

Humboldt Transit Authority

Governing Board of Directors

AGENDA

Regular Meeting – February 15, 2012
HTA Conference Room - 133 V Street Eureka
9:00 a.m.

I. Call meeting to Order

II. Roll Call & Introductions

III. Approval of minutes

- a. Corrected minutes from the September 30, 2011 special board meeting
- b. Minutes from the October 19, 2011 regular board meeting.
- c. Minutes from the January 18, 2012 regular board meeting
Action Recommended: Make corrections, if necessary. Approve minutes.

Page 01

IV. Citizens Communications

Members of the community are invited to comment on items or issues not on the agenda

V. Discussion Agenda

a. Fiscal and Compliance Audit

Pursuant to the Transportation Development Act Section 99260; the California Administrative Code; and, the rules and regulations of the Humboldt County Association of Governments, the Humboldt Transit Authority is audited on an annual basis to determine compliance with the same. The audit is conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and the provisions of *Office of Management and Budget Circular A-128, Audits of State and Local Government* to obtain reasonable assurance about whether the financial statements are free of material misstatement. A representative from the firm Anderson, Lucas, Somerville, & Borges will be present at this meeting to review the audit and answer any questions from board members or the public.

~Audit Enclosed

Action Necessary: Receive, review, discuss and direct staff prepare the necessary responses.

Page 09

- b. Classification Plan, Salary Schedule and Personnel Policy Manual for Unrepresented Employees. Page 22

The board will consider rescinding the Salary Manual (adopted as Resolution 08-06) and replacing it with three separate tools: a Classification Plan, Salary Schedule, and Personnel Policy Manual for Unrepresented Employees and Job Descriptions.
Manual and Job Descriptions Enclosed

Action Recommended: Adopt Resolution 12-01

- c. STIP Application Page 24

Staff is recommending submitting an application for State Transit Assistance Funds in the amount of \$425,000

Action Recommended: Authorize staff to submit a State Transit Improvement Program Application to the Department of Transportation by adopting Resolution 12-02.

- d. 5311 Operating Assistance Page 26

Staff is recommending submitting an application for 5311 Regional Apportionment in the amount of \$259,929

Action Recommended: Authorize staff to submit an application to Caltrans requesting \$259,929 in operating assistance funds for the Redwood Transit System.

- e. Transit Consultant Contracts Page 28

Staff requests assistance from transit consultants to provide short-term, on-call training and assistance for newly appointed General Manager Greg Pratt.

Action Recommended: Authorize General Manager Greg Pratt to sign consulting contracts with Neleen Fregoso and Doug Langille

VI. Communications and Informational Items

- a. Board
- b. Staff
 - i. JPA Shared Costs
 - ii. RTS Sunday Service

VII. Adjournment

MINUTES FOR THE HUMBOLDT TRANSIT AUTHORITY

BOARD MEETING

January 18, 2012

ROLL CALL

PRESENT

Board Members

Mark Lovelace, Humboldt County

Doug Strehl, Fortuna, Alt

Linda Atkins, Eureka

Julie Fulkerson, Trinidad

Shane Brinton, Arcata, Alt

Julie Woodall, Rio Dell

Jimmy Smith, Humboldt County

ABSENT

Dean Glaser, Fortuna

Michael Winkler, Arcata

Staff

Greg Pratt, General Manager

Laura Shodall, Administrative and Finance Manager

Jim Wilson, Equipment and Facilities Manager

Brenda Fregoso, Secretary to the Board

Karen Wilson, Operations Manager

Barbara O'Neal, Consultant

CALL TO ORDER

Chairman Lovelace called the meeting to order at 9:00 a.m.

INTRODUCTIONS

An introduction from each board member was given for Doug Strehl, alternate for Dean Glaser, Fortuna Councilmember.

The following introductions were made;

Larry Pardi, General Manager for Arcata Transit, Neleen Fregoso, Fortuna resident, Barbara O'Neal, Humboldt Transit Authority's Consultant and Jimmy Smith, Humboldt County Supervisor.

MINUTES

Motion by Councilmember Fulkerson, second by Councilmember Atkins to approve the minutes from the December 21, 2011 Humboldt Transit Authority board meeting.

Corrected minutes from the September 30, 2011 special board meeting and October 19, 2011 regular board meeting will need to be placed on next month's agenda as Councilmembers Glaser and Winkler are not present.

Chairman Lovelace suggested that all alternates discuss minutes for approval with board members prior to attending board meetings to avoid having to place several minutes on the agenda for approval.

COMMUNICATIONS

Larry Pardi, Transit Superintendent for Arcata and Mad River Transit spoke to the board and community members about the SCC and HCAOG.

DISCUSSION AGENDA

a. Classification Plan, Salary Schedule and Personnel Policy Manual for Unrepresented Employees

The board will consider rescinding the Salary Manual (adopted as Resolution 08-06) and replacing it with three separate tools: a Classification Plan, Salary Schedule and Personnel Policy Manual for unrepresented Employees. General Manager Pratt reviewed the Classification Plan with board members. Councilmember Brinton asked how in comparison is this Classification Plan to the MOU. Manager of Finance Shodall gave a brief description of the difference. Councilmember Woodall indicated that she just received the board packet today and has not had time to review the Classification Plan and suggested holding off on the Personnel Policy Manual until next month's board meeting. General Manager Pratt indicated that the resolution included all three items; Salary Manual, Personnel Policy Manual for Unrepresented Employees and Classification Plan. Chairman Lovelace suggested deferring on this matter as it could create a problem when making corrections to a Resolution. On Resolution 12-01 there is a typo; under Salary resolutions and amendments, including Resolutions, 08-01 should be 08-06. This matter was deferred until February's board meeting.

b. 2237 Second Street Insurance

At the November 16, 2011 Regular Board Meeting, staff was directed by the Board to bring back insurance options for the house located at 2237 2nd Street, Eureka, CA 95501.

Manager of Finance Shodall gave a report on the results of her research of different insurances and their rates.

Motion by Councilmember Fulkerson and second by Councilmember Adkins to direct staff to purchase coverage for one year of fire insurance for the building located at 2237 2nd Street, Eureka, CA 95501 at the level of \$150,000 for \$1039.81 from JE Brown and Associates.

Motion carried unanimously

c. Bikes on Redwood Transit Buses

Councilmember Winkler from Arcata requested that the board discuss HTA's policy for passengers with bicycles. Councilmember Winkler was not present. A brief discussion took place regarding page 19 of the board packet; Passenger Carry-On Possessions.

d. Joint Powers Agreement Shared Costs

Councilmember Winkler has requested that Humboldt Transit Authority discuss updating the Joint Powers Agreement to reflect data from the 2010 Census.

Councilmember Brinton is not prepared to give direction on this matter today with Councilmember Winkler being absent. Supervisor Smith indicated that the distribution of TDA funds is very important and that there may need to be changes made, however, the changes need to be put in process and be brought before the appropriate boards and committees. Supervisor Smith suggested this matter go before the SCC and the TAC for more information. Councilmember Brinton agreed.

The Board directed staff to follow up on the matter.

e. Election of Officers

During the regular January board meeting new officers are elected to the position of: Chairperson, Vice-Chairperson and Finance and Operations Committee. Current positions are: Chair, Mark Lovelace, Vice-Chair, Fulkerson. Finance and Operations Committee members currently are Mark Lovelace, Julie Woodall and Michael Winkler.

Councilmember Fulkerson nominated Councilmember Atkins for Chairperson of the board.

The board unanimously agreed.

