act Triennial Performance Audits for Fiscal Years 2008/2009 to 2010/2011 of Barstow Area Transit, Needles Area Transit, Morongo Basin Transit Authority, Mountain Area Regional Transit Authority, Omnitrans, and Victor Valley Transit Authority.

Recommendation:* Receive Triennial Performance Audit Reports for Fiscal Years 2008/2009 through 2010/2011 for Barstow Area Transit, Needles Area Transit, Morongo Basin Transit Authority, Mountain Area Regional Transit Authority, Omnitrans, and Victor Valley Transit Authority.

Background: In order to continue receipt of Transportation Development Act (TDA) funding, the California Public Utilities Code Section 99246(a) and 99248 requires that SANBAG, acting as the County Transportation Commission, designate an entity

*

Approved
 Mountain/Desert Policy Committee

Date: _____

Moved: _____ Second: _____

In Favor: _____ Opposed: _____ Abstained: _____

Witnessed: _____

COG	CTC	X	CTA	SAFE	CMA
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Check all that apply.

MDC1308a-mmm

Attachments:

- <http://portal.sanbag.ca.gov/mgmt/committee/commuter/crtc2013/crtc1308/AgendaItems/MDC1308a1-mmm.pdf>
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY2009_11%20BAT%20TDA%20Performance%20Audit.pdf
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY%202009_11%20MARTA%20TDA%20Performance%20Audit.pdf
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY2009_11%20MBTA%20TDA%20Performance%20Audit.pdf
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY2009_11%20NAT%20TDA%20Performance%20Audit.pdf
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY2009_11%20Omnitrans%20TDA%20Performance%20Audit.pdf
- http://portal.sanbag.ca.gov/mgmt/workgroups/transit/majortransit/auditsoperators/Shared%20Documents/FY09_11%20VVTA%20TDA%20Performance%20Audit.pdf

other than itself to perform triennial performance audits on each of the transit operators that receive TDA funding, including SANBAG. These audits are subsequently submitted to the California Department of Transportation (Caltrans).

On November 2, 2011, the Board approved the release of Request for Proposals (RFP) No. 12100 which solicited proposals from qualified firms to execute the Transportation Development Act Triennial Performance audits of the San Bernardino County Transportation Commission and the six transit operators within the County for Fiscal Years (FY) 2008/2009 through 2010/2011. The SANBAG Board awarded the contract to PMC on March 7, 2012.

Attached are the executive summaries for each operator's audit which includes a review of the operator's compliance with TDA Requirements, status of prior audit recommendations, transit systems performance trends and a detailed functional review. Overall, all the audits were positive and the operators have taken positive steps over the audit period to improve their operations. SANBAG's audit report will be presented at a future General Policy Committee and Commuter Rail and Transit Committee meeting.

In addition to the current findings which pertain to FY 2008/2009 through 2010/2011, the audit also reports on the prior FY 2005/2006 through 2007/2008 triennial performance audit recommendations. Below is a recap by transit agency of prior recommendations along with a status.

Barstow Area Transit (BAT)

1. Verify TransTrack data regularly: **Partially Implemented**, and is carried forward in this audit for full compliance.
2. Consider implementing the liquidated damages provision in operations contract: **Implemented.**
3. Conduct independent on-time performance checks: **Implemented.**
4. Present regular updates to the City Council about BAT: **Implemented.**
5. Improve visual depiction of bus routes and landmarks on bus map and on web site: **Implemented.**
6. Place revised Americans Disability Act (ADA) certification application on-line: **Implemented.**

Mountain Area Regional Transit Authority (MARTA)

1. Enhance maintenance departmental controls through utilization of software: **Implemented.**
2. Develop performance targets for each transit mode using the suggested MARTA Comprehensive Operations Analysis (COA) standards as a reference: **Partially Implemented**, and is carried forward for full implementation.

3. Ensure updated trip sheets account for driver break time during revenue service: **Implemented.**
4. Formalize tracking of on-time performance for fixed route: **Partially Implemented**, and is carried forward for full implementation.

Morongo Basin Transit Authority (MBTA)

1. Develop/install software program to track vehicle parts inventory electronically: **Implemented.**
2. Record key operations data: **Implemented.**
3. Strengthen the method for determining on-time performance for dial-a-ride: **Implemented.**
4. Provide side-by-side comparison of planned versus actual performance indicators and include in Board meeting agendas: **Implemented.**
5. Properly record correct full-time equivalents into TransTrack and the State Controller's Report: **Partially Implemented**, and is carried forward in this audit for full implementation.

Needles Area Transit (NAT)

1. Request that public works document maintenance activities of dial-a-ride vehicles: **Implemented.**
2. Consider implementing the liquidated damages provisions in the operations contract: **Not Implemented**, but should be considered when warranted. Due to the contract operator's good performance as cited by the City, there was no need to consider liquidated damages.
3. Enter dial-a-ride performance data into TransTrack in a timely manner: **Implemented.**
4. Present regular updates to the City Council about Needles Area Transit (NAT): **Implemented.**
5. Ensure that the number of full-time equivalent employees is being calculated in TransTrack: **Implemented.**

Omnitrans

1. Focus on Improving Demand Response Performance: **Implemented.**
2. Investigate the potential to restructure service once Bus Rapid Transit is Implemented: **Carried Forward** in this audit for the next audit period once Bus Rapid Transit is implemented.
3. Leverage the Vendor Management Inventory System (VMI): **No Longer Applicable.**
4. Actively integrate the SAP/ERP (Enterprise Resource Planning) System into relevant functional departments: **Partially Implemented.**
5. Report performance against strategic planning goals: **Implemented.**

Victor Valley Transit Authority (VVTa)

1. Create Finance Officer Position: **Implemented.**
2. Review Operating Cost Allocation Between Vehicle Operations, Maintenance and Administration Functions: **Implemented.**
3. Actively Plan for Transition into New Facility: **Implemented**, with a recommendation to establish a facility maintenance plan.
4. Investigate Potential Discrepancies in Reported Passenger Miles: **Implemented.**

Financial Impact: This item is consistent with the current adopted Fiscal Year 2013/2014 budget, Task No. 0502 TDA Administration General Fund – LTF Admin.

Reviewed By: All the audits will be presented to the respective governing boards. This item was also scheduled for review by the Commuter Rail and Transit Committee on August 15, 2013.

Responsible Staff: Monica Morales, Transit Specialist

Governments
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Working Together

**FY 2009-2011
Triennial Performance Audit
of Barstow Area Transit**

**Submitted to San Bernardino
Associated Governments**

March 2013

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PATTI POST & ASSOCIATES

Executive Summary

The San Bernardino Associated Governments (SANBAG) engaged the PMC consultant team to conduct the Transportation Development Act (TDA) triennial performance audit of the six public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for Barstow Area Transit (BAT) covering the most recent triennial period, fiscal years 2008-09 through 2010-11.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- Transit System Performance Trends
- Detailed Functional Review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of BAT.

