



MEETING NOTICE & AGENDA

DATE: Thursday, June 20, 2024

TIME: 4:00 P.M.

PLACE: Board of Supervisors Chambers
Yuba County Government Center
915 8th Street
Marysville, California

I. **Call to Order & Roll Call**

Kirchner (Chair), Bains (Vice-Chair), Blaser, Buttacavoli, Flores, Fuhrer, Hudson, and Shaw

II. **Public Business from the Floor**

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

III. **Consent Calendar**

All matters listed under the Consent Calendar are considered routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or public request specific items to be discussed or removed from the Consent Calendar for specific action.

- A. Minutes from the Regular Meeting of May 16, 2024. (Attachment)
- B. Disbursement List for May 2024. (Attachment)
- C. Monthly Performance Report for May 2024. (Attachment)

IV. **Reports**

- A. **Projects for the Sacramento Metropolitan Transportation Improvement Program (MTIP)**. Consideration of the proposed revisions to the Yuba-Sutter Transit Authority's MTIP Program of Projects and Capital Improvement Plan. (Attachment)

RECOMMENDATION: Approve Yuba-Sutter Transit's 5-year MTIP Program of Projects and 2050 Capital Improvement Plan as proposed or amended.

- B. **Transportation Development Act (TDA) Claim for FY 2025**. (Attachment)

RECOMMENDATION: Adopt Resolution No. 7-24 authorizing the submittal of Yuba-Sutter Transit's FY 2025 TDA Claim as proposed or amended.

- C. **Annual Update of the Public Transportation Agency Safety Plan (PTASP)**. Review of the Yuba-Sutter Transit agency safety plan update for 2024. (Attachment)

RECOMMENDATION: Accept the 2024 Agency Safety Plan update as submitted.

- D. **Golden State Risk Management Authority Insurance Pool Membership.** Consideration and approval to join the Golden State Risk Management Authority insurance pool. (Attachment)

RECOMMENDATION: Authorize the Executive Director to execute all documents necessary to facilitate the Yuba-Sutter Transit Authority's membership in the Golden State Risk Management Authority and authorize the binding of offered insurance coverages as proposed.

- E. **Yuba-Sutter NextGen Transit Plan Fare Alternatives.** Consideration of preferred NextGen Transit Plan fare structure alternatives. (Attachment)

RECOMMENDATION: Accept the alternative Fare Structure Scenario #4 as the preferred option for consideration at the public hearing scheduled for July 18, 2024, as proposed or amended.

- F. **Yuba-Sutter Transit Procurement Policies and Procedures Manual Update.** (Attachment)

RECOMMENDATION: Adopt the revised Yuba-Sutter Transit Procurement Policies and Procedures Manual as proposed or amended.

V. **Correspondence / Information**

VI. **Other Business**

VII. **Adjournment**

THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, JULY 18, 2024, AT 4:00 P.M. IN THE BOARD OF SUPERVISORS CHAMBERS, YUBA COUNTY GOVERNMENT CENTER

If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or by email at info@yubasuttertransit.com at least 72 hours in advance so such aids or services can be arranged.

AGENDA ITEM III – A

**YUBA-SUTTER TRANSIT AUTHORITY
MEETING MINUTES
MAY 16, 2024**

I. Call to Order & Roll Call (4:00 P.M.)

Present: Blaser, Buttacavoli, Hudson, Kirchner (Chair), and Ziegenmeyer (for Flores)
Absent: Bains, Flores, Fuhrer and Shaw

II. Public Business from the Floor

None.

III. Consent Calendar

Director Hudson made a motion to approve the consent calendar. Director Blaser seconded the motion, and it was carried unanimously. Director Ziegenmeyer abstained.

Director Fuhrer and Director Shaw arrived at 4:02 p.m.

IV. Reports

A. Final Operating and Capital Budgets for FY 2025.

Executive Director Mauk reviewed the budget process year-to-date and presented the final draft budget of \$9.6 million for operating and administration expenses and \$4.5 million for capital projects.

Mauk stated the operations expenditures reflect cost escalators for the service contract and an increase in service hours expected with the implementation of phase one of the NextGen Transit Plan. The administrative expenditures include a 3.2% increase over the FY 2024 budget, due to the addition of a full-time staff position and cost of living salary adjustment.

Mauk noted three items changed from the last version of the operating budget, including services and other maintenance decreased \$30,000, telephone and internet adjusted up \$1,000, and Administration salaries and wages adjusted down for known salary expenses.

Mauk noted the budget assumes status quo for federal and state revenues and includes a marginal increase in fair revenue based on the current ridership trends.

Mauk stated the capital budget assumes the ramp up of the environmental and design work for the new transit facility and startup of the new NextGen on demand technology. New to the final version of the budget is a grant funded project to implement a new open fair payment system, that is part of the state's integrated travel project, to be almost fully funded under a SACOG agreement.

Director Hudson made a motion to adopt Resolution No. 5-24 approving the final Yuba-Sutter Transit Operating and Capital Budgets for FY 2025 as proposed. Director Shaw seconded the motion and it carried unanimously.

B. Local Transportation Fund (LTF) Apportionment for FY 2025.

Mauk stated pursuant to our JPA, staff has prepared the annual local Transportation Fund (LTF) apportionments based on the adopted budget. The total annual LTF contribution to Yuba-Sutter Transit is \$4 million. The calculation of the LTF apportionment is based on four criteria, service area population, the amount LTF available to the jurisdiction, fixed route miles, and demand response trips. Due to the relatively low amount of LTF available to the City of Marysville, the apportionments include the reallocation of \$101,000 shortfall among the other three jurisdictions.

Director Hudson made a motion adopt Resolution No. 6-24 establishing the FY 2025 LTF Contributions for each member jurisdiction as proposed. Director Fuhrer seconded the motion and it carried unanimously.

Director Bains arrived at 4:09 p.m.

C. Administrative Staff Cost of Living Salary Adjustments.

Mauk presented the proposed administrative staff salary and benefits adjustments. Yuba-Sutter Transit annually reviews the compensation package for the agency's employees to determine if any adjustments are warranted. The recommendation is for a 3 percent cost of living adjustment for all positions including the Executive Director. The estimated total cost of the proposed salary adjustment is \$20,000 which includes salary and any associated benefits.

Director Hudson made a motion to approve the staff cost of living salary adjustments and adopt the resulting salary schedule effective July 1, 2024 as proposed. Director Buttacavoli seconded the motion and it carried unanimously.

D. SACOG Subrecipient Agreement for Cal-ITP Project Funds.

Director Mauk stated the requested action is authorization to execute a subrecipient agreement with SACOG to accept up to a \$172,000 in grant funds to participate in regional procurement of open fair payment technology. The project is part of a statewide initiative to promote seamless travel on public transit. The California integrated travel project (Cal-ITP) allows riders to pay fares at the door with a credit card or an e-wallet such as Apple Pay.

Mauk stated the funds are for Yuba-Sutter Transit to acquire the hardware and payment processing software. Sacramento Regional Transit and SACOG are leveraging this project to potentially replace the aging connect card system. The goal is to have one piece of electronic fare payment hardware on all the buses across the region.

Director Hudson made a motion to authorize the Executive Director to execute SACOG Subrecipient Agreement No. CT240031 for Cal-ITP project funding, pending final review and approval by legal counsel. Director Shaw seconded the motion and it carried unanimously.

Director Ziegenmeyer left meeting at 4:41 p.m.

E. Yuba-Sutter NextGen Transit Plan Phase 1 Implementation and Schedule.

Mauk noted that in this last year staff has been working diligently to implement the initial phases of the NextGen Short-Range Transit Plan, including commuter and Route 2 schedule reductions done last November. Staff additions and technology acquisitions are ongoing.

Mauk noted we are now ready for Phase 1 of the Plan, which includes replacement of Routes 2 and 5 in Yuba City with on demand service, streamlining Route 1 by reducing the number of stops and rerouting it off some of the side streets, restructuring of fares during the initial phases and a subsequent increase to base fare rates in 2027, and the launch of a weekday commuter service to the Roseville Galleria.

Mauk summarized staff's recommendations to adopt a revised implementation plan pushing the launch of Phase 1 service changes from August to early next calendar year to allow for additional planning and marketing, and to develop fare policy alternatives for Board discussion in June and a public hearing in July.

Director Hudson made a motion to 1) Set a Public Hearing for 4:05 p.m. on Thursday, July 18, 2024, to receive comments on the local service changes and fare policies recommended for implementation during Phase 1 of the adopted NextGen Transit Plan. 2) Adopt an updated Implementation Plan and Timeline for the NexGen Transit Plan Phase 1 local services changes and Marysville/Roseville service launch as proposed. 3) Direct staff to prepare alternative fare policy recommendations for the proposed NextGen Transit Plan local service initiatives. Director Fuhrer seconded the motion and it carried unanimously.

F. Discount Monthly Pass Program Grant Closeout Report.

Mauk stated that we are required to bring this information item to the Board per our FRAQMD grant which ended March 2024. The program ended with just over 9300 passes sold, resulting in a \$6,830 surplus which was returned to FRAQMD. Mauk noted the FRAQMD program has been funded again at \$98,000 through March 2025.

G. Third Quarter Performance Report.

Mauk noted that ridership continues trend up 13% over the first three quarters of the fiscal year, despite the amount of service hours remaining relatively flat. Fare revenues also went up with the increased ridership but so did inflationary pressures, so the ratio of fare revenues to operating costs dropped by 1%.

H. Project & Program Updates.

1. Caltrans Binney Junction SR70 Project

Mauk reported the Caltrans temporary construction easements estimates for phase 2 have been provided to Caltrans. The estimate is \$58,000 for one-time moving and set up costs for the alternate facility, \$7,500 a month for facility related expenses, and \$9,300 a month for direct labor and additional fuel costs. Monthly lease costs for the alternate location will be reimbursed by Caltrans.

Caltrans estimates the construction timeline will be 18-22 months starting in March of 2025. We will need to finalize the TCE and get Board approval by September 2024.

2. NextGen Transit Facility Project

Mauk reported the negotiations are about to begin with the proposer on our A&E contract and an award is now expected in July.

The SB125 funding that we were recently awarded by SACOG was not cut in the Governor's May revised budget, but payments were frozen by the State. The funds should be released when the budget is adopted.

3. Commuter Service Request

Mauk reported we have received numerous commuter service requests from state workers who are moving to a new office complex on Richard's Blvd. north of downtown Sacramento. Mauk reported that another regional agency recently started to serve the new complex, which led to an influx of requests. Staff is analyzing potential demand for new service and may bring an item back to the Board if warranted.

V. **Correspondence / Information**

None.

VI. **Other Business**

Mauk noted that Memorial Day is a service and office holiday.

Mauk reported that Yuba-Sutter Transit received a petition from Operating Engineers, Local 3 union representation requesting representation for transit drivers and maintenance staff. This petition was filed with the Public Employment Labor Relations Board. Legal counsel has responded.

VII. **Adjournment**

The meeting was adjourned at 4:56 pm.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, JUNE 20, 2024 AT 4:00 PM
IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS UNLESS OTHERWISE
NOTICED.**

**AGENDA ITEM III - B
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF MAY 2024**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 9,155.15	CALPERS HEALTH	HEALTH INSURANCE
EFT	\$ 4,542.52	CALPERS RETIREMENT	RETIREMENT PAYMENT (EMPLOYER SHARE)
EFT	\$ 729.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 46,128.92	PAYROLL	PAYROLL
EFT	\$ 1,833.47	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 36.86	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION - MAY 2024
EFT	\$ 293.76	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 5,174.25	PG&E	ELECTRIC 4/12/2024 - 5/12/2024
EFT	\$ 63.95	PG&E	ELECTRIC #2 PARKING LOT LIGHTS - MAY 2024
EFT	\$ 601.36	PG&E	GAS - APRIL 2024
EFT	\$ 388.67	COMCAST BUSINESS	TELEPHONE SERVICES - APRIL 2024
EFT	\$ 597.89	COMCAST BUSINESS	INTERNET SERVICES - APRIL 2024
EFT	\$ 388.67	COMCAST BUSINESS	TELEPHONE SERVICES - MAY 2024
EFT	\$ 171.16	COMCAST BUSINESS	INTERNET SERVICES - MAY 2024
EFT	\$ 10,930.78	RAMOS OIL COMPANY	BUS FUEL - GAS 4/11/2024 - 4/30/2024
EFT	\$ 6,708.63	RAMOS OIL COMPANY	BUS FUEL - GAS 5/1/2024 - 5/10/2024
EFT	\$ 100.00	BRAD HUDSON	BOARD MEETING - 5/16/2024
EFT	\$ 100.00	DAVID SHAW	BOARD MEETING - 5/16/2024
EFT	\$ 100.00	DON BLASER	BOARD MEETING - 5/16/2024
EFT	\$ 100.00	KARM BAINS	BOARD MEETING - 5/16/2024
EFT	\$ 100.00	SETH FUHRER	BOARD MEETING - 5/16/2024
EFT	\$ 100.00	WADE KIRCHNER	BOARD MEETING - 5/16/2024
EFT	\$ 105.18	HARLAND CLARKE	DEPOSIT SLIPS
EFT	\$ 350.73	MACQUARIE EQUIPMENT CAPITAL INC	COPY MACHINE LEASE - APRIL 2024
EFT	\$ 4,163.87	CARDMEMBER SERVICES	CREDIT CARD - SUBSCRIPTIONS, DUES, TRAINING & PROMO MATERIALS
EFT	\$ 238.83	UTILITY MANAGEMENT SERVICES	SEWER - MAY 2024
EFT	\$ 235.60	PRIMEPAY	PAYROLL FEES - APRIL 2024
EFT	\$ 636,717.14	DAVEY COACH SALES LLC	BALANCE DUE FOR BUSES #1214 - #1219
EFT	\$ 169.94	ELAVON	MERCHANT SERVICE FEE - MAY 2024
18797	\$ 269.25	ADVANCED DOCUMENTS CONCEPTS	COPY MACHINE CHARGES - APRIL 2024
18798	\$ 175.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING & WEED CONTROL - APRIL 2024
18799	\$ 2,801.87	CONNECT CARD REGIONAL SERVICE CENTER	CONNECT CARD SALES - APRIL 2024
18800	\$ 881.90	HANCOCK PETROLEUM ENGINEERING	MAINTENANCE & REPAIR WORK ON PUMPS
18801	\$ 27,162.76	INTERSTATE OIL COMPANY	BUS FUEL - DYED DIESEL
18802	\$ 310.00	LAMAR ADVERTISING	COMMUTER BUS ADS
18803	\$ 32.16	MATTHEW MAUK	REIMBURSEMENT - MEALS AT CALACT CONFERENCE
18804	\$ 542.49	QUILL CORPORATION	OFFICE SUPPLIES: RECEIPT BOOKS, PAPER, ENVELOPES
18805	\$ 1,100.00	RC JANITORIAL	JANITORIAL SERVICES: APRIL 2024
18806	\$ 1,037.96	SC FUELS	DEF FLUID
18807	\$ 518,027.28	STORER TRANSIT SYSTEMS	CONTRACT SERVICES & VEHICLE INSURANCE - 3/2024
18808	\$ 535.00	STREAMLINE	WEBSITE SERVICES - MAY 2024
18809	\$ 86.66	SUTTER COUNTY LIBRARY	CONNECT CARD SALES COMMISSION - APRIL 2024
18810	\$ 1,670.20	T-MOBILE	WIFI SERVICES FOR BUSES - APRIL 2024
18811	\$ 7,746.28	TEHAMA TIRES SERVICE INC	TUBES/TIRES
18812	\$ 2,150.00	ALLIANT NETWORKING SERVICES INC	IT SERVICES - JUNE 2024
18813	\$ 200.00	APEX PRESSURE WASHING	CLEAN BUS STOP AT D & 2ND, MARYSVILLE
18814	\$ 5,499.18	BAY CITY ELECTRIC WORKS	SERVICE ON GENERATOR
18815	\$ 15.10	BOB'S LOCK & KEY SHOP	DUPLICATE KEYS FOR OPERATIONS
18816	\$ 100.00	BRUCE BUTTACAVOLI	BOARD MEETING 5/16/2024
18817	\$ 178.12	FRACOTYP-POSTALIA INC	POSTAGE MACHINE RENTAL 4/13/24 - 7/12/24
18818	\$ 5,482.55	HANCOCK PETROLEUM ENGINEERING	MAINTENANCE & REPAIR WORK IN SHOP
18819	\$ 26,061.89	LAKEVIEW PETROLEUM COMPANY	BUS FUEL - DYED DIESEL
18820	\$ 100.00	MICHAEL ZIEGENMEYER	BOARD MEETING 5/16/2024
18821	\$ 4,326.25	PROSIO COMMUNICATIONS	MARKETING SERVICES 4/1/24 - 4/30/24
18822	\$ 856.11	QUILL CORPORATION	JANITORIAL SUPPLIES: PAPER TOWELS, TRASH BAGS, TOILET PAPER & COIN BAGS
18823	\$ 1,004.75	SC FUELS	DEF FLUID
18824	\$ 60.00	SHELBY'S PEST CONTROL	PEST CONTROL SERVICES - MAY 2024
18825	\$ 362.45	STORER TRANSIT SYSTEMS	SHUTTLE: 4/12/2024 - YUBA-SUTTER INVESTOR TOUR
18825	\$ 553.82	STORER TRANSIT SYSTEMS	SHUTTLE: 4/13/2024 - TOUCH-A-TRUCK
18825	\$ 108.79	STORER TRANSIT SYSTEMS	EQUIPMENT RENTAL & MILEAGE - SHELTER REMOVAL
18826	\$ 3,946.18	TEHAMA TIRES SERVICE INC	TUBES/TIRES
18827	\$ 7,446.21	THE LE FLORE GROUP	NGTF CONSULTING - MARCH & APRIL 2024
18828	\$ 3,623.99	WALKER'S OFFICE SUPPLIES, INC	OFFICE FURNITURE & CHAIRS
	\$ 1,354,780.53		

**LAIF
TRANSFERS**

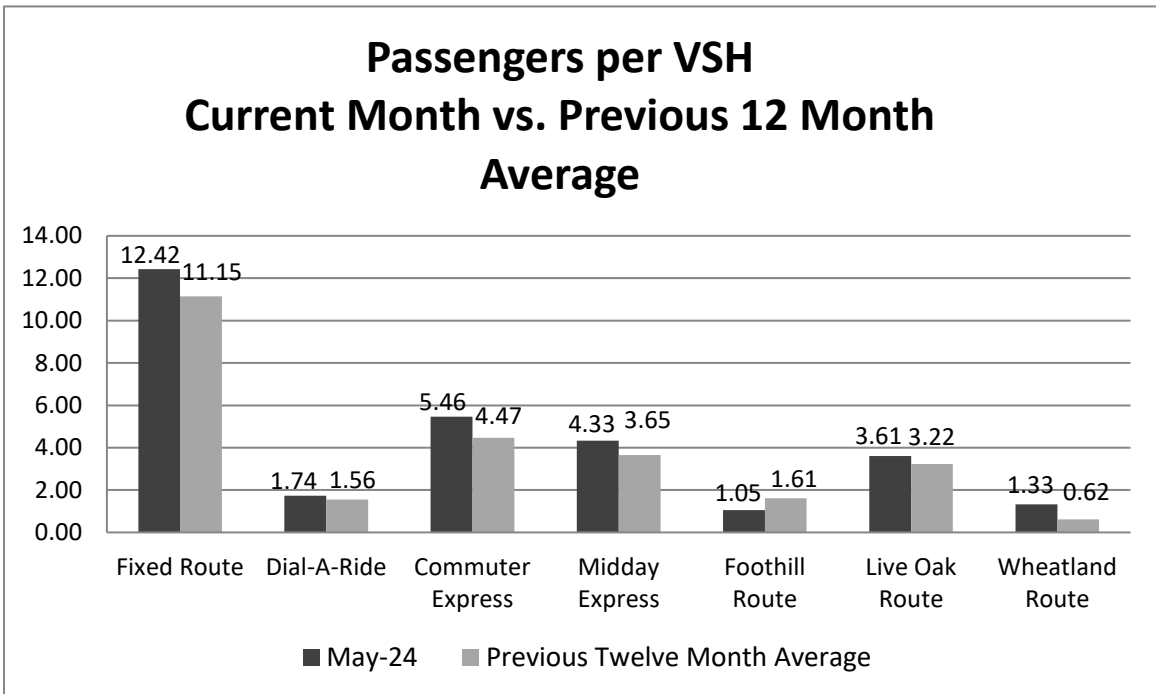
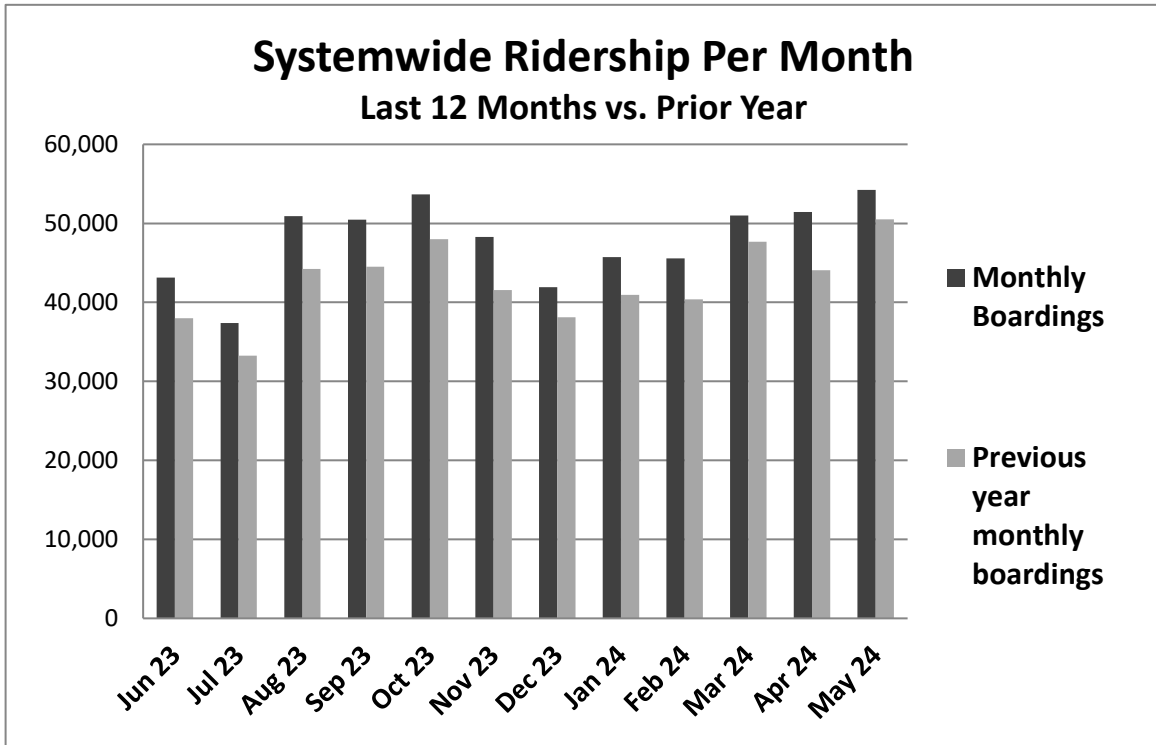
5/6/2024	\$ 150,000.00	TRANSFER FROM LAIF TO CHECKING
5/16/2024	\$ 640,000.00	TRANSFER FROM LAIF TO CHECKING

