

Humboldt Transit Authority
Governing Board of Directors
AGENDA
Regular Meeting March 18, 2015
HTA Conference Room - 133 V Street Eureka
9:00 a.m.

- I. Call meeting to Order
- II. Roll Call & Introductions
- III. Citizen's Communications
Members of the community are invited to comment on items or issues not on the agenda.
- IV. Action Items
 - a. College of the Redwoods Pass
C.R. Staff and Associated Students (ASCR) would like to request a reduced month pass for the Redwood Transit System.
~Presentation
Action Recommended: Review, Discuss, and Authorize Staff.
- V. Consent Calendar
By motion, recommend the approval of the following items considered to be routine and enacted in one motion. Items may be removed from the Consent Calendar upon request and will be heard separately.
 - a. Low Carbon Transit Operations Program (LCTOP)
Board authorization is needed to submit allocation requests to CalTRANS for LCTOP funds.
Action Recommended: Adopt Resolution 15-04 Authorizing Application for Low Carbon Transit Operations Program Grant Funds, and the General Manager to execute all Required Documents.
 - b. Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA)
Board authorization is needed to submit allocation requests to CalTRANS for PTMISEA funds.
Action Recommended: Adopt Resolution 15-05 Authorizing Application for Public Transportation Modernization, Improvement, and Service Enhancement Account Program Grant Funds, and the General Manager to execute all Required Documents.
 - c. Approval of Minutes
Minutes from the February 18, 2015 Regular Board Meeting.
Action Recommended: Approve minutes

- d. HTA Office Copy Machine
The five-year lease is up for HTA's copy machine. Staff sent out RFQ's and received four responses.
Action Recommended: Authorize the General Manager to purchase a copy machine and sign the maintenance agreement.

- e. Responses to the 2013/14 Fiscal and Compliance Audit.
Staff has prepared responses to the findings from the 2013/14 Fiscal and Compliance Audit per board direction.
Action Recommended: Direct staff to notify the affected member entities.

VI. Items Removed from the Consent Calendar

VII. Discussion Agenda

Enclosed

- a. January 2015 statistics for all systems operated by HTA
- b. January 2015 financial statements for all systems operated by HTA

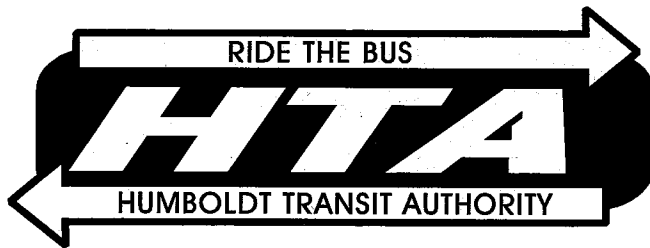
VIII. Communications

- a. Board
- b. Staff

IX. Adjournment

Humboldt Transit Authority (HTA) is committed to a policy of non-discrimination pursuant to the requirements of Title VI of the Civil Rights Act of 1964. Persons who require special accommodations, accessible seating, or documentation in alternative formats under the American with Disabilities Act or persons who require translation services (free of charge) should contact HTA at least two days prior to the meeting.

Humboldt Transit Authority (HTA) se compromete a una norma de no discriminación de acuerdo a los requisitos del Artículo VI del Acto Derechos Civiles de 1964. Las personas que requieren alojamiento especial de acuerdo con el American with Disabilities Act, o personas que requieren servicios de traducción (libre de cargo) deben comunicarse con HTA al menos dos días antes de la reunión.



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

(707) 443-0826

TO: Michael Winkler, Vice Chair
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: March 18, 2015

SUBJECT: Low Carbon Transit Operations Program (LCTOP)

LCTOP is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862 (SB 862). The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project required to reduce greenhouse gas emissions.

Staff was notified by the Humboldt County Association of Governments (HCAOG) that there are LCTOPS funds available to the region for projects that will reduce greenhouse gas by reducing passenger vehicle miles by operation improvements.

HTA is in the permitting stages for upgrading its fuel facility, and using the funds to upgrade the fuel tank from 10,000 gallons to 15,000 gallons fits the criteria of the application. Because of the increase in operations, staff is requesting board authorization to submit an allocation request for a 15,000 gallon fuel tank in the amount of \$51,423.

Action Recommended: Adopt Resolution 15-04 Authorizing Application for Low Carbon Transit Operations Program Grant Funds, and the General Manager to execute all Required Documents.