Compliance with TDA Requirements

BAT has complied with most TDA requirements with the some exceptions. The compliance requirement for submittal of the annual fiscal audits was partially implemented. Responsibility for submittal of these financial documents lies with the SANBAG auditor, which operates independently of BAT. The farebox recovery ratio did not meet standards for two of the three audited years and is declining. In addition, the Full-Time Equivalent Employee data reported in the State Controller Report could not be supported by the information sources collected for this audit. The reporting may be based on headcount rather than FTEs.

Status of Prior Audit Recommendations

The prior audit report contained six recommendations. Five were fully implemented. The one not fully implemented addressed the verification of the accuracy of reports, and is carried forward for full implementation.

System Performance Trends

The analysis of trends is conducted using data that is not consistent among various BAT financial and performance reports. However, despite the discrepancies, broad trends in system performance can be concluded during the audit period.

1. Operating costs for Barstow Area Transit decreased between FY2008 and FY2011. During the middle of the audit period, commencing on January 1, 2010, BAT restructured its fixed-route and demand-response services resulting in increased operating expenses.

Prior to the service restructuring, costs were already increasing at a fairly rapid pace in FY2009. A later reduction in funding caused a decrease in services and subsequent reduction in operating expenses in FY2011 by 17.6 percent from the prior fiscal year. In spite of these cost increases in the middle of the audit period, operating expenses at the end of the audit period were about the same as at the beginning, and just slightly down by 1.6 percent.

2. The service restructuring confused riders at first but eventually triggered a significant increase in passengers at the end of FY 2010. However, because of the subsequent reduction in service, the overall change in passengers over the audit period was a decrease of 6.5 percent.
3. Restructuring shifted resources to fixed-route services, as services in the unincorporated areas were changed from demand response to fixed route for about a year, only to revert back to demand response due to confusion among residents and loss of ridership. Operating expenses for fixed route increased 65 percent, while demand response operating expenses fell 46 percent. Similarly, fixed route passengers increased 47 percent and demand response passengers fell 72 percent during the audit period. There was an especially large drop in demand response passengers during FY2011; at the same fixed route passengers rose that year.
4. Restructuring increased service hours but funding reductions caused an even larger decrease. By the end of FY2011, vehicle service hours were down 32 percent compared with the base year statistics. Fixed route service hours fell nearly 30 percent while demand response hours were down over 65 percent.
5. Vehicle service hours per full time equivalent declined over 17 percent. However, this statistic is based on headcount reported in the State Controller Report instead of FTEs which skews this trend.
6. Ridership on the Big River service jumped almost 50 percent from 457 passenger to 683 passengers per year. Operations cost increased almost 30 percent, but cost per rider was down 13 percent.
7. Trona Transit ridership was flat during the audit period. However, operating costs and service hours rose significantly by 62 percent and 20 percent, respectively. This led to large increases in operating cost per passenger and cost per hour.
8. Operating cost per passenger increased 5 percent systemwide, while cost per vehicle service hour rose 45 percent. During the same period passengers per vehicle service hour rose 38 percent. There were significant differences by mode as operating cost per passenger on fixed route rose by 12 percent, while on the demand response service it increased over 94 percent. Fixed route cost per vehicle service hour rose 27 percent, while demand response service saw a 57 percent increase. Passengers per hour rose about 13 percent on the fixed route services but fell almost 20 percent on demand response services.

9. The trend in the fare recovery ratio shows a general decline during the audit period. The farebox ratio for BAT service (excluding Big River and Trona Transit systems) decreased from 10.4 percent in FY 2008 to 6.9 percent in FY 2011 with big drops in both FY2010 and FY2011. Since FY2005 the farebox ratio has declined from about 15 percent to under 7 percent. The TDA minimum ratio of 10 percent adopted by the SANBAG Board in 1994 was not met in two of the three audit years, placing the service out of compliance with a key TDA measure.
10. Big River Transit and Trona Transit data is submitted to city transit staff in raw form for processing as neither agency has the ability to process the information. The farebox recovery for these two transit services has been declining during the audit period, but they are still well above the TDA standard of 10 percent.

Functional Review

1. The BAT system underwent substantial change during the audit period as a result of implementing recommendations in the 2007 Comprehensive Operations. The system converted from about 70 percent demand response and 30 percent fixed route to about 70 percent fixed route and 30 percent demand response. A subsequent funding reduction required further changes in July 2010.
2. Riders within the City of Barstow responded well to the initial changes, but the County riders were unhappy due to the change from demand response to fixed route service with flag down stops. County services reverted back to demand response by 2011.
3. The new map and rider guide is a vast improvement over earlier materials. It is posted on the City web site and provides information on routes, schedules and other important information.
4. The San Bernardino Associated Governments has funded an effort to evaluate the feasibility of consolidating BAT's operations with the Victor Valley Transportation Authority and Needles Transit. That study should be complete in 2013.
5. The consolidation study has required the City of Barstow to suspend some decisions and capital purchases until its completion and adoption. If the process takes too long and purchases of replacement buses are delayed, vehicle maintenance could become an issue.

Recommendations

Performance Audit Recommendation	Background	Timeline
<p>#1 Improve operations data collecting and reporting consistency</p>	<p>Producing consistent performance data for both State and Federal reports has been an issue for Barstow Area Transit dating back to a recommendation made in the prior performance. The Transportation Manager reviews TransTrack input by contractor at least once a month and uses invoices as back up documentation. Some earlier problems were thought to arise from the lack of clear lines of responsibilities at the contractor. These have since been resolved, but there are still data consistency issues between the reports that BAT prepares internally that feed into external agency reports.</p> <p>While the differences are not generally wide-ranging, the year end operations data for components such as ridership, service hours and miles, and employees should be fairly the same for internal and external reporting. Given these inconsistencies, it is difficult to ensure accuracy in drawing conclusions about trends particularly with the modal statistics.</p> <p>BAT should reconsider its data collection, review and reporting practices and develop a written “desktop” guide using a flow chart outlining the data reporting process and assigning personnel responsible for each step in the process. Personnel may include city staff from within transit and the finance department, and the operations contractor. Specific staff can be assigned the responsibility of collecting, entering data into TransTrack, and overseeing the accuracy of the data and reports. Additionally, the Transportation Manager should assume the role of managing this process and be responsible for ensuring the overall accuracy of the data.</p>	<p>High Priority</p>

Performance Audit Recommendation	Background	Timeline
#2 Meet farebox recovery	<p>The trend in the farebox recovery is down. For years the fare recovery ratio had been just above or below the 10 percent requirement, however decreasing well below this threshold during the audit period to under 7 percent.</p> <p>As a result, the service is out of compliance with a key TDA measure.</p> <p>BAT should work closely with the contract operator and SANBAG to address this trend, whether through a near-term service analysis under current funding assumptions, and/or a closer review of its operating expenses whether any cost efficiencies or savings can be made to improve the fare recovery ratio.</p>	High Priority
#3 Hold regular communication with City development officials	<p>The Transportation Manager indicated that there is no regular communication between transit administration and the City's Planning and Building Departments to identify and understand land use and development proposals that may impact demand for transit services. While the COA addressed the level of anticipated demand for service and where the demand will originate, as development patterns come to fruition, transit management should maintain an ongoing dialog with City planners to keep updated on residential and non-residential development proposals and be able to add transit friendly amenities on-site and adjust BAT service as necessary to respond to the potential new demand. This could include participating in development meetings with the private applicant, and meeting more regularly with planning staff on such proposals.</p>	High Priority

