



**Foothill Transit**  
Going Good Places

## **EXECUTIVE BOARD MEETING**

West Covina, CA  
Friday, August 25, 2017



Foothill Transit

# Executive Board Meeting AGENDA

EXECUTIVE BOARD MEETING  
8:00 AM, August 25, 2017  
Foothill Transit Administrative Office  
2<sup>nd</sup> Floor Board Room  
100 South Vincent Avenue  
West Covina, CA 91790

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. FOCUS ON SAFETY
4. ROLL CALL: MEMBERS CALAYCAY, HERRERA, PEDROZA, STERNQUIST, WARSHAW
5. APPROVAL OF AGENDA
6. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JUNE 30, 2017
7. PRESENTATIONS:
  - 7.1. Contractors' Employee Recognition
  - 7.2. Carol Herrera Recognition

---

Public Comment: Members of the public shall have the right to address the Board on any item of interest which is within the jurisdiction of the Board before or during the Board's consideration of the item. Presentation shall not exceed three minutes in length. Action may be taken on any item identified on the agenda. Persons wishing to comment should submit a "Request to Speak" form to the Secretary. Note: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA.

The public may view and obtain all written information supporting this agenda provided to the board both initially and supplementary prior to the meeting by calling (626) 931-7300 extension 7204 or at the agency's offices located at 100 S. Vincent Ave., Suite 200, West Covina, CA 91790. Documents, including PowerPoint handouts, distributed to Board Members by staff or Board Members at the meeting will simultaneously be made available to the public upon request.



8:00 AM, August 25, 2017  
2nd Floor Board Room, 100 South Vincent Avenue, West Covina, CA 91790  
Page 2

8. PUBLIC COMMENT

8.1. Executive Director Response to Public Comment

**CONSENT CALENDAR:** Items 9 through 16 are consent items which may be received and filed and/or approved by the board in a single motion. If any member of the Executive Board wishes to discuss a consent item, please request that the item be pulled for further discussion and potential action.

9. FISCAL YEAR 2016-2017 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY

*Recommended Action: Receive and file the Financial Statements and Investment Summary report for Fiscal Year 2016-2017.*

---

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Executive Director's office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

If you require translation services, please contact the Executive Director's office at (626) 931-7300 extension 7204, at least 48 hours prior to the meeting.

Si necesita servicios de traducción, por favor póngase en contacto con la oficina del Director Ejecutivo en el (626) 931-7300, extensión 7204, al menos 48 horas antes de la reunión.

如果需要翻译服务，请至少于会议前48小时致电高级主任办公室：(626) 931-7300 分机 7204。

Nếu Quý vị có yêu cầu dịch vụ dịch thuật, xin vui lòng liên hệ với văn phòng Giám đốc Điều hành tại (626) 931-7300 số lẻ 7204, ít nhất 48 giờ trước khi cuộc họp.

Kung nangangailangan ka ng mga serbisyo sa pagsasalín, pakisuyong makipag-ugnayan sa opisina ng Executive Director sa (626) 931-7300 extension 7204, ng hindi bababa sa 48 oras bago ang pulong.

번역 서비스가 필요하시면 미팅 최소 48시간 이전에 임원 사무실로 (626-931-7300, 내선 번호 7204) 전화주시기 바랍니다.

翻訳サービスが必要な方は、会議の48時間前までに(626) 931-7300 内線 7204のエグゼクティブディレクター事務所にご連絡ください。

إن كنت بحاجة إلى خدمات ترجمة، برجاء الاتصال بالمدير التنفيذي للمكتب على رقم (626) 931-7300 (الرقم الداخلي 7204) قبل الاجتماع بـ 48 ساعة على الأقل.

Եթե Ձեզ թարգմանչական ծառայությունների են հարկավոր, հանդիպումից առնվազն 48 ժամ առաջ խնդրում ենք զանգահարել Գործադիր տնօրենի գրասենյակ (626) 931-7300 լրացուցիչ 7204 հեռախոսահամարով:

ប្រសិនបើលោកអ្នកស្នើសុំសេវាកម្មបកប្រែភាសា សូមទាក់ទងមកកាវិយាល័យនាយកប្រតិបត្តិ តាមលេខទូរស័ព្ទ៖ (626) 931-7300 លេខបញ្ជូនបន្ត 7204 ដែលមានរយៈពេលយ៉ាងតិច 48 ម៉ោង មុនពេលកិច្ចប្រជុំ។

در صورت نیاز به خدمات ترجمه، لطفاً حداقل 48 ساعت قبل از جلسه ملاقات با مدیر اجرایی دفتر به شماره (626) 931-7300 داخلی 7204 تماس حاصل فرمایید.

หากคุณต้องการบริการการแปลภาษากรุณาติดต่อสำนักงานผู้อำนวยการที่ (626) 931-7300 ต่อ 7204, อย่างน้อย 48 ชั่วโมงก่อนที่จะมีการประชุม



8:00 AM, August, 25, 2017

2<sup>nd</sup> Floor Board Room, 100 South Vincent Avenue, West Covina, CA 91790

Page 3

10. JULY 2017 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY

*Recommended Action: Receive and file the Financial Statements and Investment Summary year-to-date report through July 31, 2017. The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of July 31, 2017, for the fiscal year ending June 30, 2018.*

11. JULY 2017 PERFORMANCE INDICATORS REPORT

*Recommended Action: Receive and file the July 2017 Performance Indicators Report.*

12. AUGUST 2017 LEGISLATIVE SUMMARY

*Recommended Action: Receive and file the August 2017 Legislative Summary. There are no recommended positions on bills this month.*

13. COACH OPERATOR AUDIT RESULTS

*Recommended Action: Receive and file the results of the FY2016-2017 Fourth Quarter Coach Operator Audits.*

14. Foothill TRANSIT 2017 TITLE VI PROGRAM

*Recommended Action: Approve Foothill Transit's 2017 Title VI Program update and analysis (the full Title VI Program and its associated attachments are available for viewing upon request).*

15. PROPOSED PROUREMENT POLICIES AND PROCEDURES MANUAL REVISIONS

*Recommended Action: Adopt the proposed Procurement Policies and Procedures Manual Revisions.*

16. MOU AMENDMENT - ART COMPONENT AND COST SHARING FOR THE AZUSA INTERMODAL TRANSIT CENTER PROJECT

*Recommended Action: Authorize the Executive Director to execute an amendment to the Memorandum of Understanding with the City of Azusa for the Art Component at the Azusa Intermodal Transit Center. The amendment is in the amount of \$1,475 with an additional 10 percent (or \$6,655) not-to-exceed amount for unforeseen change orders on the mural installation artwork.*



8:00 AM, August 25, 2017  
2<sup>nd</sup> Floor Board Room, 100 South Vincent Avenue, West Covina, CA 91790  
Page 4

REGULAR AGENDA:

17. 2017 LOS ANGELES COUNTY FAIR SERVICE

*Recommended Action: Receive and file the report on Foothill Transit's 2017 Los Angeles County Fair service.*

18. AMERICAN PUBLIC TRANSPORTATION ASSOCIATION SAFETY REVIEW

*Recommended Action: Receive and file the American Public Transportation Association (APTA) Safety Review results.*

19. PROPERTY LEASE - DOWNTOWN LOS ANGELES MID-DAY LAYOVER

*Recommended Action: Authorize the Executive Director to enter into a lease agreement with Caltrans in the amount of \$47,500 per month through December 2018 for approximately 4.5 acres of land owned by Caltrans for use as a mid-day commuter bus layover, if a cost sharing MOU can be negotiated with LADOT to share in the capital and operating expenses. The 4.5 acres is comprised of two sites, one located at the intersection of Maple Avenue and 16<sup>th</sup> Street, and the second at the intersection of Grand Avenue and 17<sup>th</sup> Street, both in downtown Los Angeles.*

20. OCTOBER 2017 FARE AND SERVICE CHANGES

*Recommended Action: Receive and file the October 2017 Fare and Service Change report.*

21. FISCAL YEAR 2016-2017 PERFORMANCE INDICATORS REPORT

*Recommended Action: Receive and file the FY2016-2017 Performance Indicators Report.*

22. FISCAL YEAR 2016-2017 YEAR-END BUDGET UPDATE

*Recommended Action: Receive and file the year-end budget update for the fiscal year ending on June 30, 2017. The attached Departmental Year-End Budget summarizes Foothill Transit's expenditures through the fourth quarter for fiscal year 2016-2017.*

23. EXECUTIVE DIRECTOR COMMENT

24. BOARD MEMBER COMMENT



8:00 AM, August 25, 2017

2<sup>nd</sup> Floor Board Room, 100 South Vincent Avenue, West Covina, CA 91790

Page 5

25. CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
(Government Code § 54956.8)

Property Address/Location: 1162 N. Citrus Avenue and 117 E. Covina Boulevard,  
Covina, CA

Agency Negotiator(s): Doran J. Barnes, Sharlane Bailey, Jane Starke, Darold D.  
Pieper, Kevin Parks McDonald

Negotiating Parties: MLC Holdings

Under Negotiation: Price and Terms

26. ADJOURNMENT

The next Regular Meeting of the Executive  
Board is scheduled for  
Friday, September 29, 2017 at 8:00 a.m.



**Foothill Transit**

**STATEMENT OF PROCEEDINGS FOR THE  
REGULAR MEETING OF THE  
FOOTHILL TRANSIT EXECUTIVE BOARD**

**FOOTHILL TRANSIT ADMINISTRATIVE OFFICE  
2<sup>ND</sup> FLOOR BOARD ROOM  
100 S. VINCENT AVENUE  
WEST COVINA, CALIFORNIA 91790**

**Friday, June 30, 2017  
8:00 a.m.**

**1. CALL TO ORDER**

The meeting was called to order by Chair Calaycay at 8:03 a.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Executive Board Member Pedroza.

**3. FOCUS ON SAFETY**

Ali Showkatian, Safety Compliance Manager, presented a safety message on Fourth of July safety.

**4. ROLL CALL**

Roll call was taken by Christina Lopez, Board Secretary.

Present: Member Sam Pedroza, Member Cynthia Sternquist, Member Carol Herrera, Vice Chair Corey Warshaw, Chair Corey Calaycay

**5. APPROVAL OF AGENDA**

Staff requested that Item 7.2 Introduction of New and Promoted Staff be pulled from today's agenda and presented at a future meeting. Item 15 Contract Award - 13 Electric Bus Procurement and Item 17 Contract Award - Electric Bus Plug-In Charging Stations be pulled from the consent calendar and be presented.

The Executive Board approved the agenda as revised.

**6. REVIEW & APPROVAL OF THE MINUTES**

Approval of the minutes for the Joint Meeting – Annual Governing Board Meeting and Executive Board Meeting, and Special Executive Board Meeting of May 26, 2017.

Motion by Vice Chair Warshaw, second by Member Sternquist, the Joint Meeting – Annual Governing Board Meeting and Executive Board Meeting, and Special Executive Board Meeting of May 26, 2017 were approved. Motion carried 5-0.

**7. PRESENTATIONS**

**7.1 Contractors' Employee Recognition**

Bill Jackson, General Manager, Transdev, introduced and recognized the following Arcadia location Transdev operators and employees of the month:

Larry Horrice, Operator of the Month (May 2017)  
Charlene Nicholson, Employee of the Month (May 2017)

Richard Barrows, Operator of the Month (June 2017)  
Vanessa Romero, Employee of the Month (June 2017)

After discussion, by Common Consent, and there being no objection, the Board recognized the operators and employees of the month.

**7.2 New & Promoted Staff**

This presentation was pulled from the agenda and will be presented at a future meeting.

**8. PUBLIC COMMENT**

Kevin Ooms, Vice President, Reporting and Accounting, Transdev, addressed the Executive Board.

Stephen Shaw, President and CEO, Keolis, addressed the Executive Board.

**8.1 Executive Director Response to Public Comment**

There was no response by the Executive Director to Public Comment.



## **CONSENT CALENDAR**

Item 15 Contract Amendment – 13 Electric Bus Procurement and Item 17 Contract Award – Arcadia Electric Bus Plug-In Charging Station were pulled from the consent calendar for presentation.

### **9. MAY 2017 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY**

Recommendation: Receive and file the Financial Statements and Investment Summary year-to-date report through May 31, 2017. The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of May 31, 2017 for the fiscal year ending June 30, 2017.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

### **10. MAY 2017 PERFORMANCE INDICATORS REPORT**

Recommendation: Receive and file the May 2017 Performance Indicators Report.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

### **11. JUNE 2017 LEGISLATIVE SUMMARY**

Recommendation: Receive and file the June 2017 Legislative Summary. Adopt an oppose position on SB 268.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file, and adopt. Motion carried 5-0.