Councilmember Woodall nominated Supervisor Lovelace as Vice-Chairperson of the HTA board.

The board unanimously agreed.

The following members were elected to serve on the Finance and Operation Committee by unanimous vote.

Chairperson Atkins, Vice Chairperson Lovelace and Councilmember Winkler

COMMUNICATIONS

Staff:

Willow Creek Saturday Service/Redwood Transit Sunday Service Update

General Manager Pratt announced that staff is still waiting for funding information from the City of Eureka as to Sunday service. A subcommittee of the TAC will be formed to research funding sources.

Southern Humboldt Local Bus Service Update

General Manager Pratt met with Principle Stewart from South Fork High School. They discussed the how HTA may accommodate those students affected by State budget cuts to the school bus service. There was also more concern regarding after school riders.

Board:

Councilmember Fulkerson appreciates staff's hard work and likes the process of HTA going forward and being a part of it.

ADJOURNMENT

Chairman Lovelace adjourned the meeting at 10:38 a.m.

MINUTES OF THE HUMBOLDT TRANSIT AUTHORITY

BOARD MEETING

October 19, 2011

ROLL CALL

PRESENT

ABSENT

BOARD MEMBERS

Michael Winkler, Arcata
Clif Clendenen, Humboldt County
Mark Lovelace, Humboldt County
Dean Glaser, Fortuna
Julie Woodall, Rio Dell

Linda Atkins, Eureka
Julie Fulkerson, Trinidad

STAFF

Greg Pratt, Interim General Manager and
Operations Manager
Laura Shodall, Administrative Assistant I
Jim Wilson, Director of Maintenance
Brenda Fregoso, Administrative Assistant II

I. CALL TO ORDER

Chairman Lovelace called the meeting to order at 9:05 a.m.

II. MINUTES

*Motion by Councilmember Woodall, second by Councilmember Glaser to approve the minutes of the September 28, 2011 and September 30, 2011 Humboldt Transit Authority special board meetings.
Motion carried unanimously*

III. CITIZENS COMMUNICATION

Barbara O'Neal, Consultant for Humboldt Transit Authority is present. Barbara gave a brief description of what has been taking place between herself and senior staff at Humboldt Transit Authority for the past three weeks and that she and staff are making progress and staff is working hard. Chairman Lovelace commented that the subcommittee has met with Barbara and will have a report at the next board meeting.

IV. CONSENT AGENDA

Administrative Assistant I, Shodall gave the board an overview of the Performance Statistics and Financial Statements for all systems.

Discussion:

The Board asked Staff to research and report back on the legal time limit Southern Humboldt Local has to meet its 10% fare box

Adding service to Humboldt State University and the progress Staff has had with adding the Jack Pass to the Southern Humboldt's routes

Supervisor Clendenen asked about using advertising to increase Southern Humboldt's ridership

Councilman Glaser asked for clarification of the net income figures on the financial statements

Billing entities; payments will be reflected in the September statement

V. DISCUSSION AGENDA

a. Proposal for Legal Counsel Services for Humboldt Transit Authority

Discussion:

Contract between Nancy Diamond and Humboldt Transit Authority; was it in prior board packet

Does this proposal need to go out for bid or can the board make a decision on the matter

Supervisor Clendenen advised he was not able to find in the JPA RFP for legal services

Supervisor Clendenen indicated he would like the Subcommittee to have the discussion with Nancy Diamond

Chairman Lovelace indicated he would take this matter to the Subcommittee

Motion by Supervisor Clendenen, second by Councilmember Glaser to direct the matter to the Subcommittee

Motion carried unanimously

b. Secretary to the Board

Staff recommends Administrative Assistant II, Brenda Fregoso be the new Secretary to the Board pursuant to Article 4.1 of the Joint Powers Agreement.

Discussion:

Councilman Glaser addressed if there would be an increase in salary

Chairman Lovelace indicated this could be addressed with the organizational restructure

Motion by Councilmember Winkler, second by Councilmember Glaser to appoint Administrative Assistant II, Brenda Fregoso take over the duties as Secretary to the Board

Motion carried unanimously

c. Representative for California Transportation Insurance Pool (CalTIP)

Confirmation from previous board meeting on September 30, 2011 that Laura Shodall was appointed by the HTA Board as the CalTIP representative with Interim General Manager Greg Pratt as alternate.

Motion by Councilmember Clendenen, second by Councilmember Woodall to authorize the appointment of Laura Shodall as Humboldt Transit Authority's representative for the California Transportation Insurance Pool and Greg Pratt as the alternate by adopting Resolution 11-07

Motion carried unanimously

d. California Insurance Pool Joint Powers Agreement

Original CalTIP agreement, Resolution No. 11-08, approved by Humboldt Transit Authority Governing Board.

Discussion:

Impact to Humboldt Transit Authority

Competitive rates

Timeline limit, December 1st

Motion by Supervisor Clendenen, second by Councilmember Glaser to pass Resolution No. 11-08

acknowledging the Humboldt Transit Governing Board approval of the amended joint powers agreement

forming the California Transit Systems Joint Powers Authority and authorizing Humboldt Transit Authority Chairman to sign the amended agreement

Motion carried unanimously

e. Janitorial Services

Humboldt Transit Authority is need of a cleaning service for the office. Staff received three (3) proposals.

Discussion:

HTA has gone from 11 buses to 25 buses not allowing the janitor in maintenance department to clean the office

Director of Maintenance, Jim Wilson received 3 quotes and recommends that J & C Janitorial be all awarded the contract

Motion by Supervisor Clendenen, second by Councilmember Glaser for J & C Janitorial to be awarded the contract

Motion carried unanimously

f. Executive/Personnel Subcommittee Report

Chairman Lovelace indicated that the subcommittee has met with Barbara and has had good feedback and will have a report by the next board meeting.

VI. COMMUNICATIONS

Staff:

Interim General Manger Pratt addressed the following with the board and staff:

On October 14th Senior Staff met with HCAOG

He and Shodall had a phone conference with Scott Kingsberry regarding Prop 1B

Staff will now have bi-weekly staff meetings

Chairman Lovelace inquired if there is currently communication with all other HTA staff.

Pratt indicated that questions and answers were addressed at the October 16, 2011 employee safety awards meeting.

Chairman Lovelace recommended Staff invite one employee from the maintenance department and one employee from the drivers to attend bi-weekly meetings.

Board:

Supervisor Clendenen met with Brian Girshing, with City of Eureka regarding the white house at 2237 2nd street. Supervisor Clendenen indicated he will put together a meeting to discuss bids and prep materials and Brian will present. The meeting will be HTA. Director of Maintenance, Jim Wilson has secured the fence and will have the roof covered.

Chairman Lovelace announced that he will be attending a meeting in Sacramento next week and that there is going to be a CTC meeting at the same time and inquired if Nel had attended these meetings. Chairman Lovelace requested that Staff find out if Nel did in the past attend and if so what documents were either brought to and/or returned from the meetings.

The Board commented on well put together the agenda was and how easy it is to read.

Councilman Glaser complimented Barbara O'Neal and Staff on its team work and ability to cover current duties.

ADJOURNMENT

Chairman Lovelace adjourned the meeting at 10:10 a.m.