Performance Audit Recommendation	Background	Timeline
#4 Develop Capital Improvement Plan	<p>Transit operations have capital needs for vehicle replacement, bus stop amenities and other facilities. With understanding of the potential implications from the consolidation study results, BAT should develop a Capital Improvement Plan and schedule for regular updates for fleet replacement and improvements to amenities. This will alert City management to the upcoming call on funds and allow the City time to work with SANBAG to secure funding for its capital needs.</p> <p>The current fleet is aging (majority are reaching 5 years old) and replacement vehicles need to be programmed. This effort is on hold pending the progress of the consolidation study, but the plan will be useful when the City is ready to move forward.</p>	Medium priority
#5 Review BAT General Administration Charges	<p>As an entity within city government, the transit system incurs general administrative costs, both direct and indirect costs. Direct costs include those directly associated with the program, such as the Transportation Manager, while indirect costs include such components as city administrative services cost, among other allocated expenses.</p> <p>According to the annual fiscal audits, general administrative costs, as a percentage of total transit operations expenditures less depreciation, increased from 9 percent in FY 2009 to close to 13 percent in FY 2011. Also, general administrative costs for Trona and Big River Transit comprise close to 50 percent of expenditures for these systems. This additional cost is inclusive of the transition of the Transportation Manager to a City employee in early 2009. However, budgeted indirect City Administrative Costs (City overhead) allocated to transit has</p>	Medium priority

Performance Audit Recommendation	Background	Timeline
	<p>increased by 25 percent over a three year period.</p> <p>This trend in increased administration expenses for BAT should be reviewed in detail by the Transportation Manager to determine whether all related costs are justified in the transit budget. With farebox recovery not being met, there should be further examination of these costs which impact BAT's ability to meet farebox, and adjustments made to the administrative charges as warranted to reflect the level of service afforded to transit by City personnel.</p>	

**FY 2009-2011
Triennial Performance Audit
of Needles Transit Services**

**Submitted to San Bernardino
Associated Governments**

May 2013

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Executive Summary

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The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- Transit System Performance Trends
- Detailed Functional Review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of Needles Transit Services.

Compliance with TDA Requirements

The City of Needles has complied with seven out of the nine applicable requirements. The City was found in partial compliance with the timely submittal of its annual fiscal and compliance audits, and meeting annual farebox recovery. Two additional compliance requirements did not apply to Needles (e.g., rural/urban farebox recovery ratios and serving an urbanized area).

Status of Prior Audit Recommendations

Five of the six prior audit recommendations were implemented. The prior recommendation not implemented pertained to the City enforcing the liquidated damages clause in the operator's service contract. Due to the contract operator's good performance as cited by the City, there was no need to consider liquidated damages. This remaining recommendation should be considered for implementation in the future when warranted.

System Performance Trends

1. Operating costs systemwide increased by just over 5 percent over the past three years. Deviated fixed route operating costs increased by 5.5 percent and DAR costs increased by 2.1 percent. The modest rates of growth in operating costs for the deviated fixed route are attributed to the set of fixed and variable costs factored into the operating contract with McDonald Transit. The increased cost for DAR was due to increases in labor, fuel and vehicle insurance during the audit period.

2. Ridership decreased by 12.5 percent systemwide, including a 14.7 percent decrease on deviated fixed route. However, DAR ridership has been slowly increasing over the last few years from earlier declines. There was an 8 percent increase in DAR ridership during the audit review period. The increase in DAR ridership could be attributed to the medical transportation service, which operates to Fort Mohave and Bullhead City two days a week. On the other hand, the decline in deviated fixed route ridership could be attributed to stagnant population growth and the lack of any significant economic development in the service area.
3. The provision of revenue hours and miles grew slightly more in relative proportion to the increase in cost during the audit period. Systemwide, vehicle miles grew nearly 10 percent and vehicle hours increased by nearly 7 percent. Most of the increase in service hours and miles can be attributed to the medical transportation service and increased DAR service. DAR revenue hours grew by 28 percent while revenue miles grew by nearly 25 percent. Deviated fixed route hours were essentially flat with only a 1 percent increase while miles increased by 6 percent. The route deviations contributed to the growth in miles although revenue hours remained stable.
4. Operating cost per passenger increased just over 20 percent systemwide. Cost per passenger increased 23.7 percent on deviated fixed route service but decreased by 5.5 percent on DAR. This is the result of a decline in ridership on the deviated fixed route coupled with the increased cost to provide the service.
5. Average fare per passenger rose by 15 percent systemwide, increasing 19.3 percent for deviated fixed route but declining by 11.4 percent for DAR. The DAR fare revenue includes the local subsidy required by the Senior Center to meet the 12 percent match in the contract. Without the subsidy, the DAR passenger fares show increases that are commensurate with the ridership gains.
6. The overall fare recovery ratio experienced a downward trend over the audit period, exhibiting a 4.2 percent decrease. The systemwide farebox ratio decreased from 11.12 percent in FY 2009 to 10.81 percent in FY 2011. This pattern was similar for deviated fixed route due primarily to fewer passenger trips. DAR exceeded its annual fare recovery ratio, while NAT met the farebox two of three audit years. The DAR farebox recovery comprising passenger fares and local support revenue averaged 18.15 percent during the audit period. Passenger fares without local support showed growth that is consistent with ridership increases.

Functional Review

1. In October 2008, Needles Area Transit implemented a twice-weekly pre-scheduled medical transportation service from Needles to Fort Mohave and Bullhead City, Arizona. This new service was a result of action taken from public comments made at the annual

SANBAG unmet transit needs hearings, as well as findings from the Public Transit-Human Services Plan prepared for San Bernardino County.

2. NAT upgraded its fleet in recent years with the procurement of two 18-passenger vehicles in 2007 and 2012. In addition to bike racks, cameras have also been purchased and installed on the buses with the assistance of a public safety grant from the California Emergency Management Agency (Cal EMA). NAT vehicles are equipped with 4 cameras each.
3. The City developed and distributed multi-colored comment cards for customer feedback as a result of a prior audit recommendation. The card is available on all transit vehicles and at the City offices. Transit management indicated that the highest usage of the cards was right after they were initially introduced. As the cards serve as a medium for public input on transit service, the City may consider utilizing the cards as part of the annual unmet transit needs process where transit needs can be expressed and submitted to the City and SANBAG.
4. Needles Transit Services is administered by the Transit Services Manager who also serves as the Secretary to the City Manager. Other City staff including from the finance department provide support as needed. Due to heavy workloads placed on city staff, the Transit Services Manager/Secretary to the City Manager spends approximately 10 percent of her annual work hours on transit administration.
5. In prior times, Needles' TDA allocation was advanced by SANBAG. However, per revised SANBAG practice in administering the funds, this procedure is being changed so that the City receives payment on a reimbursement basis including submission of an invoice. This change in procedure adds to the administrative workload of city staff.