RESOLUTION #15-04
AUTHORIZATION FOR THE EXECUTION OF THE
CERTIFICATIONS AND ASSURANCES
FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)

WHEREAS, the Humboldt Transit Authority is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, the Humboldt Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to the General Manager.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Humboldt Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all LCTOP funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED that the General Manager be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation.

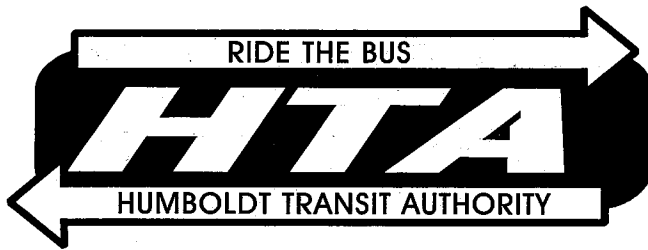
PASSED, APPROVED AND ADOPTED this eighteenth day of March, 2015 on the following vote:

AYES:
NOES:
ABSENT:

Chair of the Humboldt Transit Authority
Board of Directors

ATTEST:

Secretary to the Board



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(707) 443-0826

TO: Michael Winkler, Vice Chair
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: March 18, 2015

SUBJECT: Public Transportation Modernization, Improvement, and Service
Enhancement Account Program (PTMISEA)

Staff was notified by CalTRANS that there are PTMISEA funds available to the region for capital projects. Redwood Transit has a bus that will pass its useful life of 500,000 miles by the end of the fiscal year, and Willow Creek is in need of a back-up bus. Staff would like to submit an allocation request to CalTRANS in the amount of \$576,909 to replace those buses.

The (PTMISEA) program was created by Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.925 billion available to Transportation, \$3.6 billion dollars was allocated to PTMISEA to be available to transit operators over a ten-year period. PTMISEA funds may be used for transit rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements, or rolling stock (buses and rail cars) procurement, rehabilitation or replacement.

Funds in this account are appropriated annually by the Legislature to the State Controllers Office (SCO) for allocation in accordance with Public Utilities Code (PUC) formula distributions: 50% allocated to Local Operators based on fare-box revenue, and 50% to Regional Entities based on population.

There are \$474,000 in PUC Section 99313 funds available through the Humboldt County Association of Governments, and \$102,909 in PUC Section 99314 funds to HTA.

Action Recommended: Adopt Resolution 15-05 Authorizing Application for Public Transportation Modernization, Improvement, and Service Enhancement Account Program Grant Funds and the General Manager to Execute all required documents.

RESOLUTION # 15-05
AUTHORIZATION FOR THE EXECUTION OF THE
CERTIFICATIONS AND ASSURANCES
FOR THE PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND
SERVICE ENHANCEMENT ACCOUNT BOND PROGRAM

WHEREAS, the Humboldt Transit Authority is an eligible project sponsor and may receive state funding from the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 88 (2007) named the Department of Transportation (Department) as the administrative agency for the PTMISEA; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing PTMISEA funds to eligible project sponsors (local agencies); and

WHEREAS, the Humboldt Transit Authority wishes to delegate authorization to execute these documents and any amendments thereto to the General Manager

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of Directors of the Humboldt Transit Authority that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all PTMISEA funded transit projects.

NOW THEREFORE, BE IT FURTHER RESOLVED THAT:

1. The HTA Governing Board authorizes the HTA General Manager, Greg Pratt, to submit an Allocation request to CalTRANS for \$102,909 of PUC Section 99314 funds to purchase a 40 foot, wheelchair equipped, 38 passenger bus and a 30 foot, wheelchair equipped 24 passenger bus for a total project cost of \$576,909 of which \$474,000 is to be paid from PUC Section 99313 funds.
2. The General Manager be authorized to execute all required documents of the PTMISEA program and any amendments thereto with the California Department of Transportation.

PASSED, APPROVED AND ADOPTED this eighteenth day of March, 2015 on the following vote:

AYES:
NOES:
ABSENT:

Chair of the Humboldt Transit Authority Board of Directors

ATTEST:

Secretary to the Board

MINUTES FOR THE HUMBOLDT TRANSIT AUTHORITY
REGULAR BOARD MEETING

ROLL CALL

PRESENT

ABSENT

Board Members

Michael Winkler, City of Arcata
Mark Lovelace, County of Humboldt
Julie Fulkerson, City of Trinidad
Tami Trent, City of Fortuna
Natalie Arroyo, City of Eureka
Tim Marks, City of Rio Dell

Staff

Greg Pratt, General Manager
Kelly Masterson, Shop Supervisor
Karen Wilson, Manager of Operations
Brenda Fregoso, Secretary to the Board
Alene Webb, Administration and Finance Clerk
Jim Wilson, Equipment and Facilities Manager

CALL TO ORDER

Chairperson Winkler called the meeting to order at 9:00 a.m. Introductions were made. Also in attendance were Nancy Diamond, Humboldt Transit Authority's Council, George Williamson, Principal Planner with J.B. Lovelace & Associates and Michael Ludwig, Eureka resident.