### **12. TITLE VI ANALYSIS FOR OCTOBER 2017 SERVICE CHANGES**

Recommendation: Receive and file the Title VI analysis report for service changes that will be implemented in October 2017. The full report is available for viewing upon request.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

**13. TITLE VI ANALYSIS FOR OCTOBER 2017 FARE RESTRUCTURING**

Recommendation: Receive and file the Title VI analysis report for fare restructuring that will be implemented in October 2017. The full report is available for viewing upon request.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

**14. FOOTHILL TRANSIT ADMINISTRATIVE OFFICES ELECTRIC VEHICLE CHARGING UPDATE**

Recommendation: Receive and file the Foothill Transit Administrative Offices Electric Vehicle Charging Update.

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

**15. CONTRACT AMENDMENT - 13 ELECTRIC BUS PROCUREMENT**

Recommendation: Authorize the Executive Director to execute Amendment No. 1 to Contract No. 15-055 with Proterra in the amount of Eight Hundred Ninety-Eight Thousand Eight Hundred Fifty-Four Dollars (\$898,854) plus California sales and use tax, for design changes on thirteen buses as requested by Foothill Transit.

Roland Cordero, Director of Maintenance and Vehicle Technology, presented this item.

Mr. Cordero reported that Foothill Transit currently has an order for 13 extended range electric buses that are currently being built at Proterra's City of Industry manufacturing plant. Proterra's price quote was \$789,000 per bus and this is for the standard bus design. This does not include bus painting for the livery and installation of safety related equipment, required by Foothill Transit. The total cost of the added component is \$34,639 per bus, plus applicable taxes. The total cost for the 13 electric buses is \$450,307 plus sales tax. Mr. Cordero stated that the total cost amount is a revision to what was published in the agenda.

Motion by Member Pedroza, second by Member Sternquist, to approve the revised recommendation with the total cost amount of \$450,307 plus California sales and use tax, for changes on the 13 buses as requested by Foothill Transit. Motion carried 5-0.

16. **CONTRACT AWARD - ON-CALL ARCHITECTURAL AND ENGINEERING SERVICES**

Recommendation: Authorize the Executive Director to negotiate final terms and conditions and execute Contract No. 17-069 with RNL Interplan, Inc. (RNL) for the provision of On-Call Architectural & Engineering Services.

Motion by Member Herrera, second by Vice Chair Warshaw, to approve. Motion carried 5-0.

17. **CONTRACT AWARD - ARCADIA ELECTRIC BUS PLUG-IN CHARGING STATIONS**

Recommendation: Authorize the Executive Director to negotiate final terms and conditions and enter into an agreement with Proterra in an amount not to exceed \$1,800,000 to design, construct, and install 14 plug-in chargers and one shop charger at the Arcadia Operations and Maintenance Facility (Arcadia Facility).

Roland Cordero, Director of Maintenance and Vehicle Technology, presented this item.

Mr. Cordero reported that this year marks Foothill Transit's seventh year in operating fast-charged battery electric buses on Line 291. Foothill Transit currently has an order for extended range electric buses with Proterra. These new electric buses will have an extended range of 254 miles. The delivery of the first bus is slated for August 2017. The new buses will service the Line 280. Two charging stations will be installed at the Azusa Intermodal Transit Center. In-depot charging will take place at the Arcadia Operations and Maintenance Facility.

Large scale deployment of a full fleet of extended range electric vehicles with overnight depot charging has not been done before, and Foothill Transit has been working with Proterra to design and put in place the infrastructure required for this crucial step toward full fleet electrification.

Motion by Member Sam Pedroza, second by Vice Chair Warshaw, to approve. Motion carried 5-0.

18. **FEDERAL FISCAL YEAR 2016-2017 TRIENNIAL REVIEW DRAFT REPORT**

Recommendation: Receive and file the Federal Transit Administration draft

Triennial Review report (Attachment A).

Motion by Member Herrera, second by Vice Chair Warshaw, to receive and file. Motion carried 5-0.

## **REGULAR AGENDA**

### **19. LOS ANGELES - SAN BERNARDINO INTER-COUNTY STUDY UPDATE**

Recommendation: Receive and file the Los Angeles-San Bernardino Inter-County Study Update.

Joe Raquel, Director of Planning, presented this item.

Mr. Raquel reported that the Los Angeles - San Bernardino Inter-County study focuses on the travel corridors in the eastern side of the San Gabriel Valley and the western side of San Bernardino County. This is a multi-agency study led by the Southern California Association of Governments (SCAG). The study is looking at ways to improve travel between the two counties as the population in the region grows.

Mr. Raquel introduced Steve Fox, Senior Regional Planner, SCAG to provide an update on the study. Mr. Fox reported on the progress to date, which includes community outreach, public open houses, an online survey, and meetings with stakeholder groups to solicit feedback.

The project team, along with the Technical Working Group and the Stakeholder Review Committee have conducted the high-level initial screening of the alternatives and refined these into six alternatives to advance to the second state of analysis that includes ridership forecasting, a facility and capacity analysis, and a cost/benefit analysis. The six alternatives are No-Build Alternative, Transportation Systems Management (TSM) Alternative, Local/Regional Light Rail Alternative, Commuter Rail Alternative, Local/Regional Hybrid Rail Alternative, and BRT/Express Bus Alternative.

Next steps of the study will be to conduct a second online survey. The project team will then incorporate public input and analyze the alternative and present draft study recommendations to stakeholders for further review.

Received and filed.

**20. PROPERTY LEASE - DOWNTOWN LOS ANGELES MIDDAY LAYOVER**

Recommendation: Authorize the Executive Director to enter into a lease agreement with Caltrans in the amount of \$28,600 per month through December 2018 for approximately 3.28 acres of land owned by Caltrans and located at the intersection of Maple Avenue and 16<sup>th</sup> Street in downtown Los Angeles for use as a midday commuter bus layover.

Kevin Parks McDonald, Deputy Executive Director, presented this item.

Mr. McDonald reported that for a number of years Foothill Transit has looked for a suitable and financially feasible location in Downtown Los Angeles for midday parking of the commuter bus fleet. Late last year, discussions were held with the Los Angeles Department of Transportation (LADOT) and the Los Angeles Mayor's office on the possibility of identifying a location that LADOT can use as their primary bus location as they look to electrify their fleet and as a location Foothill Transit can use during the midday as their buses are in service. Recently, just over three acres of land that are owned by Caltrans at 16<sup>th</sup> Street and Maple has become available for lease. LADOT is not ready to enter into a lease agreement until January 2019. However, it may be feasible for Foothill Transit to enter into short term lease of that property in the interim, so Foothill Transit can use it as parking for the commuter buses.

Foothill Transit currently uses 61 buses in the morning for the commuter service. All those buses deadhead back to the operation facilities. Forty-four of those buses deadhead westbound in the afternoon to bring back customers to the San Gabriel Valley. These are miles where Foothill Transit is not carrying any customers.

In terms of cost, if Foothill Transit were to lease the location in downtown, there would be an estimated cost savings of just over \$400,000.

Motion by Vice Chair Warshaw, second by Member Herrera, to approve.  
Motion carried 5-0.

**21. CONTRACT AWARD - CNG BUS PROCUREMENT**

Recommendation: 1. Authorize the Executive Director to negotiate and execute an assignment for the purchase of 45 Gillig CNG low-floor 40-foot transit buses from San Diego Metropolitan Transit System (MTS) and 2. Authorize the Executive Director to negotiate and execute a contract in the amount of Twenty-Eight Million Four Hundred Eleven Thousand and Thirteen

Dollars (\$28,411,013), California Sales Tax included with Gillig for the purchase of 45 CNG low-floor 40-foot transit buses for delivery in FY 2017-2018 pursuant to the assignment from MTS.

Roland Cordero, Director of Maintenance and Vehicle Technology, presented this item.

Mr. Cordero reported that Foothill Transit has acquired its Compressed Natural Gas (CNG) buses from NABI/New Flyer, but there are no more options available with that contract. Currently, Foothill Transit has 45 40-foot CNG buses that have met and exceeded the FTA guidelines for fleet retirement. An opportunity to purchase 45 CNG buses using an assumable option with San Diego Metropolitan Transit System is available to Foothill Transit. The San Diego Metropolitan Transit System's contract is with Gillig. Gillig is a bus manufacturer located in Livermore, California. The preliminary first delivery of 25 buses will be in April 2018 and the remaining 20 arriving in October 2018. This would be expected to be Foothill Transit's last CNG bus procurement, as Foothill Transit moves forward to achieving a 100 percent electric fleet.

Motion by Vice Chair Warshaw, second by Member Herrera, to approve.  
Motion carried 5-0.

## 22. **DUARTE CITY TRANSIT SERVICE**

Recommendation: Authorize the Executive Director to negotiate and execute an Agreement with the City of Duarte under which Foothill Transit would assume operation of the City's fixed-route bus service.

Kevin Parks McDonald, Deputy Executive Director, presented this item.

Mr. McDonald reported that City of Duarte staff approached Foothill Transit as they were researching electric bus opportunities to replace their current diesel fleet. Those discussions led to a discussion of a possible pilot project where Foothill Transit would assume operation of the city's fixed-route bus service based on Foothill Transit's experience with its electric bus fleet.

Foothill Transit staff have been able to ride the routes and look at the feasibility of using fast charging electric buses, however a feasible location for in-route charging was not found. There is now extended range electric vehicles available that would eliminate the need for in route fast charging of the vehicles. The city would need 35-foot buses, and to meet the need of the city, Foothill Transit would need to implement long range electric buses. At

the April 25<sup>th</sup> Duarte City Council meeting, the council unanimously approved for the City to enter into a Memo of Understanding (MOU) with Foothill Transit to provide the service. Foothill Transit would provide the service at cost, including the cost of electricity, maintenance, and operations. The benefit to Foothill Transit is that the miles provided for that service can be included in regional formula allocation procedure, which would then bring financial resources back to Foothill Transit. Operations of that service would not begin until buses are procured, which will take approximately one year.

Motion by Vice Chair Warshaw, second by Member Pedroza, to approve.  
Motion carried 5-0.

23. **REAL ESTATE ACQUISITION - COVINA TRANSIT CENTER AND PARK & RIDE PROJECT**

Recommendation: Authorize the purchase of approximately 3.07 acres of land located at 1162 N. Citrus Avenue in the City of Covina at a purchase price of \$3,830,000, including reimbursement for demolition/grading and preliminary geotechnical evaluation for a not-to-exceed amount \$300,000 for the development of the Covina Transit Center and Park & Ride Project.

Sharlane Bailey, Director of Facilities, presented this item.

Ms. Bailey reported that the transit center and park and ride will be located in the City of Covina at the northeast corner of Citrus Avenue and Covina Boulevard. The transit center project is one component of the larger Covina Forward Project, which consist of residential, transit, and city event components.

Before the preparation of the purchase and sale agreement, a number of items had to be completed such as obtaining the environmental clearance by the Federal Transit Administration (FTA). During the environmental review, Foothill Transit obtained an appraisal of the three acre property. The appraisal report for the transit parcel dated March 17<sup>th</sup> was appraised at \$3,830,000. The final step of the appraisal process was to obtain FTA concurrence. On May 10<sup>th</sup> the FTA Administrative Appraisal Review concurred with the appraisal and review appraisal reports.

The recommendation was clarified to state that the reimbursement costs are separate from the \$3,830,000. The reimbursement for the geotechnical evaluation is \$11,063, and the reimbursement for demolition/grading is \$300,000. Motion by Member Pedroza, second by Member Herrera, to

approve. Motion carried 5-0.

24. **CONTRACT AWARD - GENERAL MARKETING SERVICES**

Recommendation: Authorize the Executive Director to award a three-year contract to Pulsar Advertising, Inc. for general marketing services with a not-to-exceed amount of \$1,195,279. This contract will include two one-year options to be exercised at Foothill Transit's sole discretion.

Felicia Friesema, Director of Marketing and Communications, presented this item.

Ms. Friesema reported that Foothill Transit employs the use of a multi-service advertising agency to craft marketing strategies, conduct market research, design compelling brand strengthening graphics, manage direct mail campaigns, and launch strategic campaigns for projects.

A request for proposal (RFP) was issued in April 2017 and six advertising agencies responded and were scored on their experience, work plan, project approach, their depths in experience, team structure, and their price. All six proposers were scored in the competitive range and were invited to present and be interviewed.

Pulsar Advertising, the incumbent vendor and the vendor of record for over 20 years, was ranked the highest.

Motion by Member Pedroza, second by Vice Chair Warshaw, to approve. Motion carried 5-0.

25. **TRANSIT STORE QUARTERLY REPORT**

Recommendation: Receive and file the Transit Store Quarterly Report.