MINUTES OF THE HUMBOLDT TRANSIT AUTHORITY

SPECIAL BOARD MEETING

September 30, 2011

ROLL CALL

PRESENT

ABSENT

BOARD MEMBERS

Michael Winkler, Arcata
Julie Fulkerson, Trinidad
Clif Clendenen, Humboldt County
Mark Lovelace, Humboldt County
Linda Atkins, Eureka
Julie Woodall, Rio Dell

Dean Glaser, Fortuna

STAFF

Neleen Fregoso, General Manager
Laura Shodall, Administrative Asst.
Jim Wilson, Director of Maintenance
Greg Pratt, Secretary to the Board

CALL TO ORDER

Chairman Lovelace called the meeting to order at 9:05 a.m.

CLOSED SESSION

Pursuant to Government Code Section 54954.3 members of the public were invited to comment on matters to be discussed during this closed session agenda item.

There were no members of the public present to comment.

Pursuant to Government Code Section 54957(1)(b) the board met in closed session at 9:06 a.m. to consider the appointment and employment of an interim General Manager.

CLOSED SESSION REPORTS

Pursuant to Government Code Section 54957.1, the board reconvened into open session at 11:35 a.m. Motion by Councilmember Fulkerson, second by Councilmember Atkins to appoint Operations Manager Greg Pratt as Interim General Manager with restricted duties as defined by the board. Staff shall be compensated for taking on additional undefined responsibilities during this interim period. The Interim General Manager will receive additional compensation of 10%, and the Administrative Assistant and the Director of Maintenance will each receive additional compensation of 5%. Motion carried unanimously

Pursuant to Government Code Section 54957(1)(b) the board met in closed session at 12:37 p.m. for the exit interview for retiring General Manager, Neleen Fregoso.

Pursuant to Government Code Section 54957.1, the board reconvened into open session at 1:00 p.m. and Chairman Lovelace announced that no formal action was taken.

ADJOURNMENT

Chairman Lovelace adjourned the meeting at 1:07 p.m.



ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

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EUGENE B. LUCAS, *Inactive*

November 4, 2011

Board of Directors
Humboldt Transit Authority
133 V Street
Eureka, California 95501

Ladies and Gentlemen,

We have previously issued reports as required by applicable professional standards. In order to keep the Board of Directors apprised of other issues we feel to be of importance, we offer the following management letter.

The following recommendations and comments are intended to be constructive suggestions on ways to improve the policies and operating procedures of HTA. They are not intended to be all-inclusive of the areas in which improvements might be achieved. Should you have any questions regarding these comments or any other matters, please contact us.

CURRENT YEAR FINDINGS

1. Reevaluation and Improvement of Financial Accounting and Reporting Function

The Humboldt Transit Authority continues to increase in size and complexity in a challenging economic environment. We feel it is important for the accounting department to catch up with and move ahead of the Authority's growth curve, especially in light of its financial commitments and operating risks (i.e. continual increase in salaries and wages, including related health insurance and retirement costs, susceptibility to spikes in fuel prices, possible decline in operating grant revenue, etc). With the recent changes in operational structure and key personnel, we feel it is an opportune time to reevaluate the Authority's financial accounting and reporting function.

CURRENT YEAR FINDINGS (Continued)

1. Reevaluation and Improvement of Financial Accounting and Reporting Function (Continued)

Catching Up the Accounting With The Organization's Current Size and Complexity:

It is our observation that the accounting department is weighed down in day to day operations, leaving little opportunity for timely, accurate big picture reporting and analysis needed for management decision making, meeting compliance requirements, or for making significant improvements to the overall system. Historically, there has only been an informal annual closing accounting process at June 30th, primarily in preparation for the audit. Without a more frequent closing process, any inaccuracies or problems tend to accumulate and become more difficult and time consuming to deal with as additional time passes. Day to day operations, inefficiencies in the system, and delays in account reconciliations all conspire to make the annual close a very time consuming process, continuing over the course of months. Meanwhile, new issues are accumulating and the cycle continues. As a result, the accounting department is always playing catch-up.

In addition to items noted in our separate internal control communication, a few of our key recommendations are as follows:

- Implement a formal monthly and quarterly closing process with deadlines. Resulting monthly, quarterly, or annual financial statements should include an analysis/explanation of variances from previous periods and/or expectations, accurate presentation of operating vs. capital grants, recognized vs. deferred revenue, etc.
- Integrate the payroll software with the general ledger software using QuickBooks payroll or another accounting software package. This is also addressed in our prior year findings. The current separation of these two systems is a primary contributor to inefficiency.
- Set up cash account(s) currently not reconciled monthly to be reconciled monthly in the accounting software.
- Streamline inefficient processes and automate manual processes (i.e with regard to payroll, A/R, A/P, revenue, cash, etc.) using excel whenever possible.
- Consider hiring an outside professional to help make this happen, given the accounting department's situation as outlined above.

The accounting department has initiated the process of making improvements subsequent to June 30, 2011.

CURRENT YEAR FINDINGS (Continued)

1. Reevaluation and Improvement of Financial Accounting and Reporting Function (Continued)

Moving the Accounting Ahead of the Growth Curve:

Timely, reliable financial statements in conformity with generally accepted accounting principles are currently not being provided, which is related to the accounting department's situation as outlined earlier. Such financial statements are very important and should be provided on a regular basis going forward. We also feel that long term financial planning and analysis are essential to an organization of such size, especially in light of its financial commitments (i.e. employee salary and benefit structure), operating risks (i.e. susceptibility to changing fuel costs), and the current economic environment (i.e. potential stagnation or decrease in operating grant revenue).

Examples of such analysis would include, among other possibilities, benchmarking and scenario or 'what if' analyses, which often go hand in hand. A benchmarking example would be to calculate total compensation cost (wages/salaries and employee benefits) per full time equivalent employee now and projected into the near future and compare it with similar organizations and expected revenue levels. A related 'what if' analysis would take those projections in total and by route, and plan for related contingencies (i.e. rising health care costs for current employees and retirees, rising fuel prices, and/or possible decreases in operating grant revenue, etc.). The overarching goal is to provide financial information that allows management to assess the organization's current and future financial sustainability and make well-informed decisions.

Our recommendation is for reliable management-level accounting and financial analysis on a consistent, timely basis. As mentioned earlier, the accounting department is focused primarily on day to day operations. Streamlining the day to day operations may free enough accounting time to focus more on the big picture and long-range financial health of the organization. Alternatively, such analysis may be obtained from sources outside the organization.

CURRENT YEAR FINDINGS (Continued)

Other Miscellaneous Items (the accounting department has initiated the process of making improvements subsequent to June 30, 2011 in the areas below):

- Implement a formalized approval process and better audit trail with respect to employee vacation (primarily administrative) and cash advances. Our testing noted a lack of a paper trail indicating that vacations and/or cash advances and related repayment schedules were approved.
- Improve tracking of stored value cardstock and over the counter ticket sales.
- Print and review EFT payroll report from bank website showing all transactions (currently limited to 25 items).

Our firm possesses an in-depth understanding of your current system and how it can be significantly improved. Should you decide to pursue these recommendations further and require outside help, we would like the opportunity to assist you.

2. Compliance with TDA Fund Eligibility:

Excess Operating Funds Received:

As shown in Note 2 to the financial statements, the following systems did not meet the compliance requirements of Section 6634 of the California Administrative Code dealing with TDA fund eligibility. Fund eligibility is determined by subtracting actual fare revenues, depreciation, and any federal operating funds received from operating expenses. This amount represents the maximum allowable TDA funding for operating expenses for the fiscal year ended June 30, 2011.