CITIZENS COMMUNICATIONS

None

CONSENT CALENDAR

By motion, recommend the approval of the following items considered to be routine and enacted in one motion. Items may be removed from the Consent Calendar upon request and will be heard separately.

Motion by Supervisor Lovelace, second by Supervisor Bohn to approve the Consent Calendar.

Motion carries unanimously

a. **Approval of Minutes**

Minutes from the January 21, 2015 regular board meeting.

Action Recommended: Approve minutes.

b. Federal Transit Administration Section 5311 Grant Funds

Staff is recommending submitting an application for 5311 Regional Apportionment to purchase capital equipment.

Action Recommended: Authorize staff to submit an application to Caltrans requesting capital assistance to purchase one or more buses depending on available funding by adopting Resolution 15-03

c. Reject Claim

Vernon Stripworth submitted a claim against Humboldt Transit Authority on December 1, 2014 for an alleged incident on the Redwood Transit System.

Action Recommended: Reject the claim for personal injury submitted by Vernon Stripworth based on operation of law.

ACTION ITEMS

a. 2013/2014 Fiscal & 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 Controller 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 and/or the public.

Barbara Guest from the firm Anderson, Lucas, Somerville and Borges was present and addressed the 2013/2014 audit with the board. Barbara Guest reviewed highlights as well as issues that were noted during the course of the audit.

Motion by Supervisor Lovelace, second by Councilmember Fulkerson to review and receive the 2013/2014 audit and direct staff to prepare necessary changes.

Motion carries unanimously

b. Shop Truck Invitation for Bids

Staff has secured monies through the State Transit Assistant Funds Program to purchase a utility shop truck with a crane. Pursuant to the policy that Humboldt Transit Authority has followed since March 2012, Humboldt Transit Authority's staff is requesting authorization to send out invitations for bid.

General Manager Greg Pratt gave the board an update on the reasons for a new shop truck and announced that HCAOG previously approved the funds.

Motion by Supervisor Bohn, second by Supervisor Lovelace to authorize General Manager Greg Pratt to send out invitations for a bid on a new shop truck for Humboldt Transit Authority.

Motion carries unanimously

DISCUSSION AGENDA

a. December 2014 statistics for all systems operated by HTA

December 2014 statements for all systems operated by HTA

General Manager Greg Pratt gave the board Statistics and Statements information for December 2014 for all HTA systems.

b. Nixon House

George Williamson, Principal Planner with J.B. Lovelace & Associates, gave the board an update on the progress with the Nixon house located on Humboldt Transit Authority's property at 2nd and X Streets, Eureka, CA. Project is pending delineation of wetland.

Motion by Councilmember Fulkerson, second by Supervisor Lovelace to authorize consultant J.B. Lovelace to conduct routine wetland delineation for Humboldt Transit Authority's Nixon House relocation project (APN's 002-081-005, 002-121-002 and 002-121-003) in Eureka, California.

Motion carries unanimously

COMMUNICATIONS

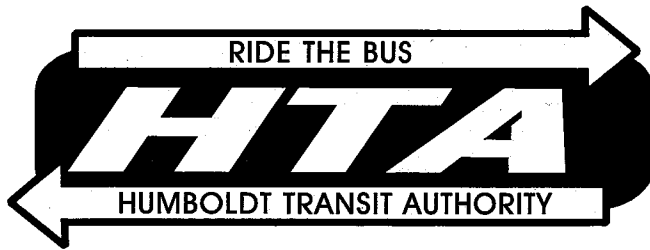
Board:

Supervisor Bohn inquired if Humboldt Transit Authority is currently running job announcements for bus drivers. General Manager Greg Pratt named a few agencies that Humboldt Transit Authority is current using to run ads for hiring new bus drivers.

Staff:

None

Meeting adjourned at 10:30 a.m.