Recommendations

Performance Audit Recommendation	Background	Timeline
#1 Consider using customer comment cards to gather input toward the annual unmet transit needs process.	In complying with a prior audit recommendation, Needles has developed and distributed customer comment cards to receive feedback on its transit services. Not only do the comment cards serve as a tool to understand customers' current experiences with the system, they could also serve as a communication medium to receive feedback on how service delivery could be enhanced and extended. Together with unmet transit needs hearing notices posted in the transit vehicles, passengers could have an additional means in-lieu of attending the unmet needs hearings typically held outside of Needles to express their concerns and make suggestions on the comment cards. City	High Priority

Performance Audit Recommendation	Background	Timeline
	of Needles would then submit those cards to SANBAG for consideration.	
#2 Enter on-time performance data into TransTrack.	With the increased utilization of TransTrack as a central data collection source and monitoring tool, certain measures have yet to be input into the system. One such measure pertains to on-time performance. Although on-time performance is tracked by having drivers call-in to dispatch at the top of the hour, entering this information regularly into TransTrack would enhance the value of the database to ensure schedule adherence in light of route deviations and flag stops.	High Priority
#3 Enter dial-a-ride no-shows data into TransTrack.	Transit management acknowledged that several performance measures for dial-a-ride have not been entered into TransTrack in a timely manner or not at all, leaving gaps in information. A key productivity measure that is not entered is no-shows. No-shows are tracked by the Senior Citizens' Club but are not entered into TransTrack. No-shows adversely affect productivity and should be monitored on a regular basis by transit management as part of the dashboard offerings in TransTrack.	High Priority
#4 Review alternatives for increasing ridership, including building local partnerships.	In light of a relatively stagnant to decreasing ridership base, Needles should consider alternatives for increasing ridership. One such alternative could include a review of potential partnerships with local businesses and/or the Needles Unified School District. Local business partnerships might include working with specific trip attractors like shopping and grocery centers, government offices or medical facilities to provide more convenient bus stop accessibility or improved bus time arrivals or pickups. Regarding the school district, as it was indicated by Needles transit management that the school bus program may be in jeopardy due to funding declines, the City should consider holding discussions with the school district to fill potential transportation gaps for its students. Examples could include new services such as school tripper service, or a school subsidized student fare structure.	High Priority

Performance Audit Recommendation	Background	Timeline
<p>#5 Combine safety and training schedule for both fixed route and dial-a-ride operations.</p>	<p>Safety meetings and continuous training on important aspects of operating a transit vehicle should be provided in a consolidated effort and offered to both McDonald Transit and dial-a-ride bus drivers. The contract transit manager provides required training once a month and discusses safety topics that are applicable to both transit modes. By having both sets of drivers present at the safety training, a more uniform set of instructions for Needles transit services could be provided to all vehicle operators in a timely manner. As potential overtime pay may occur for the dial-a-ride driver to attend the trainings, the city should work with the McDonald transit manager to minimize this possible cost increase through efficient scheduling and delivery of the trainings. This is weighed against the benefits of updated training for all drivers.</p>	<p>Medium Priority</p>

**FY 2009-2011
Triennial Performance Audit
of Morongo Basin Transit Authority**

**Submitted to San Bernardino
Associated Governments**

March 2013

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PATTI POST & ASSOCIATES

Executive Summary

The San Bernardino Associated Governments (SANBAG) engaged the PMC consultant team to conduct the Transportation Development Act (TDA) triennial performance audit of the six public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for Morongo Basin Transit Authority (MBTA) covering the most recent triennial period, fiscal years 2008-09 through 2010-11.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- Transit System Performance Trends
- Detailed Functional Review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of MBTA.

Compliance with TDA Requirements

MBTA has complied with most applicable TDA requirements with two exceptions. The operator was in partial compliance with regard to the timely submittal of the annual fiscal and compliance audits, and the consistency in recording performance data. Responsibility for submittal of the annual fiscal audit lies with the SANBAG auditor, which operates independently of MBTA. Two additional compliance requirements did not apply to MBTA (e.g., rural/urban farebox recovery ratios and serving an urbanized area).

Status of Prior Audit Recommendations

Four of the five prior audit recommendations were implemented. The recommendation pertaining to the proper recording of full-time equivalents into TransTrack and the State Controller's Report has been partially implemented and has been carried forward in this audit. MBTA has been utilizing TransTrack to correctly record employee work hours under the Personnel tab in TransTrack Manager. However, in the FY 2010 State Controller's Report prepared by SANBAG's fiscal auditor, the incorrect number of FTEs was recorded and transposed between the fixed-route and DAR modes.

System Performance Trends

1. Operating costs systemwide remained relatively flat over the past three years, increasing by 7.3 percent using audited data. Fixed route operating costs increased by a modest 3.1 percent while DAR costs increased 5.7 percent using unaudited data by mode. While MBTA has budgeted for increased CNG fuel during the audit period, fuel prices have stabilized. General administration and maintenance costs increased during the audit period encompassing salary step increases, facility repairs and the inclusion of TransTrack as an operating expense.
2. Operating cost per passenger decreased 10 percent systemwide, a positive indicator showing that ridership increased faster than operating costs. Cost per passenger decreased 23 percent on fixed route but increased by 36 percent on DAR. The trend in DAR ridership has been declining, while costs continue to increase.
3. Operating cost per hour increased 4.8 percent systemwide. The indicator increased by a negligible 0.5 percent on fixed route while increasing by 6.1 percent for DAR. Both cost and revenue hours increased for fixed route at comparable rates. Operating costs for DAR increased while revenue hours increased at more than twice the rate.
4. Passengers per hour decreased by 2.3 percent systemwide. Fixed route passengers per hour remained flat whereas DAR exhibited a 12 percent decrease. Vehicle service hours grew at a higher rate than passenger trips. For the fixed route, increases in the provision of revenue hours and passenger trips were at parity.
5. The farebox ratio for MBTA decreased slightly in the past three years, ranging from 19.78 percent in FY 2009 to 17.48 percent in FY 2011. The TDA minimum ratio of 10 percent was met in each year. Farebox for fixed route fluctuated between the 22 and 24 percent recovery range while DAR was relatively stable. Fare revenues are enhanced from group pass sales and the annual subsidy provided by the fundraising foundation of Copper Mountain College.
6. For most inspections, only minor vehicle and driver records violations were reported by the CHP. Satisfactory ratings were made for all inspections conducted during the audit period with minor violations noted for exposed edges of a wheelchair lift that was not padded and leaking fluids from the power steering gearbox.