	SoHum Local	Willow Creek
Operating costs	\$ 150,631	\$ 223,199
Less depreciation	(5,763)	(15,432)
Less fare revenues	(10,820)	(40,939)
Less federal operating funds	<u>(41,146)</u>	<u>(68,705)</u>
Eligible amount	92,902	98,123
TDA funds received	125,653	160,722
TDA funds returned to County	<u>(31,031)</u>	<u>(44,505)</u>
TDA funds received, net	94,622	116,217
Excess TDA funds received	<u>\$ 1,720</u>	<u>\$ 18,094</u>

CURRENT YEAR FINDINGS (Continued)

2. Compliance with TDA Fund Eligibility (Continued):

Recommendation: HTA has several options to remedy this situation:

- a. Claims by member entities for operating costs for the following fiscal year may be offset by the current year excess TDA funds.
- b. Members may file amended claims for the current fiscal year applying the excess fund to capital expenditures made during the current year.
- c. Members may repay the excess TDA funds to the Transportation Planning Agency (HCAOG).

3. Compliance with TDA Minimum Farebox Recovery Ratios

Per TDA section 99268.8, minimum farebox recovery ratios do not apply to the extension of services until two years after the end of the fiscal year in which the extension of services was put into operation. Regardless, compliance should be closely monitored. According to our calculations, farebox recovery ratios were 14.96% and 7.47% for the Southern Humboldt Intercity and Southern Humboldt Local routes, respectively.

PRIOR YEAR FINDINGS

1. Generally Accepted Accounting Principles (GAAP)

There is a considerable reliance on the annual audit to ensure that the year end financial statements are adjusted to/prepared in accordance with GAAP. A main purpose of GAAP is to make sure that users of financial statements prepared in accordance with its standards have an accurate picture of an entity's financial position, the results of its operations, its cash flows and the changes in its net assets and can make sound decisions based on that information. Since financial statements regularly prepared by the accounting department are not materially in accordance with GAAP, management may be at a disadvantage with regard to its decision making.

Recommendation:

Given the size of the organization, we recommend that a management level accountant with sufficient expertise in GAAP is hired on at least a quarterly basis to close the books and ensure that the financial statements produced for the review of management are in accordance with GAAP (if it is within HTA's budget).

Status:

This recommendation still applies to the organization.

PRIOR YEAR FINDINGS (Continued)

2. Internal Controls- Custody, Recordkeeping, and Check Signing

The staff person in charge of recording transactions also has check signing authority and access to the check stock. There is a two signature requirement, but we noted checks cashed by the bank that contained only one signature.

Recommendation:

We have found that the bank often cashes checks for organizations with only one signature despite the fact that the organization has implemented a two signature requirement. It is always considered a sound policy to separate recordkeeping from check signing authority, especially in light of the failure of the banks to enforce the dual signature requirement in some cases.

Status:

This recommendation still applies to the organization.

3. Accounting software

The software used by the accounting department is insufficient to meet HTA's accounting requirements, HTA purchased the QuickBooks Nonprofit Accounting software last year with the idea that this software would provide fund accounting for the various routes. Fund accounting is used to produce "stand-alone" balance sheets and profit and loss statements by route. The QuickBooks software is capable of producing individual profit and loss statements but cannot produce individual balance sheets due to the manner in which the accounts receivable and accounts payable modules function within the software. This means that staff cannot know at any given time the cash balance, accounts receivable and accounts payable by route.

QuickBooks is aware of this issue, but cannot correct it.

Recommendation:

HTA should consider purchasing different fund accounting software that better meets its needs.

Status:

A recent version upgrade resulting in an improved balance sheet from the previous memorized report may be cause for reevaluation. We believe that with the right understanding and training, QuickBooks may be sufficient. This new development combined with its user friendliness and the ability to use it for the payroll function should be considered before making a costly and time consuming switch to new accounting software.

In conclusion, we wish to thank the staff of Humboldt Transit Authority for their cooperation and assistance during our audit.

ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

Anderson, Lucas, Somerville & Borges



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November 4, 2011

Board of Directors
Humboldt Transit Authority

Board of Directors and Members of Management:

We have audited the financial statements of the Humboldt Transit Authority as of and for the year ended June 30, 2011, and have issued our report thereon dated November 4, 2011. Professional standards require that we provide you with the following information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated June 24, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our audit engagement letter, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audits

We performed the audits according to the planned scope and timing previously communicated to you in our engagement letter.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were depreciation, other post employment benefits expense, and deferred fare revenue.

Management's estimate of the accumulated depreciation and related expense for the current year was based on management's estimate of the life expectancy of the fixed assets. We reviewed the capital asset listing, selected a sample and recalculated the accumulated and current year depreciation expense. We were satisfied that the calculations used were reasonable. Other post employment benefits expense was actuarially determined in accordance with GASB Statement No. 45. There was no allocation of other post employment benefits expense to the newer Southern Humboldt services. Management's rationale is that new drivers had to be hired as a result of the expansion, and that there is a five year vesting period to the benefits. The estimate of deferred fare revenue is derived from available operations information. An audit adjustment was made to correct a mathematical error in one month's calculation.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audits

We encountered no difficulties in dealing with management in performing and completing our audits.

Significant Audit Findings, Continued

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of the audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. Following is a summary of the material misstatements detected as a result of our audit and corrected by management:

Net asset reclassification - Transfer Quail net assets to the Southern Humboldt Local Route. This entry does not impact net income.	\$ 167,666
Net asset reclassification - Restrict unspent portion of Murray Method funds received in 09/10 for capital purchases. This entry does not impact net income.	136,964
Net asset reclassification - Restrict excess TDA funds from 09/10 for Willow Creek capital purchases. This entry does not impact net income.	37,250
Defer cumulative interest income on Prop 1B grant funds received but not expended as of June 30, 2011	31,266
Correct clerical error, October 2010 recognition/deferral of fare revenue	21,368
Reclassify estimated electronic fare media on hand at 6/30/11	8,281

The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 4, 2011.

Significant Audit Findings, Continued

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority, financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of the Humboldt Transit Authority and is not intended to be and should not be used by anyone other than these specified parties.

ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

Anderson, Lucas, Somerville & Borges

Humboldt Transit Authority
Summary of Uncorrected Differences
6/30/11

<u>Description</u>	<u>Amount of Over (Under) Statement of:</u>				
	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenue</u>	<u>Exp.</u>
Wifi operating costs capitalized	3,020				(3,151)
Offset of old STA A/R not collected with STA funds rec'd in 2010/11.	(2,925)			(2,925)	
Totals	95	-	-	(2,925)	(3,151)



ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

C E R T I F I E D P U B L I C A C C O U N T A N T S

ART STEWART (1945-1964)
RICHARD RODRIGUE (1950-1985)
DAVID J. SOMERVILLE (1971-1982)
DONALD J. HARRIS (1962-1994)

1338 MAIN STREET
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DAVID A. SOMERVILLE, II
KEITH D. BORGES

KEVIN COLLIER

JAMES M. ANDERSON, *Inactive*
EUGENE B. LUCAS, *Inactive*

Board of Directors and Senior Management Humboldt Transit Authority

In planning and performing our audit of the financial statements of the business-type activities of the Humboldt Transit Authority as of and for the year ended June 30, 2011, in accordance with auditing standards generally accepted in the United States of America, we considered Humboldt Transit Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Humboldt Transit Authority's internal control to be significant deficiencies:

Timely, Reliable Financial Information and Management Review

The organization continues to increase in size and complexity in a challenging economic environment, making it more susceptible to misstatements. Timely, reliable financial information and consistent management review of that information allow management or employees to prevent, or detect and correct misstatements on a timely basis.