AGENDA ITEM III - C

MAY 2024 PERFORMANCE REPORT

	May-24	Previous Twelve Month Average	Fiscal YTD	Previous Fiscal YTD
Ridership:				
Fixed Route	46,764	40,923	457,796	406,272
Dial-A-Ride	2,828	2,571	27,978	27,590
Commuter Express	3,653	3,062	34,542	29,662
Midday Express	519	499	5,485	5,441
Foothill Route	100	141	1,456	1,201
Live Oak Route	303	274	2,920	2,933
Wheatland Route	73	30	415	145
Total Ridership:	54,240	47,500	530,592	473,244
Vehicle Service Hours:				
Fixed Route	3,764.94	3,671.38	40,315.38	40,045.98
Dial-A-Ride	1,624.97	1,652.08	17,827.77	15,358.73
Commuter Express	668.90	685.14	7,342.43	7,941.38
Midday Express	119.86	136.55	1,422.56	1,762.34
Foothill Route	95.09	87.52	968.06	942.42
Live Oak Route	83.98	85.14	922.39	843.86
Wheatland Route	55.01	49.25	549.95	530.04
Total VSH's:	6,412.75	6,367.06	69,348.54	67,424.75
Passengers Per Hour:				
Fixed Route	12.42	11.15	11.36	10.15
Dial-A-Ride	1.74	1.56	1.57	1.80
Commuter Express	5.46	4.47	4.70	3.74
Midday Express	4.33	3.65	3.86	3.09
Foothill Route	1.05	1.61	1.50	1.27
Live Oak Route	3.61	3.22	3.17	3.48
Wheatland Route	1.33	0.62	0.75	0.27
Total Passengers Per VSH:	8.46	7.46	7.65	7.02

MAY 2024 PERFORMANCE REPORT



AGENDA ITEM IV – A
STAFF REPORT

**PROJECTS FOR THE SACRAMENTO METROPOLITAN TRANSPORTATION IMPROVEMENT
PROGRAM (MTIP)**

Attached for Board review and consideration is Yuba-Sutter Transit's proposed Transportation Improvement Program of Projects (POP) for the five-year period FY 2025 through FY 2029 (Exhibit A). Once adopted, the POP will be incorporated into the three-year Sacramento Area Council of Governments (SACOG) Metropolitan Transportation Improvement Plan (MTIP). All projects for which federal funding will be requested must be identified in the MTIP. Also attached is the proposed Yuba-Sutter Transit Capital Improvement Plan (Exhibit B) for inclusion in SACOG's long-range plan through the year 2050 which is now called the 2025 Blueprint. Federally funded projects are to flow from the long-range plan to the short-range MTIP, but approval of these programs does not restrict the Board's future options as program amendments are possible should funding availability or project priorities change.

The proposed five-year POP is consistent with Yuba-Sutter Transit's adopted FY 2025 operating and capital budget and reflects implementation of the service changes envisioned in the adopted NextGen Transit Plan, including revisions. While those changes will have a significant impact on the mix of services being offered, they are not expected to result in a significant increase in the total operating budget beyond what would likely be normal inflationary increases. The proposed program assumes only small increases in the use of federal formula funds (Section 5307 and Section 5311) for operating purposes excluding the use of the last of the COVID-19 related relief funds (rural ARPA) in FYs 2025 and 2026. Any federal money above the base level of funding may need to be diverted to the mission-critical maintenance, operations, and administration facility replacement project or the introduction of zero-emission buses.

On the capital side, projects are typically programmed for the fiscal year in which funding authority will be requested with project delivery occurring the following fiscal year. The most significant component of the proposed capital program is the long-planned facility replacement project that is estimated for planning purposes at a year-of-expenditure cost of \$55.8 million which does not include the \$958,000 cost of the Linda site at 6035 Avondale Avenue that was purchased in July 2021. As over 90 percent of the funding for this project has been secured, the program assumes continuation of environmental, design and engineering work through 2025 and construction to begin in 2026.

The proposed vehicle replacement/expansion portion of the draft POP is essentially unchanged from the prior year and includes a four-bus purchase of zero-emission commuter buses in 2027. Also in 2027 will be the delivery of 15 zero-emission low-floor cutaway buses for the on-demand system. Half the estimated cost of one of the four zero-emission commuter buses and half the estimated cost of all 15 zero-emission cutaway buses are being funded through the state Transit & Intercity Rail Capital Program (TIRCP) grant awarded in 2023. An additional \$705,000 has been secured toward the commuter bus project.

The proposed long-range Capital Improvement Plan (CIP) includes current projected cost estimates and procurement schedules through FY 2050 for inclusion in the 2025 Blueprint. As noted above, this plan assumes implementation of the NextGen Transit Plan and conversion of Yuba-Sutter Transit's medium and heavy-duty bus fleet to zero-emission operation beginning with purchase orders placed after December 31, 2025, in compliance with the California Air Resources Board Innovative Clean Transit regulation. As a result, CIP cost estimates reflect the purchase of battery-electric buses after that date.

Because some vehicles are being retained longer in support of the new on-demand microtransit service while others are being retired without replacement, the revenue fleet has grown to a high of 55 buses in the current year and will decline to a low of 48 in three years, before ultimately climbing to a projected 56 revenue vehicles in 2050. The plan to purchase smaller vehicles to replace some of the existing heavy-duty buses will reduce the overall cost of the vehicle portion of the capital plan in the near term.

Staff will be prepared at the meeting to review the proposed multi-year transportation and capital improvement plans in detail.

RECOMMENDATION: Approve Yuba-Sutter Transit's 5-Year MTIP Program of Projects and 2050 Capital Improvement Plan as proposed or amended.

EXHIBIT A

**YUBA-SUTTER TRANSIT
TRANSPORTATION IMPROVEMENT PROGRAM
PROGRAM OF PROJECTS
Federally Funded Projects Only
FY 2025 - FY 2029**

Proposed June 20, 2024

	FY 2024 Projected	FY 2025 Budgeted	FY 2026 Projected	FY 2027 Projected	FY 2028 Projected	FY 2029 Projected	Five Year Total
OPERATING ASSISTANCE							
Urbanized Area							
FTA Sections 5307 & 5339 (Small Urban)	\$ 2,200,000	\$ 2,500,000	\$ 2,600,000	\$ 2,700,000	\$ 2,800,000	\$ 2,900,000	\$ 13,500,000
Local (All Sources)	6,167,600	6,445,000	6,613,000	6,791,000	6,975,000	7,168,000	33,992,000
Urban Subtotal	\$ 8,367,600	\$ 8,945,000	\$ 9,213,000	\$ 9,491,000	\$ 9,775,000	\$ 10,068,000	\$ 47,492,000
Rural Area							
FTA Section 5311 (Rural)	\$ 200,000	\$ 500,000	\$ 500,000	\$ 411,000	\$ 424,000	\$ 437,000	\$ 2,272,000
Local (All Sources)	240,400	202,000	223,000	333,000	343,000	353,000	1,454,000
Rural Subtotal	\$ 440,400	\$ 702,000	\$ 723,000	\$ 744,000	\$ 767,000	\$ 790,000	\$ 3,726,000
Total Operating Assistance	\$ 8,808,000	\$ 9,647,000	\$ 9,936,000	\$ 10,235,000	\$ 10,542,000	\$ 10,858,000	\$ 51,218,000
CAPITAL ASSISTANCE							
Vehicle Replacement/Minor Expansion							
Federal - FTA Section 5307 (Small Urban)	\$ -	\$ -	\$ 3,992,574	\$ -	\$ -	\$ -	\$ 3,992,574
Federal - FTA Section 5311 (Rural)	151,050	-	1,091,860	-	-	-	1,091,860
Federal - FTA CARES Section 5311 (Rural)	-	-	705,422	-	-	-	705,422
Federal - FTA Section 5339 (Small Urban)	558,399	-	1,521,028	-	-	-	1,521,028
State - TIRCP Grant	-	-	3,725,000	-	-	-	3,725,000
Local - Transportation Development Act (TDA)	20,551	-	564,116	-	-	-	564,116
Vehicle Subtotal	\$ 730,000	\$ -	\$ 11,600,000	\$ -	\$ -	\$ -	\$ 11,600,000
Next Gen Transit Facility							
Federal - FTA Section 5311 (Rural)	-	364,492	-	-	-	-	\$ 364,492
Federal - CRRSAA Section 5311 (Rural)	-	963,628	-	-	-	-	\$ 963,628
Federal RAISE Grant	-	-	-	10,000,000	5,000,000	-	\$ 15,000,000
State - Cap & Trade (LCTOP)	-	-	-	729,948	510,153	-	\$ 1,240,101
State - State of Good Repair (SGR)	-	151,681	1,102,238	424,258	69,713	-	\$ 1,747,890
State - TIRCP Grant	-	900,000	5,273,317	3,826,683	-	-	\$ 10,000,000
State - SB 125	-	-	10,200,000	-	-	-	\$ 10,200,000
State - AHSC Housing Grant	-	-	-	4,785,000	3,715,000	-	\$ 8,500,000
SACOG Regional Funding Round Grant	25,000	475,000	3,000,000	-	-	-	\$ 3,475,000
Local - Transportation Development Act (TDA)	25,000	200,000	3,000	-	-	-	\$ 203,000
Unfunded Need (Applied/Anticipated):							\$ -
Property Sale (State) <i>Appraised Value</i>	-	-	-	3,750,000	-	-	\$ 3,750,000
Unfunded	-	-	313,404	-	-	-	\$ 313,404
Facility Subtotal	\$ 50,000	\$ 3,054,801	\$ 19,891,959	\$ 23,515,889	\$ 9,294,866	\$ -	\$ 55,757,515
Total Capital Assistance	\$ 780,000	\$ 3,054,801	\$ 31,491,959	\$ 23,515,889	\$ 9,294,866	\$ -	\$ 67,357,515

NOTES:

1. Operating costs are estimated based on the adopted FY 2025 Budget escalated by 3 percent for FY 2026 and annually thereafter.
2. Vehicle projects are listed in the fiscal year in which funding authority will be requested with delivery typically occurring the following fiscal year.
3. Funding for the replacement facility project is shown in the year for which the funding is expected to be expended.

Exhibit B

Yuba-Sutter Transit Authority Capital Improvement Plan (CIP)
 Fleet & Facility Replacement/Expansion Schedule for the Metropolitan Transportation Plan (MTP 2050)
 Based on the Draft FY 2025 - FY 2029 Program of Projects
 Proposed June 20, 2024

Current Model / Vehicle # / Service Type	Project Completion Federal Fiscal Year																										
	Ending 2024	2025	ZEB 25% 2026	2027	2028	ZEB 100% 2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Commuter																											
2010 MCI Buses (5701 - 5703 - Commuter) 2024 ZEB cost estimate of \$1,400,000 ea. (\$1400)	1			4 \$5,600 Retire 1 10535															5 \$7,000 Retire 4 10527								
MTIP or MTP # (if any)																											
2012 MCI Buses (5704 - 5706 - Commuter)	3			Retire 3																							
2018 MCI Buses (5707 - 5713 - Commuter) 2024 ZEB cost estimate of \$1,400,000 ea. (\$1400)	7											8 \$11,200 Retire 7 10523													10 \$14,000 Retire 8 NA		
MTIP or MTP # (if any)																											
Fixed Route																											
2014 Gillig Buses (3200 Series - Fixed Route)	11			Retire 11																							
2019 Gillig Buses (3100 Series - Fixed Route) 2024 ZEB cost estimate of \$1,000,000 ea. (\$1000)	11											11 \$11,000 Retire 11 10522													11 \$11,000 Retire 11 10525		
MTIP or MTP # (if any)																											
DAR/On-Demand																											
2014 Glaval Buses (1681 - 1686 - Paratransit/Rural)	6			Retire 6																							
2019 Glaval Buses (1690 - 1699 - Paratransit/Rural)	10			Retire 5					Retire 5																		
2023 New England Wheels (1209 - 1219 - Paratransit/Rural) 2024 LF ZEB cost estimate \$400,000 ea. (\$400)	6								11 \$4,400 Retire 6 10521																12 \$4,800 Retire 12 NA		
MTIP or MTP # (if any)																											
2027 LF ZEB Cutaway On-Demand Buses 2024 LF ZEB cost estimate \$400,000 ea. (\$400)				15 \$6,000										17 \$6,800 Retire 15 10524											18 \$6,400 Retire 17 NA		
MTIP or MTP # (if any)																											
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
Commuter Diesel	11	11	11	7	7	7	7	7	7	7	7	12	12	12	12	12	12	12	13	13	13	13	13	13	15	15	15
Commuter ZEB				4	4	4	4	4	4	4	12	12	12	12	12	12	12	12	13	13	13	13	13	13	15	15	15
Fixed Route Diesel	22	22	22	11	11	11	11	11	11	11																	
Fixed Route ZEB											11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Paratransit Diesel	6	6	6	11	11	11	11	11	11	11																	
Paratransit Gas	16	16	16	15	15	15	15	26	26	26	26	26	26	28	29	29	29	29	29	29	29	29	29	30	30	30	30
Paratransit ZEB																											
Running Fleet Total	55	55	55	48	48	48	48	48	48	49	49	49	49	51	52	52	52	52	53	53	53	53	53	54	56	56	56

Facility Replacement Project

2023 Cost Estimate (\$1,000): YOY \$55.8 Million
 MTP # (if any)

Replace
 Facility
 \$55,800
 10533

Five Year Totals -- Buses & Facilities

\$67,400,000

\$26,600,000

\$11,600,000

\$7,000,000

\$36,200,000

Plan Total
\$148,800,000

NOTES:

- Pursuant to the California Innovative Clean Transit (ICT) regulation, 25% of buses ordered after 12/31/25 and 100% of buses ordered after 12/31/28 must be ZEBs. The draft schedule assumes that all heavy-duty buses will be replaced with zero-emission buses after 12/31/28 using current cost estimates. The low-floor replacement Paratransit/Rural buses now being ordered are below the minimum 14,001 GVWR threshold for this mandate though this threshold is subject to change in the future.
- ZEB & diesel Over-the-Road Coach 15 years; ZEB & Diesel Fixed Route Buses: 12 years; ZEB Cutaways: 10 years; Gasoline ≤14,000 GVW: 7 years.

AGENDA ITEM IV – B
STAFF REPORT

TRANSPORTATION DEVELOPMENT ACT (TDA) CLAIM FOR FY 2025

The adopted Yuba-Sutter Transit budget for FY 2025 includes the use of \$4,000,000 in Local Transportation Fund (LTF) revenue and \$1,390,000 in State Transit Assistance (STA) for operating assistance and \$482,352 in STA revenue for capital purposes. Both LTF and STA funds are made available for transit and transportation uses under the State Transportation Development Act (TDA). A claim for these funds can now be submitted to the Sacramento Area Council of Governments (SACOG) with the adoption of the attached authorizing resolution.

LTF revenue is a ¼ percent sales tax that is returned to the county of origin and distributed therein by relative population first to meet local transit needs. LTF funds can be used for both operating and capital purposes though Yuba-Sutter Transit has traditionally used them almost exclusively for operations. The relative annual allocation of LTF revenue among the four member jurisdictions is based on the prescribed LTF funding formula from the Yuba-Sutter Transit Joint Powers Agreement. The \$4,000,000 transit allocation for FY 2025 represents 45 percent of the combined SACOG adopted LTF apportionment to the four member jurisdictions (down from 50 percent for FY 2024). This amount is unchanged from the prior year despite an 8 percent increase in the operating budget.

STA revenue is Yuba-Sutter Transit's most stable source of on-going state transit funding and has historically been the primary source of local matching funds for federal capital grants. STA funding is derived from a sales tax on diesel fuel and a portion of vehicle registration fees. These funds are annually apportioned by SACOG to Yuba-Sutter Transit and the member jurisdictions for public transportation purposes. As a result, they are claimed in their entirety by Yuba-Sutter Transit for both capital and operating assistance, subject to specific eligibility criteria. Under separate agreements, the STA funds that are apportioned for Live Oak and Wheatland are also claimed by Yuba-Sutter Transit.

While Yuba-Sutter Transit has traditionally avoided committing a significant portion of STA funds for on-going operations, the relative allocation between operating and capital has always been an annual decision. SACOG's adopted STA apportionment for FY 2025 includes a total of \$2,281,763 in funding for Yuba-Sutter Transit. This figure is 3 percent lower than the \$2,353,084 revised apportionment for FY 2024. For FY 2025, the adopted budget assumes the use of \$1,390,000 in STA funding for operations and \$482,352 for capital expenditures. STA apportionments not claimed will be available for future capital replacement projects.

Staff will be prepared to discuss the proposed TDA claim in more detail at the Board meeting.

RECOMMENDED: Adopt Resolution No. 7-24 authorizing the submittal of Yuba-Sutter Transit's FY 2025 TDA claim as proposed or amended.

YUBA-SUTTER TRANSIT AUTHORITY
RESOLUTION NO. 7-24

FISCAL YEAR 2025 TRANSPORTATION DEVELOPMENT ACT (TDA) CLAIM AUTHORIZATION

WHEREAS, *The Sacramento Area Council of Governments (SACOG) has approved allocations of Local Transportation Development Act (TDA) revenues for the Local Transportation Fund (LTF) and State Transit Assistance (STA) programs for FY 2025 for the Counties of Yuba and Sutter; the Cities of Marysville and Yuba City; and, the Yuba-Sutter Transit Authority; and,*

WHEREAS, *SACOG has designated Yuba-Sutter Transit as the Consolidated Transportation Services Agency (CTSA) for Yuba and Sutter Counties and the cities therein; and,*

WHEREAS, *Yuba-Sutter Transit has been designated by the Cities of Live Oak and Wheatland as the claimant for all State Transit Assistance (STA) funds available to these non-member jurisdictions; and,*

NOW, THEREFORE, BE IT RESOLVED that the Yuba-Sutter Transit Authority Board of Directors does hereby authorize the Executive Director, or their designee, to submit the necessary Transportation Development Act claim forms to SACOG for FY 2025 LTF and STA funds.

NOW, THEREFORE, BE IT FUTHER RESOLVED that the Yuba-Sutter Transit Authority Board of Directors does hereby authorize the Executive Director, or their designee, to make any necessary budget amendments, transfers, accounting entries, and claim amendments to carry out the Board of Director's policies and directives pertaining to this matter and for any future revisions to FY 2025 LTF and STA apportionments by the following vote:

Ayes:

Noes:

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY INTRODUCED, PASSED AND ADOPTED BY THE YUBA-SUTTER TRANSIT AUTHORITY AT A REGULAR MEETING HELD ON JUNE 20, 2024.

Chairman of the Board

ATTEST:

*Lisa O'Leary
Secretary to the Board*

AGENDA ITEM IV – C
STAFF REPORT

ANNUAL PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) REVIEW

Pursuant to FTA regulation 49 C.F.R., Part 673, known as the Public Transportation Agency Safety Plan (PTASP) rule, and Yuba-Sutter Transit's current Agency Safety Plan (ASP), an annual review of the plan was conducted in June of 2024. After the initial Board adoption in November 2020, a review of the ASP is required once each calendar year for continued compliance. Any changes or updates to the plan require Board approval, but if no changes are necessary because of the review, a memo reporting to that effect may be created for retention with the ASP records.

The annual ASP review is conducted by the designated Chief Safety Officer (CSO), the Executive Director and key staff involved with plan management and agency safety. The purpose of the review is to update the agency's Safety Performance Targets (SPTs) as necessary or desired, to ensure policies are being followed, and to ensure required documentation and record keeping is being maintained. Additionally, the agency updates any portions of the ASP that may be deemed necessary due to a determination of ineffective approaches to safety mitigation; significant changes to service delivery; introduction of new processes or procedures that may impact safety; a change or re-prioritization in resources to support the Safety Management System; or a significant change in organizational structure. Updates or changes to federal and state policy or regulations may also require a change to the ASP.

While the annual ASP review for the 2024 calendar year included updated SPT calculations that will be transmitted to Caltrans and the Sacramento Area Council of Governments as required, the only other changes to the ASP are updated definitions to conform with the most recent requirements published by the FTA, updating the Accountable Executive, and updated Organization Charts for both Storer Transit Systems and Yuba-Sutter Transit. This finding is now being presented to the Board for acceptance in accordance with the ASP's stated timeline for annual reviews.