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TO: Michael Winkler, Vice Chair
All Governing Board Members

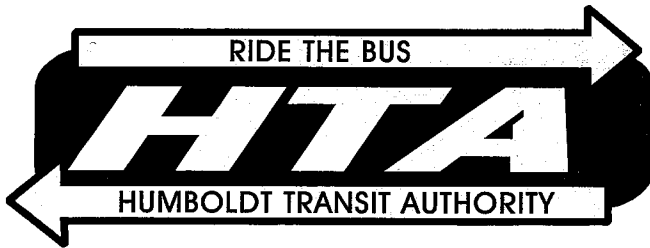
FROM: Greg Pratt, General Manager

DATE: March 18, 2015

SUBJECT: HTA Office Copy Machine

The five-year lease has expired for HTA's copy machine. Last month, staff sent out Request for Quotes and received four responses from: The Ray Morgan Company, Coastal Business Systems, Alternative Business Concepts, and Xerox. All the printers provided were researched, and staff called references to check on support times and customer satisfaction. Based on information provided, staff feels confident in choosing the copy machine that best suits the needs of the office.

Action Recommended: Authorize the General Manager to purchase a copy machine and sign the maintenance agreement.



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

(707) 443-0826

TO: Michael Winkler, Chair
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: March 18, 2015

SUBJECT: Responses to the FY 2013/14 TDA Fiscal and Compliance Audit

This is to acknowledge the management letter (attached) of February 2, 2015 from Anderson, Lucas, Somerville, & Borges, LLP, the certified public accounting firm that performed the audit. Staff has reviewed the Report on the audit findings for the Humboldt Transit Authority for the Year ending June 30, 2014, and related comments regarding their findings. The following represents our recommended response to the same:

CURRENT YEAR FINDINGS

Conformity With TDA Regulations

Finding: Excess operating funds received. There was \$199,672 in excess TDA operating funds for the Willow Creek and Southern Humboldt Intercity Bus Systems, the Southern Humboldt Local System, and the Arcata & McKinleyville Dial-A-Ride.

Solution: Staff recommends following the auditors solution (a) for the Willow Creek and Southern Humboldt Intercity Systems, the Southern Humboldt Local System, and the Arcata & McKinleyville Dial-A-Ride, by requesting that the County of Humboldt and the City of Arcata amend their 2013/14 TDA claim to utilize the excess funds for the 2015/16 operating budget.

Action Recommended: Direct staff to notify the affected member entities.



ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

CERTIFIED PUBLIC ACCOUNTANTS

ARI STEVART (1947-1994)
RICHARD RODRIGUE (1950-1985)
DAVID J. SOMERVILLE (1971-1982)
DONALD J. HARRIS (1962-1994)
EUGENE R. LUCAS (1959-2014)

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BARBARA J. GIBST

RODOLPHO
VANESSA ANDERSON, EA

JAMES M. ANDERSON, *Inactive*

February 2, 2015

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

Ladies and Gentlemen,

We have audited the financial statements of Humboldt Transit Authority (HTA) for the year ended June 30, 2014 and have issued our report thereon dated February 2, 2015. As part of our audit, we reviewed and tested HTA's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards.

The objective of internal accounting control is to provide reasonable, but not absolute assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Board of Directors
Humboldt Transit Authority

Our study and evaluation of HTA's system of internal accounting control for the year ended June 30, 2014 which was made for the purpose set forth in the first paragraph above, would not necessarily disclose all weaknesses in the system. However, we submit, for your consideration, our comments and recommendations on the operating methods, accounting policies and procedures, and other matters which came to our attention during the course of the audit.

CURRENT YEAR FINDINGS

1. 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, 2014.

	Arcata DAR	Willow Creek	SoHum Local	SoHum Inter City
Operating Costs	\$ 147,603	\$ 324,679	\$ 133,031	\$ 534,826
Less Depreciation	-	(33,228)	(12,219)	(25,101)
Less Fare Revenues	(28,488)	(46,744)	(13,879)	(77,085)
Less STAF operating Funds	(1,180)	(6,790)	(6,953)	(17,933)
Less Federal operating Funds	-	(91,607)	-	(150,000)
Maximum TDA Fund Eligibility	117,935	146,310	99,980	264,707
TDA Funds Received	130,793	244,611	137,153	316,047
Excess TDA Funds Received	\$ 12,858	\$ 98,301	\$ 37,173	\$ 51,340

Recommendation: HTA has several options to remedy this situation:

- a. Claims by member entities for operating costs for the following fiscal year may be reduced 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.

Board of Directors
Humboldt Transit Authority

- c. Members may repay the excess TDA funds to the Transportation Planning Agency (HCAOG) on demand.

The above recommendations and comments are intended to be constructive suggestions on ways to improve the policies and 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.

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