Functional Review

1. The new Yucca Valley Transit Center opened in March 2009 with some fixed route realignment to meet at the transit center. The sawtooth design of the new transit center includes eight bays and passenger amenities such as restrooms.

2. MBTA released a marketing study in August 2009 which sought to identify more cost-effective ways to increase ridership by targeting four key market segments. The marketing study also included rebranding the MBTA logo.
3. Though outside of this audit review period, a Comprehensive Operations Analysis (COA) was completed in April 2012 that laid the foundation for enhancements and improvements in service delivery. The 2012 COA was initiated in August 2011 and provides an updated performance measurement system.
4. MBTA has not raised fares since 1999. The 2012 COA outlines a proposed fare structure that MBTA is seeking to implement in spring 2013 in concert with a route expansion and Sunday service. Based upon the COA recommendations, neighborhood and intercity fares would be increased by \$0.50 to \$1.50 and \$2.50, respectively. The COA also proposed a \$0.25 increase in student fares to \$0.50 per trip.
5. In October 2008, the MBTA JPA was amended to permit the appointment of a fifth "floating" alternate who may act in the absence of any sitting member or alternative as well as allow members to receive compensation of \$100 for their attendance at Governing Board meetings.
6. Staffing at MBTA has been fairly stable during the period. MBTA is a non-union shop where employment is on at-will basis. Employee turnover has been limited to two drivers leaving; one retired and the other quit voluntarily.
7. MBTA has developed its own grant funding program to assist local government agencies and 501(c)(3) non-profit providers in the Morongo Basin. The Transportation Assistance Grant (TAG) is a vehicle procurement program developed by MBTA that results in non-publicly funded income generated from fees paid by other agencies to access MBTA's vehicle purchasing contracts.

Recommendations

Performance Audit Recommendation	Background	Timeline
#1 Enter on-time performance data into TransTrack.	With the increased utilization of TransTrack as a central data collection source and monitoring tool, certain measures have yet to be tracked. One such measure pertains to on-time performance. Although on-time performance is tracked by having drivers call-in to the dispatchers at key time points, random time checks and other means, MBTA should enter this information into TransTrack to enhance the use of the monitoring software.	High Priority

Performance Audit Recommendation	Background	Timeline
<p>#2 Work with the SANBAG fiscal auditor to properly record correct full-time equivalents in the State Controller's Report.</p>	<p>The correct count of employee hours is reported by MBTA in TransTrack which should serve as the basis for completing the actual State Controller's Report that is submitted to the State. MBTA has been utilizing TransTrack to record employee work hours under the Personnel tab in TransTrack Manager. However, in the FY 2010 State Controller's Report prepared by SANBAG's fiscal auditor, the incorrect number of FTEs was recorded and transposed between the fixed-route and DAR modes. MBTA should work with the fiscal auditor to conduct a final check of the State Controller Report for data accuracy prior to submittal to the State.</p>	<p>High Priority</p>
<p>#3 Maintain copies of the annual State Controller's Report at the MBTA office.</p>	<p>MBTA's State Controller Report is prepared and submitted to the State on behalf of the agency by SANBAG's fiscal auditor. However, MBTA has not received final copies of its State Controller's Reports to keep in its office file. As some portions of State Transit Assistance Funding determined by the State is based on information contained in the controller reports, MBTA should have these reports readily accessible at its office.</p>	<p>Medium Priority</p>

**FY 2009-2011
Triennial Performance Audit
of Mountain Area Regional
Transit Authority**

**Submitted to San Bernardino
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May 2013



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PATTI POST & ASSOCIATES

Executive Summary

The San Bernardino Associated Governments (SANBAG) engaged the PMC consultant team to conduct the Transportation Development Act (TDA) triennial performance audit of the six public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for the Mountain Area Regional Transit Authority (MARTA) covering the most recent triennial period, fiscal years 2008-09 through 2010-11.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- Transit System Performance Trends
- Detailed Functional Review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of MARTA.

Compliance with TDA Requirements

MARTA has complied with most of the applicable TDA requirements with the exceptions of meeting the required farebox ratio in each audit year, and a finding regarding the late submission of the State Controller's Reports and annual fiscal and compliance audits. Responsibility for submittal of the annual fiscal audit and State Controller Report lies with the SANBAG auditor, which operates independently of MARTA. The FY 2011 financial reporting was delayed due to certain findings made by the previous fiscal auditor and subsequent discussions of the findings with MARTA management. Two additional compliance requirements did not apply to MARTA (e.g., rural/urban farebox recovery ratios and serving an urbanized area).

Status of Prior Audit Recommendations

This section reviews MARTA's actions to implement five prior audit recommendations. Three of the five prior audit recommendations were fully implemented, while two were partially implemented and are carried forward in this audit for full compliance. The two recommendations pertain to development of performance targets for each transit mode using the updated COA standards, and enhanced on-time performance tracking.

System Performance Trends

1. Operating costs systemwide remained flat with a 0.4 percent increase over the past three years. Fixed route operating costs increased by 11 percent but in contrast DAR costs decreased nearly by 11 percent. The trends by mode could be attributed in part to passenger response to the 2010 fare increase, the implementation of route efficiencies and a new labor contract. The new labor contract included a wage freeze, the elimination of a \$400 medical stipend, targeted layoffs, and limited holiday pay. Administrative wage freezes and reductions in holiday pay were also implemented.
2. Operating cost per passenger increased 23.6 percent systemwide. Cost per passenger increased 26.6 percent on fixed route and 63.7 percent on DAR. The trend for DAR ridership shows a decline, although costs declined at a lower rate relative to ridership.
3. Ridership decreased by nearly 19 percent systemwide during the audit period. Fixed route passengers decreased by 12.3 percent and DAR ridership declined by 45.6 percent. Ridership experienced the greatest decline in FY 2011 due primarily to the fare increase when there was a decrease to 135,273 passengers from a high of 158,949 in FY 2009. DAR also exhibited a significant decline in ridership from 29,857 passengers in FY 2009 to 17,563 in FY 2011, the result of the fare increase on the DAR and for riders who might have moved on to the fixed route.
4. Passengers per hour decreased nearly 16 percent systemwide and nearly 21 percent for fixed route. DAR passengers per hour decreased by 26 percent from 2.8 riders per hour in FY 2008 to 2.0 riders per hour in FY 2011. The decline in ridership outpaced the decline in revenue hours, which indicates a downward trend in passenger trips.
5. In spite of declining ridership, the fare recovery ratio over the past three years increased for both modes. Farebox for fixed route increased 13.3 percent while DAR increased by 6.72 percent. The overall increase systemwide was just over 15 percent. This is attributed to the fare increase implemented in FY 2010. MARTA's farebox has shown improvement from its low of 9.59 percent in FY 2009. In addition to the fare increase and restructuring, the cost of providing the service has been defrayed by reduced labor costs and the implementation of route efficiencies.

Functional Review

1. MARTA management made strides to unify and enhance the agency's organizational culture by improving communication between the Big Bear and Crestline facilities, consolidating dispatch functions, cross training and providing a greater management presence at Crestline.
2. MARTA increased and streamlined fares in FY 2010 as per a SANBAG recommendation. The number of fare zones was reduced and fares were raised for most major categories.