Our audit detected a material overstatement of deferred fare revenue and a corresponding understatement of recognized fare revenue. Operational data such as performance statistics and electronic farebox reports are currently not compared to the general ledger or financial statements; such a procedure would allow for the potential detection and correction of this type of misstatement.

Other areas we feel that merit attention are bank reconciliations and regular management review over both the financial statements and key accounting procedures. For one bank account, we noted that only an annual reconciliation is prepared. This led to a delayed discovery of a deposit due to the Authority, but not received. It was also noted that the bank reconciliations performed monthly could be prepared and reviewed on a more timely basis so that errors have a better chance of being corrected.

From an overall perspective, given the size and relative complexity of the organization, there is room for improvement with regard to the timeliness and reliability of financial statement preparation and the frequency and depth of financial analysis and review.

Segregation of Duties Over Receipts and Disbursements

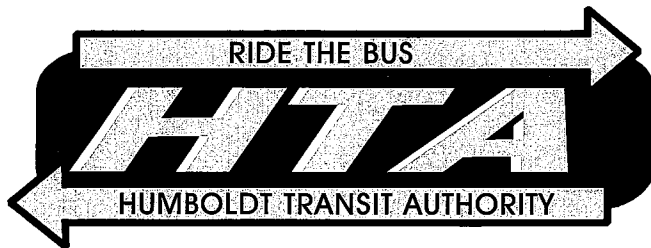
The individual in charge of recording accounting transactions handles cash, has check signing authority and access to the check stock. There is a mitigating two signature requirement with regard to disbursements, but we noted checks cashed by the bank that contained only the signature of this one individual.

In addition, we noted other matters involving the internal control and its operation that we have reported to management of the Humboldt Transit Authority in a separate management letter dated November 4, 2011.

This communication is intended solely for the information and use of the Authority's Board of Directors and management, and is not intended to be and should not be used by anyone other than these specified parties.

Anderson, Lucas, Somerville & Borges, LLP

Fortuna, California
November 4, 2011



*A Public Entity Serving
Humboldt County Since 1976*

133 "V" Street, Eureka, CA 95501-0844

(707) 443-0826

Agenda Item:

- a. Classification Plan, Salary Schedule and Personnel Policy Manual for Unrepresented Employees by adopting Resolution 12-01.

The board will consider rescinding the Salary Manual (adopted as Resolution 08-06) and replacing it with three separate tools: a Classification Plan, Salary Schedule, and Personnel Policy Manual for Unrepresented Employees.

Action recommended: Adopt Resolution 12-01

Staff report:

The Salary Schedule (most recently updated as Resolution 08-06) functions as three different documents/tools. Staff recommends separating those documents and adopting a more complete Personnel Policy Manual for Unrepresented Employees that complies with current personnel laws. The AFSCM MOU serves as the personnel policy manual for represented employees and will be updated separately when the current MOU expires in June, based on terms negotiated with the union.

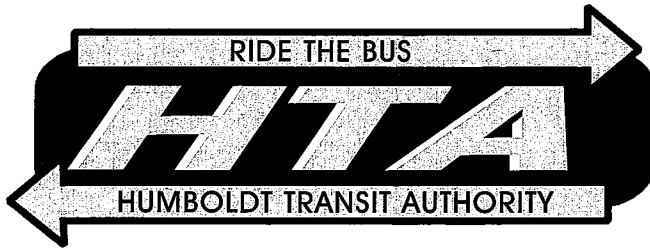
The allocation of staff positions, the salary ranges for those positions, and personnel policies are the responsibility of the Board of Directors. The General Manager is responsible for filling allocated positions, setting compensation within the schedule ranges, and implementing board-adopted policies.

Included in the proposed Classification Plan and Salary Schedule is the adoption of fiscal year 2012-13 staff allocations. Staff is recommending additional positions to manage the existing work load and in preparation for adding Sunday RTS service and Saturday service to Willow Creek. These proposed additions are shown in columns two through four of the attached Salary Schedule. The proposed positions would not be filled unless and until they are included in a board-approved budget. They are included here so staff can begin planning and budgeting for the additional routes and staffing.

The proposed policy manual is a combination of existing HTA policies (where available) and numerous additional policies. The additional policies are modeled on those of other agencies specifically selected because they are known to be current and consistent with applicable laws and legal rulings. Some significant policies and a few policy changes are imbedded within the manual. These are:

- Compensation: earned leave is now capped, HTA's obligation for medical insurance will be based on the amount of "the least expensive plan available in Humboldt County."
- Nepotism: more detailed guidelines and restrictions will be implemented.
- Leave: policies were added to comply with family and medical leave laws
- Policy integration: board-approved anti-harassment, drug and alcohol free workplace, drug testing, safety, conflict of interest, and parking lot use were incorporated.
- New policies: many new policies were added, including policies on computer use, phone, computer and internet use, public representation of the agency, work rules, and a whistle-blower policy, among others.
- One area of board responsibility is specifically codified as policy within the manual as 13.2.g and is worth noting here: "The Board of Directors is responsible for personnel actions (performance reviews, disciplinary oversight, hiring/firing) related to the General Manager. Any employee who feels the General Manager has violated a work rule, is harassing an employee, is engaging in illegal activities, or is failing to perform job duties should set forth, in writing, his/her grievances to the Chairperson of the board. The Chairperson is then responsible for bringing the matter to the attention of the full board and implementing the appropriate grievance procedures."

Copies of all three documents (Classification Plan, Salary Schedule, and Personnel Policy Manual) are attached. Also attached are job descriptions that have not already been approved by the board (all but the management positions).



*A Public Entity Serving
Humboldt County Since 1976*

133 "V" Street, Eureka, CA 95501-0844

(707) 443-0826

TO: Chairperson Atkins
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: February 15, 2012

SUBJECT: State Transit Improvement Project Application

Staff was notified by Caltrans that the California Transportation Commission had approved a State Transportation Improvement Project for the Humboldt Transit Authority in the amount of \$425,000 to purchase one diesel/electric hybrid transit bus.

In order to access these funds staff must submit an Application to the Department of Transportation.

Action Recommended: Authorize staff to submit a State Transit Improvement Program Application in the amount of \$425,000 to the Department of Transportation by adopting Resolution 12-02.

RESOLUTION NO. 12-02

AUTHORIZING HUMBOLDT TRANSIT AUTHORITY INCLUSION IN THE 2011-2012
REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM
AND THE SUBMISSION OF AN APPLICATION FOR CAPITAL EQUIPMENT

WHEREAS, the Humboldt Transit Authority (hereinafter "HTA"), a joint powers entity consisting of the Cities of Arcata, Eureka, Fortuna, Rio Dell and Trinidad and the County of Humboldt, operates a public bus service called the Redwood Transit System; and,

WHEREAS, HTA desires to make use of such State and Regional Transportation Improvement Program funds as may be available to make necessary equipment purchases;

WHEREAS, HTA desires to submit an application for funding to purchase an expansion bus, specifically: one 40-foot diesel/electric hybrid transit bus, powered and equipped with a wheelchair lift and two-way radio. The application is for grant funds in the amount of \$425,000, with a required local match of \$200,000 resulting in a total project cost of \$625,000.

NOW THEREFORE, BE IT RESOLVED that the HTA Governing Board authorizes the HTA General Manager Greg Pratt, to submit an application to the Humboldt County Association of Governments for inclusion in the Regional Transportation Improvement Program and the State Transportation Improvement Program to purchase one diesel/electric hybrid transit bus.

