AGENDA

Wednesday, February 28, 2018  9:00 AM  Regular Meeting

A. Call Meeting To Order

B. Roll Call & Introductions

C. Community Members Communication
   Members of the community are invited to comment on items or issues not on the agenda.

D. Special Presentations
   1. HCAOG: Public transit branding presentation
      Attachments: Draft Regional Transit Marketing and Unified Branding Plan
   2. LSC Transportation Consultants, Inc.: Presentation of Transit Development Plan
      Attachments: Humboldt County Transit Development Plan 2017-2022

E. 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.

   1. Minutes from the January 24, 2018 Regular Board Meeting
      Recommend: Approve minutes
      Attachments: January 24, 2018 minutes

   2. December 2017 statistics and financial statements for all systems operated by HTA
      Recommend: Receive and file

   3. Humboldt Transit Authority’s Drug & Alcohol Policy
      Because of changes to the Federal Regulations 49 CFR Part 40, a revised Humboldt Transit Authority Drug & Alcohol Policy is needed to stay in compliance.
      Action Recommended: Approve amendment to Humboldt Transit Authority’s Drug and Alcohol policy by adopting Resolution 18-02.
      Attachments: HTA Drug & Alcohol Policy

F. Items Removed from Consent Calendar
G. Old Business
1. Status of Solar Project
   A representative from McKeever Energy & Electric will give the board an update on the progress made preparing the facility to charge electric buses and vehicles.
   
   **Action Recommended: Information Only**

H. New Business
1. 2016/2017 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 or the public.
   
   **Action Recommended: Receive, review, discuss and direct staff prepare the necessary responses.**
   
   **Attachments: Draft Audit**

2. Proposed Fare Increase for Redwood Transit System
   Due to the continuing increases to the transit systems’ operating costs, staff is proposing a fare increase for all systems.
   
   **Action Recommended: Approve the proposed fare increase for Redwood Transit System and recommend to the Humboldt County Board of Supervisors to increase fares as proposed to Willow Creek, Southern Humboldt, and Tish Non-Village beginning July 1, 2018.**

3. Dial-A-Ride/Route Match Reports
   Staff has accumulated ridership reports from the DAR software program that will help determine percentages each entity contributes.
   
   **Action Recommended: Review and direct staff on how to proceed.**

I. Board Reports

J. Department Reports

K. 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.*
MINUTES FOR THE HUMBOLDT TRANSIT AUTHORITY

REGULAR BOARD MEETING
January 24, 2018

ROLL CALL

PRESENT
Board Members
Tami Trent, City of Fortuna
Rex Bohn, County of Humboldt
Steve Ladwig, City of Trinidad
Mike Wilson, County of Humboldt
Tim Marks, City of Rio Dell

Staff
Greg Pratt, General Manager
Jim Wilson, Director of Maintenance
Alene Webb, Finance Manager
Brenda Fregoso, Secretary to the Board
Karen Wilson, Manager of Operations
Consuelo Espinosa, ADA Specialist

ABSENT
Paul Pitino, City of Arcata
Natalie Arroyo, City of Eureka

Also in attendance were: Nancy Diamond, HTA Legal Counsel; Catherine Sundquist, CAE Transport; Christian Coronado, HTA Employee.

CALL TO ORDER
General Manager Greg Pratt called the meeting to order at 9:00 a.m. and announced that due to the absence of HTA Chair Arroyo and Vice Chair Pitino, the board needed to elect a temporary Chair for the meeting. Motion by Councilmember Trent, second by Councilmember Ladwig to appoint Supervisor Bohn to Chair the meeting. Motion carries unanimously

COMMUNITY MEMBERS COMMUNICATION
None

SPECIAL PRESENTATION
Supervisor Bohn read a Proclamation of Expressing Appreciation for Christian Coronado, HTA Driver, for his outstanding service when involved in an accident on Highway 299 on November 30, 2017.

CONSENT CALENDAR
By motion, recommended 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 Wilson, second by Councilmember Trent to approve the Consent Calendar. Motion carries unanimously

1. Minutes from the December 21, 2017 Regular Board Meeting
   Action Recommended: Approve minutes
2. **November 2017 statistics and financial statements for all systems**  
   *Action Recommended: Receive and File*

3. **CAE Transport Maintenance Contract**  
The maintenance contract between HTA and CAE is up renewal. HTA Staff recommends renewing the contract for a one-year term.  
   *Action Recommend: 1.) Approve the Agreement between CAE Transport, Inc. and Humboldt Transit Authority to provide vehicle maintenance and repair services and 2.) Authorize the General Manager to execute all required documents.*

   **Items Removed from the Consent Calendar**  
   None

**OLD BUSINESS**

1. **Tish Non-Village Transit Farebox Recovery Ratio**  
   General Manager Greg Pratt gave the board an update on the status of public transportation for the residents of Tish Non-Village, Fernbridge, and Loleta.