Mike Tobin, Quality Assurance Analyst, presented this item.

Mr. Tobin reported on the sales and activity for the third quarter of Fiscal Year 2016/2017, which included the months of January, February, and March 2017. Sales for these months totaled \$1.05 million, which is 16 percent lower than the same period the previous fiscal year. The average hold time for the third quarter was 21 seconds. Ninety-four percent of the 72,000 call received were handled by a customer service representative. Walk-in traffic recorded for the transit stores in the third quarter was 41,914.



Received and filed.

**26. EXECUTIVE DIRECTOR COMMENT**

Comments by Mr. Doran J. Barnes, Executive Director, Foothill Transit.

Mr. Barnes reported the following:

- This is the end of the fiscal year and Mr. Barnes thanked the Finance Department for their efforts.
- The results of the Foothill Transit Employee Survey were received. A summary report will be sent to the Executive Board.
- The transition at the Pomona yard takes place tonight. Keolis will assume operations at midnight.
- Kevin Parks McDonald, Joe Raquel, and Mr. Barnes participated in a meeting that is focusing on the development of a bus rapid transit corridor through the mid-valley area in El Monte, Baldwin Park, and linking to cities to the east. This effort is being led by Supervisor Hilda Solis.
- The July Executive Board Meeting is cancelled.
- Mr. Barnes recognized former Chair Carol Herrera for service. Member Herrera will be recognized at the next Executive Board Meeting.
- APTA Transit Board Members Seminar and Proterra Open House is scheduled to take place in July.
- Mr. Barnes announced that Ed Gill, Foothill Transit Special Legal Counsel for many years, recently passed away. Mr. Gill was a tremendous asset to Foothill Transit. Mr. Barnes thanked Director of Customer Service and Operations LaShawn King Gillespie for traveling to Washington, DC to attend Mr. Gill's services.

**27. BOARD MEMBER COMMENT**

Comments by Members of the Foothill Transit Executive Board.

- Member Herrera announced that today marked the four year anniversary that Foothill Transit took action to become independent and hire in-house employees.

**28. ADJOURNMENT**

Adjournment for the June 30, 2017 Foothill Transit Executive Board Meeting.

There being no further business, the Foothill Transit Executive Board meeting was adjourned in the memory of former Foothill Transit Special Counsel Ed Gill at 9:28 a.m.



August 25, 2017

To: Executive Board

Subject: **Fiscal Year 2016-2017 Financial Statements and Investment Summary**

---

**Recommendation**

Receive and file the Financial Statements and Investment Summary report for Fiscal Year 2016-2017.

**Analysis**

The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of June 30, 2017, for the fiscal year ending June 30, 2017.

**Balance Sheet Analysis (Attachment A):**

Assets

The balance sheet, as of June 30, 2017, shows total assets at \$322 million. This total consists primarily of \$210.9 million in fixed assets, \$96.7 million in cash and investments and \$14.4 million in receivable and prepaid assets. Foothill Transit's cash position of \$69.4 million is \$2.4 million less than the previous month.

Liabilities

The accounts payable balance is \$10.8 million. Accounts Payables include operating and maintenance for \$6.12 million and \$1.83 million for fuel.

The deferred revenue of \$62.9 million represents capital grants that are reserved for planned capital expenditures such as upcoming bus procurements and park & ride construction activities.

Investments (Attachment B)

Our current investments are held in financial instruments pursuant to Foothill Transit's investment policy. The cash and investments balance includes \$16.4 million in non-interest bearing accounts held with Bank of the West; \$31.9 million in interest bearing money market accounts with Bank of the West; \$5.97 million with Chase; and \$15 million invested in the Local Agency Investment Fund (LAIF). Longer term investments include \$24 million with



Bank of the West Agency notes; \$500,000 Bank of the West certificates of deposit; and \$2.74 million with Wells Fargo certificates of deposit.

The current interest rates on all accounts are included on Attachment B. The LAIF investment, the CD investments, and the deposits with Chase earn interest and are held for future capital and operating funding requirements.

**Operating and Capital Revenues and Expense Analysis (Attachment C)**

Fiscal Year 2016-2017 fare revenues were \$16 million which is \$3.4 million less than the budgeted amount and \$1.06 million less than June 2016. Through June 2017, ridership is nearly equal to what it was last year at this time. The ridership numbers include approximately 1.58 million new riders for Lines 190, 194 and 270 combined with an approximate six percent ridership loss resulting from the Gold Line start-up. This creates a ridership gain and a ridership loss that are approximately equal.

Operating costs through June 2017 were \$85.8 million, which is \$6.88 million less than the budget and \$10.8 million more than June 2016. Of this \$85.8 million, \$66.27 million reflects operating costs for the Arcadia and Pomona operating contractors. The other large operating expense is fuel which was \$6.19 million through June 2017.

Capital expenditures through June were \$30.8 million compared with \$27.3 million last year at this time. The annual budget for capital expenditures includes the purchase of 30 CNG buses, replacement of the CAD/AVL system, and initiation of construction for the Covina Park & Ride and Transit Center project.

Farebox Recovery Ratio

The Fiscal Year 2016-2017 farebox recovery ratio was 18.73 percent; 2.27 percent lower than the performance target of 21 percent. The farebox recovery ratio is derived by dividing the total fare revenue of \$16,082,346 by the total bus operating expense of \$85,861,729. This ratio is less than the June 2016 ratio of 22.8 percent. The decline is due to increasing operating expenses combined with declining fare revenues. This was due primarily to the agreement with L.A. Metro that Foothill Transit would honor L.A. Metro fares for the first year of operation for Lines 190, 194, and 270. The agreement will end on July 1, 2017.



**Total Disbursements (Attachment D)**

Total disbursements reflect invoices paid for the month of June 2017; they do not reflect the total expense incurred for the month. If an expense has been incurred but not yet invoiced or paid, Finance accrues the expense to properly track the expenses during the month in which they actually occurred. Total disbursements for June 2017 were \$8.55 million. Capital disbursements totaled \$1,368,295, and other significant disbursements include \$0.79 million to First Transit and \$5.03 million to Transdev for bus operating services.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Executive Director

Attachments

Foothill Transit  
Balance Sheet  
As of June 30, 2017

**Assets**

## Current Assets:

Cash	\$69,465,258
Investments	27,239,000
Due from government agencies	12,014,021
Other receivables	1,387,056
Other assets	1,047,156

Total Current Assets	111,152,490
----------------------	-------------

Property & Equipment (net of depreciation)	210,916,174
--	-------------

Total Assets	\$322,068,664
--------------	---------------

**Liabilities and Equity**

## Current Liabilities:

Accounts payable and accrued liabilities	\$10,831,166
--	--------------

Deferred Revenue	62,910,888
------------------	------------

Total Liabilities	\$73,742,055
-------------------	--------------

**Equity**

## Fund Balance:

Investment in Capital Assets	\$210,916,174
------------------------------	---------------

Current Year Change	10,188,773
---------------------	------------

Excise Tax Credit Reserve	27,221,663
---------------------------	------------

Total Equity	\$248,326,609
--------------	---------------

Total Liabilities and Equity	\$322,068,664
------------------------------	---------------

Summary of Cash and  
Investment Account  
For June 30, 2017

Cash:	Interest Rate	Term	Principal/ Book & Market Value
Bank of the West-Reg. Checking	N/A	Demand Deposit	\$11,472,301
Petty Cash	N/A	N/A	400
Revolving Fund - Transit Stores	N/A	N/A	1,200
Bank of the West-Excise Tax	N/A	Demand Deposit	5,012,287
Bank of the West-Money Market	0.450%	Demand Deposit	7,078,113
Bank of the West-Money Market	0.450%	Demand Deposit	14,617,413
Bank of the West-Money Market	0.450%	Demand Deposit	9,643,433
Bank of the West-LCTOP	0.070%	Demand Deposit	513,177
Chase Business Saving	0.180%	Demand Deposit	5,965,704
LAIF Investment	0.920%	Demand Deposit	15,161,229
Subtotal Cash on Hand			<u>\$69,465,258</u>
 Investments:			
Bank of the West:			
1 Maturity - 10/29/20 - 5yrs.	1.125%	Callable Note	\$5,000,000
2 Maturity - 05/25/21 - 5yrs.	1.250%	Callable Note	5,000,000
3 Maturity - 01/27/21 - 5yrs.	1.000%	Callable Note	5,000,000
4 Maturity - 07/27/21 - 5yrs.	1.000%	Callable Note	8,000,000
5 Maturity - 02/26/21 - 5yrs.	1.250%	Callable Note	1,000,000
	1.25-1.50%	Cert. of Deposit	500,000 (1)
	0.45-1.60%	Cert. of Deposit	2,739,000 (2)
Subtotal Investments			<u>\$27,239,000</u>
Total Cash and Investments			<u><u>\$96,704,258</u></u>

(1) Consist of 2 Cds at \$250,000 each

(2) Consist 11 Cds at \$249,000 each

**Foothill Transit**  
**Statement of Revenue and Expense**  
**For Month Ended June 30, 2017**

	Actual YTD June- 17	Budget YTD June -17	Variance	Actual YTD June - 16
<b>Fare Revenue</b>				
Farebox	\$8,330,050	\$9,900,000	(15.86%)	\$8,988,245
Pass Sales	\$3,435,100	\$4,560,000	(24.67%)	3,717,431
TAP Cash Purse	\$3,067,576	\$3,420,000	(10.30%)	3,112,977
MetroLink & Access Service	\$597,943	\$720,000	(16.95%)	599,492
EZ Transit Pass	\$651,677	\$900,000	(27.59%)	726,594
<b>Total Operating Revenue</b>	<b>\$16,082,346</b>	<b>\$19,500,000</b>	<b>(17.53%)</b>	<b>\$17,144,739</b>
<b>Operating Subsidies and Other</b>				
Transportation Development Act	\$22,940,811	\$22,940,811	0.00%	\$21,361,427
TDA-Reserve from prior years	\$3,939,281	\$13,291,392	(70.36%)	0
STA	\$1,841,803	\$1,841,803	0.00%	3,377,606
Prop A 40% Discretionary	\$16,081,241	\$16,081,241	0.00%	14,284,762
Prop A 40% BSCP	\$4,558,875	\$4,558,875	0.00%	4,485,319
Prop A Exchange	\$1,781,155	\$0	N/A	0
Prop C BSIP	\$914,207	\$914,207	0.00%	897,602
Prop C Base Restructuring	\$1,963,620	\$1,963,620	0.00%	1,927,953
Prop C Transit Service Expansion	\$327,222	\$327,222	0.00%	321,278
Transit Security-Operating	\$918,025	\$918,025	0.00%	836,183
Measure R Operating	\$10,411,724	\$10,411,724	0.00%	9,775,690
CRD Subsidy	\$3,100,000	\$0	N/A	0
Miscellaneous Transit Revenues	\$1,001,419	\$0	N/A	693,689
<b>Total Subsidies and Other</b>	<b>\$69,779,383</b>	<b>\$73,248,920</b>	<b>(4.74%)</b>	<b>\$57,961,509</b>
<b>Total Operating Revenue</b>	<b>\$85,861,729</b>	<b>\$92,748,920</b>	<b>(7.43%)</b>	<b>\$75,106,249</b>
<b>Other Revenues</b>				
Gain on Sale of Fixed Assets	\$121,056	\$0	0.00%	\$18,730
Auxiliary Revenue	\$1,370,991	\$1,475,000	(7.05%)	\$1,484,666
<b>Total Other Revenues</b>	<b>\$1,492,047</b>	<b>\$1,475,000</b>	<b>1.16%</b>	<b>\$1,503,396</b>
<b>Total Operating and Other Revenues</b>	<b>\$87,353,775</b>	<b>\$94,223,920</b>	<b>7.29%</b>	<b>\$76,609,644</b>
<b>Operating Expenses</b>				
Operations	\$75,423,587	\$79,968,120	5.68%	\$64,313,516
Maintenance & Vehicle Technology	\$801,782	\$878,940	8.78%	814,656
Marketing and Communications	\$1,515,437	\$2,139,890	29.18%	1,590,994
Information Technology	\$2,026,552	\$2,263,240	10.46%	2,147,753
Administration	\$2,587,878	\$3,264,090	20.72%	2,708,537
Procurement	\$609,992	\$848,300	28.09%	803,515
Finance	\$1,103,142	\$1,236,250	10.77%	1,090,897
Planning	\$707,851	\$975,450	27.43%	887,629
Facilities	\$1,085,507	\$1,174,640	7.59%	748,752
<b>Total Operating Expenses</b>	<b>\$85,861,729</b>	<b>\$92,748,920</b>	<b>7.43%</b>	<b>\$75,106,249</b>
<b>Other Expenses</b>				
Property Management	\$368,817	\$400,000	7.80%	\$546,751
Dial-A-Ride	\$856,305	\$750,000	(14.17%)	688,961
Special Services	\$266,925	\$325,000	17.87%	267,684
<b>Total Other Expenses</b>	<b>\$1,492,047</b>	<b>\$1,475,000</b>	<b>3.70%</b>	<b>\$1,503,396</b>
<b>Total Operating and Other Expenses</b>	<b>\$87,353,775</b>	<b>\$94,223,920</b>	<b>7.29%</b>	<b>\$76,609,644</b>
<b>Capital Revenues</b>				
Capital Grants	\$30,848,596	\$56,127,111	(45.04%)	\$27,386,888
<b>Capital Expenditures</b>				
Capital Expenditures	\$30,848,596	\$56,127,111	45.04%	\$27,386,888