Due to the size of the ASP documents, links to the current and updated plans are provided below. Printed copies of the full plans will be made available at the Board meeting, by mail upon request, or for viewing in-person at the Yuba-Sutter Transit administrative offices at 2100 B Street, Marysville, CA, 95901, during normal business hours.

The approved ASP for 2023 can be found on the Yuba-Sutter Transit website at:
<https://www.yubasuttertransit.com/files/9fba5b577/ASP+-+Updated+for+2023.pdf>.

The draft ASP for 2024 can be found on the Yuba-Sutter Transit website at:
<https://www.yubasuttertransit.com/files/ce0dc168f/Draft+ASP+-+Updated+for+2024.pdf>.

Staff will be prepared at the meeting to discuss elements of the ASP annual review in detail.

RECOMMENDATION: Accept the 2024 Agency Safety Plan update as submitted.

AGENDA ITEM IV – D
STAFF REPORT

GOLDEN STATE RISK MANAGEMENT AUTHORITY INSURANCE POOL MEMBERSHIP

Background

Per the terms of its operations agreement, the Yuba-Sutter Transit Authority (and its member jurisdictions) tender defense for all damage claims arising from the operation of its services to the contractor and requires the contractor to maintain certain levels of general liability, vehicle, and worker's compensation insurance coverages throughout the term of the agreement. The insurance coverage provided by the contractor is considered primary and any insurance maintained by the Authority is available in excess of the contractor's insurance.

To date, the Authority has continuously carried some level of excess liability insurance and property insurance, typically acquired on the commercial insurance market through a local broker. Recently, the market for these policies has tightened considerably and the Authority has incurred large premium rate increases. For example, the premium for the Authority's excess liability policy doubled last year from the year before.

Golden State Risk Management Authority (GSRMA) is a risk-sharing pool that offers a full line of programs to cover the various exposures of small to medium-sized public entities throughout the State of California. GSRMA is funded and structured to offer competitive products to individual public agencies. GSRMA currently has more than 310 member agencies in the State of California and has been "Accredited with Excellence" through the California Association of Joint Powers Authorities since 1992.

Discussion

As a public transit agency in the State of California, the Authority will likely continue to encounter difficulty and ever-increasing costs to maintain appropriate levels of excess insurance coverage for its property and operations. This is especially true when considering the hardening commercial market and reduced purchasing power faced by a single, small entity on the open market. Public entity risk sharing pools were developed to address unique exposures in the public sector for which limited insurance products are available or unaffordable. The opportunity to join a public agency insurance pool such as GSRMA provides the Authority with rate stability and increased coverage options as well as considerable cost savings due to the pool's collective bargaining power. In addition, GSRMA offers members claims management services and other resources including training, legal consultation, and human resources guidance.

Staff is now recommending the Board authorize the Executive Director to execute the attached GSRMA Agreement for Admission of New Members document and approve the binding of liability, property and associated insurance coverages through GSRMA. If approved, coverage periods will commence on the respective renewal dates of the current policies ensuring no gaps in coverage. Thereafter, renewal dates will correspond to the start of each fiscal year (FY) on July 1st. Due to relatively low premium rates, the Authority will keep worker's compensation insurance coverage with its current carrier.

The estimated premium costs for all coverages and limits being considered is \$65,000 for FY 2025. This amount is within the adopted FY 2025 operating budget line-item amount of \$75,000.

Legal counsel has reviewed and approved the documents as presented and staff will be prepared at the meeting to discuss the recommendation in detail as desired.

RECOMMENDATION: Authorize the Executive Director to execute all documents necessary to facilitate the Yuba-Sutter Transit Authority's membership in the Golden State Risk Management Authority insurance pool and authorize the binding of offered coverages as proposed.

Attachments: Golden State Risk Management Authority Agreement for Admission of New Member
Golden State Risk Management Authority Joint Powers Agreement
Golden State Risk Management Authority FY 2023-24 Bylaws

**AGREEMENT FOR ADMISSION OF NEW MEMBER
TO THE GOLDEN STATE RISK MANAGEMENT AUTHORITY**

Enclosures:

- 1) Golden State Risk Management Authority Joint Exercise of Powers Agreement;
- 2) Golden State Risk Management Authority Bylaws.

RECITALS

- 1. Yuba-Sutter Transit Authority, a public agency within Yuba County, State of California, has applied for membership in the Golden State Risk Management Authority.
- 2. Said membership is contingent upon the acceptance of, and agreement to abide by, the Golden State Risk Management Authority Joint Exercise of Powers Agreement (Encl. 1), and the Golden State Risk Management Authority By-Laws (Encl. 2).

AGREEMENT

Therefore, the Yuba Sutter Transit Authority, a public agency, has applied for membership in the Golden State Risk Management Authority. It hereby accepts and agrees to all provisions of the Joint Exercise of Powers Agreement (Encl. 1) and the Bylaws of the Golden State Risk Management Authority (Encl. 2), and agrees to abide by and comply with all the provisions contained therein.

Upon entering this Agreement, the Yuba-Sutter Transit Authority is accepted as a new member. Membership is effective as of the date of the prior conditional approval by the Board of Directors of the Golden State Risk Management Authority.

Dated: _____

Matthew Mauk, Executive Director
Yuba-Sutter Transit Authority

Dated: _____

President of the Board
Golden State Risk Management Authority

Approved as to form:

Doug Alliston, General Counsel
Golden State Risk Management Authority

Reviewed and Approved:

Scott Schimke, Risk Manager
Golden State Risk Management Authority

Adopted: April 10, 1979

Amended: April 27, 1992

Amended: June 11, 1997

Amended: July 1, 2000

Amended: July 14, 2004

Amended: July 1, 2009

**JOINT EXERCISE OF POWERS AGREEMENT
FOR PROVIDING LIABILITY, WORKERS' COMPENSATION,
PROPERTY AND OTHER COVERAGES**

ENTERED INTO BY

**PUBLIC AGENCIES WITHIN AND WITHOUT
THE STATE OF CALIFORNIA**

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**JOINT EXERCISE OF POWERS AGREEMENT FOR PROVIDING
LIABILITY, WORKERS' COMPENSATION, PROPERTY
AND OTHER COVERAGES**

* * *

THIS AGREEMENT is dated, for convenience, July 1, 1979, as the date the Agreement was initially entered into among certain public agencies within the County of Glenn. Thereafter, this Agreement has been amended to include Public Agencies within or without the State of California. These public agencies are hereafter referred to as "Member Agencies" and listed in Appendix "A", which may be amended from time to time.

PREAMBLE

Golden State Risk Management Authority is established for the purpose of providing services and other functions necessary and appropriate for the creation, operation, and maintenance of liability, workers' compensation, property and other risk pooling and coverage plans for the Member Agencies that are parties hereof, and to provide a forum for discussion, study, development and implementation of recommendations of mutual interest regarding risk pooling and insured programs.

R E C I T A L S

This Agreement is predicated upon the following facts:

1. WHEREAS the Member Agencies are public agencies organized and operating under the laws of the State of California or other states of the United States;
2. WHEREAS, the following California state laws, among others, authorize the Member Agencies to enter into this agreement:
 - a. Labor Code Section 3700(c) allowing a local public entity to fund its own worker's compensation Claims;
 - b. Government Code Sections 989 and 990, *et seq.* and Education Code Sections 17566 and 17567 permitting a local public entity to insure itself against liability and other losses;
 - c. Government Code Section 990.4 permitting a local public entity to provide insurance and self-insurance in any desired combination;

d. Government Code Section 990.8 permitting two or more local public entities to enter into an agreement to jointly fund such expenditures under the authority of Government Code Sections 6500 *et seq.*;

e. Government Code Sections 6500, *et seq.* permitting two or more local public entities (including public agencies located outside the State of California) to jointly exercise under an agreement any power which is common to each of them.

3. WHEREAS, each of the parties to this Agreement desires to join together with the other parties for the purpose of developing an effective risk management program to reduce the amount and frequency of their losses, pooling their self-insured losses, and jointly purchasing excess insurance and administrative services in connection with a joint program for said parties; and

4. WHEREAS, a feasibility study has shown that it is economically feasible and practical for the parties to this Agreement to do so;

5. WHEREAS, this Authority was originally created and was known as the “Glenn County Joint Powers Authority”,

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1 PURPOSES

This Agreement is entered into by Member Agencies pursuant to the provisions of California Government Code sections 990, 990.4, 990.8 and 6500 *et seq.* in order to develop an effective risk management program: (a) to reduce the amount and frequency of their losses, (b) to pool their self-insured losses, and (c) to jointly purchase excess insurance and administrative services in connection with a joint protection program for the Member Agencies.

These purposes shall be accomplished through the exercise of the powers of Member Agencies jointly in the creation of a separate entity, now know as “Golden State Risk Management Authority”, to administer a joint protection program wherein Member Agencies will pool their losses and Claims, jointly purchase excess insurance and administrative and other services, including Claims adjusting, data processing, risk management, loss prevention, legal and related services.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional public agencies organized and existing under the laws of the State of California or of any other state of the United States as may desire to

become parties to this Agreement and members of the Authority, subject to approval by the Board.

ARTICLE 2 RULES OF CONSTRUCTION

- A. The following rules of construction apply:
1. The present tense includes the past or future tense; the future tense includes the present tense.
 2. The singular includes the plural and the plural includes the singular.
 3. “Shall” is mandatory and “may” is permissive.
 4. The masculine gender includes the feminine and neuter.

ARTICLE 3 PARTIES TO AGREEMENT

Each party to this Agreement certifies that it intends to, and does contract with, all other parties who are signatories of this Agreement and, in addition, with such other parties as may later be added as parties to, and signatories of, this Agreement. Each party to this Agreement also certifies that the deletion of any party from this Agreement, by cancellation or withdrawal, shall not affect this Agreement nor the remaining parties' intent to contract as described above with the other parties to the Agreement then remaining.

ARTICLE 4 CREATION OF AUTHORITY

Pursuant to Section 6500 *et seq.* of the Government Code, the Authority, a public entity, separate and apart from the parties to this Agreement, is hereby created. The creation of a separate public entity is intended by this Agreement pursuant to Government Code Section 6507. The Authority shall be known as the Golden State Risk Management Authority. The Authority shall be governed by a Board whose composition, powers and duties are set forth in the Bylaws.

ARTICLE 5 TERM OF AGREEMENT

This Agreement is effective July 1, 1979, and continues until terminated as hereafter provided.

ARTICLE 6

BYLAWS

This Agreement fully incorporates the Bylaws, as adopted and which may be amended from time to time consistent with this Agreement, by the Board.

ARTICLE 7

POWERS OF THE AUTHORITY

A. The Authority is authorized, in its own name, to do all acts necessary for the exercise of those powers referred to in Recital 2 including, but not limited to each of the following:

1. Make and enter into contracts;
2. Incur debts, liabilities, and obligations; but no debt, liability, or obligation of the Authority is a debt, liability, or obligation of any Member Agency which is a party to this Agreement, except as otherwise provided in Article 8 herein and in Article IV of the Bylaws;
3. Acquire, hold or dispose of real and personal property;
4. Receive contributions and donations of property, funds, services, and other forms of assistance from any source;
5. Sue and be sued in its name;
6. Employ agents and employees;
7. Acquire, construct, manage, and maintain buildings;
8. Lease real or personal property including that of a Member Agency;
9. Receive, collect, invest, and disburse moneys; and
10. All other powers described in Government Code Sections 6508 and 6509.5 which sections are incorporated by reference.

These powers shall be exercised in the manner provided by law, and, except as expressly set forth in this Agreement, subject only to those restrictions upon the manner of exercising the powers which are imposed upon the County of Glenn in the exercise of similar powers.

ARTICLE 8 AUTHORITY FUNCTIONS AND RESPONSIBILITIES

A. The Authority shall perform the following functions in discharging its responsibilities under this Agreement:

1. Adopt an annual budget;
2. Establish such funds and accounts as required for efficient operation of the Authority and good accounting practices;
3. Maintain or have maintained accurate loss records for all covered risks, for all Claims paid, and for such other losses as the Board requires or directs be maintained;
4. Acquire protection against risks, as authorized by the Board, that may include, but are not limited to, general liability, public officials' errors and omissions liability, employment practices liability, pollution liability, automobile liability, watercraft liability, workers' compensation, property, and equipment breakdown, through, but not limited to, self-insurance funding, risk pooling and/or commercial insurance, for primary, excess and/or umbrella insurance coverage, by negotiation, bid, or purchase;
5. Provide loss prevention, safety and loss control services;
6. Provide Claims management services for covered risks;
7. Provide Claims recovery and subrogation services to investigate, pursue, and collect for damages resulting from Covered Losses that are caused, partly or totally, by the acts of others;
8. Select and retain legal counsel and Claims legal defense counsel;
9. Perform other functions for the purpose of accomplishing the goals of this Agreement.

ARTICLE 9 MEMBER AGENCY RESPONSIBILITIES

A. Each Member Agency has the following responsibilities:

1. Designate a primary contact for the Authority;

2. Pursuant to the procedures set forth in the Bylaws, appoint representatives to the Authority Board;
3. Pay timely all contribution charges, contribution surcharges, adjustments or any other fees or charges.
4. Notify and cooperate fully with the Authority in all matters relating to any and all Claims;
5. Provide annually all information required or requested by the Authority in order for the Authority to properly calculate contributions and to carry out the Joint Protection Program under this Agreement;
6. Provide annually current, complete, and accurate information of the values of buildings and contents covered by the Authority;
7. Maintain loss prevention and risk management policies that can reasonably be expected to reduce, or minimize, the Member Agency's losses;
8. Such other responsibilities as are provided elsewhere in this Agreement and as are established by the Board in order to carry out the purposes of this Agreement.

ARTICLE 10 TERMINATION

A. This Agreement may be terminated at any time by the written consent of three-fourths of the Member Agencies, provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all Claims, distribution of assets and all other functions necessary to wind up the affairs of the Authority.

B. Upon termination of this Agreement, all assets of the Authority shall be distributed only among the parties that have been Member Agencies in the joint protection program, including any of those parties which previously withdrew, in accordance with and proportionate to their contribution payments made during the term of this Agreement. The Board shall determine such distribution within six months after the last pending Claim or loss covered by this Agreement has been finally adjusted, resolved and concluded.

C. The Board is vested with all powers for the purpose of concluding and dissolving the business affairs of the Authority. These powers shall include the power to assess current and former Member Agencies (Member Agencies at the time existing unpaid Claims arose or losses incurred), to pay any additional amounts necessary for the final disposition of all Claims and

losses covered by this Agreement. A Member Agency's share of such additional contribution shall be determined on the same basis as that provided for in Paragraph B. of this Article.

D. Termination of any Member Agency shall not be construed as a completion of the purpose of this Agreement and shall not require the repayment or return to any terminating Member Agency of all or any part of any contributions, payments or advances made until the Agreement is rescinded or terminated as to all parties.

E. The decision of the Board under this Article shall be final.

ARTICLE 11 PROHIBITION AGAINST ASSIGNMENT

No Member Agency may assign any right, claim, or interest it may have under this Agreement, and no creditor, assignee, or their party beneficiary of any Member Agency shall have any right, claim, or title to any part, share, interest, fund, contribution, or asset of the Authority.

ARTICLE 12 AMENDMENTS

This Agreement may be amended from time to time by an affirmative vote of more than 50% of the Member Agencies.

ARTICLE 13 ENFORCEMENT

The Authority is hereby granted the authority to enforce this Agreement. In the event any action is instituted concerning a dispute involving any provision of this Agreement, the prevailing party in such action shall be entitled to such sums as the court may fix as attorneys fees and costs.

ARTICLE 14 COUNTERPARTS

This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

ARTICLE 15
COMPLETE AGREEMENT

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

ARTICLE 16
FILING WITH SECRETARY OF STATE

The Risk Manager shall file a notice of this Agreement with the office of California Secretary of State within thirty (30) days of its effective date, as required by the Government Code section 6503.5 and within seventy (70) days of its effective date as required by Government Code section 53051.

SIGNATORIES

The original signatures for the Member Agencies are set forth in the original Joint Powers Agreement. The necessary signatures for Amendments to this Agreement are set forth with each Amended Agreement.

GOLDEN STATE RISK MANAGEMENT AUTHORITY
BYLAWS

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ARTICLE I.
DEFINITIONS

A. Unless the context otherwise requires, the designated terms in the Joint Powers Agreement and Bylaws have the following definitions:

1. “Authority” means the Golden State Risk Management Authority.
2. “Basic Risk Coverages” shall mean the protection package offered to all Member Agencies, consisting of protection for risks related to General Liability, Workers’ Compensation, Property, and Miscellaneous exposures, unless an exception has been made by the Board.
3. “Board” or “Governing Board” shall mean the governing board of the Authority;
- 4 “Certificate of Coverage” or “COC” is the document issued by the Authority to Member Agencies specifying the scope and amount of pooled protection provided to each Member Agency by the Authority.
5. “City” shall include cities, towns, and villages, whether incorporated or not. City does not include a County.
6. “Claim” shall mean any demand, action, suit or proceeding against a Member Agency arising out of an occurrence that falls within the Authority's Joint Protection Program.
7. “County” shall mean a political subdivision of the State of California or any other State of the United States of America. County does not include a City.
8. “Covered Loss” is a loss resulting from a Claim against a Member Agency, in excess of the Member Agency's deductible, retained limit or self-insured retention that falls within the Joint Protection Program, as prescribed by the pertinent Memorandum of Coverage and Certificate of Coverage.
9. “Excess Coverage” shall mean that coverage afforded by commercial insurance or any pooling arrangement purchased by the Authority to cover losses in excess of the Authority’s own deductible, retained limit or self-insured retention.
10. “Fiscal Year” is the period from the first day of July of each year to and including the thirtieth day of June of the following year.
11. “Incurred Loss” is the sum of moneys paid and reserved by the Authority that is necessary to investigate and defend a Claim and to satisfy a Covered Loss sustained by a Member Agency.

12. “Joint Protection Program” or “Program” shall mean the operation of the Authority under which the Member Agencies are protected against designated losses, through pooling of self-insured funds, joint purchase of commercial insurance, or any combination as determined by the Board.
13. "Member" means a member of the Board.
14. “Member Agency” means any public agency that is a party to this Agreement.
15. “Memorandum of Coverage” or “MOC” is the document issued by the Authority to Member Agencies specifying the limits of liability of the coverage provided to each Member Agency, including the Authority’s deductible or retention amount and Excess Coverage limits.
16. “Special District” shall mean special districts created pursuant to the law of the State of California or of any other state which provides any governmental service. Special Districts shall be treated as Member Agencies except that Special Districts governed through the Board of Supervisors of a County shall be represented on the Board by that County in accordance with Article III hereof.

ARTICLE II. OFFICES

The Authority’s principal office for the transaction of business is located at 243 West Sycamore Street, Willows, California. The Governing Board may change the location of the principal office from time to time.

ARTICLE III. GOVERNING BOARD

A. GOVERNING BOARD

The Authority shall be governed by a Board composed of seven (7) Members, all of whom shall be elected or appointed Members of the governing boards of Member Agencies. The Members of the Board shall be composed of: (1) two Members from the boards of supervisors of County Member Agencies; (2) one Member from the city council of a City Member Agency; (3) one Member from the board of trustees of a school district Member Agency; (4) one Member from the board of directors of a cemetery district Member Agency; (5) one Member from the board of directors of a fire protection district Member Agency; and (6) one member from the board of directors of a Special District Member Agency.

B. ELECTION OF BOARD MEMBERS

1. Annual elections are to be held to fill vacating positions on the Governing Board as described herein. The election process shall include the use of the Board Member Election Timeline. The Timeline shall be updated and approved by the Board annually. The Board Member Election Timeline shall be maintained as a separate document.

2. Vacancies for the Board alternate with representatives for cemetery districts, cities and school districts opening in even numbered years and representatives for fire districts and special districts opening in odd numbered years. Currently, two county representatives are appointed by the Glenn County Board of Supervisors on their own appointment schedule.

Districts in the above member groups will be invited to nominate themselves. The nomination will be for a particular district not for an individual person. If elected, the chosen district shall: (a) appoint a member of their governing board to serve on the Board, and also (b) appoint a second member of their governing board to serve as an alternate Board Member. In the absence of the appointed representative due to (a) resignation, or (b) inability to attend any Board meetings, the alternate representative shall (a) substitute for and replace the resigned representative, or (b) attend board meetings in the place and stead of the absent representative. If no nominations are received for a particular group, the Board shall appoint an individual meeting all requirements for representing that group to fill the opening for the duration of the term.

Once the nomination period has closed and the slate of nominated districts is approved by the Board, an election will be conducted. If a member is the only district nominated for a group, no election voting shall be held for that group and that district will be the considered the winner of the election.

During this election period, nominated districts may contact districts in their peer group to promote their desire to appoint a representative to the Board.

Each district will get one vote each. The vote will either be by board action or by the district representative (usually the district manager or primary contact) as authorized by the district board.

All communication to members will be through their preferred method of communication (email or USPS). Members may vote either electronically or via USPS or fax.

Vote count will not be disclosed to any party prior to the results being presented to the Board.

Election winners are determined by a simple majority of the votes cast. In case of a tie among those receiving the most votes, the winner will be decided by random selection from those candidates that are tied.

If a seated board member is no longer a member of their represented District's governing board, the governing board of that district shall appoint another representative from their governing board. If that board does not appoint a

member by the next meeting of the Board, the Board shall appoint an individual meeting all requirements for representing that group for the duration of the term.

If a chosen district has determined to and acted to withdraw from GSRMA, then: (a) when a withdrawal occurs before the term of the appointed representative begins, then the next highest vote getter shall be the chosen district in that member group; or (b) if the withdrawal occurs after the term has begun, the Board shall fill this vacancy by appointing another member agency in that member group to act as a chosen district and to appoint a member of their governing board to serve on the Board for the duration of the term.

C. TERMS OF OFFICE

1. The term of each Member shall be two years.
2. Each Member serves at the pleasure of his or her respective appointing governing body and may be replaced at any time. The County Members shall also represent all special districts that are governed by County boards of supervisors. No person who is an employee of any Member Agency shall be appointed to serve on the Governing Board.