**NEW BUSINESS**

1. **State of Good Repair Projects for 2017/18**  
   Board authorization is needed to apply for State of Good Repair Funds. Staff is requesting $127,762 for projects that will improve current vehicles and facilities in the region.  
   General Manager Greg Pratt gave the board an update on the list of projects that will improve current vehicles and facilities in the region for calendar year 2017/18.  
   *Motion by Supervisor Wilson, second by Councilmember Marks to authorize General Manager Greg Pratt to submit an application for State of Good Repair Funds to the Humboldt County Association of Governments in the amount of $127,762 by adopting Resolution 18-01.*

   **Board Reports**  
   None

   **Department Reports**  
   None

Meeting adjourned at 9:15 a.m.
TO:   Chair Arroyo  
      All Governing Board Members  

FROM:   Greg Pratt, General Manager  

DATE:   February 28, 2018  

SUBJECT:   Humboldt Transit Authority’s Drug & Alcohol Policy  

Due to changes in the Federal Transit Administrations published Drug and Alcohol Regulations, the Division of Rail and Mass Transportation (DRMT) determined that all sub-recipient Drug and Alcohol Policies were effectively out-of-date and needed to be updated to become compliant with current FTA Drug & Alcohol regulations. Caltrans reviewed HTA’s policy, and sent it back to be amended by the drug and alcohol program manager and adopted by the HTA Board.  

~The draft policy with redline changes is enclosed.  

Action Recommended: Approve amendment to Humboldt Transit Authority’s Drug and Alcohol policy by adopting Resolution 18-02.
RESOLUTION 18-02
RESOLUTION OF THE HUMBOLDT TRANSIT AUTHORITY
AMENDING THE DRUG AND ALCOHOL TESTING PROGRAM POLICY

WHEREAS, on January 4, 1996, Humboldt Transit Authority adopted Resolution 96-01 implementing a drug and alcohol testing program in compliance with 49 CFR, part 40; and,

WHEREAS, this document has been amended by Resolution 18-02

WHEREAS, the Governing Board of Humboldt Transit Authority has reviewed their policy and has determined that said policy needs amendment because the Code of Federal Regulations has changed; and,

WHEREAS, it is convenient to republish the entire Drug and Alcohol Testing Program Policy as one document incorporating the appropriate changes made to the Code of Federal Regulations 49, Part 40, governing drug and alcohol testing for transportation properties.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Humboldt Transit Authority that Resolution 17-10 is hereby rescinded and are replaced by Resolution 18-02 adopting the attached document “Zero Tolerance Drug and Alcohol Testing Policy of the Humboldt Transit Authority.”

NOW, THEREFORE, BE IT FURTHER RESOLVED that;
1. Resolution 17-10 is hereby rescinded.
2. The attached Zero Tolerance Drug and Alcohol Testing Policy of the Humboldt Transit Authority is hereby adopted.
3. The General Manager is directed to accept the changes to the policy.

PASSED, APPROVED AND ADOPTED this twenty-eighth day of February 2018, on the following vote:

AYES:  
NOES:  
ABSENT:  

________________________________________________________
Chair of the HTA Governing Board of Directors

ATTEST:

________________________________________________________
Secretary to the Board
TO: Chair Arroyo  
   All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: February 28, 2018

SUBJECT: Status of Solar Project

On January 18, 2017 the HTA board signed an agreement with McKeever Energy & Electric to design, fabricate, deliver, install, operate, and maintain a Solar Photovoltaic System. Out of that effort, McKeever Energy & Electric partnered with HTA and the Schatz Energy Research Center (SERC) to develop project phases and planning in an effort to achieve HTA’s goals (summarized below). Each phase and or goal will involve the pursuit of grant and or similar funding packages.

- Phase 1 (Completed)
  - Upgrade the campus’ security system and security infrastructure.
  - Retrofit all the existing lighting to LED (low energy fixtures) and add a few LED exterior lighting fixtures for better security.
  - Power the Maintence shop with the Sun, thus removing PG&E costs for that meter.