The senior/disabled fare was raised to \$2.50 on dial-a-ride, the Big Bear local bus fare was raised from \$1.00 to \$1.50 and the OTM fare was raised from \$7.00 to \$10.00. MARTA may consider implementing a mileage-based fare structure in FY 2014.

3. Dispatch operations systemwide have been largely consolidated in Crestline, which handles large call volumes. Dispatch is conducted in Big Bear on Sunday. The Crestline facility is equipped with GPS and video camera access of the Big Bear facility. Cellular phones supplement radio communications between dispatch and drivers. Camera systems were also installed on the vehicles during the audit period.
4. Although outside the audit period, the draft 2012-16 Short-Range Transit Plan (SRTP) for MARTA was released in May 2012. This latest SRTP also serves as a Comprehensive Operational Analysis (COA) for MARTA. The latest SRTP/COA recommends further adjustments to the fare structure by reducing the number of fare zones, introducing new fare media for local Big Bear Valley routes and having more equitable OTM fares.
5. MARTA has taken steps to increase its visibility through updates to its marketing collateral and possible rebranding considerations. The COA's marketing strategy emphasized increased visibility for MARTA through rebranding and a name change to Mountain Transit. The MARTA Riders Guide was updated in March 2010 to reflect the new route alignments and fare increases.
6. The former Assistant General Manager, who retired in August 2012, was stationed at Crestline twice weekly during the audit period as part of building the cohesion between the two operations facilities. The Operations Supervisor/Trainer at Crestline was selected to serve as the acting Assistant General Manager during the transition.
7. Non-exempt employees are represented by Teamsters Local 572 based in Carson, California. In an effort to control costs, there were some layoffs and benefit concessions made during the audit period. The provisions of the July 2010 MOU included limiting the number of paid holidays to Thanksgiving and Christmas Day, eliminating the \$400 medical stipend and overtime for the 6th day, and a wage freeze.
8. MARTA is a recipient of federal grants under the FTA Section 5311 funding formula for rural area operators. In addition, an FTA Section 5311(f) intercity grant is applied towards supporting the Big Bear OTM service, funding about half of operating costs. MARTA was also awarded an FTA Section 5316 JARC grant for the RIM service realignment.

Recommendations

Performance/Audit Recommendation	Background	Timeline
#1 Develop on-time performance calculation methodology	MARTA is to be commended for using a pre-printed daily performance log for each of its services to track when buses arrive at timed stops. Dispatchers check off the times along routes during driver call-ins and other communication to record on-time performance. The logs are then maintained in a binder and kept in the office for reference. A sample review of logs, however, indicates that this tracking is not conducted on a consistent basis, likely because of other priorities at hand. Also, when the logs are filled out, there is no calculation methodology to translate the rate of on-time performance relative to the number of possible observations. This is often expressed as an on-time percentage, which is typically compared to a goal. It is recommended that MARTA increase its completion of tracking on-time observations in the performance logs or via its GPS, and then taking a representative sample to develop a percentage of on-time trips. This method can be integrated with the next recommendation.	High Priority
#2 Enter on-time performance data into TransTrack.	With the increased utilization of TransTrack as a central data collection source and monitoring tool, certain measures have yet to be tracked. One such measure pertains to on-time performance. Although on-time performance is tracked through several means such as having drivers call-in to the dispatchers at key time points, using GPS and sampling driver sheets, entering this information into TransTrack regularly would help validate schedule adherence in light of route conditions while enhancing the TransTrack dashboard.	High Priority
#3 Develop performance targets for each transit mode using the updated MARTA Comprehensive Operations Analysis standards as a reference.	This recommendation is carried over from the prior audit due to partial compliance. During the audit period, MARTA focused more on systemwide aggregate data and was able to develop and implement its own measures. Modes were tracked separately, but performance targets were not set for each mode. MARTA indicated that the 2007 targets were not applicable and that it did not have sufficient resources to fully implement the steps to reach the targets based on modes. Nevertheless, the adoption of the 2012-2016 SRTP/COA includes more attainable benchmarks by mode which MARTA will actively track.	Medium Priority

**FY 2009-2011
Triennial Performance Audit
of Omnitrans**

**Submitted to San Bernardino
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PATTI POST & ASSOCIATES

Executive Summary

The San Bernardino Associated Governments (SANBAG) engaged the PMC consultant team to conduct the Transportation Development Act (TDA) triennial performance audit of the six public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for Omnitrans covering the most recent triennial period, fiscal years 2008-09 through 2010-11.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- System Performance Trends
- Functional Review

In addition, a comparison of Omnitrans against similar transit operators around the nation was conducted using transit data reported in the National Transit Database (NTD).

Based on the audit review process, recommendations were developed to improve the operational efficiency and effectiveness of Omnitrans.

Compliance with TDA Requirements

Omnitrans has complied with all applicable compliance requirements of TDA.

Status of Prior Audit Recommendations

This section reviewed Omnitrans' actions to implement five prior audit recommendations. Two of the five prior audit recommendations were fully implemented, one has been partially implemented, one is no longer relevant, and one has not been implemented due to a change in project schedule.

System Performance Trends

1. Operating costs for Omnitrans general public service decreased by 3.9 percent over the last three years, which is remarkable given that the Consumer Price Index increased by 3.4 percent during the same period. Operating costs for Omnitrans Access service increased by 11.2 percent during the last three years, due primarily to an increase in vehicle service hour provision. Systemwide operating costs decreased by 1.7 percent.
2. Ridership on general public service increased by 1.3 percent, from 14.4 million to 14.6 million passengers, a notable accomplishment given the service reductions that took place during the audit period. Ridership on Access service increased by 6.1 percent, from

405,814 to 430,564. Systemwide ridership increased by 1.4 percent during the audit period.

3. The provision of vehicle service hours and miles for general public service decreased by 4.2 percent and 4.0 percent respectively, as Omnitrans reduced service levels in order to balance its budget. Access vehicle service hours and miles increased by 12.4 percent and 12.1 percent respectively in order to meet passenger service requests.
4. Operating cost per passenger decreased by 3.1 percent systemwide and by 5.2 percent for general public service, and increased by 4.8 percent for Access service (as compared to a 3.4 percent change in inflation during the audit period). This reflects the emphasis that Omnitrans had during the audit period to realize cost efficiencies when feasible.
5. Operating cost per vehicle service hour decreased by 0.5 percent systemwide and by 1.1 percent for Access service, and increased by 0.2 percent for general public service. Operating cost per vehicle service mile decreased by 1.2 percent systemwide and by 0.8 percent for Access service, and increased by 0.1 percent for general public service.
6. Passengers per vehicle service hour increased by 2.7 percent systemwide and by 5.7 percent for general public service, and decreased by 5.6 percent for Access service. Passengers per vehicle service mile increased by 2.0 percent systemwide and by 5.5 percent for general public service, and decreased by 5.4 percent for Access service.
7. Vehicle service hours per employee Full Time Equivalent (FTE) for general public service, which measures labor productivity, increased by 6.3 percent over the past three years. Vehicle service hours per employee FTE for Access service increased by 4.3 percent during the audit period.
8. The fare recovery ratio for general public service increased from 21.9 percent in FY2008 to 24.5 percent in FY2011, while the fare recovery ratio for Access service increased from 13.1 percent in FY2008 to 13.4 percent in FY2011. The TDA minimum requirement is 20.0 percent for general public service and 10.0 percent for Access service for senior and disabled patrons. Omnitrans met the minimum requirements in each fiscal year during the audit period.