**Bank Account - Check Details**

Period: 06/01/17..06/30/17

Foothill Transit

Tuesday, July 25, 2017

FOOTHILLTRANSIT\FKUUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 06/01/17..06/30/17

Check		Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry
Date	Check No.						Status
<b>B001</b>	<b>General Checking</b>						
	Phone No.		800-488-2265				
06/01/17	50220	ACCO Engineered Systems Inc.	5/17 Admin Bldg HVAC Maintenance	360.50	360.50	0.00	Posted
06/01/17	50221	Adt Security Services, Inc.	05/18-08/17 TS2 Security Services	355.23	355.23	0.00	Posted
06/01/17	50222	Andrew John Papson	Reimbursable expense - APTA Bus Conf, Reno	448.93	448.93	0.00	Posted
06/01/17	50223	Baker Donelson Bearman and Cal.	4/17 Public Affairs	9,459.10	9,459.10	0.00	Posted
06/01/17	50224	Baldwin Park Business Association	2017-2018 Membership	250.00	250.00	0.00	Posted
06/01/17	50225	Carol A. Herrera	Reimbursable Expense - APTA Exec Comm Mtgs	1,807.20	1,807.20	0.00	Posted
06/01/17	50226	Clean Energy	Arcadia CNG Upgrade	425,698.80	425,698.80	0.00	Posted
06/01/17	50227	Complete Coach Works	Repowering & Repainting Articulated Bus #1606	3,253.60	3,253.60	0.00	Posted
06/01/17	50228	Corey L. Calaycay	Reimbursable expense - APTA TBMS	357.96	357.96	0.00	Posted
06/01/17	50229	County of L.A. - Sheriff's Dept.	04/10-21 Private Entity Security	5,081.09	5,081.09	0.00	Posted
06/01/17	50230	Diversified Transportation, LLC	04/17 Monrovia Dial A Ride	67,918.11	67,918.11	0.00	Posted
06/01/17	50231	E.C. Construction Inc.		0.00	0.00	0.00	Voided
06/01/17	50232	E.C. Construction Inc.	RETAIN FROM KPO 16-023	7,862.11	7,862.11	0.00	Posted
06/01/17	50233	FEDEX Corp.	Express Mail	409.43	409.43	0.00	Posted
06/01/17	50234	Finley and Cook, PLLC	Navigator 2016 Upgrade - Consulting thru 5/15/17	5,596.25	5,596.25	0.00	Posted
06/01/17	50235	Katherine E. Gagnon	Reimbursable Expense-May	94.41	94.41	0.00	Posted
06/01/17	50236	Lawrence Ragan Communications	Subscription Renewal - Bits & Pieces	26.95	26.95	0.00	Posted
06/01/17	50237	Newage PHM, LLC	TS2 Electricity Usage	112.43	112.43	0.00	Posted
06/01/17	50238	ReadyRefresh	Drinking Water	71.75	71.75	0.00	Posted
06/01/17	50239	Regional Chamber of Commerce - SGV	2017 Annual Membership & Gala Sponsorship	500.00	500.00	0.00	Posted
06/01/17	50240	Southern California Edison Co.	4/17 Admin Bldg Electricity	12,444.97	12,444.97	0.00	Posted
06/01/17	50241	Southern California Edison Co.	04/17 Pomona Transit Electricity Usage	11,039.84	11,039.84	0.00	Posted
06/01/17	50242	Thomas J. Koontz	Rodeo Cone Killer Decals	27.19	27.19	0.00	Posted
06/01/17	50243	Toyo Landscaping Company	5/17 Admin Bldg Landscape Maintenance	1,754.29	1,754.29	0.00	Posted
06/01/17	50244	Tri - Signal Integration, Inc.	5/17 Admin Building Fire Pump Test	230.00	230.00	0.00	Posted
06/01/17	50245	Yoko Igawa	Reimbursable Expense - CTA Sacramento	157.36	157.36	0.00	Posted
06/02/17	E00597	First Transit Inc.	05/16-17 Pomona Special Service	157.23	0.00	0.00	Posted
06/02/17	E00598	First Transit Inc.	05/13/17 Pomona Special Service	600.00	0.00	0.00	Posted
06/02/17	E00599	First Transit Inc.	04/29/17 Pomona Special Service	600.00	0.00	0.00	Posted
06/02/17	E00600	New Flyer of America Inc.	Manuals Publication SR-2062	5,342.98	0.00	0.00	Posted
06/02/17	E00601	Transdev Services, Inc.	05/20/17 Arcadia Special Service U2 concert	10,301.32	0.00	0.00	Posted
06/02/17	E00602	Transdev Services, Inc.	04/23-30 Arcadia Contractor Services	1,309,517.86	0.00	0.00	Posted
06/02/17	E00603	Transdev Services, Inc.	04/16-22 Arcadia Contractor Service	612,036.53	0.00	0.00	Posted
06/08/17	50246	AFLAC	5/17 Voluntary insurance premium	1,506.22	1,506.22	0.00	Posted
06/08/17	50247	Allied Administrators for Delta Dental	07/17 Dental insurance premium	7,152.85	7,152.85	0.00	Posted
06/08/17	50248	APTA	Emerging Leaders Tuition - Chris Pieper	2,500.00	2,500.00	0.00	Posted
06/08/17	50249	Bankcard Center-Bank of the West	5/17 Agency credit card usages	33,315.86	33,315.86	0.00	Posted
06/08/17	50250	Cintas Corporation #2	First Aid Kit Supplies	186.80	186.80	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/17..06/30/17

Foothill Transit

Tuesday, July 25, 2017

FOOTHILLTRANSIT\FKUUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 06/01/17..06/30/17

Check		Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry
Date	Check No.						Status
06/08/17	50251	City of Pomona - Passes	Feb-April 2017 - Get About Tickets	2,000.00	2,000.00	0.00	Posted
06/08/17	50252	Crowe Horwath LLP	Professional services - period end 5/14/17	15,000.00	15,000.00	0.00	Posted
06/08/17	50253	Darold D. Pieper Attorney at Law	5/17 Legal Fees	7,174.15	7,174.15	0.00	Posted
06/08/17	50254	Ecos Systems, Inc.	Ecos Readers and IDs	3,606.20	3,606.20	0.00	Posted
06/08/17	50255	Finley and Cook, PLLC	Navigator 2016 Upgrade - Consulting thru 5/26/17	25,042.05	25,042.05	0.00	Posted
06/08/17	50256	Home Depot Credit Services	Facility Supplies	1,316.67	1,316.67	0.00	Posted
06/08/17	50257	Instant Signs Inc.	Vinyl Banner	438.18	438.18	0.00	Posted
06/08/17	50258	Jarrett Stoltzfus	Employee rideshare program	100.00	100.00	0.00	Posted
06/08/17	50259	Landmark Healthplan of California, Inc.	06/17 Chiropractor insurance premium	336.37	336.37	0.00	Posted
06/08/17	50260	Margaret McAustin	May 2017 Board Meeting Fee	140.38	140.38	0.00	Posted
06/08/17	50261	Metrolink	05/17 Metrolink passes	50,426.25	50,426.25	0.00	Posted
06/08/17	50262	Mobile Relay Associates Inc.	Equipment install	12,928.77	12,928.77	0.00	Posted
06/08/17	50263	Omnitrans	5/17 Omnitrans passes	5,186.40	5,186.40	0.00	Posted
06/08/17	50264	Sheraton Fairplex Hotel	Deposit for 2017 Foothill Transit Company Picnic	6,339.36	6,339.36	0.00	Posted
06/08/17	50265	State Compensation Insurance Fund	6/17 Workers Comp Insurance Premium	5,704.00	5,704.00	0.00	Posted
06/08/17	50266	Thomas J. Koontz	05/17 Footnotes Monthly Newsletter	3,761.51	3,761.51	0.00	Posted
06/08/17	50267	Thompson Coburn LLP	General Legal	10,743.60	10,743.60	0.00	Posted
06/08/17	50268	Waste Management	6/17 Arcadia Warehouse Trash	249.14	249.14	0.00	Posted
06/08/17	50269	Willie J. Brooks	6/17 Indoor Plant Care	449.75	449.75	0.00	Posted
06/08/17	50270	Wright Express	June bill 2017	559.95	559.95	0.00	Posted
06/08/17	50271	Zonar Systems Inc.	05/17 EVIR Renewal FOO0655 GTC	2,527.00	2,527.00	0.00	Posted
06/09/17	E00604	First Transit Inc.	04/17 Pomona PMI's	14,500.00	0.00	0.00	Posted
06/09/17	E00605	First Transit Inc.	05/1-15 Pomona Contractor Services	752,220.08	0.00	0.00	Posted
06/09/17	E00606	International City Management Assoc. Retirement Co	Payroll ending 6/3/17 retirement funds	37,541.34	0.00	0.00	Posted
06/09/17	E00607	Transdev Services, Inc.	05/1-15 Arcadia Contractor Services	917,098.98	0.00	0.00	Posted
06/09/17	E00608	Transdev Services, Inc.	Reimbursement for 1603	8,722.20	0.00	0.00	Posted
06/15/17	50272	4imprint Inc.	Re-order of Lunch Koozie	7,731.26	7,731.26	0.00	Posted
06/15/17	50273	ACC Business	Internet	4,207.76	4,207.76	0.00	Posted
06/15/17	50274	Ashlien Savage	Replenish petty cash fund	2,427.84	2,427.84	0.00	Posted
06/15/17	50275	AT and T - 105068	EI Monte Back line	35.05	35.05	0.00	Posted
06/15/17	50276	AT and T - 5025	Phone Service	121.93	121.93	0.00	Posted
06/15/17	50277	AT and T - 5025	EI Monte phone line (626)452-1579 & (626)452-1587	223.22	223.22	0.00	Posted
06/15/17	50278	AT and T - 5025	EI Monte Router line	254.55	254.55	0.00	Posted
06/15/17	50279	AT and T Mobility II LLC	Avail Cellular	540.40	540.40	0.00	Posted
06/15/17	50280	Athens Services	6/17 Admin Trash Service & Parking Lot Sweeping	1,179.48	1,179.48	0.00	Posted
06/15/17	50281	Ballet Folklorico Int. de Lucia	World Dance Celebration	150.00	150.00	0.00	Posted
06/15/17	50282	California Choice	7/17 Medical insurance premium	47,527.28	47,527.28	0.00	Posted
06/15/17	50283	Christopher Pieper	Educational Assistance and Reimbursement	2,115.00	2,115.00	0.00	Posted
06/15/17	50284	Civic Resource Group International Inc.	Website Maintenance - 05/17	2,850.00	2,850.00	0.00	Posted
06/15/17	50285	Clean Energy	04/17 Pomona CNG Facility Maintenance	412,470.63	412,470.63	0.00	Posted
06/15/17	50286	Come Land Maintenance Service Company Inc.	6/17 Janitorial Services	2,980.00	2,980.00	0.00	Posted
06/15/17	50287	Complete Coach Works	Repowering & Repainting Articulated Bus #1621	206,534.40	206,534.40	0.00	Posted
06/15/17	50288	Crown Castle USA Inc.	Tower Rental	770.35	770.35	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/17..06/30/17

Foothill Transit

Tuesday, July 25, 2017

FOOTHILLTRANSIT\FKUUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 06/01/17..06/30/17