BE IT FURTHER RESOLVED that the Board authorizes General Manager Pratt to sign all necessary contracts or agreements for such program inclusion. General Manager Pratt is authorized to submit applications, to sign necessary contracts or agreements for procurement of the capital equipment purchased within the program guidelines and restrictions. General Manager Pratt is authorized to utilize the HTA Equipment Reserve Fund for local match portion requirement for such purchases.

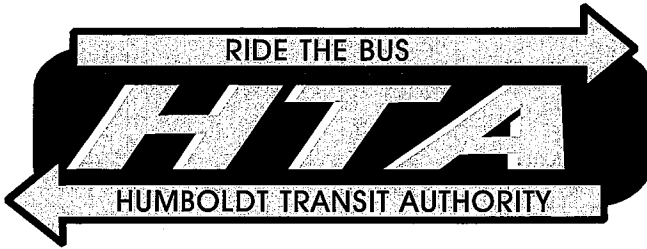
PASSED, APPROVED AND ADOPTED this fifteenth day of February 2012, on the following vote:

AYES:
NOES:
ABSENT:

Chairman of the HTA Governing Board of Directors

ATTEST:

HTA Secretary



*A Public Entity Serving
Humboldt County Since 1976*

133 "V" Street, Eureka, CA 95501-0844

(707) 443-0826

TO: Chairperson Atkins
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: February 15, 2012

SUBJECT: Federal Transit Administration Section 5311 Grant Funds

Each fiscal year a certain amount of Regionally Apportioned Federal funds become available to the local transit agencies. Historically these funds are used to purchase buses, however, that need has been fulfilled with the initiation of the Prop 1B funding program. Therefore, staff is recommending to use this year's allocation as operating assistance funds for Redwood Transit System.

The local transit operators met in January to discuss the distribution of these funds and agreed to program \$259,929 for the Redwood Transit System.

Action Necessary: Authorize staff to submit an application to Caltrans requesting \$259,929 in operating assistance funds for the Redwood Transit System.

RESOLUTION

RESOLUTION AUTHORIZING THE FEDERAL FUNDING UNDER FTA SECTION 5311
(49 U.S.C. SECTION 5311) WITH CALIFORNIA DEPARTMENT OF TRANSPORTATION

WHEREAS, the U.S. Department of Transportation is authorized to make grants to states through the Federal Transit Administration to support capital and operating assistance projects for non-urbanized public transportation systems under Section 5311 of the Federal Transit Act; and,

WHEREAS, the California Department of Transportation (Department) has been designated by the Governor of the State of California to administer Section 5311 grants for public transportation projects; and,

WHEREAS, Humboldt Transit Authority (HTA) desires to apply for said financial assistance to permit operation of rural transit service in Humboldt County; and,

WHEREAS, HTA has, to the maximum extent feasible, coordinated with other transportation providers and users in the region (including social service agencies).

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Humboldt Transit Authority does hereby authorize the HTA General Manager, to file and execute applications on behalf of HTA with the Department to aid in the financing of operating or capital assistance projects pursuant to Section 5311 of the Federal Transit Act of 1964, as amended.

That the General Manager is authorized to execute and file all assurances or any other document required by the Department.

That the General Manager is authorized to provide additional information as the Department may require in connection with the application for the Section 5311 projects.

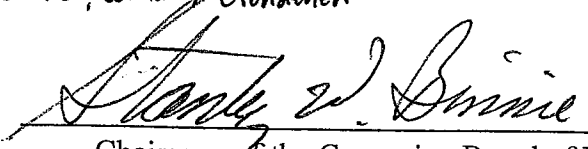
That the General Manager is authorized to submit and approve requests for reimbursement of funds from the Department for the Section 5311 projects.

PASSED, APPROVED AND ADOPTED by Humboldt Transit Authority of Humboldt County, State of California, at a regular meeting of the Governing Board of Directors held on Wednesday, February 18, 2009 by the following vote:

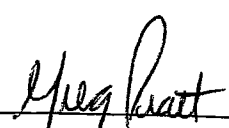
AYES: *Glaser, Brinton, Woodall, Binnie, Lovelace, Clendenen*

NOES:

ABSENT: *Jones*



Chairman of the Governing Board of Directors



Attest: Secretary to the Board

HUMBOLDT TRANSIT AUTHORITY

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

This agreement, effective February ____, 2012, is made between the Humboldt Transit Authority (referred to as HTA), a joint powers authority, and Nel Fregoso (referred to as "Consultant," an individual.

1. **SCOPE OF WORK:** Consultant agrees to act as a consultant to HTA and perform services as set out in Exhibit A, "Scope of Work" attached hereto and incorporated herein ("Services").
2. **PAYMENT:** HTA shall pay Consultant \$65.00 per hour, not to exceed total payment of \$4,000 and payable upon submission of invoices to the General Manager, or his designee. HTA shall make payment to the Consultant within thirty (30) days after receipt and approval of such statement/invoice.
3. **TERM:** The term for this Agreement shall be approximately eleven months, beginning February ____, 2012 and ending December ____, 2012. This Agreement may be extended upon the mutual consent of the HTA General Manager and the Consultant. This Agreement is subject to earlier termination upon one-week advanced written notice of one party or the other.
4. **TITLE TO DOCUMENTS:** Title to all plans, specifications, estimates, reports, manuscripts, descriptions and other final work products compiled by the Consultant under the Agreement shall be vested in HTA, none of which shall be used in any manner whatsoever, by any person, firm, corporation, or agency without the expressed written consent of HTA.
5. **CORRECTION OF WORK:** The performance of services or acceptance of information furnished by Consultant shall not relieve the Consultant from obligation to correct any defective work subsequently discovered and all incomplete, inaccurate or defective work shall be remedied by the Consultant on demand without cost to HTA.
6. **INDEPENDENT CONTRACTOR:** Consultant, in performing Services, shall act as an independent contractor and shall have control of her work and the manner in which it is performed. She shall be free to contract for similar services to be performed for others while under contract with HTA. Consultant is not to be considered an agent or employee of the HTA.
7. **MODIFICATION, AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required.
8. **HOLD HARMLESS:** Consultant shall investigate, protect, defend, indemnify and hold harmless HTA and its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Consultant, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of HTA.
9. **ATTORNEY'S FEES:** Should any litigation or arbitration be commenced between the parties hereto concerning this Agreement, or the rights and duties of any party in relation hereto, the party prevailing in such litigation or arbitration shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation or arbitration.

IN WITNESS WHEREOF, the parties have executed this agreement effective on the date set out above.

HUMBOLDT TRANSIT AUTHORITY

CONSULTANT

ATTEST

By: HTA Chairman of the Governing Board of Directors

Neleen Fregoso

HTA Secretary to the Board

Dated: _____

EXHIBIT A
SCOPE OF WORK

Consultant shall work on an as needed basis by phone and in person with the HTA to perform the following services:

1. Assist with and advise HTA staff on the completion of a "piggy back" contract for purchase of STIP Bus.
2. Train HTA staff on "piggy back" contracting processes and procedures.
3. Overview of Federal, State and local funding sources, funding requirements, and annual calendar.
4. Overview of agencies operating budgets and the process for creating new budgets.
5. Union negotiations, mediation and arbitration processes.
6. FTA Section 5311(f) and 5309 grants.
7. Composition and requirements of board resolutions, agendas, minutes and other board related documents.
8. Structure, history, parameters and maintenance of a Joint Powers Agency.
9. Sole sourcing of formal bid processes.
10. Management of construction contracts.
11. Creation and updating of Americans with Disabilities Complementary Paratransit Plans.