D. VOTING AND COMPENSATION

1. Each Member has one vote.
2. Each district represented by a board member shall be entitled to \$5,000 per member per year of service on the Board. In addition, Members shall be entitled to reimbursement for transportation expenses incurred in connection with performance of duties as a Member pursuant to the Internal Revenue Service's established allowance. The Board may authorize additional reimbursement for other expenses incurred in connection with duties as a Member.

E. POWERS OF THE BOARD

The Board, consistent with the purposes of the Agreement and these Bylaws, has the power to:

1. Adopt and amend the Authority's Bylaws;
2. Adopt an Annual Operating Budget.
3. Approve or reject agencies applying to become Member Agencies;
4. Elect and remove the risk manager and officers of the Authority;

5. Establish an executive committee or any other committees and delegate to them functions not otherwise reserved to the Board;
6. Contract with consultants and other professional persons or firms, as it considers necessary to carry out the purposes of the Agreement;
7. Authorize risk management audits to review the participation of each Member Agency in the Program;
8. Authorize any officer, staff member, or agent of the Authority to execute any contract in the name of and on behalf of the Authority, and such authorization may be general or specific in nature; however, unless so authorized, no officer, staff member or agent shall have any power to bind the Authority by contract;
9. Approve loss analysis controls by use of statistical analysis, data processing, record and file keeping services in order to help identify high exposure operations and evaluate proper levels of self-retention and possible deductibles;
10. Approve plans to assist Member Agencies in maintaining current, complete, and accurate building and contents values by location for insured properties;
11. Conduct all necessary actions in concluding and dissolving the business affairs of the Authority, including determining the distributions to Member Agencies upon termination of the Authority;
12. Approve specific risks for which the Authority intends to provide protection;
13. Determine the necessity for and amount of any contribution surcharge that may be imposed because of circumstances described in Article X.C.1. and 2. of these Bylaws; and
14. Act in furtherance of the Agreement and these Bylaws.

F. **ADDITIONAL DUTIES OF THE BOARD**

In addition to duties specifically expressed in the Agreement or in the Bylaws, the Board shall:

1. Maintain membership in at least one (1) public risk management association.
2. Assign at least one (1) Member to attend an annual risk management conference.

ARTICLE IV.
OFFICERS

A. **PRESIDENT AND VICE-PRESIDENT**

The Board shall elect a president and vice-president from among its Members at its first meeting each calendar year. Thereafter, at its first meeting in each succeeding calendar year, the Board

shall elect a president and vice-president. The term of office of the president and vice president shall be for one (1) year. If either the president or vice-president ceases to be a Member, the resulting vacancy shall be filled at the next regular meeting of the Board which is held after the vacancy occurs. The president shall preside at and conduct all meetings of the Board. In the absence or inability of the president to act, the vice president acts as president. The president also serves as the treasurer of the Authority.

B. RISK MANAGER

The risk manager shall be selected and appointed by the Board. The position includes the functions of secretary, chief administrative officer of the Authority, and auditor. The risk manager shall be responsible to the Board for the performance of all functions of the Authority as provided in the Agreement and these Bylaws. In the absence of both the president and vice-president, the risk manager shall preside at and conduct meetings of the Board.

C. TREASURER AND AUDITOR

Other than prescribed above, the Board may appoint one of the Authority's officers or employees to serve in the position of either treasurer or auditor, or both of such positions. These offices may be held by separate officers or employees or combined and held by one officer or employee. Such person or persons appointed shall have the powers, duties, and responsibilities as set forth in Government Code Sections 6505, 6505.5 and 6505.6, including the duty to cause an independent annual audit to be made in compliance with Government Code Section 6505.

1. The treasurer shall:
 - a. Have the custody of the Authority's funds;
 - b. Disburse the Authority's funds pursuant to the Board's authority;
 - c. Invest and reinvest the Authority's funds in accordance with state law.
2. The auditor shall:
 - a. Draw warrants to pay demands against the Authority. The warrants drawn by the auditor shall be reviewed by the Board and approved and ratified at the first meeting of the Board following the draft of the warrants;
 - b. Establish and maintain the funds and accounts in accordance with acceptable accounting practices and shall maintain such other records as the Board requires;
 - c. Within one hundred twenty (120) days after the close of each Fiscal Year, give a complete written report of all financial activities for that Fiscal Year to the Authority for the annual audit by a certified public accountant.

D. ASSUMPTION OF DUTIES

Each officer shall assume the duties of his office upon election or appointment, unless otherwise declared by the Board.

E. OFFICIAL BOND

The Board shall require the risk manager, treasurer, and auditor to cause to be filed with the Authority an official bond in an amount to be fixed by the Board, but not less than \$500,000. The Authority shall pay the cost of the premiums for each bond required by it. In the alternative, the Authority may utilize and participate in bond coverage by means of a master bond jointly purchased by public agencies.

F. REMOVAL AND VACANCIES

The Board may remove an officer at any time. A vacancy in an officer position, because of death, resignation, removal, disqualification, or any other cause, shall be filled by election of the Board.

ARTICLE V.
LIABILITY OF GOVERNING BOARD, OFFICERS,
COMMITTEE MEMBERS AND LEGAL ADVISORS

A. Members, officers, committee members, and legal advisors to the Board or any committees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to the Agreement and Bylaws. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of Authority funds, or failure to invest.

B. No Member, officer, committee member, or legal advisor to the Board or any committee shall be responsible for any action taken or omitted by any other Member, officer, committee member, or legal advisor to the Board or any committee. No Member, officer, committee member, or legal advisor to the Board or any committee shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to the Agreement and Bylaws.

C. The Authority shall investigate and defend actions against, and pay on behalf of the Authority, the Board, the individual Members, the officers of the Authority, any committee, the individual committee members and any legal advisor to the Board within the scope of their assigned duties pursuant to Article IV, subject to a limit of liability within the discretion of the Board, all sums that they or any of them become legally obligated to pay as damages because of any act or omission in the performance of their respective duties as provided in the Agreement and in these Bylaws. This coverage shall not apply to intentionally dishonest or fraudulent acts,

or to punitive damages, penalties or sanctions. In the alternative, the Authority may purchase insurance coverage for these exposures, to the extent allowed by law.

D. The risk manager shall contract for all necessary investigation and shall select defense counsel under this Article.

ARTICLE VI. **BOARD MEETINGS**

A. REGULAR MEETINGS

1. The Board shall hold bi-monthly meetings. Unless otherwise notified pursuant to the Ralph M. Brown Act, these meetings shall be held at 6:00 p.m. on the second Wednesday of every other month (i.e. July, September, November, January, March, and May, or as determined by the Board. The Board may change the meeting date to accommodate any calendar conflicts or cancel a meeting if it's not needed.
2. Written notice of each regular meeting of the Board shall be delivered to each Member and/or alternate Member at least seven (7) days in advance of the meeting. The notice shall specify:
 - a. The place, date and hour of the meeting,
 - b. Those matters which are intended to be presented for action by the Board,
 - c. The general nature of any proposal for action by the Board concerning a change in the Agreement or these Bylaws, a change in the membership of the Authority, or any other matter substantially affecting the rights and obligations of the Member Agencies.

B. SPECIAL MEETINGS

1. A special meeting of the Board may be called at any time by the president of the Board, or by a majority of the Members or by the risk manager subject to the requirements for 24-hour written notice to the members and to requesting representatives of the media provided in Section 54956 of the California Government Code.
2. The notice of a special meeting shall specify the time and place of the meeting and the business to be transacted. No other business shall be considered at the meeting.

C. RALPH M. BROWN ACT AND CLOSED SESSIONS

1. Each meeting of the Board, including, without limitation, regular, adjourned regular and special meetings, including any closed session, shall be called,

noticed, held, and conducted in accordance with the Ralph M. Brown Act (Section 54950 et. seq. of the Government Code).

2. Closed sessions for pending litigation shall not be semi-closed. Interested members of the public shall not be admitted to a closed session. Closed sessions for pending litigation shall only be attended by Members, legal counsel to the Board, and necessary Authority staff. Persons without an official role in the meeting shall not be present.
3. The risk manager, or his alternate, shall attend closed sessions as the sole necessary or required member of the Authority staff.

D. PLACE OF MEETINGS

Each regular or special meeting of the Board shall be held at a place within the State of California designated by the Board at its preceding meeting or, if no such designation is made, as designated by the risk manager or the president of the Board.

E. RULES OF ORDER AND MINUTES

1. The risk manager shall keep minutes of all regular, adjourned regular and special meetings. Within sixty (60) days after the adoption of the minutes of a meeting, the risk manager shall have a copy of the adopted minutes made available online in the Authority's website accessible by each Member and by each Member Agency through their respective accounts. Alternatively, if a Member or a Member Agency has no internet access, the Authority shall provide a copy of said minutes to the Member or Member Agency upon written request.
2. All meetings of the Board, and of any committees of the Authority, shall be conducted in accordance with Robert's Rules of Order, provided that in the event of a conflict, such rules shall be superseded by the Agreement, these Bylaws, and California law.

F. QUORUM

No business may be transacted without a quorum of the Members being present. A quorum shall consist of four (4) Members. Four Members must vote in favor of a motion to approve it. The Board shall adopt appropriate rules, not inconsistent herewith, for the orderly transaction of its business.

G. ADJOURNED MEETINGS

1. The Board may adjourn any regular or special meeting to a time and place specified in the order of adjournment, whether or not a quorum has been

established. If a quorum is not established, no business other than adjournment may be conducted.

2. A copy of the order for adjournment shall be posted as required by Section 54955 of the California Government Code. No other notice of an adjourned meeting shall be necessary, unless the transacted adjournment is for a period of thirty (30) days or more, in which case notice of the adjourned meeting shall be given in the same manner as notice of the original meeting.

ARTICLE VII. MEMBERSHIP

A. NEW MEMBER AGENCIES

1. Public entities that have applied for membership may be approved by the Board and may be admitted to the Program at any time. The Board shall have the sole discretion to admit or reject new Member Agencies. In and through their application for, and acceptance of membership, new Member Agencies shall agree to accept, comply with, and be bound by all the provisions of the Agreement and Bylaws.
2. The agency requesting membership shall supply all loss experience and risk exposure data together with any other relevant information requested by the risk manager.

B. CANCELLATION

The Authority shall have the right to cancel any Member Agency's participation in the Program upon two-thirds vote of the Board. Any Member Agency so canceled shall, on the effective date of the cancellation, be treated the same as if the Member Agency had voluntarily withdrawn from the Program.

C. WITHDRAWAL

1. A Member Agency may withdraw only at the end of a Fiscal Year of the Authority, provided it has given the Authority a twelve-month written notice of its intent to withdraw from this Agreement and the Program, except as otherwise permitted by the Board.
2. Any Member Agency that withdraws as a party to this Agreement pursuant to this Article shall not be reconsidered for new membership until the expiration of five years from the Member Agency's withdrawal. However, the Board in its discretion may approve an exception to this rule for a particular applicant.

D. EFFECT OF WITHDRAWAL

1. The withdrawal of any Member Agency from this Agreement shall not terminate this Agreement and no Member Agency, by withdrawing, shall be entitled to payment or return of any contribution, consideration, or property paid or donated by the Member Agency to the Authority, or to any distribution of assets.
2. The withdrawal of any Member Agency after the effective date of the Program shall not terminate its responsibility to contribute its share of contributions to the program until all claims, or other unpaid liabilities, covering the period the Member Agency was signatory hereto have been finally resolved and a determination of the final amount of payments due by the Member Agency or credits to the Member Agency for the period of its membership has been made by the Board. In connection with this determination, the Board may exercise similar powers to those provided for in Article 10 (Termination) of the Agreement.

ARTICLE VIII.
ACCOUNTS, RECORDS, AND AUDITS

A. ACCESSIBILITY OF BOOKS AND RECORDS

Books and records of the Authority in the possession of the auditor shall be open to inspection at all reasonable times by designated representatives of the Member Agencies.

B. AUDITS

1. The Authority shall contract with a certified public accountant for an annual audit of the accounts and records of the Authority at the end of each Fiscal Year. The minimum requirements of the audit shall be those prescribed by the State Controller under Government Code Section 26909 and shall conform to generally accepted auditing standards.
2. Within six months after Board approval, the risk manager shall have a copy of the audit report accessible online in the Authority's website by Member Agencies through their accounts. Alternatively, if a Member Agency has no internet access, the Authority shall provide a copy of said Board-approved audit report to Member Agencies who request so in writing.
3. The Authority shall bear the costs of the audit. These costs are a charge against the operating funds of the Authority.

C. AUTHORIZATION OF PAYMENTS

Before payment by the treasurer of any invoices, billings, and claims for payment of losses, such documents must be approved and signed by the president, vice president, or the risk manager or his or her designee.

ARTICLE IX.
NOTICES

- A. Notice to a Member Agency under this Agreement and Bylaws shall be sufficient if made available online in the Authority's website accessible through the Member Agency's online account, or electronically mailed to the Member Agency's designated primary contact, or mailed to the office of the Governing Board of the Member Agency.
- B. Notice to the Authority shall be sufficient if mailed to the office of the risk manager.

ARTICLE X.
CONTRIBUTIONS

A. CONTRIBUTION CHARGE

1. The risk manager shall calculate annually the amount of the contribution charge for each Member Agency's Basic Risk Coverages. The risk manager may seek the assistance of an actuary, risk management consultant or other qualified person, in calculating the contribution charge for each Member Agency's Basic Risk Coverages. The risk manager shall make estimated calculations, obtain approval of the Board, and shall distribute the contribution charge bills at least thirty (30) days before the end of the Fiscal Year preceding the year for which the annual contribution charges apply.
2. The risk manager shall determine the annual contribution charge for each Member Agency for each type of coverage under Basic Risk Coverages upon the basis of a cost allocation plan and rating formula developed and approved by the Board. The annual contribution charge for each Member Agency shall include that Member Agency's prorated share of excess insurance contribution or premium and/or reinsurance costs; charge for pooled risk, recognizing the deductible selected and including a margin for contingencies as determined by the Board; claims adjusting and legal cost; and administrative costs and other costs to operate the Authority. The risk manager shall also consider each Member Agency's loss history and loss exposure together with the performance of each Program (coverage) in making the calculations of the annual contribution for each Member Agency.

B REBATES

The Board shall have the authority to rebate the proportionate shares of any surplus funds in a Fiscal Year to that Fiscal Year's Member Agencies. The Board may require that any such rebates be applied in reduction of future contributions.

C. CONTRIBUTION SURCHARGE

1. If the Authority experiences unusually severe losses or an unusually large number of losses under any part of the Program in a Fiscal Year, such that notwithstanding reinsurance coverage for large individual losses, the Authority's insurance funds for that part of the Program may be exhausted before the next annual contributions are due, the Board may, upon consultation with an actuary, impose contribution surcharges on all participating Member Agencies.
2. If it is determined by the Board, upon consultation with an actuary, that the Authority's insurance funds for a part of the Program are insufficient to (a) pay losses, (b) fund known estimated losses, and (c) fund estimated losses which have been incurred but not reported, the Board may impose a surcharge on all participating Member Agencies.
3. Contribution surcharges imposed pursuant to (1) and (2) above shall be in an amount which will assure adequate funds for the part(s) of the Program to be actuarially sound; provided that the contribution surcharge to any participating Member Agency shall not exceed an amount equal to three (3) times the Member Agency's annual contribution for that Fiscal Year, unless otherwise determined by the Board. No contribution surcharge in excess of three times the Member Agency's annual contribution for that Fiscal Year may be assessed, unless ninety days (90) prior to the Board taking action to determine the amount of the surcharge, the Authority provides notice pursuant to the Bylaws to each participating Member Agency of its recommendations regarding its intent to assess a contribution surcharge and the amount recommended to be assessed each Member Agency. The Authority shall, upon request by a Member Agency, provide the requesting Member Agency a copy of the actuarial study upon which the recommended contribution surcharge is based.
4. A Member Agency which has withdrawn or has been terminated at the time a contribution surcharge is assessed, but which was a participating Member Agency during the Fiscal Year(s) for which the contribution surcharge is being assessed, shall pay such contribution surcharges as it would have otherwise been assessed in accordance with the provisions of (1), (2) and (3) above.

D. INSTALLMENT PLANS

Member Agencies shall be permitted to pay their respective annual contribution charge in periodic installments consistent with Board-approved policy.

E. TIMELINESS OF PAYMENTS

1. A Member Agency's payment for the annual contribution charge is due and payable on or by July 1 of the Fiscal Year for which the Authority is providing Basic Risk Coverages. Unless the Board has authorized installment payments, failure of a Member Agency to pay its annual contribution charge in full by August 1 shall constitute sufficient grounds for the Board to immediately cancel the Member Agency's certificate of protection.
2. Any bill other than for the annual contribution charge is due to be paid within thirty (30) days from the date when said bill was mailed to the Member Agency.
3. The Board may adopt a penalty policy for any late payment of any bill, including, but not limited to, for contribution charges, contribution surcharges, and any adjustment. For the Authority to be able to impose a late-payment penalty against a Member Agency, the Authority, at least thirty (30) days prior to a bill's payment due date, must have provided notice of the adopted penalty policy to the Member Agency pursuant to the notice provisions in the Agreement and Bylaws. Any penalty policy adopted by the Board may be applied against a Member Agency, whether active, terminated or withdrawn.
4. Any and all costs and attorney's fees incurred by the Authority associated, in any way whatsoever, with the collection of contribution charges, contribution surcharges, adjustments, penalties, or any other bill shall be recoverable by the Authority. Upon approval by the Board, if a Member Agency does not pay a bill past due for at least ninety (90) days, the Authority may offset the amount due, in whole or in part, against one or more reimbursement requests submitted by the Member Agency.

ARTICLE XI. **COVERAGES**

A. BASIC RISK COVERAGES

The Basic Risk Coverages contribution charge referred to in Article X above is payment for the coverage provided by the Authority to each Member Agency for the Basic Risk Coverages specified in the Memoranda of Coverage and Certificates of Coverage. The Board may, but is not required, to use standard form policies. The scope of Basic Risk Coverages in the pool shall be determined by the Board. Each Member Agency by the act of paying the contribution charge accepts the Basic Risk Coverages provided by the Authority.

B. PROPERTY COVERAGE

In case of property coverage, such as fire, the policy limits shall be at or greater than the amount of the insurable replacement value of all the property of each of the Member Agencies which the

Member Agencies and Authority agree to be covered. The agreed valuation shall be updated annually according to the revised values to be furnished by each Member Agency, which have been obtained as prescribed in Article 9.A.6. of the JPA Agreement.

C. EFFECTIVE DATE

Pursuant to the payment of contributions by each Member Agency to the Authority, the Authority shall issue to each Member Agency a COC and MOC, indicating the coverage provided to the Member Agency by the Authority. The coverage provided by the policy begins for each Member Agency on such date as set forth in the MOC and shall expire at the end of each Fiscal Year of the Authority.

D. SUBROGATION

The Authority shall have the first right to any subrogation recovery. Each subrogation action shall be brought on behalf of both the Member Agency and the Authority. The Authority may pursue subrogation only as respects a Covered Loss.

E. SPECIAL COVERAGES

The Board may, from time to time, adopt special changes to cover additional or lesser risks. A reasonable surcharge may be imposed when the activities of a Member Agency increases the risk to the membership pool. A special change could also be made by the Board upon the request of one or more Member Agencies for additional coverage with the cost of such additional coverage to be paid by the requesting Member Agencies.

F. ADDITIONAL INSURANCE COVERAGES

The Authority shall have the power and authority to establish and offer to all public agencies, whether a Member Agency or not, programs consisting of additional insurance coverages, which may, but are not required to, involve employee fringe benefit plans. Participation in any proffered program of additional insurance coverage shall be voluntary on the part of any Member Agency and shall not affect their participation in the Basic Risk Coverages provided. Selection of particular programs or plans to be offered shall be made by the Governing Board. The Board shall establish the contribution charges including administration costs, method of payments of contributions, and manner and method of administering each such plan or program.

G. WORKERS' COMPENSATION PENALTIES

Any and all penalties assessed against the Authority by the Division of Workers' Compensation shall be paid as follows:

1. Penalties assessed due to the failure of a Member Agency (Employer) to comply with the time requirements or reporting requirements as stated in the Workers' Compensation law shall be paid by the Member Agency (Employer).

2. Penalties assessed due to the failure of the Authority (Insurer) to comply with the time requirements or reporting requirements as stated in the Workers' Compensation law shall be paid by the Authority.

ARTICLE XII.
SETTLEMENT AUTHORITY

A. The Authority shall have the power and authority to negotiate the settlement of any Claim against a Member Agency involving public entity liability or workers' compensation without the consent of the Member Agency, except that consent shall be necessary only if the settlement amount will exceed the Authority's limit of liability.

B. Affected Member Agencies shall have the right to provide the Board with any input or information desired on any pending Claim at any time. The Board shall consider this input in making its decisions on settlements.

ARTICLE XIII.
DISPUTE RESOLUTION

A. NEGOTIATION

The risk manager shall investigate the facts of the dispute and, if necessary, obtain a legal opinion from the Authority's counsel on any legal issues. The Member Agency may submit a factual statement and a legal opinion, together with any substantiation thereof, to the risk manager. The risk manager shall then attempt to negotiate a resolution of the dispute. Any negotiated resolution shall be taken to the Board for confirmation and approval. If negotiation fails, and the disputed matter is within the authority of the risk manager, the risk manager shall decide the matter in the best interests of the Authority.