Check		Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry
Date	Check No.						Status
06/15/17	50289	Denise Guerra	Travel Advance - SHRM Annual Conference	300.00	300.00	0.00	Posted
06/15/17	50290	Digium Inc.	Arcadia Phone	1,108.65	1,108.65	0.00	Posted
06/15/17	50291	Fanfare Sports Marketing	Monrovia HS	479.00	479.00	0.00	Posted
06/15/17	50292	Frontier California Inc.	Industry Park and Ride Phone Line	392.47	392.47	0.00	Posted
06/15/17	50293	G4S Secure Integration LLC	05/17 Security Maintenance	10,400.92	10,400.92	0.00	Posted
06/15/17	50294	GetGo, Inc.	OpenVoice Audio Service	78.33	78.33	0.00	Posted
06/15/17	50295	Grand Car Wash	Vehicle washing	652.58	652.58	0.00	Posted
06/15/17	50296	Historical Society of West Covina	Summer Fest 2017, Citizen of Year (ad + 2 tkts)	680.00	680.00	0.00	Posted
06/15/17	50297	Joshua Seth Landis	Reimburse for Rotary Club of Pomona 17-18 Dues	2,655.00	2,655.00	0.00	Posted
06/15/17	50298	Lazar and Associates	Holiday Schedule Translation Summer	170.00	170.00	0.00	Posted
06/15/17	50299	Linda Garrison	Yoga instruction	260.00	260.00	0.00	Posted
06/15/17	50300	MetroKinetics, Inc.	Scheduling Software Consultant	2,315.00	2,315.00	0.00	Posted
06/15/17	50301	Mobile Relay Associates Inc.	Mobile Radio Digital Airtime	20,154.65	20,154.65	0.00	Posted
06/15/17	50302	Monrovia Fire Fighters Assoc.	Disaster Preparedness/Fire Safety	550.00	550.00	0.00	Posted
06/15/17	50303	Neil Beightol	Bus Stop Materials	2,126.60	2,126.60	0.00	Posted
06/15/17	50304	New Flyer of America Inc.	Billing for manuals	7,827.00	7,827.00	0.00	Posted
06/15/17	50305	Proterra LLC	Side a/ side B 2017 PMI	1,387.80	1,387.80	0.00	Posted
06/15/17	50306	Pulsar Advertising	04/17 Consulting services	24,479.00	24,479.00	0.00	Posted
06/15/17	50307	Roy Eseyan	Educational Assistance and Reimbursement	1,629.00	1,629.00	0.00	Posted
06/15/17	50308	Schindler Elevator Corporation	6/1/17 - 8/31/17 Elevator Maintenance	2,604.00	2,604.00	0.00	Posted
06/15/17	50309	Socal Office Technologies	Xerox Copier	710.12	710.12	0.00	Posted
06/15/17	50310	Southern California Edison Co.	5/17 Admin Bldg Electricity	12,937.90	12,937.90	0.00	Posted
06/15/17	50311	Suburban Water Systems	5/17 Admin Bldg Water	983.64	983.64	0.00	Posted
06/15/17	50312	Tanya Marie Pina	Educational Assistance and Reimbursement	2,115.00	2,115.00	0.00	Posted
06/15/17	50313	The Aftermarket Parts Company, LLC	after market stanchion assembly kits	15,377.37	15,377.37	0.00	Posted
06/15/17	50314	Thomas J. Koontz	Interior Cards	1,510.03	1,510.03	0.00	Posted
06/15/17	50315	Thompson Coburn LLP	Operations RFP's and Contracts	27,436.76	27,436.76	0.00	Posted
06/15/17	50316	ThyssenKrupp Elevator Corporation	Industry P&R Elevator Service	561.25	561.25	0.00	Posted
06/15/17	50317	Town Square Publication LLC	Arcadia Chamber of Commerce	1,920.00	1,920.00	0.00	Posted
06/15/17	50318	Transit Information Products	EBOOK 4.23.17	5,408.25	5,408.25	0.00	Posted
06/15/17	50319	Tri - Signal Integration, Inc.	6/17 Admin Bldg Alarm Monitoring	70.00	70.00	0.00	Posted
06/15/17	50320	Verizon Business - 15043	800 Line	21,171.90	21,171.90	0.00	Posted
06/15/17	50321	Verizon Wireless	Cell Phone	6,099.61	6,099.61	0.00	Posted
06/15/17	50322	Willie J. Brooks	06/17 Transit Store Plant Care	213.00	213.00	0.00	Posted
06/15/17	50323	Zones Inc.	HP Laserjet M506dn	2,191.47	2,191.47	0.00	Posted
06/22/17	50324-50350	Various	Voided	107,931.40	0.00	107,931.40	Voided
06/22/17	50351	A.G. Engineering, Inc.	Pomona Emergency Generator Replacement	107,931.40	107,931.40	0.00	Posted
06/22/17	50352	ACCO Engineered Systems Inc.	6/1/17 - 8/31/17 PTC HVAC Maintenance	535.50	535.50	0.00	Posted
06/22/17	50353	Baker Donelson Bearman and Cal.	5/17 Public Affairs	9,000.00	9,000.00	0.00	Posted
06/22/17	50354	California Deposition Reporters	Public Hearing on 4/22/17	1,100.90	1,100.90	0.00	Posted
06/22/17	50355	CDW Government Inc.	Lexmar Jumpdrive 128GB	132.67	132.67	0.00	Posted
06/22/17	50356	Christopher Pieper	Reimbursable expense -APTA ELP Baltimore	211.33	211.33	0.00	Posted
06/22/17	50357	CIGNA Group Insurance	6/17 Life Insurance Premium	7,986.70	7,986.70	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/17..06/30/17

Foothill Transit

Tuesday, July 25, 2017

FOOTHILLTRANSIT\FKUUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 06/01/17..06/30/17

<b>Check</b>		<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	<b>Printed Amount</b>	<b>Voided Amount</b>	<b>Entry</b>
<b>Date</b>	<b>Check No.</b>						<b>Status</b>
06/22/17	50358	David Reyno	Reimbursable Expenses	2,458.82	2,458.82	0.00	Posted
06/22/17	50359	Green's Lock and Safe	Remove and replce with new lock	479.21	479.21	0.00	Posted
06/22/17	50360	Katherine E. Gagnon	Reimbursable expenses	76.85	76.85	0.00	Posted
06/22/17	50361	LACMTA - Accounts Payable	Tokens	8,596.85	8,596.85	0.00	Posted
06/22/17	50362	LaShawn Gillespie	Reimbursable expenses	158.67	158.67	0.00	Posted
06/22/17	50363	Lazar and Associates	05/17 Interpreting services	56.55	56.55	0.00	Posted
06/22/17	50364	Lillian Lin	Reimbursable expenses	246.63	246.63	0.00	Posted
06/22/17	50365	London Lee	Educational Assistance Reimbursement	929.00	929.00	0.00	Posted
06/22/17	50366	Mobile Relay Associates Inc.	Radio installs	5,405.47	5,405.47	0.00	Posted
06/22/17	50367	Neil Beightol	Bus Stop Material	141.05	141.05	0.00	Posted
06/22/17	50368	Newage PHM, LLC	TS2 Electricity usage	7,407.62	7,407.62	0.00	Posted
06/22/17	50369	Raycom	Trip charge/ Redefine radio parameters	185.00	185.00	0.00	Posted
06/22/17	50370	Skyline Pest Control	6/17 Pest & Rodent Control	95.00	95.00	0.00	Posted
06/22/17	50371	Staples Business Adv.-Dept. LA	Office Supplies	145.14	145.14	0.00	Posted
06/22/17	50372	Steven Leonard Gandara	6/17 Reimbursables expenses	65.33	65.33	0.00	Posted
06/22/17	50373	Thomas J. Koontz	Laminated Bus Stop Posters	1,997.37	1,997.37	0.00	Posted
06/22/17	50374	Tri - Signal Integration, Inc.	Azusa P&R - Annual Fire Alarm System Test	7,557.50	7,557.50	0.00	Posted
06/22/17	50375	University of La Verne	Tuitions for Spring 2017	3,352.50	3,352.50	0.00	Posted
06/22/17	50376	Vincent Saucedo	6/17 Reimbursables	88.53	88.53	0.00	Posted
06/22/17	50377	Westgate Ctr for Leadership Management Development	Roy Eseyan Fall 2017 - Southern CA Transit Series	1,095.00	1,095.00	0.00	Posted
06/22/17	E00609	International City Management Assoc. Retirement Co	Payroll ending 6/17/17 Retirement funds	37,997.55	0.00	0.00	Posted
06/28/17	E00610	First Transit Inc.	Refund Payments from county of L. A. Probation Dep	1,250.00	0.00	0.00	Posted
06/28/17	E00611	Transdev Services, Inc.	06/17 Management services fee	160,756.83	0.00	0.00	Posted
06/28/17	E00612	Transdev Services, Inc.	05/16-31 Arcadia Contractor Services	2,007,540.79	0.00	0.00	Posted
06/30/17	50378	4imprint Inc.	Uni-ball 2017 Gel Pen	1,037.63	1,037.63	0.00	Posted
06/30/17	50379	ACCO Engineered Systems Inc.	6/17 Admin Bldg HVAC Maintenance	1,133.00	1,133.00	0.00	Posted
06/30/17	50380	Alandale Ins. Agency	FY 18 Insurance prepay premiums	135,987.06	135,987.06	0.00	Posted
06/30/17	50381	Alpine Innovations LLC	Re-order of Spudz	3,427.00	3,427.00	0.00	Posted
06/30/17	50382	Ashlien Savage	Replenish petty cash fund	478.30	478.30	0.00	Posted
06/30/17	50383	AT and T - 5019	Phone Service	305.95	305.95	0.00	Posted
06/30/17	50384	AT and T - 5025	EI Monte Phone line general	2,127.83	2,127.83	0.00	Posted
06/30/17	50385	C.A.T. Specialties	Q.A. Shirts	5,063.80	5,063.80	0.00	Posted
06/30/17	50386	California Deposition Reporters	RFP 17-053 Pre-Proposal Conference	736.83	736.83	0.00	Posted
06/30/17	50387	Capture Technologies, Inc.	05/17 Nice recorders channel expansion base rate	379.12	379.12	0.00	Posted
06/30/17	50388	City of Pomona - Passes	May - June 2017 - Get About Tickets	2,000.00	2,000.00	0.00	Posted
06/30/17	50389	Commercial Door Metal Systems, Inc.	Admin Bldg Door Repair	272.18	272.18	0.00	Posted
06/30/17	50390	Complete Coach Works	F-1803 NABI buses Seats & Barrier Installation	1,985.00	1,985.00	0.00	Posted
06/30/17	50391	Cubic Transportation Systems Inc.	Farebox equipment completion of installation	69,065.00	69,065.00	0.00	Posted
06/30/17	50392	Denise Guerra	Reimbursable expenses- SHRM 17 Annual Conference	8.92	8.92	0.00	Posted
06/30/17	50393	Diversified Transportation, LLC	05/17 Monrovia Dial A Ride	69,732.52	69,732.52	0.00	Posted
06/30/17	50394	FEDEX Corp.	Express Mail	82.26	82.26	0.00	Posted
06/30/17	50395	Frontier California Inc.	Local2	2,977.45	2,977.45	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/17..06/30/17

Foothill Transit

Tuesday, July 25, 2017

FOOTHILLTRANSIT\FKUUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 06/01/17..06/30/17