QUALIFICATIONS FOR TRANSIT CONSULTING

Neleen A. Fregoso
968 9th Street
Fortuna, CA 95540

BACKGROUND EXPERIENCE:

- Twenty-four (24) years in the public transit business; working within the public forum; working with boards and committees; extensive grant application experience; employee relations. Eleven of those years I performed the duties of HTA General Manager.

SKILLS AND QUALIFICATIONS:

- **Governmental Grant Applications:** Has completed §5309; 5310; 5311; 5311(f); State Transit Assistance; and, Uniform Transit grant applications and has extensive experience with Electronic Grant Management. Is familiar with the funding of various programs, i.e., State Highway Funds; Tea 21 Funds; State Transportation Improvement Projects; State Transit Assistance Funds; Regional Improvement Projects; etc. Successfully completed an application for a \$53,000 reimbursement for cleanup costs from the Underground Storage Tank Fund (Superfund), three separate grants for construction projects totaling over \$2.5 million, as well as, several grants for bus procurement ranging from \$250,000 - \$1.6 million.
- **Other Governmental Regulations:** Has extensive knowledge of required governmental programs such as Disadvantaged Business Enterprise, Title VI Civil Rights, Americans with Disabilities Act, Buy America, Contract Bidding Procedures and Award of Bids, etc.
- **Compliance with California Highway Patrol and Random Drug Testing:** Has extensive knowledge of California Highway Patrol requirements for bus inspections and pull notice requirements, as well as, all legal requirements for random drug testing; completion of annual reports for drug testing compliance and record keeping.
- **Negotiating with Labor Union:** Has assisted in the successful negotiation of seven union labor contracts at HTA. Was the lead negotiator during the years 2000 - 2009 labor contract negotiations with the American Federation of State, County and Municipal Employees (AFSCME), as well as, continual labor relations between management and employees and/or their union representatives. Has had experience in all stages of grievance procedure and appeals process, including mediation and arbitration.
- **Governmental Contracts and Agreements:** Has assisted in the composition of contracts to purchase buses and other equipment; has assisted in writing and administration of agreements for transportation services and funding. Has approximately twenty years experience writing board resolutions, agendas, minutes and other board related documents.

- **Air and Water Quality Compliance:** Was responsible for all compliance with the Air Quality Control Board, Regional Water Quality Control Board, Industrial Storm Water Discharge Monitoring Operation and Hazardous Materials Regulations.
- **Participation in Government Boards and Committees:** Was a voting member on the Humboldt County Association of Governments Technical Advisory Committee and Service Coordination Committee. Served as chair and vice chair on both the TAC and SCC. Have attended, as an HTA representative, the HCAOG Board meetings when warranted. Served as Secretary to the Governing Board of Directors for HTA from 1987 - 2001. Also, served as the Chairman of the HTA Health & Safety Committee reviewing all vehicular accidents, passenger incidents and workers' compensation claims. Was responsible for maintaining a safe workplace and healthy environment for HTA employees.
- **Participation in the Maintenance Facility Expansion Project:** Was involved in every aspect of two major construction project at the HTA facility. Attended all construction meetings, assisted with inspections, reviewed building plans and environmental documents, assisted with the design of the buildings and office remodeling. Kept records of construction meeting minutes, equipment purchases and progress reports. Lead the project to relocate over 20 residents living on the newly purchased property.
- **Department of Transportation Certified Transit Trainer:** Have successfully completed two courses in transit driver training and hold a DOT trainers certificate, as well as, a Commercial Class B driver license with air brakes and passenger endorsements.
- **Certified Bus Accident Investigator:** Have successfully completed two courses in bus accident investigation receiving a certificate for advanced bus accident investigation with a 98.7% score on the final test.
- **Schedule Composition:** Have assisted in the formulation of multi-bus transit schedules, both routes and times, including transferring opportunities. One System's ridership almost tripled after new scheduling was implemented using the same number of buses and hours of operation. Started two new transit systems in the Southern Humboldt area from the ground up which included a tremendous amount of public involvement , outreach and diplomacy.
- **Driver Assignments:** Has approximately eleven years of experience creating working assignments for drivers which coincide with bus schedules and make best use of time.
- **Coordinating Transportation Events and Charters:** For ten years I was responsible for organizing the transportation servicing a concert festival with an attendance rate of more than 15,000 people. This includes creating and scheduling routes, dispatching drivers, compliance with Highway Patrol rules governing hours of operation, as well as, customer satisfaction. These events were provided without any major accidents or injuries.
- **Joint Powers Agency Administration:** Have extensive knowledge of joint powers public agencies and their abilities, responsibilities, requirements, composition, etc.
- **Bus Purchases:** Have purchased 37 buses for HTA over the past 24 years. These buses range from small cut away types to full sized transit buses. Attended all pre-production

meetings at the manufacturer in order to assure that the build specifications were correct. Also participated in the post build inspections and related paperwork.

- **Operating Budgets:** Have participated for over 20 years in the budgeting process for the operation of Redwood Transit System, Eureka Transit Service, The Quail, The Southern Humboldt Systems, The Willow Creek Extension and the AMRTS Maintenance contract. Was responsible for following the adopted budget and staying within it's parameters.
- **Americans with Disabilities Act Complementary Paratransit Plans:** Have successfully created ADA Complementary Paratransit Plans for the Cities of Eureka and Arcata as well as the new Southern Humboldt Local Transit System.
- **California Transit Indemnity Pool:** Served on the board of directors for the California Transit Indemnity Pool (CalTIP) for eleven years. During my tenure the board grew in size sufficient to warrant the change to a governance policy form of doing business. I served on the Oversight Committee of the governance structure from its inception until my retirement. The OC's purpose was to oversee the work of the board's administrative staff and report directly to the board. We also reviewed contracts and policies for final approval by the full board.

CONTINUING EDUCATION:

- Instructors Course in Bus Operator Training - Transportation Safety Institute
- Advanced Bus Accident Investigation - Transportation Safety Institute
- Management of Government Funded Construction Projects - Federal Transit Administration
- Electronic Grant Management - Federal Transit Administration
- Electronic Farebox Design and Maintenance - GFI, Chicago
- Alternative Fuels for Buses - Transportation Safety Institute

PERSONAL BACKGROUND:

A 56-year native of Humboldt County, born in Scotia in 1955. I have four children and nine grandchildren. I possess a great deal of knowledge about the local area, the transit industry and I genuinely care about this area's citizens and resources. My goal is to assist the current HTA staff so that they have the tools to keep public transportation strong in Humboldt County for many, many years to come.

HUMBOLDT TRANSIT AUTHORITY

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

This agreement, effective February ___, 2012, is made between the Humboldt Transit Authority (referred to as HTA), a joint powers authority, and Doug Langille (referred to as "Consultant," an individual.