- Phase 2 (current phase)
  - Prepare a concept plan and projects costs, obtain funding packages, and perform construction activities to upgrade the HTA’s campus electrical infrastructure so that it will meet the demands of HTA’s Phase 2 goals:
    - Project Design/Build Budget inclusive of PG&Es fees.
    - Roof-top solar on existing roofs.
    - Meter main service upgrade to ~2000 Amps at 480 Volts. McKeever is currently working with Pacific Gas & Electric to identify which transformer is capable of charging multiple electric buses and is close to obtaining a cost letter from them for their services so that HTA has a complete understand of the costs associated with the larger micro-grid project.
    - Install the first EV bus charger for the Proterra bus. The electric bus is slated to arrive in November of 2018, so we need to complete the electrical infrastructure need to charge the new EV bus.
    - Connecting the whole campus to one meter.
    - Install future conduits for Phase 3.
    - Preparing for fuel switching of the bus fleet from diesel to electric and studying those impacts (SERC is currently applying for a Caltrans grant for this work).
    - Installation of the roof-top solar on the main/admin building.
• Phase 3 (next 1-5 years)
  o Additional roof-top solar on existing roofs.
  o Installation of a micro grid and energy storage (Tesla batteries, or equivalent) on-site
    - For resiliency in emergencies.
    - For *rate arbitrage*; buying power at a low price and storing it to sell at a higher price.
  o Installation of new solar carports
  o Installation of more EV bus chargers.
  o Procurement/Deployment of additional EV buses.

Notable limitations:
• The acquisition of W Street
• The project phases are going to be grant funded, so our timeline will be dependent on available grant opportunities.

*Action Recommended: Information Only*
December 18, 2017

Board of Directors
Humboldt Transit Authority

Board of Directors and Members of Management:

We have audited the financial statements of the business-type activities of the Humboldt Transit Authority as of and for the year ended June 30, 2017. Professional standards require that we provide you with 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 October 17, 2017. 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. All significant transactions have been recognized in the financial statements in the proper period.

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 liability, net pension liability 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. Allocations of other post-employment benefits expense are based on current employees. Current year application of GASB 68 recognition of net pension liability was allocated based on current employment and CalPERS report. The estimate of deferred fare revenue is derived from available operations information and ticket usage. There is no way to value or track how many outstanding tickets exist with the current system.

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 audit.
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 auditors’ 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 clearly trivial, and communicate them to the appropriate level of management. The following material misstatements detected as a result of the audit and corrected by management:

- Record Disposed Assets and related accumulated depreciation (93,017)
- Record additional funds received for Federal operating assistance (5311) for Southern Humboldt Intercity 81,295
- Record as receivable Federal funds for bus purchase 348,500

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 18, 2017.

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 Members, HCAOG 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
TO:     Chair Arroyo  
        All Governing Board Members

FROM:   Greg Pratt, General Manager

DATE:   February 28, 2018

SUBJECT: Proposed Fare Increase for Redwood Transit System

Due to the increasing costs of fuel, workers compensation, insurances premiums, and employee contract obligations, HTA staff is proposing a fare increase for the Redwood Transit System. Traditionally, cash fares have been increased at a higher rate to encourage multi-pass purchases to expedite boarding times. The recommendation is as follows:

<table>
<thead>
<tr>
<th>RTS</th>
<th>Current</th>
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<td>31 Day Regular</td>
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<td>Week Pass Regular</td>
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<td>Day Pass Regular</td>
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<td>In-Town Cash Fare</td>
<td>$1.90</td>
<td>10.00%</td>
<td>$2.10</td>
</tr>
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</table>

Staff is also proposing that the Humboldt Transit Authority Governing Board of Directors make a recommendation to the County Board of Supervisors to increase the fares on Willow Creek, Southern Humboldt, and Tish Non-Village Transit. Attached are fares from systems that the Humboldt Transit Authority operates.
<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>% Increase</th>
<th>Proposed</th>
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</thead>
<tbody>
<tr>
<td><strong>Willow Creek</strong></td>
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<tr>
<td>31 Day Regular</td>
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<table>
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<tr>
<th><strong>SoHum Intercity</strong></th>
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<td>5.00%</td>
<td>$62.00</td>
</tr>
<tr>
<td>31 Day Reduced</td>
<td>$54.00</td>
<td>5.00%</td>
<td>$57.00</td>
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<td>Week Pass Regular</td>
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<td>In-Town Cash Fare</td>
<td>$1.90</td>
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Action Recommended: Approve the proposed fare increase for Redwood Transit System and recommend that the Humboldt County Board of Supervisors increase fares as proposed to Willow Creek, Southern Humboldt, and Tish Non-Village beginning July 1, 2018.