Check		Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry
Date	Check No.						Status
06/30/17	50396	Government Finance Officers Assoc.	Katie Gagnon - 6/1/17-5/31/18 Membership dues	150.00	150.00	0.00	Posted
06/30/17	50397	Green's Lock and Safe	Duplicate Keys	38.93	38.93	0.00	Posted
06/30/17	50398	Industry Public Utility Commission	5/17 Industry P&R Electricity	1,269.80	1,269.80	0.00	Posted
06/30/17	50399	Iron Mountain Inc.	5/17 Shredding Services	167.03	167.03	0.00	Posted
06/30/17	50400	Irwindale Police Officers Association	Safe & Sane Campaign	550.00	550.00	0.00	Posted
06/30/17	50401	John Xie	Reimbursable expense - Pomona Transition	296.04	296.04	0.00	Posted
06/30/17	50402	Keystone Uniform Depot	Safety vest patch for John Xie	16.08	16.08	0.00	Posted
06/30/17	50403	Linda Apodaca	Reimbursable expense - Meal/Mileage	411.16	411.16	0.00	Posted
06/30/17	50404	Los Angeles County Business Federation	Membership	5,000.00	5,000.00	0.00	Posted
06/30/17	50405	Matsumoto Consulting LLC	Price Realism Analysis - RFP 17-053	6,825.00	6,825.00	0.00	Posted
06/30/17	50406	Mobile Relay Associates Inc.	Normal Trunk Mount Installs	2,826.18	2,826.18	0.00	Posted
06/30/17	50407	Moore and Associates Inc.	06/17 Transit Store Customer Service Audits	9,241.87	9,241.87	0.00	Posted
06/30/17	50408	NAACP Pasadena Branch	Pasadena Unit #1054 -ACT-SO Competition	500.00	500.00	0.00	Posted
06/30/17	50409	Office Depot	Office Supplies	882.15	882.15	0.00	Posted
06/30/17	50410	Panera, LLC	Public Meeting	66.74	66.74	0.00	Posted
06/30/17	50411	PCM Sales Inc.	Color Laserjet Pro 400	1,386.95	1,386.95	0.00	Posted
06/30/17	50412	PlanetBids, Inc.	Bid Management Services	23,069.00	23,069.00	0.00	Posted
06/30/17	50413	Platinum Security Inc.	04/17 El Monte Security Services	4,163.28	4,163.28	0.00	Posted
06/30/17	50414	Professional Child Development Associates	Harvest Moon Gala 10/1/17	750.00	750.00	0.00	Posted
06/30/17	50415	Regional Chamber of Commerce - SGV	New Faces of the SGV	100.00	100.00	0.00	Posted
06/30/17	50416	Schindler Elevator Corporation	5/1/17 - 4/30/18 Azusa P&R Elevator Maintenance	1,920.00	1,920.00	0.00	Posted
06/30/17	50417	South Coast AQMD	Significant Project Review and/or Title V	946.06	946.06	0.00	Posted
06/30/17	50418	Southern California Edison Co.	05/17 Pomona Transit Electricity Usage	12,761.86	12,761.86	0.00	Posted
06/30/17	50419	Standard Parking Corporation	5/17 Parking Services	3,399.77	3,399.77	0.00	Posted
06/30/17	50420	Staples Business Adv.-Dept. LA	Returned item	45.23	45.23	0.00	Posted
06/30/17	50421	Thomas J. Koontz	06/17 Footnotes Monthly Newsletter	10,903.00	10,903.00	0.00	Posted
06/30/17	50422	Top Cleaners LLC	Tablecloth cleaning	200.00	200.00	0.00	Posted
06/30/17	50423	Toyo Landscaping Company	6/17 Azusa P&R Landscape Maintenance	1,754.29	1,754.29	0.00	Posted
06/30/17	50424	Virgilio Victorio	Reimbursable expense - LONO Grant App Workshop	76.66	76.66	0.00	Posted
06/30/17	50425	Walnut Valley Water District	5/17 Industry P&R Fire Sprinkler Water	129.14	129.14	0.00	Posted
06/30/17	50426	Westgate Ctr for Leadership Management Development	Transit & Paratransit Mgmt. Program - L. Lin	2,190.00	2,190.00	0.00	Posted
06/30/17	50427	Yoko Igawa	Reimbursable expense - mileage	17.12	17.12	0.00	Posted
06/30/17	50428	Zonar Systems Inc.	Renewal EVIR CSA Inspection Service	2,527.00	2,527.00	0.00	Posted
06/30/17	E00613	Avail Technologies, Inc.	CAD/AVL Replacement - Schedule 12 & 13	476,473.50	0.00	0.00	Posted
06/30/17	E00614	First Transit Inc.	05/1-15 699 Extra route miles	2,006.40	0.00	0.00	Posted
06/30/17	E00615	First Transit Inc.	05/16-31 699 Extra Route Miles	2,006.40	0.00	0.00	Posted
06/30/17	E00616	First Transit Inc.	05/20/2017 Rose Bowl Event	11,054.65	0.00	0.00	Posted
06/30/17	E00617	First Transit Inc.	06/05/2017 Pomona Special Service	99.33	0.00	0.00	Posted
06/30/17	E00618	First Transit Inc.	05/25/2017 Pomona Special Service	134.51	0.00	0.00	Posted
06/30/17	E00619	First Transit Inc.	05/21/2017 Pomona Special Service	489.27	0.00	0.00	Posted
06/30/17	E00620	First Transit Inc.	Diesel Fuel for Pomona Generator	1,553.25	0.00	0.00	Posted
<b>General Checking</b>				<b>8,721,338.78</b>	<b>2,183,901.19</b>	<b>167,436.59</b>	



August 25, 2017

To: Executive Board

Subject: **July 2017 Financial Statements and Investment Summary**

---

**Recommendation**

Receive and file the Financial Statements and Investment Summary year-to-date report through July 31, 2017.

The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of July 31, 2017, for the fiscal year ending June 30, 2018.

**Balance Sheet Analysis (Attachment A):**

Assets

The balance sheet, as of July 31, 2017, shows total assets at \$323 million. This total consists primarily of \$209 million in fixed assets, \$94 million in cash and investments and \$20 million in receivable and prepaid assets. Foothill Transit's cash position of \$67.89 million is \$1.58 million less than the previous month, and is \$2.59 million more than last year in July.

Liabilities

The accounts payable balance is \$11.4 million. Accounts Payables include operating and maintenance expenses for \$8.4 million and \$0.6 million for fuel.

The deferred revenue of \$63.16 million represents capital grants that are reserved for planned capital expenditures such as upcoming bus procurements and transit center construction activities.

Investments (Attachment B)

Our current investments are held in financial instruments pursuant to Foothill Transit's investment policy. The cash and investments balance includes \$14.6 million in non-interest bearing accounts held with Bank of the West; \$32.1 million in interest bearing money market accounts with Bank of the West; \$5.97 million with Chase; and \$15.2 million invested in the Local Agency Investment Fund (LAIF). Longer term investments include \$24 million with Bank of the West Agency notes; \$500,000 Bank of the West certificates of deposit; and \$1.25 million with Wells Fargo certificates of deposit.



The current interest rates on all accounts are included on Attachment B. The LAIF investment, the CD investments, and the deposits with Chase earn interest and are held for future capital and operating funding requirements.

**Operating and Capital Revenues and Expense Analysis (Attachment C)**

July 2017 year-to-date fare revenues were \$1.27 million which is \$177,294 less than the budgeted amount and \$84,329 less than July 2016. Through July 2017, ridership is approximately 14% less than it was last year at this time. Operating costs through July 2017 were \$7.62 million, which is \$786,079 less than the budget and \$706,656 more than July 2016. Of this \$7.62 million, \$6.16 million reflects operating costs for the Arcadia and Pomona operating contractors. The other large operating expense is fuel which was \$500,000 through July 2017.

Capital expenditures through July were \$1.1 million compared with \$200,000 last year at this time. The annual budget for capital expenditures includes the purchase of 30 CNG buses, replacement of the CAD/AVL system and initiation of construction for the Covina Park & Ride and Transit Center project.

Farebox Recovery Ratio

The July year-to-date farebox recovery ratio was 16.72 percent, approximately one percent lower than the performance target of 17.7 percent. The farebox recovery ratio is derived by dividing the total fare revenue of \$1,274,525 by the total bus operating expense of \$7,623,822. This ratio is less than the July 2016 ratio of 21 percent. The decline is due to increasing operating expenses combined with declining fare revenues. Declining bus ridership is a nationwide trend. Foothill Transit is participating in a region-wide study to analyze LA County ridership with recommendations for attracting riders.



**Total Disbursements (Attachment D)**

Total disbursements reflect invoices paid for the month of July 2017; they do not reflect the total expense incurred for the month. If an expense has been incurred but not yet invoiced or paid, Finance accrues the expense to properly track the expenses during the month in which they actually occurred. Total disbursements for July 2017 were \$7.98 million. Capital disbursements totaled \$1,326,497, and other significant disbursements include \$0.68 million to Keolis and \$3.37 million to Transdev for bus operating services.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Executive Director

Attachments



Foothill Transit  
Balance Sheet  
As of July 31, 2017

**Assets**

## Current Assets:

Cash	\$67,889,491
Investments	25,745,000
Due from government agencies	15,342,020
Other receivables	3,518,868
Other assets	1,072,816

Total Current Assets \$113,568,194

Property & Equipment (net of depreciation) 209,808,666

Total Assets \$323,376,860

**Liabilities and Equity**

## Current Liabilities:

Accounts payable and accrued liabilities \$11,406,749

Deferred Revenue 63,155,493

Total Liabilities \$74,562,242

**Equity**

## Fund Balance:

Investment in Capital Assets \$209,808,666

Current Year Change 488,008

Reserve 38,517,944

Total Equity \$248,814,618

Total Liabilities and Equity \$323,376,860

Summary of Cash and  
Investment Account  
For July 31, 2017

Cash:	Interest Rate	Term	Principal/ Book & Market Value
Bank of the West-Reg. Checking	N/A	Demand Deposit	\$9,577,253
Petty Cash	N/A	N/A	400
Revolving Fund - Transit Stores	N/A	N/A	1,200
Bank of the West-Excise Tax	N/A	Demand Deposit	5,037,287
Bank of the West-Money Market	0.85%	Demand Deposit	7,081,439
Bank of the West-Money Market	0.85%	Demand Deposit	14,624,281
Bank of the West-Money Market	0.85%	Demand Deposit	9,647,964
Bank of the West-LCTOP	0.07%	Demand Deposit	756,906
Chase Business Saving	0.18%	Demand Deposit	5,966,616
LAIF Investment	0.92%	Demand Deposit	15,196,144
Subtotal Cash on Hand			\$67,889,491
 Investments:			
Bank of the West:			
1 Maturity - 10/29/20 - 5yrs.	1.13%	Callable Note	\$5,000,000
2 Maturity - 05/25/21 - 5yrs.	1.25%	Callable Note	5,000,000
3 Maturity - 01/27/21 - 5yrs.	1.00%	Callable Note	5,000,000
4 Maturity - 07/27/21 - 5yrs.	1.00%	Callable Note	8,000,000
5 Maturity - 02/26/21 - 5yrs.	1.25%	Callable Note	1,000,000
	1.25-1.50%	Cert. of Deposit	500,000
	0.45-1.60%	Cert. of Deposit	1,245,000
Subtotal Investments			\$25,745,000
Total Cash and Investments			\$93,634,491

(1) Consist of 2 Cds at \$250,000 each

(2) Consist 11 Cds at \$249,000 each

**Foothill Transit**  
**Statement of Revenue and Expense**  
**For Month Ended July 31, 2017**

	Actual YTD July-17	Budget YTD July -17	Variance	Actual YTD July - 16
<b>Fare Revenue</b>				
Farebox	\$620,759	\$728,550	(14.80%)	\$704,395
Pass Sales	275,970	307,200	(10.17%)	281,774
TAP Cash Purse	269,697	302,118	(10.73%)	265,491
MetroLink & Access Service	52,460	58,670	(10.58%)	50,031
EZ Transit Pass	55,639	55,280	0.65%	57,162
<b>Total Operating Revenue</b>	<b>\$1,274,525</b>	<b>\$1,451,819</b>	<b>(12.21%)</b>	<b>\$1,358,854</b>
<b>Operating Subsidies and Other</b>				
Transportation Development Act	\$330,832	\$1,926,348	(82.83%)	\$1,911,734
TDA-Reserve from prior years	0	1,030,647	(100.00%)	531,331
STA	72,595	72,595	0.00%	153,484
Prop A 40% Discretionary	1,377,178	1,377,178	0.00%	1,340,103
Prop A 40% BSCP	372,080	372,080	(0.00%)	379,906
Prop A Exchange	2,000,000			
Prop C BSIP	77,517	77,517	(0.00%)	76,184
Prop C Base Restructuring	166,499	166,499	0.00%	163,635
Prop C Transit Service Expansion	27,746	27,746	0.00%	27,269
Transit Security-Operating	75,082	75,082	0.00%	76,502
Measure R Operating	870,240	870,240	0.00%	867,643
Measure M Operating	828,819	828,818	0.00%	
Miscellaneous Transit Revenues	150,710	133,333	13.03%	29,144
<b>Total Subsidies and Other</b>	<b>\$6,349,297</b>	<b>\$6,958,082</b>	<b>(8.75%)</b>	<b>\$5,556,935</b>
<b>Total Operating Revenue</b>	<b>\$7,623,822</b>	<b>\$8,409,901</b>	<b>(9.35%)</b>	<b>\$6,915,789</b>
<b>Other Revenues</b>				
Gain on Sale of Fixed Assets	\$853	\$0	0.00%	\$0
Auxiliary Revenue & CRD	87,557	135,000	(35.14%)	89,709
<b>Total Other Revenues</b>	<b>\$88,410</b>	<b>\$135,000</b>	<b>(34.51%)</b>	<b>\$89,709</b>
<b>Total Operating and Other Revenues</b>	<b>\$7,712,232</b>	<b>\$8,544,901</b>	<b>9.74%</b>	<b>\$7,005,498</b>
<b>Operating Expenses</b>				
Operations	\$6,878,874	\$6,987,795	1.56%	\$6,168,584
Maintenance & Vehicle Technology	61,944	93,760	33.93%	69,314
Marketing and Communications	68,382	190,582	64.12%	81,352
Information Technology	203,998	262,358	22.24%	155,402
Administration	128,322	303,622	57.74%	153,485
Policy & Strategic Sourcing	32,612	76,782	57.53%	31,831
Finance	123,617	176,821	30.09%	92,675
Planning	56,122	176,821	68.26%	82,700
Facilities	69,951	141,360	50.52%	81,823
<b>Total Operating Expenses</b>	<b>\$7,623,822</b>	<b>\$8,409,901</b>	<b>9.35%</b>	<b>\$6,917,166</b>
<b>Other Expenses</b>				
Property Management	\$23,767	\$37,083	35.91%	\$33,332
Dial-A-Ride	64,643	66,667	3.04%	55,000
Special Services	0	31,250	100.00%	0
<b>Total Other Expenses</b>	<b>\$88,409</b>	<b>\$135,000</b>	<b>103.04%</b>	<b>\$88,332</b>
<b>Total Operating and Other Expenses</b>	<b>\$7,712,232</b>	<b>\$8,544,901</b>	<b>9.74%</b>	<b>\$7,005,498</b>
<b>Capital Revenues</b>				
Capital Grants	\$1,092,492	\$4,677,259	(76.64%)	\$199,785
<b>Capital Expenditures</b>				
Capital Expenditures	\$1,092,492	\$4,677,259	76.64%	\$199,785