B. APPEAL TO THE BOARD

1. If the Member Agency is dissatisfied with the decision of the risk manager, or if the dispute is unresolved because negotiation failed, the Member Agency may appeal in writing to the Board. This appeal shall be requested by the Member Agency within thirty (30) days of the date of the Risk Manger's decision, or of the date on which the risk manager notifies the Member Agency of the determination that negotiation had failed. Upon receipt of the appeal, the matter shall be set for hearing by the Board at the next available regular Board meeting.
2. The risk manager and the Member Agency shall each submit in writing, at least ten (10) days in advance of the Board meeting, a description of the dispute and any additional relevant facts, a factual and/or legal argument, and the desired resolution. The Board shall consider all information provided, including any oral presentations, in making its decision. The Board may require the Member Agency and/or the risk manager to provide additional information and, as necessary, may continue the hearing. Any Board member that is a member of the governing board of the appealing Member Agency shall be disqualified from participating in

the appeal. The Board shall direct that written notice of its decision be prepared and served by mail on the appealing member agency within ten (10) working days.

C. RECONSIDERATION

Within ten (10) days after notice of the decision by the Board, the Member Agency may request a hearing by the Board to reconsider its decision. This request for reconsideration shall be in writing and must be based solely upon newly discovered facts or other information not previously considered. The Member Agency shall submit this newly discovered information in writing for consideration by the Board at its next available Board meeting. The Board may allow oral presentations at the hearing. Any Board member that is a member of the governing board of the appealing Member Agency shall be disqualified from participating in the request for reconsideration.

D. ARBITRATION OR MEDIATION

If the Member Agency is not satisfied with the Board's decision on appeal, it may pursue arbitration or mediation. By means of mutual agreement between the Member Agency and the risk manager, the parties may select binding or non-binding arbitration, mediation, use of counsel in the proceedings, and other procedural matters. The cost of arbitration or mediation shall be borne equally by the Member Agency and the Authority, and each party shall be responsible for its own attorney(s) fees, if attorneys are utilized. Any decision in binding arbitration shall be final and complied with by the parties. Should the parties desire to submit the matter to mediation, the mediation shall be conducted as if court-ordered pursuant to California Code of Civil Procedure Section 1775, *et seq.* (without any monetary limitation). Should the parties desire that the matter be submitted to arbitration, the arbitration shall be conducted pursuant to the rules of the American Arbitration Association.

E. LITIGATION

If the Member Agency or the risk manager is not satisfied with the result in non-binding arbitration, or if mediation fails to produce a mutually satisfactory resolution of the dispute, either party may pursue litigation to resolve the dispute. The risk manager may not commence litigation without the approval of the Board. Any litigation shall be subject to the applicable claims and limitations requirements of the Tort Claims Act. The prevailing party in any such litigation shall be entitled to their reasonable attorney(s) fees and costs from the losing party.

ARTICLE XIV. **AMENDMENTS**

These Bylaws may be amended at any time by a majority vote of the Governing Board. Within thirty (30) days following adoption of amendments, the risk manager shall prepare a copy of the amended Bylaws and make it available pursuant to approved notice provisions.

AGENDA ITEM IV – E
STAFF REPORT

YUBA-SUTTER NEXTGEN TRANSIT PLAN FARE ALTERNATIVES

Background

The Yuba-Sutter NextGen Transit Plan (NextGen Plan) adopted in May 2023 includes operational, capital, staffing, and financial recommendations to effectively address local transit needs over the next five to ten years in a financially constrained, post-pandemic environment. In conjunction with the various recommended service initiatives, the NextGen Plan calls for a restructuring of fares during the second year of service deployments (FY 2025) and a subsequent increase to base fare rates in 2027 when the last on-demand zone launch is planned. A critical aspect of the fare policy recommendations is the elimination of monthly passes for the local services and the introduction of fare capping on a daily and rolling (30 day) basis. It is anticipated that this would be accomplished with a future contactless payment system replacement/upgrade currently being planned.

Under the original recommended scenario (Scenario #3 in the attached analysis), riders of the local and/or rural routes would be transitioned away from using monthly passes (currently \$5/month for discount riders and \$10/month for all others) beginning with the launch of new service in Yuba City, in favor of new \$2.50/\$5 daily and \$25/\$50 rolling monthly fare caps. Monthly pass riders currently represent approximately 66% of boardings on the local and rural services. Those who ride often (2-3 days per week) would see some level of fare capping, but when considering the elimination of deeply discounted fixed route monthly passes, the increase to out-of-pocket fares could be substantial for a significant proportion of the current ridership. Per the original recommendation, base fare rates are further raised in FY 2027, ultimately increasing farebox recovery an estimated 28%.

Discussion

Given the potential significance of the NextGen Transit fare proposals, the Board took action in May directing staff to prepare fare structure alternatives for further consideration and setting a public hearing for the regular Board meeting on July 18th to accept comments on any resulting fare policy recommendations. Attached for consideration is an updated fare recommendation and revenue analysis prepared with assistance of the consultant that developed the NextGen Transit Plan adopted in 2023. As detailed in the attached report, the new preferred fare structure Scenario #4 augments existing local fares slightly, maintaining the discount for passes and increasing base fare prices slightly in FY 2027. The proposed local and rural service fare structure would be as follows (**Scenario #4 updates highlighted**):

Fare	Current Fares	FY 2025 Fares	FY 2027 Fares
Crosstown Single Ride/Discount	\$1.50/\$0.75	\$1.50/\$0.75	\$2.00/\$1.00
On-Demand Single Ride /Discount	N/A	\$1.50/\$0.75	\$2.00/\$1.00
Daily Cap/Discount*	\$3.00/\$1.50	\$4.50/\$2.25	\$6.00/\$3.00
Rural Single Ride/Discount	\$3.00/\$1.50	\$3.00/\$1.50	\$4.00/\$2.00
Monthly Pass	\$30/\$15 (temporarily discounted to \$10/\$5)	\$40/\$20 (temporarily discounted to \$15/\$10)	\$50/\$25

* - Daily caps do not apply to Dial-a-Ride and Rural fares

Based on the updated NextGen Plan analysis and feedback received from the microtransit stakeholder working group, staff is now recommending the Board consider Scenario #4 as the preferred option for consideration at the public hearing scheduled for July 18th. By continuing to offer a monthly pass option for both the new on-demand services and remaining fixed routes, this scenario lessens the immediate financial impact on current passengers while still increasing projected fare revenues compared to the baseline. Under Scenario #4, monthly pass rates are increased 25% in the short term with further increases planned for FY 2027, but it is assumed that grant funds will still be utilized to reduce the out-of-pocket costs for riders for the foreseeable future. As detailed in Table 10 (pg. 8 of the attached), overall system ridership and farebox recovery is still projected to grow under Scenario #4 compared to the baseline. In addition, the new fare structure would be markedly simpler to communicate and understand.

Assuming Board direction following the July 18th hearing (or any subsequent hearings), the proposed fare changes and their implementation date will be publicly noticed for a minimum of thirty days, after which the changes can be formally adopted. Following adoption, the fares could become effective on or about January 1st in conjunction with the expected Phase 1 public service launch. This extended schedule will exceed the applicable Title VI requirements for public notice of fare changes and provide adequate time for conducting the critical public outreach process, as well as the production of the necessary passenger information materials.

Staff will be prepared at the meeting to discuss the updated fare recommendations and next steps in the process in detail.

RECOMMENDATION: Accept the alternative Fare Structure Scenario #4 as the preferred option for consideration at the public hearing scheduled for July 18, 2024, as proposed or amended.

Attachment: NextGen Transit Plan Cost Estimation, Revised June 14, 2024



Fare Recommendations

2024 Update



innovate mobility

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FARE OVERVIEW AND RECOMMENDATIONS

The NGTP fare structure proposed a shift away from passes to fare capping on a daily, weekly and monthly basis. This coincided with the grant funding that artificially lowered the pass price to customers being sunset. As a reminder, the fare structure was as follows:

EXISTING LOCAL FIXED ROUTE FARES

The fare structure for single ride rural and fixed route service is distributed by fare type as follows:

Table 1 - Local Fixed Route Fares

Criteria	Fare	Daily Cap
Non-Discount Single Ride	\$1.50	\$3.00
Senior (age 65+)/Disabled/Youth/Medicare Single Ride	.75¢	\$1.50
Children (age 4-under)	Free with paying adult (limit 2)	

Yuba-Sutter Transit offers a daily cash fare cap (or daily pass) for Connect Card users on the local fixed route system. Once the Connect Card has been used for two cash fare trips in one day, no additional fare will be deducted for additional trips for the remainder of the day. Using a Connect Card to pay cash fare is the only way to access the daily cap. Transfers are no longer issued to any passengers.

Regarding multi-use tickets and passes, Yuba-Sutter Transit provides a variety of options for its riders including:

Table 2 - Passes and Ticket Sheet Costs

Criteria	Fare	Term/Rides Allowed
Non-Discounted Monthly Pass	\$30 (discounted to \$10)	Monthly/Unlimited
Senior/Disabled/Youth Monthly Pass	\$15 (discounted to \$5)	Monthly/Unlimited
Ticket Sheets (valid on all services)	\$10-\$15	20 tickets (\$0.50 and \$0.75)

DIAL-A-RIDE FARES

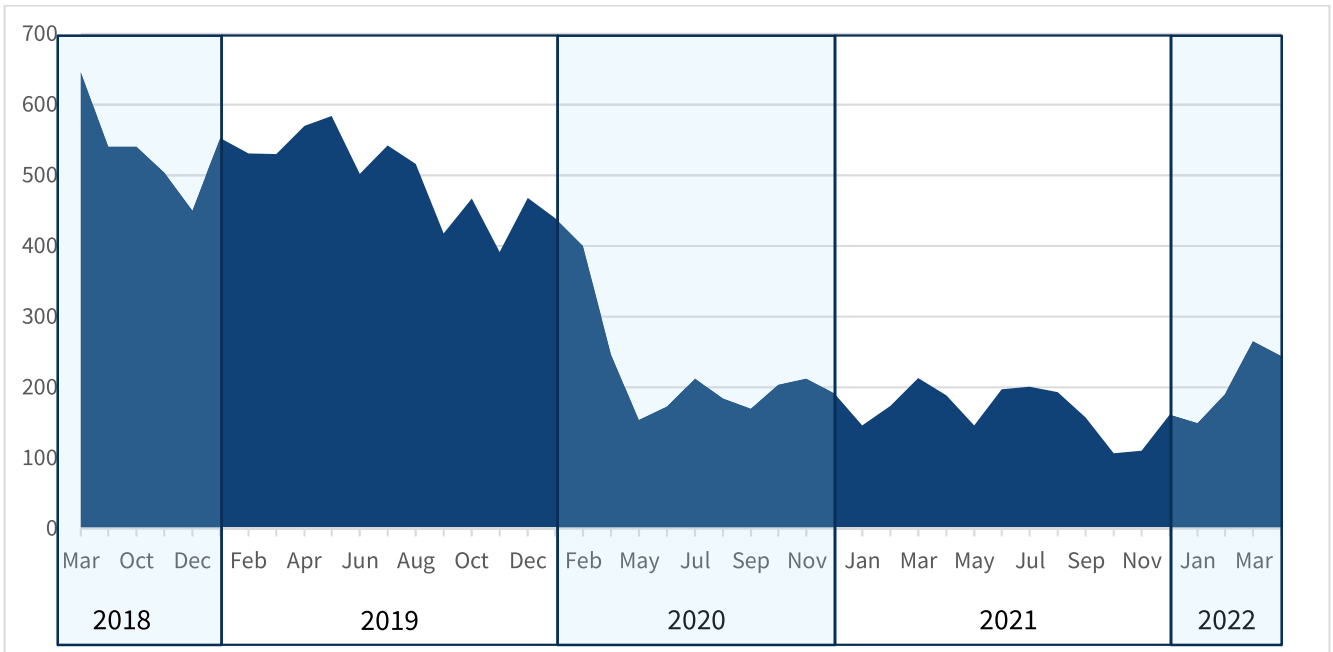
Yuba-Sutter Transit employs a Dial-A-Ride service for ADA and Medicare-eligible customers and opens the service to seniors 65+. Fares for the service include:

Table 3 - Dial-a-Ride Fares

Criteria	Fare
Disabled and ADA-eligible Single Ride	\$3.00 (\$2.00 after 6pm)
Medicare Cardholders Single Ride	\$3.00 (\$2.00 after 6pm)
Seniors (Age 65+) Single Ride	\$3.00 (\$2.00 after 6pm)
Youth Single Ride	N/A (\$2.00 after 6pm)
Non-Discount Single Ride (only eligible after 6:00pm)	N/A (\$4.00 after 6pm)

Yuba-Sutter Transit’s Dial-a-Ride service is open to all riders after 6pm – this is known as evening dial-a-ride. The evening dial-a-ride service extends the Authority’s weekday service span by approximately 3 hours. Ridership on evening dial-a-ride is relatively scant. With the recommended extension of the fixed-route, dial-a-ride, and on-demand service span to 8:00pm, the plan also recommends canceling the weekday evening dial-a-ride service.

Figure 1 – Monthly Evening Dial-a-Ride Ridership



COMMUTER SERVICE FARES

Yuba-Sutter Transit’s Commuter service only runs on weekdays and generally in the peak direction (to Sacramento in the morning and back in the afternoon). The plan recommends expanding the commuter service to the Roseville Galleria Transit Center to connect with Placer County and the City of Roseville’s transit services. Yuba-Sutter Transit’s current commuter fare structure is as follows:

Table 4 - Commuter Service Fares

Criteria	Fare
Non-Discount Single Ride	\$4.50
Senior/Disabled/Youth (Midday only) Single Ride	\$2.25
Monthly Commuter Pass	\$135.00
Monthly Combined Pass (including SacRT)	\$185.00

RURAL SERVICE FARES

Yuba-Sutter Transit’s rural service only runs to the communities of Live Oak, Wheatland, and the Foothills areas, including Brownsville, Oregon House, Willow Glen, and Loma Rica. The service operates on weekdays, while the Foothills service only operates Tuesdays, Wednesdays, and Thursdays. The service operates in advanced reservation, scheduled, and flex. Yuba-Sutter Transit’s current rural fare structure is as follows:

Table 5 - Rural Service Fares

Criteria	Fare
Non-Discount Single Ride	\$3.00
Senior/Disabled/Youth Single Ride	\$1.50
Children (age 4-under)	Free with paying adult (limit 2)
Non-Discounted Pass	\$30 (discounted to \$10)
Senior/Disabled/Youth Pass	\$15 (discounted to \$5)

FARE STRUCTURE SCENARIOS

Yuba-Sutter Transit’s fares are well-priced for the level of services provided. This plan calls for a restructuring of fares rather than any increases during the first three years of service deployment. This restructuring would align with the new types of services provided. To arrive at the proposed recommendations, the plan compared a number of different scenarios. The following tables summarize the various scenarios:

CURRENT FARE STRUCTURE

Since the pandemic began, Yuba-Sutter Transit has been offering significantly discounted monthly passes. Subsidy funding for these discounts is set to expire in 2024, but alternative sources could maintain the subsidy. Scenario 1 projects maintaining the discounts for monthly passes.

Table 6 - Scenario 1 - Maintain Existing Fares

	Ridership	Fare Revenue	Productivity	Average Fare	Farebox Recovery	Subsidy per Passenger
FY25	570,968	\$586,315.91	7.4	\$1.03	6%	\$15.02
FY26	585,242	\$590,705.59	7.8	\$1.01	6%	\$14.71
FY27	601,044	\$698,955.77	8.0	\$1.16	7%	\$14.77
FY28	612,464	\$714,629.96	8.0	\$1.17	7%	\$15.18
FY29	624,101	\$738,554.02	8.0	\$1.18	7%	\$15.23
FY30	635,959	\$757,194.06	8.1	\$1.19	7%	\$15.28
FY31	648,042	\$776,386.57	8.1	\$1.20	7%	\$15.33
FY32	660,355	\$797,568.36	8.1	\$1.21	7%	\$15.38
FY33	672,901	\$811,070.82	8.2	\$1.21	7%	\$15.44

Under this scenario, Yuba-Sutter Transit would not meet its requirements for farebox recovery ratio for any year of the plan and would need new funding sources to bridge the difference between the discount passes and the pass values. Fares from new riders would mostly offset any inflation-related increases. Revenues, as shown by the average fare, remain constant throughout the duration of the plan.

SCENARIO 2: RETURN MONTHLY PASSES TO PRE-PANDEMIC LEVELS

Scenario 2 models return the monthly pass prices to \$30/\$15. With the new Community on-demand services projected to launch in 2024/2025, it is anticipated that fewer customers would potentially purchase passes, and more customers would hit the daily fare cap due to more accessible services and a longer span of service.

Table 7 - Scenario 2 - Return Monthly Passes to Pre-Pandemic Levels

	Ridership	Fare Revenue	Productivity	Average Fare	Farebox Recovery	Subsidy per Passenger
FY25	565,259	\$661,930.95	7.4	\$1.17	7%	\$15.03
FY26	579,390	\$650,469.72	7.7	\$1.12	7%	\$14.75
FY27	595,034	\$763,253.97	7.9	\$1.28	8%	\$14.82
FY28	606,339	\$790,694.55	7.9	\$1.30	8%	\$15.21
FY29	617,860	\$817,165.06	8.0	\$1.32	8%	\$15.25
FY30	629,599	\$837,789.13	8.0	\$1.33	8%	\$15.30
FY31	641,561	\$859,024.48	8.0	\$1.34	8%	\$15.35
FY32	653,751	\$882,460.84	8.1	\$1.35	8%	\$15.40
FY33	666,172	\$897,400.48	8.1	\$1.35	8%	\$15.46

This scenario is not anticipated to result in significant fare elasticity, as travel experience and service access improvements would offset any elasticity resulting from increased fares. Under this plan, farebox recovery would still be below the required threshold, with fares and ridership increases in line with inflation and other cost increases.

SCENARIO 3: INTRODUCE MONTHLY FARE CAPPING AND INCREASE FARES

Under this scenario, Yuba-Sutter Transit would transition away from monthly passes on Crosstown/fixed route and Community Services. The Authority would instead create monthly fare caps. These fare caps would act as a makeshift pass and allow riders who ride frequently to still receive a discount for their patronage. Those who ride often (2-3 days per week) would see some level of capping, and those who ride infrequently would pay the full fare for each ride. Discounts would still be offered to eligible riders under this scenario. This scenario includes increasing fares in line with the on-demand systems reviewed earlier. Under this option, fares would increase in FY27 when all the Community on-demand zones would be deployed.

Table 8 - Scenario 3 - Eliminate Monthly Passes and Introduce Monthly Fare Capping

	Ridership	Fare Revenue	Productivity	Average Fare	Farebox Recovery	Subsidy per Passenger
FY25	607,413	\$998,337.47	7.9	\$1.64	11%	\$13.44
FY26	634,515	\$956,944.06	8.4	\$1.51	10%	\$12.99
FY27	759,147	\$1,116,342.10	10.1	\$1.47	12%	\$11.15
FY28	762,285	\$1,170,096.42	10.0	\$1.53	12%	\$11.60
FY29	787,804	\$1,209,268.37	10.2	\$1.53	12%	\$11.46
FY30	807,687	\$1,239,788.56	10.3	\$1.53	12%	\$11.43
FY31	828,159	\$1,271,213.34	10.4	\$1.53	12%	\$11.40
FY32	850,754	\$1,305,895.25	10.5	\$1.53	12%	\$11.34
FY33	865,157	\$1,328,003.45	10.5	\$1.53	12%	\$11.41

NEW 2024 SCENARIO 4: MAINTAIN DISCOUNT ON EXISTING PASSES AND INCREASE SLIGHTLY OVER TIME

This new scenario, specifically requested by the Board, augments existing fares slightly, maintaining a discount for passes but increasing pass prices slightly in FY 2027.

The proposed fare structure will be as follows – **changes highlighted**:

Table 9 – Comparing Proposed Fares to Existing Fares

Fare	Current Fares	FY 2025 Fares	FY 2027 Fares
Crosstown Single Ride/Discount	\$1.50/\$0.75	\$1.50/\$0.75	\$2.00/\$1.00
On-Demand Single Ride /Discount	N/A	\$1.50/\$0.75	\$2.00/\$1.00
Daily Cap/Discount*	\$3.00/\$1.50	\$4.50/\$2.25	\$6.00/\$3.00
Commuter Single Ride	\$4.50	\$4.50	\$5.00
Commuter Midday Single Ride/Discount	\$4.50/\$2.25	\$4.50	\$5.00
Commuter Monthly Pass/Combined	\$135/\$185	\$135/\$185	\$150/\$200
DAR Single Ride	\$3.00	\$3.00	\$4.00
Evening Dial-a-Ride/Discount	\$4.00/\$2.00	N/A	N/A
Rural Single Ride/Discount	\$3.00/\$1.50	\$3.00/\$1.50	\$4.00/\$2.00
Monthly Pass	\$30/\$15 (temporarily discounted to \$10/\$5)	\$40/\$20 (temporarily discounted to \$15/\$10)	\$50/\$25

* - Daily and monthly caps do not apply to Dial-a-Ride, Rural, and Commuter fares

Under this proposal, farebox revenue would increase 10% over the base scenario; however, it would still be below the required threshold. This could be offset by inflation being below the expected level and elasticity not materializing. Both are realistic options, as the plan includes conservative estimates for both items. Ridership is projected to increase by 21% over current levels with the proposed service plan.