Functional Review

1. Vehicle operations cost indicators for directly operated fixed route service generally improved during the audit period. Operations cost per vehicle service hour increased by just 2.7 percent, cost per vehicle service mile increased by 2.7 percent, cost per passenger trip decreased by 4.9 percent, and cost per passenger mile decreased by 0.5 percent. This compares to an inflation adjustment during the audit period of 3.4 percent.
2. The number of directly operated fixed route preventable accidents remained fairly steady during the audit period, within a range of 66 to 73 such accidents annually. The overall preventable accident rate per million vehicle service miles increased by 5.8 percent during the audit period. Omnitrans' goal is 8 accidents per million miles, which was met in FY2010, but not in the other audit years.
3. Demand response vehicle operations cost indicators also generally improved during the audit period. Operations cost per vehicle service hour decreased by 3.2 percent, cost per vehicle service mile decreased by 3.0 percent, cost per passenger trip increased by 2.5 percent, and cost per passenger mile increased by 8.9 percent. The larger increase in the cost per passenger mile indicator is reflective of shorter average passenger trip lengths.
4. Maintenance costs for directly operated fixed route service decreased by 14.4 percent during the audit period, a remarkable accomplishment. Maintenance cost per vehicle hour, per vehicle mile, and per active vehicle declined by 8.1 percent, 8.2 percent, and 15.5 percent respectively.
5. Total directly operated fixed route vehicle failures decreased from 2,953 in FY2008 to 2,485 in FY2011. Vehicle miles between failures showed a 10.7 percent improvement during the audit period.
6. For demand response service, maintenance costs decreased by 15.1 percent during the audit period. Maintenance costs per vehicle hour, per vehicle mile, and per active vehicle decreased by 22.9 percent, 21.1 percent, and 10.9 percent respectively.
7. Administration costs increased by 5.2 percent for directly operated fixed route service, and by 12.1 percent for demand response service.
8. Directly operated fixed route fringe benefit costs increased by 3.3 percent during the audit period, from \$14.14 million in FY2008 to \$14.61 million in FY2011. The increase was roughly in line with the overall inflation increase of 3.4 percent during the same timeframe.
9. Directly operated fixed route casualty and liability costs increased by 2.4 percent during the audit period, from \$4.07 million in FY2008 to \$4.17 million in FY2011.

Recommendations

Performance Audit Recommendation	Background	Timeline
#1: Work with SANBAG to take appropriate steps pending completion of the Comprehensive Operational Assessment (COA).	The COA is intended to provide potential opportunities for Omnitrans to adjust service delivery and strengthen performance. Omnitrans should work closely with SANBAG to determine aspects of the COA that warrant implementation in the near future. This step will be incorporated as part of the upcoming Short Range Transit Plan to be developed by Omnitrans.	High Priority
#2: Investigate the Potential to Restructure Service once Bus Rapid Transit is Implemented.	As a carryover from the prior audit, the new sbX Bus Rapid Transit service represents a tremendous opportunity for Omnitrans to restructure and refocus its overall service network. Omnitrans should leverage the new service with respect to timed transfer opportunities with local routes and a shift of duplicative resources to other parts of the service area. In addition, FTA rules and regulations for the sbX project should be closely monitored, as compliance could affect future funding.	High Priority
#3: Conduct an evaluation of SAP's impacts on business process flows.	The SAP Enterprise Resource Planning implementation had significant impacts on how Omnitrans conducts its business processes. Omnitrans should document the results in a centralized location, assess the benefits of those changes, and determine if there are additional business process improvements that could be enabled through SAP. Omnitrans should continue to engage SAP integration at the department level to determine its applicability to each working group.	Medium Priority
#4: Verify on-time performance numbers and adjust performance targets accordingly.	Automated Vehicle Location (AVL) technology produces different on-time performance results from the prior data reporting methodology. Omnitrans should document the reasons for these differences and adjust its performance targets in line with the updated methodology.	Medium Priority

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**FY 2009-2011
Triennial Performance Audit
of Victor Valley Transit Authority**

**Submitted to San Bernardino
Associated Governments**

March 2013

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PATTI POST & ASSOCIATES

Executive Summary

The San Bernardino Associated Governments (SANBAG) engaged the PMC consultant team to conduct the Transportation Development Act (TDA) triennial performance audit of the six public transit operators under its jurisdiction. The performance audit serves to ensure accountability in the use of public transportation revenue. This performance audit is conducted for Victor Valley Transit Authority (VVTA) covering the most recent triennial period, fiscal years 2008-09 through 2010-11.

The audit includes a review of the following areas:

- Compliance with TDA Requirements
- Status of Prior Audit Recommendations
- System Performance Trends
- Functional Review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of VVTA.

Compliance with TDA Requirements

VVTA has complied with most TDA requirements. Submittal of reports to the State Controller's Office, including the annual fiscal and compliance audits and the State Controller annual transit operator reports, were not on time. Responsibility for submittal of these financial documents lies with the SANBAG auditor, which operates independently of VVTA.

Status of Prior Audit Recommendations

This section reviewed VVTA's actions to implement four prior audit recommendations. All of the recommendations from the prior audit were implemented.

System Performance Trends

1. Operating costs systemwide increased by 14.4 percent over the past three years. Most of the cost increase was observed in FY 2009 when headways were reduced to 30 minutes on the most productive routes. Costs grew slowly or decreased in the succeeding years.
2. Ridership increased by 50.1 percent systemwide, with 56.2 percent ridership growth on fixed route but a 5.2 percent decline on demand response. Slight increases in ADA trips on demand response were offset by declines in subscription trips. VVTA reduced headways on key fixed routes which resulted in increased system ridership while drawing some passengers away from deviated services and demand-responsive service onto the bus. This reduction in demand response ridership with a correlated increase in bus passengers improves overall performance and cost efficiency.

3. The provision of vehicle service miles increased by 13.1 percent and vehicle service hours increased by 17.3 percent systemwide during the audit period, indications of a growing system.
4. As a result of stabilized cost and increased ridership and service hours, operating cost per passenger decreased by 23.8 percent and operating cost per vehicle service hour decreased by 2.4 percent systemwide. These performance measures indicate positive trends.
5. Passengers per vehicle service hour increased by 28.1 percent systemwide, also reflecting a positive trend in service effectiveness.
6. The fare recovery ratio for fixed route service increased from 17.9 percent in FY2008 to 22.9 percent in FY2011. The fare recovery ratio for demand response service decreased from 14.3 percent in FY2008 to 13.1 percent in FY2011. The farebox ratios for both transit modes exceeded their respective ratio requirements set by SANBAG.