**Bank Account - Check Details**

Period: 07/01/17..07/31/17

Foothill Transit

Tuesday, August 08, 2017

FOOTHILLTRANSITFKUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 07/01/17..07/31/17

Check Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry Status
<b>B001</b>	<b>General Checking</b>						
	Phone No.		800-488-2265				
07/05/17	E00621	International City Management Assoc. Retirement Co	Payroll ending 7/1/17 Retirement Funds	38,954.00	0.00	0.00	Posted
07/07/17	50429	A.G. Engineering, Inc.	Pomona Emergency Generator Replacement	16,216.50	16,216.50	0.00	Posted
07/07/17	50430	ACCO Engineered Systems Inc.	Compressor Replacement	7,156.00	7,156.00	0.00	Posted
07/07/17	50431	AFLAC	6/17 Voluntary insurance premium	1,506.22	1,506.22	0.00	Posted
07/07/17	50432	Alireza Showkatiean	Reimbursable expense - Long Beach Transit	38.52	38.52	0.00	Posted
07/07/17	50433	AT and T - 105068	El Monte Back line	35.58	35.58	0.00	Posted
07/07/17	50434	AT and T - 5025	Phone Service	157.61	157.61	0.00	Posted
07/07/17	50435	Bankcard Center-Bank of the West	6/17 Agency credit card usages	30,968.27	30,968.27	0.00	Posted
07/07/17	50436	Carol A. Herrera	Reimbursable Expenses - APTA Exec. Cmte. Meetings	199.95	199.95	0.00	Posted
07/07/17	50437	Day - Lite Maintenance Co. Inc.	6/17 Monthly Lighting Contract	96.00	96.00	0.00	Posted
07/07/17	50438	Digium Inc.	Arcadia Phone	1,108.68	1,108.68	0.00	Posted
07/07/17	50439	Donald Luey	Reimbursable expenses - CISCO Conf Las Vegas	914.53	914.53	0.00	Posted
07/07/17	50440	EV Connect, Inc.	Admin Bldg EV Chargers	9,625.00	9,625.00	0.00	Posted
07/07/17	50441	FEDEX Corp.	Express Mail	222.97	222.97	0.00	Posted
07/07/17	50442	Finley and Cook, PLLC	Credit for accounting services	508.75	508.75	0.00	Posted
07/07/17	50443	Henry Lopez	Educational Assistance and Reimbursement	640.00	640.00	0.00	Posted
07/07/17	50444	Home Depot Credit Services	6/17 Facility Supplies	405.79	405.79	0.00	Posted
07/07/17	50445	Jon House	Educational Assistance and Reimbursement	960.00	960.00	0.00	Posted
07/07/17	50446	Joseph Raquel	Reimbursable expenses-APTA Planning Conf.	343.41	343.41	0.00	Posted
07/07/17	50447	Pacific Products and Services, LLC.	Bus Stop Supplies	2,413.52	2,413.52	0.00	Posted
07/07/17	50448	ReadyRefresh	Drinking Water	71.75	71.75	0.00	Posted
07/07/17	50449	RNL/Interplan		41,626.87	0.00	41,626.87	Financially Voided
07/07/17	50450	Rotary Club of Walnut Valley Foundation	Joe's Dues	135.20	135.20	0.00	Posted
07/07/17	50451	Roy Eseyan	Educational Assistance and Reimbursement	1,629.00	1,629.00	0.00	Posted
07/07/17	50452	South Coast AQMD	FY17-18 Emission Fees	1,262.30	1,262.30	0.00	Posted
07/07/17	50453	Staples Business Adv.-Dept. LA	Office Supplies	108.29	108.29	0.00	Posted
07/07/17	50454	TransTrack Systems Inc.	FY 17 Business Intellegence Software Renewal	35,000.00	35,000.00	0.00	Posted
07/07/17	50455	Tri - Signal Integration, Inc.	6/17 Admin Building Fire Pump Test	230.00	230.00	0.00	Posted
07/07/17	50456	U.S. Healthworks Medical Group. P.C.	Pre-Employment Physical Check - PINGPING LIN	55.00	55.00	0.00	Posted
07/07/17	50457	Vision Service Plan - (CA)	7/17 Vision insurance premium	3,762.93	3,762.93	0.00	Posted
07/12/17	E00622	First Transit Inc.	Pomona 06/1-15 699 Extra Route miles	2,006.40	0.00	0.00	Posted
07/12/17	E00623	First Transit Inc.	04-06/17 Pomona Additional running time on I-10	75,000.00	0.00	0.00	Posted
07/12/17	E00624	First Transit Inc.	Diesel Fuel for Clean Energy Generator - Pomona	1,678.25	0.00	0.00	Posted
07/12/17	E00625	First Transit Inc.	Pomona PMI's for May 2017	14,500.00	0.00	0.00	Posted
07/12/17	E00626	Transdev Services, Inc.	Reimbursement for coach 1725	78,195.33	0.00	0.00	Posted
07/12/17	E00627	Transdev Services, Inc.	Reimbursement for Coach 1807	81,325.26	0.00	0.00	Posted
07/12/17	E00628	Transdev Services, Inc.	Reimbursement for Coach 1801	77,667.57	0.00	0.00	Posted
07/12/17	E00629	Transdev Services, Inc.	06/01-15 Arcadia contractor services	862,836.31	0.00	0.00	Posted
07/12/17	E00630	Transdev Services, Inc.	07/17 Management services fee	165,901.36	0.00	0.00	Posted

**Bank Account - Check Details**

Period: 07/01/17..07/31/17

Foothill Transit

Tuesday, August 08, 2017  
FOOTHILLTRANSITFKUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 07/01/17..07/31/17

Check Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry Status
07/12/17	E00631	Transdev Services, Inc.	Arcadia 06/24/2017 Rose Bowl Arroyo Seco concert	13,229.39	0.00	0.00	Posted
07/12/17	E00632	Transdev Services, Inc.	FY 17 Incentive payment Transdev	35,000.00	0.00	0.00	Posted
07/14/17	50458	ACC Business	Arcadia Internet	4,207.76	4,207.76	0.00	Posted
07/14/17	50459	Adt Security Services, Inc.	07/14-10/13/2017 Pomona Station Security	320.91	320.91	0.00	Posted
07/14/17	50460	APTA	7/17/17-6/30/18 Membership Dues	42,409.00	42,409.00	0.00	Posted
07/14/17	50461	AT and T - 5025	EI Monte phone line (626)452-1579 & (626)452-1587	176.97	176.97	0.00	Posted
07/14/17	50462	AT and T Mobility II LLC	Avail Cellular	211.92	211.92	0.00	Posted
07/14/17	50463	Athens Services	7/17 Admin Trash Service & Parking Lot Sweeping	1,225.83	1,225.83	0.00	Posted
07/14/17	50464	California Choice	8/17 Medical insurance premium	46,671.00	46,671.00	0.00	Posted
07/14/17	50465	CDW Government Inc.	VGA Extender	1,720.15	1,720.15	0.00	Posted
07/14/17	50466	Charter Communications Inc.	Cable TV	168.48	168.48	0.00	Posted
07/14/17	50467	Chi Cheong Chik	Reimbursable expense - IT Conference	359.73	359.73	0.00	Posted
07/14/17	50468	Cintas Corporation #2	First Aid Kit Supplies	186.67	186.67	0.00	Posted
07/14/17	50469	CORT Business Services Corporation	3rd Floor Office Furniture New CK for missing50190	2,255.76	2,255.76	0.00	Posted
07/14/17	50470	Crown Castle USA Inc.	Tower Rental	770.35	770.35	0.00	Posted
07/14/17	50471	Cummins - Allison Corporation	Service for Fare Equipment	1,181.21	1,181.21	0.00	Posted
07/14/17	50472	Darold D. Pieper Attorney at Law	6/17 Legal Fees	7,160.00	7,160.00	0.00	Posted
07/14/17	50473	Day - Lite Maintenance Co. Inc.	Admin Bldg Lighting Repair	556.45	556.45	0.00	Posted
07/14/17	50474	Ettie Lee Homes, Inc.	Sponsorship	300.00	300.00	0.00	Posted
07/14/17	50475	FEDEX Corp.	Express Mail	59.91	59.91	0.00	Posted
07/14/17	50476	Frontier California Inc.	Fax line 7/1-7/31/17	51.47	51.47	0.00	Posted
07/14/17	50477	G4S Secure Integration LLC	06/17 Security Maintenance	10,400.92	10,400.92	0.00	Posted
07/14/17	50478	GetGo, Inc.	OpenVoice Audio Service	200.75	200.75	0.00	Posted
07/14/17	50479	Gotcha Media Holdings, LLC	Mt. SAC, Rio Hondo	5,314.50	5,314.50	0.00	Posted
07/14/17	50480	Grand Car Wash	Vehicle washing 6/1-6/30/17	728.17	728.17	0.00	Posted
07/14/17	50481	IBI Group	11/1-11/30/16 CAD/AVL Replacement Consulting	45,550.00	45,550.00	0.00	Posted
07/14/17	50482	Keolis Transit Services LLC	Keolis fixed monthly fee July 2017	332,300.00	332,300.00	0.00	Posted
07/14/17	50483	Kiwanis Club of Arcadia Young Professional	Silver Sponsor	300.00	300.00	0.00	Posted
07/14/17	50484	Landmark Healthplan of California, Inc.	07/17 Chiropractor insurance premium	336.37	336.37	0.00	Posted
07/14/17	50485	LaShawn Gillespie	Reimbursement expense-06/17	95.44	95.44	0.00	Posted
07/14/17	50486	Lazar and Associates	Translation	170.00	170.00	0.00	Posted
07/14/17	50487	Linda Apodaca	Reimbursement expense	122.76	122.76	0.00	Posted
07/14/17	50488	MetroKinetics, Inc.	Scheduling Software Consultant	4,682.25	4,682.25	0.00	Posted
07/14/17	50489	Metrolink	06/17 Metrolink passes	48,046.25	48,046.25	0.00	Posted
07/14/17	50490	Mobile Relay Associates Inc.	Mobile Radio Digital Airtime	20,785.79	20,785.79	0.00	Posted
07/14/17	50491	NextBus, Inc.	M4x Cables	720.00	720.00	0.00	Posted
07/14/17	50492	Omnitrans	06/17 Omnitrans passes	7,276.80	7,276.80	0.00	Posted
07/14/17	50493	Penske Toyota Scion of West Covina	Vehicle maintenance on Op's 1388995	388.99	388.99	0.00	Posted
07/14/17	50494	Peter Barron Stark and Associates	2017 Employee Opinion Survey	10,429.29	10,429.29	0.00	Posted
07/14/17	50495	Platinum Security Inc.	05/17 EI Monte Security Services	5,577.85	5,577.85	0.00	Posted
07/14/17	50496	Presidio Network Solutions Group, LLC	Seagate 1 TB harddrive	434.24	434.24	0.00	Posted
07/14/17	50497	Proterra LLC	5/17 PMI -Side A and side	2,570.39	2,570.39	0.00	Posted

**Bank Account - Check Details**

Period: 07/01/17..07/31/17

Foothill Transit

Tuesday, August 08, 2017

FOOTHILLTRANSITFKUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 07/01/17..07/31/17