1. **SCOPE OF WORK:** Consultant agrees to act as a consultant to HTA and perform services as set out in Exhibit A, "Scope of Work" attached hereto and incorporated herein ("Services").
2. **PAYMENT:** HTA shall pay Consultant \$90.00 per hour, not to exceed total payment of \$6,000 and payable upon submission of invoices to the General Manager, or his designee. HTA shall make payment to the Consultant within thirty (30) days after receipt and approval of such statement/invoice.
3. **TERM:** The term for this Agreement shall be approximately ten months, beginning February ___, 2012 and ending December ___, 2012. This Agreement may be extended upon the mutual consent of the HTA General Manager and the Consultant. This Agreement is subject to earlier termination upon one-week advanced written notice of one party or the other.
4. **TITLE TO DOCUMENTS:** Title to all plans, specifications, estimates, reports, manuscripts, descriptions and other final work products compiled by the Consultant under the Agreement shall be vested in HTA, none of which shall be used in any manner whatsoever, by any person, firm, corporation, or agency without the expressed written consent of HTA.
5. **CORRECTION OF WORK:** The performance of services or acceptance of information furnished by Consultant shall not relieve the Consultant from obligation to correct any defective work subsequently discovered and all incomplete, inaccurate or defective work shall be remedied by the Consultant on demand without cost to HTA.
6. **INDEPENDENT CONTRACTOR:** Consultant, in performing Services, shall act as an independent contractor and shall have control of her work and the manner in which it is performed. She shall be free to contract for similar services to be performed for others while under contract with HTA. Consultant is not to be considered an agent or employee of the HTA.
7. **MODIFICATION, AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required.
8. **HOLD HARMLESS:** Consultant shall investigate, protect, defend, indemnify and hold harmless HTA and its officers, officials, employees and volunteers from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the work described herein, caused in whole or in part by any negligent act or omission of the Consultant, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence, sole negligence, or willful misconduct of HTA.
9. **ATTORNEY'S FEES:** Should any litigation or arbitration be commenced between the parties hereto concerning this Agreement, or the rights and duties of any party in relation hereto, the party prevailing in such litigation or arbitration shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for attorney's fees in such litigation or arbitration.

IN WITNESS WHEREOF, the parties have executed this agreement effective on the date set out above.

HUMBOLDT TRANSIT AUTHORITY

CONSULTANT

ATTEST

By: HTA Chairman of the Governing Board of Directors

Doug Langille

HTA Secretary to the Board

Dated: _____

EXHIBIT A
SCOPE OF WORK

Consultant shall work on an as needed basis by phone and in person with the HTA to perform the following services:

1. Using data analysis to improve routes and schedules
2. Improving performance standards
3. Develop strategies to improve farebox recovery and management oversight

CONSULTING BACKGROUND



Areas of Expertise

- Fixed Route Evaluation & Planning
- Paratransit Evaluation & Planning
- Operations Management
- Transportation Demand Management
- Transit Visioning
- Transit Needs Assessments
- Route Restructuring
- Flexroute Service Design
- Service Agreement Review & Preparation

Contact Information:

Doug Langille

**DWL TRANSIT
CONSULTING**

9506 Thunderbird Drive

San Ramon, CA 94583

925.785-6277

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Transit is a means to an end. That end is far beyond "moving people". Public transit service can be designed to support a wide range of a community's congestion management, economic, social equity, land use and environmental goals.

DWL Transit Consulting Overview

DWL Transit is an independent transit and paratransit planning consultancy. The emphasis on the analysis and planning of service operations as well as providing agency staff augmentation.

Doug Langille - Experience Overview

Doug Langille has 35 years public and private sector transit operations management and planning experience, including:

- 20 years on the Edmonton Transit management team supervising the scheduling and planning section and managing the City's paratransit brokerage system.
- 14 years working as a consultant in Northern California on a wide range of transit planning studies and staff augmentation assignments.

Doug specializes in service evaluation - including trip by trip fixed route performance evaluation, fixed route restructuring, paratransit service delivery strategies, performance standards, operations planning, service agreement assessments and staff mentoring.

Client Feedback

"Doug has been great. This has not been an easy project and Doug has been good at dealing with and understanding the politics of the study." Stanislaus County (03/04/2009).

"Doug was the PM and was very responsive to NPS needs regarding this task order. He put together a highly qualified team for the data collection and analysis." National Park Service (10/30/2009).

"Doug just has tons of experience. He knows operations. He knows the planning side of things. He knows the service area. Doug has a personality that's really conducive to good teamwork." LAVTA (8/10/2009).

"Doug has incredible commitment as to what he does and what he believes in. Then I think that he went the extra mile for us." Marin Transit (08/12/2011).

Recent Transit Planning Projects

CLIENT	WORK DESCRIPTION
MARTA Mobility Short & Long Range Planning Assistance, Metropolitan Atlanta Rapid Transit Authority (2012)	Develop a shift Mart Up for paratransit operators that matched bus capacity with hourly/daily variations in passenger volumes, and develop a series of service/policy/procedural recommendations to improve service productivity, on-time performance and cost efficiency. Final Mark Up and recommendations submitted January 2012.
On-call Planning Services Marin Transit	Prepare 2010 evaluation of Muir Woods Shuttle and develop service strategies for the proposed Marin City Community Shuttle. Marin City Shuttle implemented in July 2011.
On-call Planning Services, City of Fairfield (2010/11)	Provide transit planning services as required including the review of service operating agreement compliance and an operational assessment of Route 40 commuter route.
Grand Rapids Transit Master Plan, Grand Rapids Transit Authority (2010)	Paratransit evaluation and long range plan, and public outreach.
Mendocino County Commuter Transportation Study, Mendocino Transit Authority, (2010)	Identify commuter travel patterns in Ukiah Valley and developed mobility management implementation plan including volunteer driver reimbursement program and employer carpool/vanpool programs to complement MTA's transit services.
ROTA Consulting Services, Riverbank-Oakdale Transit Authority, (2009)	Evaluated current operations and recommend strategies to improve productivity, farebox recovery and management oversight.
Muir Woods Transportation Data Update, Analysis and Summarization, National Park Service (2009)	Updated traffic circulation and transit ridership data, and developed strategies to improve access to Muir Woods National Monument.
Point Reyes National Seashore Transit and Multi-modal Trail Access Study, National Park Service (2009)	Bus stop/flag stop planning and design, transit/hiking itineraries and trail improvement design.
Central & Southern Marin County Transit Study, Transportation Authority of Marin Board (2009)	Developed strategies to improve regional and local transit attractiveness, operating efficiencies, effectiveness and connectivity along the HWY 101 corridor and five east/west feeder corridors.
Mill Valley-Sausalito Transit Corridor Demand Assessment, County of Marin (2009)	Identified markets and projected demand for a visitor shuttle between Mill Valley and Sausalito.
Hercules Intermodal Station Plan, City of Hercules (2009)	Established transit center bus capacity and circulation requirements.
Solano County Transit Consolidation Study, Solano Transportation Authority (2009)	Reviewed and documented paratransit operational procedures and policies, and documented transit facilities throughout the county.
Solano Paratransit Study, Solano Transportation Authority (2009)	Evaluated current county-wide service framework and recommended strategies to improve cost efficiency.
Hercules Intermodal Station Plan, City of Hercules (2009)	Established transit center bus capacity and circulation requirements.
LAVTA Mini-Evaluation, Livermore Amador Valley Transit Authority (2009)	Provided technical assistance to LAVTA to identify potential fixed route service cuts in response to budget shortfalls.
Stanislaus County Transit Needs Assessment Study, County of Stanislaus (2009)	Developed three incremental strategies to improve the effectiveness of existing services (without increasing costs) and to provide a cost-effective safety-net service for the remaining unsatisfied needs.
Planning Assistance, Sacramento Regional Transit (2008/09)	Identified full blocks and individual fixed route trips as potential fixed route service cuts in response to budget shortfalls.
Planning Assistance, Vallejo Transit & Solano Transportation Authority (2008)	Identified individual fixed route trips as potential fixed route service cuts in response to budget shortfalls.