Functional Review

1. VVTA management staff was brought in-house as employees of the JPA in October 2010. As recommended in the previous performance audit, the Controller Finance function was transferred from a member jurisdiction (Victorville) to VVTA with the establishment of the Finance Director position which has improved the handling of financial and treasury related responsibilities. Bringing staff in-house was especially important because it allowed better management of the construction of the new operations facility.
2. Several recommendations of the 2007 Comprehensive Operations Analysis were implemented during the audit period. These include routes that have been restructured to make them more efficient and effective. Key routes increased service to provide 30 minute headways which resulted in significantly increased ridership on these routes. A new COA was underway after the audit period, starting February 2012.
3. VVTA applied for and received grants to support a Mobility Manager who works on a variety of projects including vanpools. Additionally, the Mobility Manager developed the FTA-required plan at the end of 2012 on how the agency intends to spend its Federal 5316 (JARC) and 5317 (New Freedoms) funds. VVTA had not spent these funds while awaiting approval for a mobility manager position and plan.
4. VVTA initiated a CMAQ-funded project (with funding for 3 years) in January 2011, the BV Link. The BV Link is a relatively new fixed route lifeline service that initially served between Barstow and Victorville operating 3 days per week, and serving medical facilities and shopping opportunities. Service to Fort Irwin began in May 2012. An

extension to the San Bernardino Valley (San Bernardino and Fontana) began in October 2012 to serve the Metrolink Stations and medical centers.

5. Although outside the audit period, VVTA constructed and moved into a new administration and operations facility beginning in November 2011, with all services moved by April 2012. The facility offers improved and expanded amenities and has the capacity to accommodate up to 100 buses which is more than sufficient for the current and near-term fleet. It is a green energy efficient building with photovoltaic shade structures that produce enough electricity for the facility as well as provide vehicle parking shade. Providing shade for vehicles reduces time needed to cool down vehicles thus reducing fuel consumption and emissions. The new facility also improved overall morale among the contractor employees.

6. Additional significant capital purchases were made during the audit period to improve operations and safety including Global Positioning Systems for improved dispatching plus real time bus location via the web; Automatic Passenger Counters; automated bus stop annunciators; and video surveillance.

Recommendations

<i>Performance Audit Recommendation</i>	<i>Background</i>	<i>Timeline</i>
#1 Develop and Retain a Facility Maintenance Plan	VVTA recently moved into a new facilities building with more space and modern features. However, with noted construction issues identified by VVTA staff in some areas of the facility, a plan to maintain the facility should be retained and VVTA management staff given responsibility to implement the plan in efforts to control cost and maintain facility functionality.	High Priority
#2 Submit Separate Annual State Controller's Reports for Fixed Route and Direct Access	VVTA has been submitting a combined report to the State for both fixed route and paratransit. As Direct Access is a paratransit service exclusive for ADA passengers, State Controller Report instructions require the filing of separate reports between the two modes, one for general public service and another for exclusive service. The Controller's instructions state "...a separate report must be filed for each type of service provided: General Public Use Service or Specialized Service exclusive for elderly and/or handicapped..." These two reports	High Priority

<i>Performance Audit Recommendation</i>	<i>Background</i>	<i>Timeline</i>
	should be submitted within the timelines prescribed by the instructions.	
#3 Increase VVTA Administrative Staff	<p>VVTA has traditionally had a very small administrative management staff. To help ensure all administrative tasks and functions of a growing transit agency are covered and backed up, consideration should be given to increase the level of administrative management staff. Possible areas that could benefit from additional staff support include planning, government relations, grants and asset management, and accounting. Also, given that VVTA has a large student ridership, consideration should also be made to expand media relations to include digital content such as social media. An internship type position could be an appropriate measure for this need.</p> <p>Additional expansion of staff should be made in the context of the recent Consolidation Study and its findings.</p>	High Priority
#4 Plan for fare adjustment or increase as conditions warrant	The Operations and Growth Analysis completed in 2007 recommended a fare increase. VVTA held the required hearings to increase the fares but decided not to implement the fare increase in light of the economic recession. VVTA should continue its evaluation and planning for fare adjustments in light of improving economic and operational conditions.	Medium Priority
#5 Provide Systemwide Map	VVTA should develop a systemwide map depicting the fixed routes and paratransit service coverage areas. A systemwide map would provide improved customer service through visualization of route connections within VVTA and other transit systems. A digital system map should be first developed for the VVTA web site to coincide with the individual route maps. The digital version enables a low cost alternative and instant	Medium Priority

<i>Performance/Audit Recommendation</i>	<i>Background</i>	<i>Timeline</i>
	<p>reach to passengers with digital access. Printing and distribution of a printed map may not be as cost effective, but should be considered for use based on the effectiveness and distribution of existing printed individual maps.</p>	

This list provides information on acronyms commonly used by transportation planning professionals. This information is provided in an effort to assist SANBAG Board Members and partners as they participate in deliberations at SANBAG Board meetings. While a complete list of all acronyms which may arise at any given time is not possible, this list attempts to provide the most commonly-used terms. SANBAG staff makes every effort to minimize use of acronyms to ensure good communication and understanding of complex transportation processes.

AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
ADT	Average Daily Traffic
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ARRA	American Recovery and Reinvestment Act
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation and Air Quality
CMIA	Corridor Mobility Improvement Account
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CPUC	California Public Utilities Commission
CSAC	California State Association of Counties
CTA	California Transit Association
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DBE	Disadvantaged Business Enterprise
DEMO	Federal Demonstration Funds
DOT	Department of Transportation
EA	Environmental Assessment
E&D	Elderly and Disabled
E&H	Elderly and Handicapped
EIR	Environmental Impact Report (California)
EIS	Environmental Impact Statement (Federal)
EPA	Environmental Protection Agency
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICTC	Interstate Clean Transportation Corridor
IIEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds

MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
NAT	Needles Area Transit
NEPA	National Environmental Policy Act
OA	Obligation Authority
OCTA	Orange County Transportation Authority
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PNRS	Projects of National and Regional Significance
PPM	Planning, Programming and Monitoring Funds
PSE	Plans, Specifications and Estimates
PSR	Project Study Report
PTA	Public Transportation Account
PTC	Positive Train Control
PTMISEA	Public Transportation Modernization, Improvement and Service Enhancement Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
RSTIS	Regionally Significant Transportation Investment Study
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SAFETEA-LU	Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy for Users
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
S RTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCIF	Trade Corridor Improvement Fund
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TSM	Transportation Systems Management
TSSDRA	Transit System Safety, Security and Disaster Response Account
USFWS	United States Fish and Wildlife Service
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning

- Develop an accessible, efficient, multi-modal transportation system

- Strengthen economic development efforts

- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

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