Table 10 - New 2024 Scenario

	Ridership	Hours	Miles	Fare Revenue	Annual Cost	Productivity	Average Fare	Cost per Hour	Farebox Recovery	Subsidy per Passenger
FY25	589,191	76,781	1,153,083	\$776,329.98	\$ 9,159,499	7.7	\$1.32	\$119.29	8%	\$14.23
FY26	615,480	75,354	1,152,478	\$787,062.44	\$ 9,198,562	8.2	\$1.28	\$122.07	9%	\$13.67
FY27	736,373	75,268	1,268,463	\$935,813.98	\$ 9,578,984	9.8	\$1.27	\$127.27	10%	\$11.74
FY28	739,416	76,397	1,282,271	\$939,681.46	\$ 10,014,349	9.7	\$1.27	\$131.08	9%	\$12.27
FY29	764,170	77,543	1,291,895	\$971,139.68	\$ 10,240,799	9.9	\$1.27	\$132.07	9%	\$12.13
FY30	783,456	78,706	1,301,745	\$837,789.13	\$ 10,472,369	10.0	\$1.07	\$133.06	8%	\$12.30
FY31	803,315	79,887	1,311,825	\$859,024.48	\$ 10,709,175	10.1	\$1.07	\$134.05	8%	\$12.26
FY32	825,231	81,085	1,322,136	\$882,460.84	\$ 10,951,336	10.2	\$1.07	\$135.06	8%	\$12.20
FY33	839,202	82,301	1,332,682	\$897,400.48	\$ 11,198,973	10.2	\$1.07	\$136.07	8%	\$12.28

RECOMMENDED FARE STRUCTURE

The plan recommends implementing Scenario 4 with a fare increase to proposed levels in FY 27 when the Olivehurst Community on-demand zone launches. In addition to the fare increase, the plan recommends the following changes.

- Increase monthly pass prices; however, seek grant funding to maintain discount levels
- Increase commuter single ride and monthly fares and eliminate midday discounts. While this is a small change, reducing fare complexity would create consistency and simplicity in the structure

The proposed fare structure would be as follows:

Table 11 - Proposed Fare Structure

Fare	FY 2025	FY 2027
Crosstown Single Ride/Discount	\$1.50/\$0.75	\$2.00/\$1.00
On-Demand Single Ride/Discount	\$1.50/\$0.75	\$2.00/\$1.00
Crosstown/On-Demand Daily Cap/Discount	\$5.00/\$2.50	\$6.00/\$3.00
Crosstown/On-Demand Monthly Pass (30-days)/Discount	\$40.00/\$20.00	\$50.00/\$25.00
Commuter Single Ride	\$4.50	\$5.00
Commuter Midday Single Ride/Discount	\$4.50/\$2.25	\$5.00/NA
Commuter Monthly Pass/Combined	\$135/\$185	\$150/\$200
DAR Single Ride	\$3.00	\$4.00
Rural Single Ride/Discount	\$3.00/\$1.50	\$4.00/\$2.00

AGENDA ITEM IV – F
STAFF REPORT

YUBA-SUTTER TRANSIT PROCUREMENT POLICIES AND PROCUDURES MANUAL UPDATE

Background

Yuba-Sutter Transit first developed and formally adopted a written Procurement Policies and Procedures Manual (Manual) in August of 2015 in response to a finding in that year’s Federal Transit Administration (FTA) Triennial Review Report. The Manual articulates policy objectives, identifies roles and responsibilities, and details procedures by which Authority staff purchases all supplies, materials, and services needed to support transit operations and program administration. The Manual is periodically revised to reflect current public procurement practices, terms and conditions in compliance with all applicable federal, state and local requirements, as they may change from time to time. The Manual was last revised and adopted in February 2021.

Discussion

As part of the Authority’s preparation for significant upcoming capital projects and related procurements, staff enlisted the help of an experienced procurement and project management consulting firm to assist with updating the current Manual. Attached for Board consideration and approval is an enhanced and up-to-date Procurement Policies and Procedures Manual reflecting best practices and fully aligning the Authority’s procurement procedures with the current applicable federal and state requirements. Among the significant updates are inclusion of required California Government Code, Environmental Protection Agency, and California Public Contract Code references; current FTA procurement guidance related to Build America/Buy America requirements, construction project delivery methodology, and cooperative agreements; Federally required disadvantaged business enterprise and awarding agency oversight clauses; and updated bid protest procedures, purchasing forms, checklists, and definitions. Importantly, the updated Manual does not make changes to the staff’s purchasing authority or threshold amounts.

Staff is now recommending Board approval of the attached Procurement Policies and Procedures Manual, updated as of June 20, 2024, pending review and approval of legal counsel. Staff will be prepared at the meeting to discuss the Manual in detail as desired.

RECOMMENDATION: Adopt the revised Yuba-Sutter Transit Procurement Policies and Procedures Manual as proposed or amended.

Attachments: Yuba-Sutter Transit Procurement Policies and Procedures Manual, revised June 20, 2024



Procurement Policies & Procedures Manual

Proposed June 20, 2024

YUBA-SUTTER TRANSIT AUTHORITY
PROCUREMENT POLICIES & PROCEDURES MANUAL

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CHAPTER 1: PURCHASING POLICIES, GOALS AND OBJECTIVES

Policies, Goals and Objectives

It is the responsibility of the Yuba-Sutter Transit Authority (the Authority) staff to coordinate, monitor, and record all phases of purchasing of supplies, equipment, materials, services, and construction. The staff is also responsible for the sale of Authority surplus and obsolete property. When the Yuba City municipal code occupies the same subject area of guidance provided in these procedures, the more restrictive requirements shall apply.

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

- A. Conserve public funds through reduction in cost and improvement in quality of supplies, equipment, materials, services, construction procured, and reduce the overhead cost of contracting, buying, and selling.
- B. Achieve and promote cost-effective procurements by:
 - 1. Analyzing alternative approaches for each procurement, such as: purchase, time-share, lease, state and intergovernmental/interagency agreements. The Authority considers various procurement sources to ensure economical purchases including, but not limited to GSA, CMAS, State of California and municipal cooperatives.
 - 2. Structuring each procurement through consolidation of similar products and separation of dissimilar ones.
 - 3. Eliminating purchase of unnecessary or duplicative items and services.
 - 4. Encouraging price and quality competition among suppliers, vendors, contractors, and consultants.
- C. Reduce the volume and streamline the flow of paperwork; at the same time, maintain accurate documentation of transactions.
- D. Utilize competent technical expertise where needed in the initiation and administration of procurements and contracts.
- E. Adhere to participation goals and procedures incidental to the Disadvantaged Business Enterprise Policy.
- F. Follow the procedures of the Procurement Manual, with the aim of furthering the goals and objectives that are the reason for such procedures.
- G. Perform all duties and responsibilities in compliance with local, state, and federal law, and consistent with applicable standards of conduct and ethics.
- H. Require that vendors present acceptable documentation evidencing the quality of the product and the accuracy of representations relative to the product.
- I. The Authority and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of

Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Standards of Conduct

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

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

- C. Gratuities and Contingent Fees. No Board Member, Officer, or employee shall knowingly solicit, accept, or agree to accept gifts, gratuities, or favors in connection with actual or potential procurement and contracting activities. California Government Code Section 84308 (commonly referred to as the "Levine Act") prohibits any Agency Board Member from participating in any action related to a contract, if he or she receives any political contributions totaling more than \$250 from the person or company awarded the contract within the previous twelve months, and for three months following the date a final decision concerning the contract has been made. The Levine Act also requires a member of the Agency Board who has received such a contribution to disclose the contribution on the record of the proceeding.
- D. Confidential Information. No member of the staff shall use confidential information for his or her actual, anticipated, or apparent personal gain, or for the actual, anticipated, or apparent personal gain of any person related to such employee as such relationship is defined in Subsection B, above. "Confidential Information" is defined to include any proprietary, privileged, or nonpublic information, coming to the employee's attention as a result of employment by the Authority, the knowledge of which makes possible financial gain.
- E. Discipline for Violation. The violation of any of these Standards of Conduct will subject the violator to any disciplinary proceedings or action deemed appropriate by the Authority, up to and including dismissal.

Delegation of Authority

- A. The Board of Directors authorizes and delegates to the Executive Director the authority and responsibility to:
1. Approve and execute all Purchase Requisitions.
 2. Approve and execute Purchase Orders and Contracts which do not exceed \$50,000.00.
 3. Approve and execute Change Orders and Contract Amendments as may from time to time be necessary, which do not exceed \$25,000. When contract changes exceed \$25,000 or \$100,000 in aggregate the change shall be approved by the Board of Directors. Execute all contract documents including purchase orders, blanket purchase orders, contracts, change orders, contract amendments, and settlements after any necessary approval by the Board of Directors.

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

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

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

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

CHAPTER 2: PURCHASE REQUISITION PROCEDURES

General Requirements

The purpose of this chapter is to outline the method by which materials, supplies, equipment and services will be requested.

Requests for purchases may be submitted orally or in writing to the Executive Director. The level of procurement method will be determined for approved projects and staff will be assigned to proceed accordingly.

The individual initiating the Purchase Request is responsible for the accuracy and adequacy of information supporting the request. Requests should be submitted early enough for the material or service to be obtained when needed.

Purchase Requisition Preparation - Direct

Purchase Requisitions shall contain appropriate data on price, quantity/frequency, budget cost center, recommended supplier or manufacturer, and a detailed description of the product including any model numbers or part codes.

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

Development Of Technical Specifications For Equipment/Materials

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

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

1. A statement of the qualitative nature of the equipment/material to be procured including form, fit, and function.
 2. Minimum essential characteristics and standards required to satisfy its intended use.
 3. Reliability and testing requirements.
 4. Quality control requirements needed to guarantee the required performance of the equipment/materials.
- B. The technical specification shall be prepared for the equipment/material, providing adequate detail to ensure that any potential source will be fully appraised of the Authority's requirements. Where possible, the specifications, including performance, form, fit, and function, shall be broad enough to allow as many sources as possible to bid. Product specifications should be in sufficient detail to define requirements, but not to inhibit competition. When it is impractical or uneconomical to develop a clear, accurate description of the technical requirements, a "brand name or approved equal" description may be used to define the performance or other salient features of the requirement. When so used, the specific features which must be met by equipment/material shall be

clearly stated. Brand names that are known to meet the "or approved equal" requirements shall be listed.

- C. A market survey may be conducted to determine the source(s) that offer products which meet the requirements. Extreme caution must be exercised to avoid discussions of budgeted dollar amounts.
- D. Where an equipment/material item can be procured from only one source because of patent or proprietary rights, the originator shall prepare a sole source justification, in accordance with the procedures in Chapter VI, in addition to the specification.

Technical Specifications and Statements of Work (Prepared by Requestor)

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

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

Development of Scope of Work For Professional/Consultant Services

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

1. General. A broad description of the services and project/program objectives. This section describes the contractor's specific responsibilities and the items i.e., property, materials, etc. that must be furnished by the Contractor.
2. Applicable Standards. This part contains a description of all standards the Contractor must fulfill, including federal, state, local and Authority standards that are applicable to the project.
3. Authority Furnished Data, Property or Services. This portion contains detailed lists of all data, property, and services which will be provided to the Contractor by the Authority for use in the performance of the Contract.
4. Specific Task Breakdown. This portion shall contain, in detail, all tasks the Contractor must perform, and where applicable, should specify step by step instructions and coordination requirements.
5. Data Submission/Delivery Schedules. This portion shall specify the data that must be submitted for approval and the schedule requirements for submission/approval to assure the project progresses in a logical, expeditious manner.

Professional or Consultant Services Contract Requirements

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

1. A complete and comprehensive Scope of Work.
2. An itemized listing of Evaluation Criteria.
3. Desired delivery schedule (milestones).

Capital Purchase Requests shall identify the Grant Project.

Lease vs. Purchase Alternatives

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

Exceptions

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

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

Approvals of Purchase Requisitions, Purchase Orders and Blanket Purchase Orders

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

<u>Dollar Limits</u>	<u>Approval</u>
Up to \$3,000	Managers (Finance, Planning)
Up to \$50,000	Executive Director
Over \$50,000	Executive Director with Board of Directors approval

All capital procurements of office furniture and equipment must be coordinated through the Executive Director.

In the absence of the Executive Director, the Finance Manager is authorized to approve purchase orders under \$10,000 for Board approved projects.

Purchase Orders below \$50,000 that did not require Board approval and later require Change Orders resulting from unforeseeable situations that cause the Original Purchase Order to exceed \$50,000 shall be brought before the Board immediately for ratification.

CHAPTER 3: METHODS OF PROCUREMENT

Methods of Procurement

The following methods of procurement may be used as appropriate:

Procurement by Micro-Purchases

Materials, Supplies, Equipment and Services equal to or less than \$10,000

Procurement by micro-purchases are those purchases up to \$10,000. Purchases below that threshold may be made without obtaining competitive quotations if the Authority determines that the price is fair and reasonable based on research, experience, purchase history or other information and documents. This determination and how it was made shall be documented. Such purchases are exempt from Buy America requirements. However, Davis-Bacon prevailing wage requirements will apply to construction contracts exceeding \$2,000. There should be equitable distribution among qualified suppliers and no splitting of procurements merely to come within the micro-purchase limit.

Procurement by Small Purchase Procedures

Materials, Supplies, Equipment and Services and Public Works that are greater than \$10,000 and less than or equal to \$250,000 (\$150,000 if Buy America required)

Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property valued greater than \$10,000 but not exceeding \$250,000. If small purchasing procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources. The Authority must make the determination that the price offered is fair and reasonable utilizing a price or cost analysis. The award is made to the proposer offering the bid or proposal most advantageous to the Authority. Small purchases can be solicited utilizing a quotation that contemplates award to the lowest evaluated price or may consider factors in addition to price. The Request for Quotation shall specify the basis for award consistent with the principles of bidding and competitive negotiations contained herein.

This process is to be documented on the bid record contained in the file documentation. A record indicating the procurement method used, the contract type, why the vendor was selected, what vendors were solicited, and how the price was determined fair and reasonable at a minimum should be documented in the procurement file. Award will be made to the firm that complies with the provisions of the request for quotations and provides the lowest responsive and responsible price or best value to the Authority. Procurements shall not be reduced in size or divided to avoid the additional procurement requirements applicable to larger acquisitions if under \$150,000.

Procurement by Formal Purchase Procedures

Materials, Supplies, Equipment, Public Works and Services greater than \$250,000

Formal Purchases require an appropriate formal competitive procurement process and must have the approval of the Board of Directors. Technical specifications and requirements will be prepared and submitted to the Executive Director who will prepare and release appropriate Invitations for Bids (IFBs), Request for Proposals (RFPs), or Request for Qualifications (RFQs). Authorization from the Board of Directors is necessary to award an IFB, RFP or RFQ.

A record indicating the procurement method used, the contract type, an independent estimate, why

the vendor was selected, and how the price was determined fair and reasonable at a minimum should be documented in the procurement file.

Procurements by Sealed Bids/Invitation for Bid (IFB)

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

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

Procurements by Competitive Proposal/Request for Proposals (RFP)

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

- 1. Requests for proposals will be publicized. All evaluation factors will be identified along with their relative importance.
- 2. Proposals will be solicited from an adequate number of qualified sources.
- 3. The Authority will have a method in place for conducting technical evaluations of the proposals received and for selecting awards.

4. Awards will be made to the most responsible firm whose proposal is most advantageous to the Authority's program with price and other factors considered.

Procurement of Architectural and Engineering Services (A&E)

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

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

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

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

Procurement by Noncompetitive Proposals (Sole Source)

- A. Sole Source procurements are accomplished through solicitation or acceptance of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. A contract amendment or change order that is not within the scope of the original contract is considered a sole source procurement that must comply with this subparagraph.
 1. Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:
 - a. The acquisition of property or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold;
 - b. The item is available only from a single source;
 - c. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - d. FTA authorizes a noncompetitive procurement in response to a written request from the Authority; or
 - e. After solicitation of a number of sources, competition is determined inadequate.

- B. The Authority must first certify in writing:
 - 1. That such manufacturer or supplier is the only source for such item; and
 - 2. That the price of such item is no higher than the price paid for such item by like customers.
- C. A cost analysis is required to verify the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profit.

Procurement by Design-Build

Additionally, the California Code, Public Contract Code - PCC § 22160 authorizes the use of the design-build method of project delivery, using a best value procurement methodology.

Cooperative Purchases/Piggybacking

The FTA encourages grantees to search federal surplus catalogues in order to avoid purchasing new items, which may exist in the government's surplus inventory.

By California State legislation, the Department of General Services, State Office of Procurement, may act as the buying agent for political subdivisions of the state. The purpose of the State Cooperative Purchase Program is to enable government entities to take advantage of discount prices available through volume purchases.

The Authority may enter into cooperative purchasing agreements with other governmental agencies. When FTA funds are utilized for non-state cooperative purchases, the Authority must comply with piggybacking rules and regulations promulgated by the FTA. In particular, the Authority's estimated quantities must have been contemplated in the original award agreement and the contract must contain an assignment clause that authorizes assignment of contractual rights to the Authority.

Options

The Authority may include options in contracts. An option is a unilateral right in a contract by which, for a specified time, a grantee may elect to purchase additional equipment, supplies, or services called for by the contract, or may elect to extend the term of the contract. If the Authority chooses to use options, the requirements below apply:

- A. Evaluation of options. If required in the solicitation, the option quantities or periods contained in the contractor's bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of such options will be considered a sole source procurement.
- B. Exercise of Options.
 - 1. The Authority must ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract awarded.
 - 2. An option may not be exercised unless the Authority has determined that the option price is better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised.

CHAPTER 4: ALTERNATIVE PROJECT DELIVERY METHODS

Design-Build

The Authority may procure design-build contracts for public works projects in excess of one million dollars (\$1,000,000) in compliance with federal, state and local requirements. The design-build procurement method consists of contracting for design and construction simultaneously with contract award to a single contractor, consortium, joint venture, team, or partnership that will be responsible for both the project's design and construction. FTA's enabling legislation expressly authorizes the use of FTA capital assistance to support design-build projects "after the recipient complies with Government requirements," 49 U.S.C. Section 5325(d)(2).

Procurement Method Determined by Value. First, the recipient must separate the various contract activities to be undertaken and classify them as design or construction, and then calculate the estimated total value of each. Because both design and construction are included in a single procurement, the FTA expects the recipient to use the procurement method appropriate for the services having the greatest cost, even though other necessary services would not typically be procured by that method.

- (a) Construction Predominant. The construction costs of a design-build project are usually predominant so that the recipient would be expected to use competitive negotiations or sealed bids for the entire procurement rather than the qualification-based "Brooks Act" procurement procedures. Specifically, when construction costs will be predominant, unless FTA determines otherwise in writing, an FTA recipient may not use qualifications-based procurement procedures to acquire architectural engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural and engineering, surveying, mapping, or related A&E services unless required by State law adopted before August 10, 2005.

(b) Design Services Predominant. In the less usual circumstance in which the cost of most work to be performed will consist of costs for architectural and engineering, program management, construction management, feasibility studies, preliminary engineering, design, architectural engineering, surveying, mapping, or related A&E services, FTA expects the recipient to use qualifications-based procurement procedures based on the "Brooks Act," 40 U.S.C. Sections 1101 through 1104, as described in subsection 3.e of this Chapter. California Public Contract Code - PCC § 22160 authorizes the use of the design-build method of project delivery, using a best value procurement methodology.

Progressive Design Build

Authority may procure progressive design-build contracts and use the progressive design-build contracting process described in the California Public Contract Code - PCC § 22170 et seq. for up to 15 public works projects in excess of five million dollars (\$5,000,000) for each project. Progressive Design-Build means a project delivery process in which both the design and construction of a project are procured from a single entity that is selected through a qualifications-based selection at the earliest feasible stage of the project.

CHAPTER 5: CAPITAL PURCHASE PROCEDURES

Determination of Capital Purchases

Capital purchases consists of items that are:

- A. Non-expendable tangible property which costs at least \$5,000 and has a useful life of more than one (1) year.
- B. Costs associated with the construction of buildings and facilities.
- C. Real property.
- D. Expendable incidentals, labor force account, overhead and other costs associated with a capital purchase.

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

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

Procedures for Capital Purchases

- A. Applicable Administrative Staff:
 - 1. Determines purchasing requirement and prepares a Capital purchase requisition using purchase requisition processing as outline in Chapter II.
 - 2. Obtains/creates support documents for the purchase requisition as necessary. (Technical specification, Scope of Work, Plans, etc.)
 - 3. Obtains required approval for the requisition via the Hierarchy of Approval (See Chapter II).
 - 4. Reviews the requisition for verification of Funding availability.
 - 5. Determines method of procurement based on Authority purchasing policies and requirements on the purchase requisition.
 - a. If \$10,000 or less, purchases item from appropriate source at a price determined as fair and reasonable and documents how the determination was made.
 - b. If more than \$10,000 and not over \$250,000, obtains price and rate quotations from an adequate number of qualified sources.
 - c. If greater than \$250,000, conducts independent cost estimate and solicits competitive bids.
 - 6. Conducts Cost & Price Analysis.

7. Requests Board approval if needed.
 8. Selects Vendor.
- B. Upon receipt of goods, applicable Staff:
1. Verifies merchandise or material have been received.
 2. Verifies merchandise or material to the corresponding order.
 3. Signs and forwards packing slip/invoice to Accounts Payable.
- C. DBE Officer (when Applicable)
1. Receives capital check register.
 2. Verifies DBE compliance and forwards to Grants Administrator.
- D. Finance Department – Accounts Payable.
1. Processes Capital Grant check payments.

CHAPTER 6: NON-CAPITAL PURCHASE PROCEDURES

Introduction

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

A. Competition and Price Reasonableness. Purchases not exceeding \$10,000 may be accomplished without securing competitive quotations if the prices are considered to be fair and reasonable.

Reasonableness of a proposed price may be determined by comparison of the proposed price with:

1. Prices found reasonable on recent previous purchases.
2. Current price lists.
3. Catalogs.
4. Advertisements.
5. Similar items in a related industry.
6. Purchasing Agent's/Buyers knowledge of the item being procured.

Purchases greater than \$10,000 and not exceeding \$250,000 may be accomplished by obtaining price or rate quotations from an adequate number (minimum of two) of qualified sources.

Purchases in excess of \$250,000 require formal competitive bidding.

Procedures for Non-Capital Purchases

A. Applicable Administrative Staff:

1. Determines purchasing requirement.
2. Obtains support documents for the purchase requisition as necessary. (Technical specification, Scope of Work, Plans, etc.)
3. Obtains required approval for the requisition.
4. Determines method of procurement based on Authority purchasing policies and requirements on the purchase requisition.
 - a. If not over \$10,000, purchases item from appropriate source at a price determined as fair and reasonable, documenting how the determination was made.

- b. If greater than \$10,000 and not exceeding \$250,000, obtains price or rate quotations from an adequate number (minimum two) of qualified sources.
 - c. If greater than \$250,000, conducts independent cost estimate and competitive bids are solicited.
 - 5. Conducts Cost & Price Analysis.
 - 6. Selects Vendor.
- B. Upon receipt of goods, applicable Staff:
 - 1. Verifies services or goods have been received.
 - 2. Verifies merchandise or material to the corresponding order.
 - 3. Signs and forwards packing slip/invoice to Accounts Payable.
- C. Finance Department – Accounts Payable.
 - 1. Processes payment.

CHAPTER 7: SOLE SOURCE NON-COMPETITIVE NEGOTIATION

Policy

Consistent with the plans and programs of the Authority, purchase requirements for goods or services estimated to exceed \$250,000 should be competitively bid. Sole Source Non Competitive Negotiation for goods or services shall be allowed only on an exceptional and fully documented basis if: (1) an emergency situation exists requiring immediate action (in order for this authority to be used, the need must be compelling and of unusual urgency), (2) only one vendor exists, (3) upon receiving a single bid or single proposal in response to a solicitation with adequate competition, or (4) FTA authorizes after determining competition was adequate.

Justification Procedure

Each sole source selection decision exceeding \$250,000 must be supported by documentation which justifies the selection of the specified contractor. The following will guide in preparing the sole-source justification:

- A. Solicit offers from as many potential sources as is practicable under the circumstances.
- B. If the Authority decides to solicit an offer from only one source, the Authority will justify its decision adequately, in writing.
- C. Prepare or obtain a cost analysis verifying the proposed cost data, the projections of the data, and the evaluation of the costs and profits.
- D. Submit the proposed procurement to FTA for pre-award review if FTA so requests.

Procedures for Sole Source Non-Competitive Procurements

- A. Identify requirements, prepare specifications and process approved Purchase Requisition.
- B. Prepare written sole-source justification.
- C. Develop pre-negotiation objectives.
- D. Solicit price proposal from vendor.
- E. Perform cost and/or price analysis, determine reasonableness of vendor's price and certify that the price is fair and reasonable.
- F. If required, obtain FTA authorization.
- G. Prepare contract documents.
- H. If grant-funded, review for adherence to FTA Guidelines.
- I. Forward contract to contractor for execution.

CHAPTER 8: NEGOTIATION AND SEALED BID PROCUREMENT REQUIREMENTS

Introduction

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

Policy

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

1. Unreasonable requirements placed on firms in order for them to qualify to do business;
2. Unnecessary experience and excessive bonding requirements;
3. Noncompetitive pricing practices between firms or between affiliated companies;
4. Noncompetitive awards to any person or firm on retainer contracts;
5. Organizational conflicts of interest. An organizational conflict of interest means that because of other activities, relationships, or contracts, a contractor is unable, or potentially unable, to render impartial assistance or advice to the Authority; a contractor's objectivity in performing the contract work is or might be otherwise impaired; or a contractor has an unfair competitive advantage;
6. The specification of only a "brand name" product without listing its salient characteristics and not allowing "an equal" product to be offered.
7. Proposals or qualifications leading to a negotiated procurement or competitive bid should be formally advertised and solicited from at least three potentially qualified proposers in order to obtain the greatest possible competition. Authority technical personnel are responsible (with consultant assistance as required) for providing the technical specifications and drawings for equipment, materials and construction contracts.
8. Requesters are responsible for providing additional and special terms and conditions to cover such items as material delivery dates, progress reporting requirements and selective contract controls, together with the technical requirements, to the Finance Department.

Time and Material Contracts

The Authority will use time and material contracts only:

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

Procedures

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

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

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

Procedures for Preparation of Solicitation Documents

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

A. Prepare a Draft IFB/RFP

1. Develop the Scope of Work and any required technical specifications, drawings, plans, photographs, etc.
2. Conduct an Independent Cost Estimate to serve as a benchmark for evaluating cost proposals.
3. Establish realistic procurement schedule.
4. Develop and incorporate the appropriate "boilerplate" of Terms and Conditions.
 - a. If FTA funded, include required clauses and Forms.
 - b. Check for insurance or bonding requirements.
5. Specify number of proposals to be submitted. (ie. An electronic copy, an original and three copies for an RFP Review Committee of three).
6. Specify evaluation criteria.

Pre-Bid/Pre-Proposal Conference

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

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

Instruction to offerors

Funding source
Contract type
Evaluation Criteria
Specific points that need to be addressed in Proposals
DBE goal if established
Critical dates
Bonding requirements
Answer questions regarding the Terms and Conditions of the Agreement/Contract
Answer questions regarding the Scope of Work, Technical Specs, Plans, etc

Addenda

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

Guidelines for The Evaluation of Request for Proposals

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

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

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

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

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

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

The evaluation team members individually evaluate the proposals and fill out the evaluation form. A team meeting is held to discuss individual evaluations and determine a consensus ranking and decide how many proposers are to be invited for oral interviews. The number interviewed varies depending on the size and importance of the project and the quality of proposals received. Oral interviews are not mandatory.

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

Negotiation with the Selected Proposer or Proposers within a Competitive Range

- A. Establish initial meeting with selected Proposer.
- B. Provide detailed information to Proposer consisting of:
 1. Detailed schedule for negotiations and contract execution.
 2. Discuss proposed contract type.
 3. Discuss and/or provide any new or additional information available regarding the project.

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

Documentation (Procurement Summary)

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

- A. Method of procurement rationale.
- B. Selection of contract type.
- C. Reason for contractor selection.
- D. Basis for the contract price.
- E. Cost and Price Analysis.
- F. Changes to standard terms and conditions.
- G. Unusual circumstances or agreements.
- H. Determination that the Contract Amount is fair and reasonable.

The Authority will use time and material type contracts only after a determination that no other type of contract is suitable; and, if the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.

Contract Preparation

The Executive Director (or designee) in coordination with the Authority Legal Counsel will prepare the negotiated contract and review for accuracy and completeness. This review should verify the following:

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

In addition the Finance Manager (or designee) shall:

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

Confidentiality of Proposals

Information on the Proposer's financial status will be withheld from public review if submitted under separate cover with a request for confidentiality unless a court of competent jurisdiction orders disclosure.

Guidelines for the Evaluation of Sealed Bids

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

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

Contract Cost and Price Analysis for Every Procurement Action

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

- A. Cost Analysis. A cost analysis must be performed when the offeror is required to submit the elements (i.e., labor hours, overhead, materials, etc.) of the estimated cost, e.g., under professional consulting and architectural and engineering services contracts.

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

Payment Provisions in Third Party Contracts

- A. Advance Payments. FTA does not authorize and will not participate in funding payments to a contractor prior to the incurrence of costs by the contractor unless prior written concurrence is obtained from FTA.
- B. Progress Payments. The Authority may use progress payments provided the following requirements are followed:
 - 1. Progress payments are only made to the contractor for costs incurred in the performance of the contract.
 - 2. When progress payments are used, the Authority must obtain title to property (materials, work in progress, and finished goods) for which progress payments are made. Alternative security for progress payments by irrevocable letter of credit or equivalent means to protect the grantee's interests in the progress payments may be used in lieu of obtaining title.
- C. Prompt Payment To Subcontractors. Contractor must pay subcontractors for satisfactory performance of their contracts no later than 10 days from the receipt of payment made to the contractor by the Authority. Prompt return of retainage payments from the contractor to the subcontractor(s) will be made within 15 days after the subcontractor's work is satisfactorily completed.

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

Liquidated Damages Provisions

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

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

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

Use of GSA Schedules And Excess Or Surplus Federal Property

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

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

Intergovernmental Procurement Agreements

To foster greater economy and efficiency, the Authority is encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services. The requirements and standards of this manual apply to procurements entered into under such agreements using FTA funds. Competition requirements will be met with documented procurement actions using strategic sourcing, shared services, and other similar procurement arrangements.

Cargo Preference--Use of United States-Flag Vessels

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

Preference for Recycled Products

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

Use of Value Engineering in Construction Contracts

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

Awards to Lowest Responsive, Responsible Contractor

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

Advertisement of IFBs and RFPs

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

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

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

CHAPTER 9: CONTRACT ADMINISTRATION

Role of the Executive Director

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

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

- A. Performance Monitoring - Ensure that the supplier provides the goods and services desired at the appropriate location and time.
- B. Financial Monitoring - Ensure that the supplier provides the product at the required price and component costs with all other financial considerations met.
- C. Compliance Monitoring - Ensure that the supplier complies with the terms and conditions of the agreement.
- D. Self-Certification - Ensure "self-certification" in the Annual Certification/Assurance process.
- E. Master Agreement – Ensure that the Authority refers to "Master Agreement" which contains a comprehensive list of the requirements applicable to the FTA program, including procurements.
- F. Forms Submittal - Ensure that the following forms as applicable, are received before contract award:
 1. Debarment and Suspension – The Authority will refrain from awarding any third party contract of any amount with a party included in the "U.S. General Services Administration's (U.S. GSA) List of Parties Excluded from Federal Procurement or Non- procurement Programs", implementing Executive Orders Nos. 12549 and 12689, "Debarment and Suspension". Before entering into any sub-agreement with a sub- recipient, the Authority agrees to obtain a debarment and suspension certification from each prospective sub-recipient containing information about the debarment and suspension status and other specific information about the sub-recipients and its "principals". Before entering into any third party contract exceeding \$100,000, the Authority agrees to obtain a debarment and suspension certification from each third party contractor containing information about the debarment and suspension status of that third party contractor and its "principals". The Authority will require each third party contractor to refrain from awarding any third party subcontract of any amount (at any tier) to a debarred or suspended subcontractor, and to obtain a similar certification from any third party subcontractor (at any tier) seeking a contract exceeding \$100,000.
 2. Interest of Members of or Delegates to the United States Congress – The Authority will not admit any member of or delegate to the United States Congress to any share or part of the Project or any benefit derived there from.

3. Bonus or Commission – The Authority will affirm that it has not paid, and agrees not to pay, any bonus or commission to obtain approval of its Federal assistance application for a project.
4. Restrictions on Lobbying – The Authority will not use Federal assistance funds to support lobbying. The FTA will not make any Federal assistance available to the Authority until FTA has: (a) received Authority's certification that the Authority has not and will not use Federal appropriated funds to pay any person or organization to influence an officer or employee of any Federal department or agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal grant, cooperative agreement, or any other Federal award from which funding for the project is originally derived, and (b) the Authority's statement disclosing any lobbying with non-Federal funds that has taken place in connection with obtaining any Federal financing ultimately supporting the project. The Authority will provide FTA a copy of each lobbying disclosure statement with the accompanying lobbying certification provided by a prospective third party contractor at any tier or sub-recipient at any tier.
5. Buy America – The Authority will comply with FTA's Buy America regulations 49 C.F.R. Part 661, and any amendments thereto, and any implementing guidance issued by FTA, with respect to each third party contract financed by the Grant Agreement or Cooperative Agreement.
6. Build America, Buy America – The Authority will comply with FTA's Build America, Buy America regulations 2 C.F.R. Part 184, and any amendments thereto, and any implementing guidance issued by FTA, with respect to each third party contract financed by the Grant Agreement or Cooperative Agreement.
7. Bidders List of Participating Firms – The Authority will maintain a bidders list to count all firms that are participating in, or attempting to participate in all DOT assisted contracts as required in 49 CFR Part 26 §26.11.
8. Levine Act - The Authority prohibits any Agency Board Member from participating in any action related to a contract, if he or she receives any political contributions totaling more than \$250 from the person or company awarded the contract within the previous twelve months, and for three months following the date a final decision concerning the contract has been made. The Levine Act also requires a member of the Agency Board who has received such a contribution to disclose the contribution on the record of the proceeding.

Maintenance Of Procurement Records

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

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

- D. The basis for the contract price.

Contract Amendments And Change Orders

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

Additions and/or increases in the Scope of Work may constitute a new procurement and, as such, will be processed in the prescribed manner or the additional requirements may be formalized by Contract Amendment. The Project Manager shall coordinate the requirement for a Contract Amendment as soon as the need is known and shall provide the necessary documentation to permit the Amendment to be processed in the most expeditious manner to prevent delays in the Project Schedule.

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

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

Contract Closeout Procedures

- A. Non-Construction Contracts may include the following:
 1. Insure that contract files are closed in a timely manner and the closeout actions are documented.
 2. Prior to the contract completion date, contact the Project Manager to confirm that no contractor effort will be required after the specified contract completion date. Whenever possible, this action shall be initiated at least 60 days prior to the specified completion date. If the contract will be completed on schedule, proceed with contract closure, otherwise if necessary extend the contract.
 3. Cost and/or fees withheld in accordance with contract provisions shall not be released to the Contractor until the Contractor has completed the required closing documents, made final disposition of Authority property, and reached final agreement with the Authority regarding the amount of final payment due. Withheld costs and/or fees shall be included in the final payment.
 4. Upon confirmation of pending contract completion, determination of whether a final contract audit is required. Final negotiations of indirect rates and disputed costs shall be based on

the final audit.

- B. Construction Contract. Authority Project Manager shall assure the following:
1. The date of substantial completion with the contractor shall be established at the contract signing.
 2. The Architect/Engineer (A/E), Project Manager, or Inspector of Record will be instructed by the Authority Project Manager to provide a Punch List.
 3. The Authority Project Manager reviews the A/E Punch List and adds or deletes appropriate items.
 4. Authority Project Manager indicates which items on the Punch List require completion before "Notice of Substantial Completion" will be recorded. The Punch List is then transmitted to the General Contractor (GC) for action.
 5. A/E Project Manager or Inspector of Record to verify all Punch List items that have been addressed. Authority, Project Manager to review and approve.
 6. Upon completion of the above referenced items, Authority Project Manager shall prepare a record of "Notice of Substantial Completion." The contract time shall conclude as of this date and the Authority may take occupancy of the premises.
 7. The GC will complete administrative documents including items such as certified payrolls, as-builds, warranties, and lien releases. These documents will be transmitted to the A/E for review.
 8. Authority Project Manager to review the final change order, accounting data, administrative documents, completed Punch List prior to approval of final payment.
 9. Authority Project Manager to prepare and record "Notice of Final Acceptance."

Responsibility for Settlement of Contract Issues/Disputes

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

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

Contract Termination

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

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

After issuance of a Notice of Termination, pursuant to the Termination/Default Article(s) of the

Contract, settlement of claims, etc. shall be accomplished as soon as possible to protect the interest of and minimize the liability of the Authority.

Prohibition Against Geographic Preferences

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

Prompt Payment To Subcontractors

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

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

CHAPTER 10: BONDING REQUIREMENTS

Bonding

- A. Capital. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, greater than \$25,000 and 250 the Authority may accept its bonding policy may relating to bid guarantees, performance bonds, and payment bonds provided that the Authority grantee has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:
1. A Bid Guarantee Bond from each bidder equivalent to 10 percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.
 2. A Performance bond for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
 3. A Payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
- B. Bonding/Non-Capital. The Authority may ask for bonds, anytime it is in the best interest to do so.

Types Of Bonds

- A. Bid Guarantee. The "BID guarantee" shall consist of a firm commitment such as a bid bond, certified or cashier's check, or other negotiable instrument accompanying a bid as assurance the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified. As a general rule, the bidder's security is in the amount of 10% of the total bid.
- B. Performance Bond. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- C. Payment Bond and Materials & Labor Bond. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

CHAPTER 11: CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S DISADVANTAGED BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The Authority shall take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

CHAPTER 12: FEDERAL AWARDING AGENCY REVIEW

(a) The Authority shall make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The Authority shall make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The Authority's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The Authority is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The Authority may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;

(2) The Authority may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the Authority that it is complying with these standards. The Authority must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

CHAPTER 13: PROTEST PROCEDURES

As a recipient of Federal assistance for the financing of its procurements, the Yuba-Sutter Transit Authority (Yuba-Sutter Transit) complies with all applicable Federal and State Third Party Contract provisions. Third Party Contract refers to a recipient's contract with a vendor or contractor, including procurement by purchase order or purchase by credit card, which is financed with Federal assistance awarded by the Federal Transit Administration (FTA).

In accordance with applicable FTA Circular 4220.1F Third Party Contracting Guidance and the "Common Grant Rules" (California Department of Transportation, 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments), Yuba-Sutter Transit assumes responsibility for resolving all contractual and administrative issues arising out of their third party procurements, including source evaluation and selection, including protests of awards, disputes, and claims. Yuba-Sutter Transit uses good administrative practices and sound business judgment for resolving all contractual/administrative issues and establishes herein the appropriate alternative dispute resolution procedures. Neither FTA nor the Common Grant Rules relieve Yuba-Sutter Transit of any responsibility under its contracts to resolve disagreements that may arise in the course of contract formation or contract administration.

The Executive Director is the official responsible for making final determination regarding protests on behalf of the Yuba-Sutter Transit Authority. Responses/determinations concerning protests submitted in accordance with the applicable FTA guidance and Yuba-Sutter Transit policy will be made in writing to the protester. As the responsible official, the Executive Director determination shall be final.

Procedures

A protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. There are three basic types of protests, based on the time in the procurement cycle when they occur:

- 1) A **pre-bid** or solicitation phase protest is received prior to the bid opening or proposal due date.
- 2) A **pre-award** protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- 3) A **post-award** protest is a protest received after award of a contract.

All protests must be submitted in writing via mail or e-mail addressed to the Executive Director at the following:

Yuba-Sutter Transit Authority
ATTN: Executive Director
2100 B Street
Marysville, California 95901
matt@yubasuttertransit.com

Required Contents - In order to be deemed substantive, a written pre-bid protest must include at a minimum the name of the protester; the applicable solicitation title, number or description; statement of grounds for the protest; adequate contact information and preferred delivery method for the response/determination.

The Yuba-Sutter Transit Authority Board of Directors has the ultimate responsibility for awards made to a vendor or contractor financed with Federal assistance awarded by the FTA or otherwise subject to Federal and State Third Party Contract provisions.

Request for Reconsideration - Yuba-Sutter Transit will allow for submission of a request for reconsideration if data becomes available that was not previously known, or there has been an error of law or regulation. Requests for reconsideration should be submitted in writing within five (5) working days of the date the protester learned or should have learned of an error or other basis of appeal.

Pre-Bid Protests - Unless otherwise explicitly stated in the public solicitation document, the deadline for the submission of a pre-bid protest shall be the close of normal business hours, no later than ten (10) working days after the publication/release date of the respective solicitation document(s). In instances where a solicitation document expresses a specific date and/or time deadline for submission of pre-bid protest, the published deadline shall take precedent over the ten (10) working day policy.

Responses - The Executive Director shall issue a written decision on the protest prior to opening of proposals. A response to any substantive questions received by Yuba-Sutter Transit may be sent to all interested parties or otherwise published as an addendum to the original solicitation.

Pre-Award Protests - To be considered, a pre-award protest must be received within 15 calendar days after the staff recommendation for award has been made available to the public.

Responses - The Executive Director shall respond prior to final award.

Post-Award Protests - To be considered, a post-award protest must be received prior to the close of business, within five (5) working days of the date the protester learned or should have learned of an adverse decision or other basis of appeal.

Responses - The Executive Director shall respond in a timely manner. Protests dealing with restrictive specifications or alleged improprieties in a solicitation must be filed no later than ten (10) working days prior to the bid opening or closing date for receipt of proposals. Any other protest must be filed no later than three (3) working days after:

1. Notification of Intent to Award is issued for award of contract if the contract is awarded by the Yuba-Sutter Transit Board per staff recommendation; or

2. Notification of Award is issued if the Yuba-Sutter Transit Board has delegated award authority to the Purchasing Agent or the Yuba-Sutter Transit Board does not award the contract according to the Notification of Intent to Award.

Protests shall be in writing and addressed to the Executive Director.

The protest shall identify the protestor, contain a statement officially declaring a protest and describing the reasons for the protest, and provide any supporting documentation. Additional materials in support of the initial protest will only be considered if filed within the time limit specified above. The protest shall indicate the ruling or relief desired from Yuba-Sutter Transit.

Requirements for the Protester

The protester must:

- A. Qualify as an "Interested Party." Only an "interested party" qualifies for FTA review of its appeal. An "interested party" is a party that is an actual or prospective bidder whose direct economic interest would be affected by the award or failure to award the third party contract at issue.
 1. Subcontractors. A subcontractor does not qualify as an "interested party" because it does not have a direct economic interest in the results of the procurement.
 2. Consortia/Joint Ventures/Partnerships/Teams. An established consortium, joint venture, partnership, or team that is an actual bidder and is acting in its entirety, would qualify as an "interested party" because it has a direct economic interest in the results of the procurement. An individual member of a consortium, joint venture, partnership, or team, acting solely in its individual capacity, does not qualify as an "interested party" because it does not have a direct economic interest in the results of the procurement.
 3. Associations or Organizations. An association or organization that does not perform contracts does not qualify as an "interested party," because it does not have a direct economic interest in the results of the procurement.
- B. Exhaust Administrative Remedies. The protester must exhaust its administrative remedies by pursuing the Authority's protest procedures to completion.

CHAPTER 14: II

DEFINITIONS

ACCEPTANCE: The formal written acceptance by the Authority.

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

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

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

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

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

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

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

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

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

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

CONSTRUCTION CHANGE DIRECTIVE: A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order. The Authority may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions, or other revisions, the Contract Sum and

Contact Time being adjusted accordingly. (Construction Contracts only.)

CHANGE ORDER: A Change Order is a written document prepared by the Authority reflecting the agreement between the Authority and Contractor for: a change in the terms or conditions of the Contract, if any; a specific Scope Change in the Work; the amount of the adjustment, if any, in the Contract Sum; and the extent of the adjustment, if any, in the Contract Time.

CHANGE ORDER REQUEST: A Change Order Request is a written document originated by the Contractor, which describes an instruction issued by the Authority after the effective date of the Contract, which the Contractor believes to be an Unanticipated Scope Change that may result in changes to the Contract Sum or Contract Time or, which describes the need for or desirability of a change in the Work proposed by the Contractor.

CONTRACT: Establishment of a bidding legal relationship obligating the seller to furnish property or services (including construction) and the buyer to pay therefore. It includes all types of commitments which obligate the Authority to an expenditure of funds and which are in writing. It includes all actions resulting from acceptance of offers by awards, notices of award and purchase orders. The Contract becomes effective by written acceptance or performance.

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

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

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

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

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

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

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

COST LIMITATION: The total amount paid to the Contractor/Architect/Engineer for producing and delivering standard services, including designs, plans, drawings and specifications for a project shouldnot exceed six percent (6%) of the independent estimate of the construction costs of the

project.

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

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

DISADVANTAGED BUSINESS ENTERPRISE (DBE): A disadvantaged business enterprise is a for profit small business concern: (1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or, in the case of a corporation, 51 percent of the stock of which is owned by one or more such individuals; and (2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

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

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

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

EVALUATION TEAM: A group of individuals headed by the Authority and comprised of Authority staff and outside consultants as needed for evaluating a Request for Proposal.

FTA: Federal Transit Administration.

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

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

INDEPENDENT COST ESTIMATE: A process whereby the estimated cost of a good or service to be procured is established by Authority staff or Authority representatives prior to the procurement; and the resulting estimate is used to assess the fair and reasonableness of an offered price. The word "independent" means that the estimate is prepared without the influence of persons who have a financial interest in or will be considered for the resulting award.

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

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

LEGAL COUNSEL: (Used as required.)

LIQUIDATED DAMAGES: An amount assessed a Contractor when it fails to complete delivery, installation, services, or the work specified in a contract within the contract period of performance or schedule which causes increased costs to the Authority or FTA, the extent of which actual damages would be difficult or impossible to assess as of the date of contract execution.

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

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

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

OWNER: The "Owner" is the Authority or its authorized representative.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

A sole proprietorship legitimately owned by individual/individuals who are disadvantaged; a partnership or joint venture in which at least 51% of the beneficial ownership interest is legitimately held by disadvantaged individuals; or a corporation or other entity, including a publicly-owned business, in which at least 51% of the beneficial ownership interest (i.e., stock) legitimately are held and owned by disadvantaged individuals.

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

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

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

YUBA-SUTTER TRANSIT AUTHORITY: Otherwise referred to herein as the Authority.

CHAPTER 15: LIST OF FTA CLAUSES

REQUIRED THIRD-PARTY CONTRACT CLAUSES (excluding micro-purchases, except for construction contracts over \$2,000)

FTA CLAUSES	COMMENTS
All FTA-Assisted Third-Party Contracts and Subcontracts	
No Government Obligation to Third Parties by Use of a Disclaimer	
Program Fraud and False or Fraudulent Statements and Related Acts	
Access To Records	
Federal Changes	
Civil Rights (EEO, Title VI & ADA)	
Incorporation of Federal Transit Administration (FTA) Terms	
Energy Conservation	
Seat Belt Use	
Distracted Driving	
Awards Exceeding \$10,000	
Termination Provisions	49 CFR Par 18 Not Required of States
Awards Exceeding \$25,000	
Debarment and Suspension	2 CFR Parts 180 and 1200
Notice to FTA and U.S. DOT Inspector General of information related to fraud, waste, abuse, or other legal matters	Applies to all contracts at all tiers expected to equal or exceed \$25,000. Must require a prime contractor to “flow-down” the requirement to subcontractors.
Awards Exceeding \$100,000 by Statute	
Lobbying	Contractors that apply or bid for an award exceeding \$100,000.
Awards Exceeding \$150,000 by Statute	
Buy America	Construction contracts and Acquisition of Goods or Rolling Stock that contain steel, iron, and manufactured products
Clean Air Act and the Federal Water Pollution Control Act	Contracts in excess of \$150,000
Awards Exceeding \$250,000 (Simplified Acquisition Threshold) by Statute	
Provisions for Resolution of Disputes, Breaches, or Other Litigation	For procurements over the Federal Simplified Acquisition threshold
Transport of Property or Persons	
Cargo Preference	All contracts involving equipment, materials, or commodities which may be transported by ocean vessel

Fly America	When property or persons transported by air between U.S. and foreign destinations, or between foreign locations
Construction Activities	
Davis-Bacon and Copeland Anti-Kickback Act	All Prime Construction contracts > \$2,000.
Contract Work Hours and Safety Standards	All Contracts > \$100,000 that involve the employment of mechanics or laborers
Build America, Buy America Act (BABA)	For federal awards obligated on or after October 23, 2023, 2 CFR Part 184 applies. Certain contracts and solicitations are exempt from the BABA requirement under DOT's limited waiver, detailed on their website.
Bonding Requirements	For construction or facility improvement contracts or subcontracts 10% Bid Guarantee 100% Performance Bond; and 100% Payment Bond
Seismic Safety	Contracts for Construction of New Buildings or Additions to Existing Buildings
Special DOL Clause	Contracts > \$10,000
Nonconstruction Activities	
Nonconstruction Employee Protection (Contract Work Hours and Safety Standards Act)	Applicable to all turnkey, rolling stock and operational contracts (excluding contracts for transportation services) > \$100,000
Transit Operations	
Transit Employee Protective Agreements	Applies to Section 5307, 5309, 5311 and 5316 Projects
Charter Service Operations	Operational Service Contracts
School Bus Operations	Operational Service Contracts
Drug and Alcohol Testing	Safety-Sensitive Functions. Applies to Section 5307, 5309 and 5311 Projects
Privacy Act	Applies to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract.
Planning, Research, Development, and Documentation Projects	
Patent Rights	Contracts that meet the definition of "funding agreement" under 37 CFR §401.2 (a)
Rights in Data and Copyrights	Each contract involving experimental, developmental or research work
Miscellaneous Special Requirements	
Disadvantaged Business Enterprise (DBEs)	Contracts Awarded on the Basis of a Bid or Proposal Offering to Use DBEs
Prompt Payment and Return of Retainage	Per 49 CFR Par 26, if grantee meets the threshold for a DBE Program

Recycled Products and Solid Waste Disposal Act	Contracts for items designated by EPA, when Procuring \$10,000 or More per Year
ADA Access	Contracts for Rolling Stock or Facilities Construction/Renovation
Assignability Clause	Piggyback Procurements
Conformance with National ITS Architecture	Intelligent Transportation System (ITS) property and services must comply with the National ITS Architecture and Standards
Prohibition on certain telecommunications and video surveillance services or equipment	All contracts made by the non-Federal entity under the Federal award. Procurements awarded after August 13, 2020 that included telecommunications and video surveillance services or equipment.
Rolling Stock (Certification & Reports)	
Transit Vehicle Manufacturer Certification	Applies to the procurements of transit vehicles
Bus Testing Report	Procurements of buses and modified mass produced vans
Pre-Award Buy America Audit	Rolling Stock procurements > \$150,000
Pre-Award Buy America Certification	Rolling Stock procurements > \$150,000
Pre-Award Purchaser's Requirement Clarification	Rolling Stock procurements
Post-Delivery Audit	Rolling Stock procurements > \$150,000
Post-Delivery Buy America Certification	Rolling Stock procurements > \$150,000
Post-Delivery Purchaser's Requirement Certification	Rolling Stock procurements
On-Site Inspector's Report	Rolling stock procurements for any number of rail vehicles; more than 10 vehicles for areas >200,000 in population and 20 for areas <200,000 in population
Federal Motor Vehicles Safety Standards Pre-Award and Post Award Delivery Certification	Non-rail Rolling Stock procurements

CHAPTER 16: PROCUREMENT CHECKLISTS

Purchasing personnel shall ensure the use of the appropriate procurement checklist. Procurement checklists must be included in the procurement file history.

YUBA-SUTTER TRANSIT MICRO PURCHASE CHECKLIST

PO No: _____

IS PRICE DETERMINED FAIR AND REASONABLE?

YES

NO

EXPLAIN A "NO" ANSWER:

HOW DID YOU DETERMINE PRICE FAIR AND REASONABLE

HISTORICAL PRICES

PERSONAL KNOWLEDGE

CATALOGUE / MARKET PRICE

RECENT COMPETITION

OTHER EXPLAIN:

Name: _____ Date: _____

YUBA-SUTTER TRANSIT SMALL PURCHASE CHECKLIST

PO No: _____

WHERE PRICE OR RATE QUOTES OBTAINED FROM AN ADEQUATE NUMBER OF QUALIFIED SOURCES?

YES

NO

EXPLAIN A "NO" ANSWER:

HOW DID YOU DETERMINE PRICE FAIR AND REASONABLE

HISTORICAL PRICES

PERSONAL KNOWLEDGE

CATALOGUE / MARKET PRICE

RECENT COMPETITION

OTHER EXPLAIN:

Name: _____ Date: _____

YUBA-SUTTER TRANSIT FORMAL CHECKLIST

Date: _____ Completed by: _____	
PO/Contract No: Source of Funding:	
Method of Procurement (Check one box)	
Competitive RFP: <input type="checkbox"/> Competitive Bid: <input type="checkbox"/> A&E Services: <input type="checkbox"/> Sole Source: <input type="checkbox"/>	
Reason for Non-Competition:	
Reason for Procurement:	
Contract Type:	
Rationale for contract type:	
Reason for Contractor selection or rejection: (ex. Lowest Responsive, Responsible Bidder)	
Evaluation results were:	
Basis for Contract Price:	
Accepted contractor's proposed pricing:	
Negotiated Price (attached memorandum):	
Other:	
Cost / Price Analysis:	
The price offered by the supplier was within ___% of the independent estimate, and variance between the offerors constituted a range of _____. The competitive range was determined to be from \$ ____.	
Pricing discrepancies between the offeror was attributed to:	
Other sources/data used to affirm price reasonableness were:	
Summary of Responsibility and Responsiveness Checks:	
Award	Date of contract award: Council Approval Date:
Change Orders	
Identify each and summarize reason for change, dates, cost analysis, time impact , and modification number (Attach additional sheets as necessary):	

CHAPTER 17: FORMS

INSTRUCTIONS FOR FORM 1 & 2

- FORM 1 CERTIFICATION OF PRIMARY PARTICIPANT REGARDING DEBARMENT, SUSPENSION, AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION
- FORM 2 CERTIFICATION OF LOWER TIER PARTICIPANTS REGARDING DEBARMENT, SUSPENSION, AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION
- FORM 3 CERTIFICATION REGARDING LOBBYING
- FORM 4 DRUG-FREE WORKPLACE CERTIFICATION
- FORM 5 NON-COLLUSIVE AFFIDAVIT
- FORM 6 ELIGIBLE BIDDER CERTIFICATION
- FORM 7 WORKER'S COMPENSATION INSURANCE CERTIFICATION
- FORM 8 "BUY AMERICA" PROVISION
- FORM 9 DBE PARTICIPATION
- FORM 10 OFFERORS LIST OF PARTICIPATING FIRMS
- FORM 11 CALIFORNIA LEVINE ACT
- FORM 12 "BUILD AMERICA, BUY AMERICA" PROVISION

INSTRUCTIONS FOR FORM 1 & 2

1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.
2. The certification in this class is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.
3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to whom the proposal is submitted if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms “covered transaction”, “debarred”, “suspended”, “ineligible”, “lower tier covered transaction”, “participant”, “person”, “primary covered transaction”, “principal”, “proposal” and “voluntarily excluded”, as used in this clause, have the meanings set out in Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.
6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to check the List of Parties Excluded from Procurement of Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to the other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.

FORM 1

**YUBA-SUTTER TRANSIT
CERTIFICATION OF PRIMARY PARTICIPANT REGARDING DEBARMENT, SUSPENSION,
AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

BEFORE COMPLETING THIS CERTIFICATION, READ THE FOLLOWING INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION.

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

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

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

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

Name and Title of Authorized Representative

Signature

Date

FORM 2

**YUBA-SUTTER TRANSIT
CERTIFICATION OF LOWER TIER PARTICIPANTS REGARDING DEBARMENT, SUSPENSION,
AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING THIS CERTIFICATION, READ THE FOLLOWING INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name and Title of Authorized Representative

Signature

Date

FORM 3

**YUBA-SUTTER TRANSIT
CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions [as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96). Note: Language in paragraph (2) herein has been modified in accordance with Section 10 of the Lobbying Disclosure Act of 1995 (P.L. 104-65, to be codified at 2 U.S.C. 1601, et seq .)]

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. A 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[Note: Pursuant to 31 U.S.C. A 1352(c)(1)-(2)(A), any person who makes a prohibited expenditure or fails to file or amend a required certification or disclosure form shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure or failure.]

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Bidder understands and agrees that the provisions of 31 U.S.C. A 3801, et seq., apply to this certification and disclosure, if any.

Name and Title of Authorized Representative

Signature

Date

FORM 4

**YUBA-SUTTER TRANSIT
DRUG-FREE WORKPLACE CERTIFICATION**

COMPANY/ORGANIZATION NAME _____

The contractor named above hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. The above named contractor will:

1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355 (a).
2. Establish a Drug-Free Awareness Program as required by Government Code Section 8355 9b), to inform employees about all the following:
 - (a) The dangers of drug abuse in the workplace,
 - (b) The person's or organization's policy of maintaining a drug-free workplace,
 - (c) Any available counseling, rehabilitation and employee assistance programs, and
 - (d) Penalties that may be imposed upon employees for drug abuse violations.
3. Provide as required by Government Code Section 8355 (c), that every employee who works on the proposed contract:
 - (a) Will receive a copy of the company's drug-free policy statement, and
 - (b) Will agree to abide by the terms of the company's statement as a condition of employment on the contract.

CERTIFICATION

I, the official named below, hereby swear that I am duly authorized legally to bind the contractor to the above described certification. I am fully aware that this certification, executed on the date and in the county below, is made under penalty of perjury under the laws of the State of California.

OFFICIAL'S NAME: _____

DATE EXECUTED: _____

EXECUTED IN THE COUNTY OF: _____

CONTRACTOR SIGNATURE: _____

TITLE: _____ FEDERAL I.D. NUMBER: _____



FORM 5

YUBA-SUTTER TRANSIT AUTHORITY
NON-COLLUSIVE AFFIDAVIT

STATE OF _____

COUNTY OF _____,

Being first duly sworn deposes and says:

That he is _____ of the firm of _____

(Firm Name)

the party making the foregoing Bid, that such Bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived, or agreed, directly or indirectly, with any bidder or person, to put in a sham Bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the Bid price of affiant or of any other proposer, or to fix any overhead, profit or cost element of said Bid price, or of that of any other proposer, or to secure any advantage against the Yuba-Sutter Transit Authority or any person interested in the proposed contract; and that all statements in said Bid are true.

That neither any officer, director or employee of the Yuba-Sutter Transit Authority is in any manner interested, directly or indirectly, in the Bid to which this Non-Collusive Affidavit is attached, nor in the Contract which may be made pursuant to said Bid, nor in any expected profits which may arise therefrom.

Dated: _____

Name of Bidder

Official Address:

By _____

Title _____

Subscribed and sworn to before me this _____ day of _____, 20_____.

By _____
Notary Public

My Commission Expires: _____



FORM 6

**YUBA-SUTTER TRANSIT AUTHORITY
ELIGIBLE BIDDER CERTIFICATION**

This contract is a covered transaction for purposes of 49 CFR Part 29. As such, the contractor is required to verify that none of the contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer hereby certifies that they are not on the Comptroller General of the United States of America list of ineligible bidders.

The certification in this clause is a material representation of fact relied upon by the Yuba-Sutter Transit Authority. If it is later determined that the bidder or proposer knowingly rendered an erroneous certification, in addition to remedies available to the Yuba-Sutter Transit Authority, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

Date _____

Signed

Name of Bidder/Proposer

By _____

Title _____

By _____

Title _____

Official Address



FORM 7

**YUBA-SUTTER TRANSIT AUTHORITY
WORKER'S COMPENSATION INSURANCE CERTIFICATION**

The Contractor shall secure the payment of Workmen's Compensation to its employees in accordance with the provisions of Section 3700 of the California Labor Code and shall furnish Yuba-Sutter Transit with a certificate evidencing such coverage together with verification thereof as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for Workmen's Compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract."

Signed (Contractor) _____ Date _____

Print Name and Title _____



FORM 8

YUBA-SUTTER TRANSIT AUTHORITY
“BUY AMERICA” PROVISION

Buy America. The Contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. Part 661, which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. 661.7, and include final assembly in the United Corporation, and microcomputer equipment and software. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C) and 49 C.F.R. 661.11. Rolling stock must be assembled in the United States and have a 70 percent domestic content.

Build America, Buy America Act. Construction materials used in the Project are subject to the domestic preference requirement of the Build America, Buy America Act, Pub. L. G, tit. IX, §§ 70911– 70927 (2021), as implemented by the U.S. Office of Management and Budget, the U.S. Department of Transportation, and FTA. The Recipient acknowledges that this agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

A Proposer or Offeror must submit to the FTA recipient the appropriate Buy America certification (below) with all Proposals or offers on FTA-funded contracts, except those subject to a general waiver. Proposals or offers that are not accompanied by a completed Buy America certification must be rejected as nonresponsive. This requirement of a signed certificate does not apply to lower tier subcontractors.

Certification requirement for the procurement of steel, iron, or manufactured products and the use of domestic construction materials.

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If steel, iron, or manufactured products (as defined in §§ 661.3 and 661.5 of this part) are being procured, the appropriate certificate as set forth below shall be completed and submitted by each bidder or offeror in accordance with the requirement contained in § 661.13(b) of this part.

Certificate of Compliance with Buy America

Certificate of Compliance with 49 U.S.C. 5323(j)(1)

The bidderProposer or offerorOfferor hereby certifies that it will comply withmeet the requirements of 49 U.S.C. 5323(j)(1),) and the applicable regulations in 49 CFR partPart 661.5.

Date _____

Signature _____

Company _____

Name _____

Title _____

Certificate of Non-Compliance with Buy America Requirements49 U.S.C. 5323(j)(1)

The bidderProposer or offerorOfferor hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j),(1) and 49 C.F.R. 661.5, but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended,(A), 5323(j)(2)(B), or 5323(j)(2)(D), and the applicable regulations in 49

CFRC.F.R. 661.7.

Date _____

Signature _____

Company _____

Name _____

Title _____



FORM 9

YUBA-SUTTER TRANSIT AUTHORITY
DBE PARTICIPATION

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

\$ _____ Firm Name: _____
Firm Address: _____
Description of Work _____

\$ _____ Firm Name: _____
Firm Address: _____
Description of Work _____

\$ _____ Firm Name: _____
Firm Address: _____
Description of Work _____

Total DBE percentage participation _____%

Total dollar value of DBE participation \$ _____

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

Name of Bidder: _____

Company Name: _____

FORM 10

OFFERORS LIST OF PARTICIPATING FIRMS

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

Prime Contractor Information

Company Name _____

Age of Firm _____

Address _____

Annual Gross Receipts \$ _____

DBE Certified? _____, if yes: Date Certified: _____

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

Describe work _____

Subcontractor(s) Information

Company Name _____

Age of Firm _____

Address _____

Annual Gross Receipts \$ _____

DBE Certified? _____, if yes: Date Certified: _____

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

Describe work _____

Company Name _____

Age of Firm _____

Address _____

Annual Gross Receipts \$ _____

DBE Certified? _____, if yes: Date Certified: _____

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

Describe work _____

(Copy for additional Subcontractors as needed)



FORM 11

CALIFORNIA LEVINE ACT

California Government Code Section 84308 (commonly referred to as the “Levine Act”) prohibits any Agency Board Member from participating in any action related to a contract, if he or she receives any political contributions totaling more than \$250 from the person or company awarded the contract within the previous twelve months, and for three months following the date a final decision concerning the contract has been made. The Levine Act also requires a member of the Agency Board who has received such a contribution to disclose the contribution on the record of the proceeding.

Proposers also are required to disclose such contributions, if any; and are responsible for accessing the links below to review the names of Board members prior to answering the below questions:

Board Members: <https://www.yubasuttertransit.com/board-members>

Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any Agency Board Member in the 12 months preceding the date of the submission of your proposal(s) or the anticipated date of any Board action related to this contract?

YES NO. If yes, please identify the Board Member(s):

Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contribution of more than \$250 to any Agency Board Member in the three months following any Board action related to this contract?

YES NO. If yes, please identify the Board Member(s):

Answering yes to either of the two questions above does not preclude the Agency from awarding a contract to your firm or taking any subsequent action related to the contract. It does, however, preclude the identified Board Member(s) from participating in any actions related to this solicitation and resulting contract(s).

FORM 12

**YUBA-SUTTER TRANSIT AUTHORITY
“BUILD AMERICA BUY AMERICA” PROVISION**

This procurement is subject to the Federal Transit Administrations Build America, Buy America Act (BABA) requirements in the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, div. G §§ 70901-27, as implemented at 2 CFR Part 184. A “Build America, Buy America” Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

(1) All iron and steel used in the project are produced in the United States. This means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) All manufactured products used in the project are produced in the United States. This means the manufactured product was manufactured in the United States, and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation.

(3) All construction materials are manufactured in the United States. This means that all manufacturing processes for the construction material occurred in the United States.

Certificate of Compliance with BABA Requirements

bidder or offeror hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j)(1), 49 CFR part 661, and 2 CFR Part 184.

Date _____

Signature/Name _____

Company/Title _____

Certificate of Non-Compliance with BABA Requirements bidder or offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j)(1), 49 CFR part 661, and 2 CFR Part 184 but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended, the applicable regulations in 49 CFR 661.7, 2 CFR 184.7, and 2 CFR 184.8.

Date _____

Signature/Name _____

Company/Title _____