Check		Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry
Date	Check No.						Status
07/14/17	50498	PSI Repair Services, Inc.	(2) Bill Transport upgrade kits with installations	1,454.32	1,454.32	0.00	Posted
07/14/17	50499	Puente Hills Ford	(1) 2017 Ford Fusion Energi	68,054.60	68,054.60	0.00	Posted
07/14/17	50500	Pulsar Advertising	06/17 Consulting services	2,931.75	2,931.75	0.00	Posted
07/14/17	50501	San Gabriel Valley Economic Society for Human Resource Management	7/1/17-6/30/18 Membership Renewal	5,250.00	5,250.00	0.00	Posted
07/14/17	50502	Society for Human Resource Management	9/1/17-8/31/18 Membership Renewal - D. Barnes	199.00	199.00	0.00	Posted
07/14/17	50503	Suburban Water Systems	6/17 Admin Bldg Fire Pump Water	1,033.08	1,033.08	0.00	Posted
07/14/17	50504	The Aftermarket Parts Company, LLC	Fitting Tee 2 pins set	604.35	604.35	0.00	Posted
07/14/17	50505	The Hartford	FY18 Auto Property & Inland Marine Inc	53,485.00	53,485.00	0.00	Posted
07/14/17	50506	Thomas J. Koontz	Business Cards	3,634.43	3,634.43	0.00	Posted
07/14/17	50507	Thompson Coburn LLP	General Legal	83,640.67	83,640.67	0.00	Posted
07/14/17	50508	ThyssenKrupp Elevator Corporation	7/1-9/30/17 Industry P&R Elavator Maintenance	450.01	450.01	0.00	Posted
07/14/17	50509	Toyo Landscaping Company	4/17 Admin Bldg Landscape Maintenance	1,754.29	1,754.29	0.00	Posted
07/14/17	50510	Tri - Signal Integration, Inc.	7/17 Admin Bldg Alarm Monitoring	70.00	70.00	0.00	Posted
07/14/17	50511	Verizon Business - 15043	SBS Tower MPLS	1,351.12	1,351.12	0.00	Posted
07/14/17	50512	W.M. Klorman Construction Corp.	Covina Park & Ride Design-Build Phase 2	320,247.85	320,247.85	0.00	Posted
07/14/17	50513	Waste Management	7/17 Arcadia Warehouse Trash	248.39	248.39	0.00	Posted
07/14/17	50514	Willie J. Brooks	7/17 Indoor Plant Care	662.75	662.75	0.00	Posted
07/14/17	50515	Wright Express	Fuel Billing for June 2017	546.30	546.30	0.00	Posted
07/14/17	50516	Yoko Igawa	Reimbursable transportation subsidy	100.00	100.00	0.00	Posted
07/14/17	50517	Zonar Systems Inc.	EVIR inspection service	2,527.00	2,527.00	0.00	Posted
07/19/17	E00633	International City Management Assoc. Retirement Co	Payroll ending 7/15/17 retirement funds	39,587.63	0.00	0.00	Posted
07/19/17	E00634	Transdev Services, Inc.	06/16-30 Arcadia contractor services	2,018,921.87	0.00	0.00	Posted
07/20/17	50518	Andrew John Papson	Reimbursed Expenses-ARB Innovative clean trans	287.05	287.05	0.00	Posted
07/20/17	50519	AT and T - 5025	EI Monte phone line router management 6/1-6/23/17	152.19	152.19	0.00	Posted
07/20/17	50520	Baker Donelson Bearman and Cal.	6/17 Public Affairs	9,000.00	9,000.00	0.00	Posted
07/20/17	50521	Chamber of Commerce - Arcadia	4/1/17-3/31/18 Membership Dues	310.00	310.00	0.00	Posted
07/20/17	50522	Clean Energy	05/17 Pomona CNG Fuel	1,755,500.58	1,755,500.58	0.00	Posted
07/20/17	50523	Come Land Maintenance Service Company Inc.	7/17 Janitorial Service	2,980.00	2,980.00	0.00	Posted
07/20/17	50524	David Reyno	Reimbursable Expenses-	117.18	117.18	0.00	Posted
07/20/17	50525	FEDEX Corp.	Express Mail	46.32	46.32	0.00	Posted
07/20/17	50526	Industry Public Utility Commission	6/17 Industry P&R Electricity	1,260.94	1,260.94	0.00	Posted
07/20/17	50527	International City Management Assoc. Retirement Co	4-6/17 Asset fee allowance - 108053 Plan	4,270.19	4,270.19	0.00	Posted
07/20/17	50528	Iron Mountain Inc.	Shredding Services 5/24-6/27/17	113.92	113.92	0.00	Posted
07/20/17	50529	Keolis Transit Services LLC	Keolis Reimbursement and Performance Requirements	49,850.00	49,850.00	0.00	Posted
07/20/17	50530	Lazar and Associates	06/17 Translation Services	146.45	146.45	0.00	Posted
07/20/17	50531	Lillian Lin	Reimbursables - NIGP Legal Aspects	304.59	304.59	0.00	Posted
07/20/17	50532	Linda Garrison	Yogo instruction 7/2017	260.00	260.00	0.00	Posted
07/20/17	50533	MailFinance Inc.	Postage Machine Leasing Charges	504.51	504.51	0.00	Posted
07/20/17	50534	Newage PHM, LLC	Transit Store #2 Lease for 08/17	7,276.75	7,276.75	0.00	Posted
07/20/17	50535	Office Depot	Office Supplies	1,460.47	1,460.47	0.00	Posted
07/20/17	50536	Penske Toyota Scion of West Covina	138899 - Vehicle License	137.46	137.46	0.00	Posted

**Bank Account - Check Details**

Period: 07/01/17..07/31/17

Foothill Transit

Tuesday, August 08, 2017

FOOTHILLTRANSITFKUO

This report also includes bank accounts that only have balances.

Bank Account: No.: B001, Date Filter: 07/01/17..07/31/17

Check						Entry
Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount Status
07/20/17	50537	Platinum Security Inc.	06/17 El Monte Security Services	5,582.81	5,582.81	0.00 Posted
07/20/17	50538	Robotics Alliance of West Covina, Inc.	Title Partner Sponsorship	2,000.00	2,000.00	0.00 Posted
07/20/17	50539	Shure Incorporated	Shure repair	122.89	122.89	0.00 Posted
07/20/17	50540	Socal Office Technologies	Xerox Copier	458.96	458.96	0.00 Posted
07/20/17	50541	Southern California Edison Co.	06/17 Pomona Transit Electricity Usage	17,006.93	17,006.93	0.00 Posted
07/20/17	50542	Southern California Edison Co.	6/17 Admin Bldg Electricity	30,508.36	30,508.36	0.00 Posted
07/20/17	50543	Standard Parking Corporation	6/17 Parking Services	3,169.06	3,169.06	0.00 Posted
07/20/17	50544	State Compensation Insurance Fund	7/17 Workers Comp insurance premium	4,716.50	4,716.50	0.00 Posted
07/20/17	50545	Verizon Business - 15043	800 Line 06/2017	19,686.20	19,686.20	0.00 Posted
07/20/17	50546	Walnut Valley Water District	6/17 Industry P&R Fire Sprinkler Water	147.95	147.95	0.00 Posted
07/26/17	E00635	Avail Technologies, Inc.	CAD/AVL Replacement - Schedule 11	238,237.20	0.00	0.00 Posted
07/26/17	E00636	First Transit Inc.	Pomona 03/17 PMI's	11,500.00	0.00	0.00 Posted
07/26/17	E00637	First Transit Inc.	06/16-30 699 Extra Route Miles	2,006.40	0.00	0.00 Posted
07/26/17	E00638	Keolis Transit Services LLC	Balance of Start Up Costs	192,415.00	0.00	0.00 Posted
07/26/17	E00639	State Board of Equalization -	2nd Qtr Sales and use Tax Return	1,330.00	0.00	0.00 Posted
07/26/17	E00640	Transdev Services, Inc.	2016-2017 Arcadia Monthly Incentives	39,000.00	0.00	0.00 Posted
07/27/17	50547	ACC Business	Internet	4,207.76	4,207.76	0.00 Posted
07/27/17	50548	Adt Security Services, Inc.	08/01-10/31/17 West Covina security services	512.43	512.43	0.00 Posted
07/27/17	50549	Alireza Showkatiyan	Reimbursed Expense-National safety Month	25.25	25.25	0.00 Posted
07/27/17	50550	AT and T - 105068	El Monte Back line	41.26	41.26	0.00 Posted
07/27/17	50551	AT and T - 5019	Phone Service	305.16	305.16	0.00 Posted
07/27/17	50552	AT and T - 5025	Phone Service	130.08	130.08	0.00 Posted
07/27/17	50553	AT and T - 5025	El Monte Phone line general	2,125.30	2,125.30	0.00 Posted
07/27/17	50554	Cal Poly Pomona Foundation	Operations Workshop - Kellogg House Deposit	500.00	500.00	0.00 Posted
07/27/17	50555	CDW Government Inc.	Bitdefender renewal	3,455.00	3,455.00	0.00 Posted
07/27/17	50556	Clean Energy	Pomona CNG dispenser repair	593.74	593.74	0.00 Posted
07/27/17	50557	Crown Castle USA Inc.	Tower Rental 08/17	770.35	770.35	0.00 Posted
07/27/17	50558	Fleet Refinishing So Cal Wraps	Canopy Refinish	1,697.84	1,697.84	0.00 Posted
07/27/17	50559	Frontier	Telephone Serives	2,680.89	2,680.89	0.00 Posted
07/27/17	50560	Graybar Electric Co Inc.	Bogen CPU for Pomona yard	174.87	174.87	0.00 Posted
07/27/17	50561	John Xie	Reimbursed Expense-ENO TMM	635.63	635.63	0.00 Posted
07/27/17	50562	Maintex, Inc.	Pomona Sweeper/ Scrubber	74,999.99	74,999.99	0.00 Posted
07/27/17	50563	Newage PHM, LLC	TS2 Electricity usage	178.97	178.97	0.00 Posted
07/27/17	50564	Richards Watson and Gershon	6/17 Legal Fees	742.90	742.90	0.00 Posted
07/27/17	50565	Thompson Coburn LLP	Operations, RFPs, and Contracts	46,806.59	46,806.59	0.00 Posted
07/27/17	50566	Trace3, LLC	NetApps Renewal	46,967.40	46,967.40	0.00 Posted
07/27/17	50567	Transit Solutions LLC	TSI Nexus equipment	606,553.13	606,553.13	0.00 Posted
07/27/17	50568	Verizon Wireless	Cell Phone	4,985.32	4,985.32	0.00 Posted
07/27/17	50569	West Covina Lions Club	Donald -West Covina Lions Club	2,054.00	2,054.00	0.00 Posted
<b>General Checking</b>				<b>8,019,881.97</b>	<b>3,988,963.13</b>	<b>41,626.87</b>



August 25, 2017

To: Executive Board

Subject: **July 2017 Performance Indicators Report**

---

### **Recommendation**

Receive and file the July 2017 Performance Indicators Report.

### **Analysis**

This report provides an analysis of Foothill Transit's performance indicators for July 2017. Foothill Transit monitors a number of factors in evaluating the services provided to the public. There are key performance indicators that record the bus system safety, courtesy, and reliability standards, along with industry-standard measurements which are monitored to assess transit operations.

In July, Foothill Transit achieved five out of eight key performance indicator goals. The performance indicator targets met for the quarter are: schedule adherence, average miles between service interruptions, and average cost per vehicle service hour.

Further detail on each performance measure including a description and analysis to account for the variances between reporting periods follows in this section of the item. Foothill Transit's performance indicators are summarized below.

- **Boardings** - Total number of boardings recorded by the farebox in July was 938,202 - which is 14 percent lower compared to the same month last year.
- **Fare Revenue** - Total fare revenue in July was \$1.27 million. The average fare was \$1.36 per boarding.
- **Operating Expenses** - Operating expenses incurred in July totaled \$7.6 million, resulting in an average cost per service hour of \$107.28.
- **Accidents** - The system averaged 1.14 preventable accidents per 100,000 miles in July.
- **Customer Complaints** - Foothill Transit received 23.4 complaints per 100,000 boardings in July. This is 3 percent higher than last fiscal year.
- **Schedule Adherence** - In July, Foothill Transit recorded 84.1 percent on-time performance. This is a one percent decrease from last fiscal year.





## **Analysis**

In order to accomplish its mission, Foothill Transit has the following goals:

- Goal 1:** Operate a safe transit system.
- Goal 2:** Provide outstanding customer service.
- Goal 3:** Operate an effective transit system.
- Goal 4:** Operate an efficient transit system.

These goals provide a framework for performance indicators to quantify and measure how well Foothill Transit is performing. Performance indicators are derived from data collected from a variety of sources including the fareboxes on buses, the SMARTBus CAD/AVL system, reports from the operations contractors, and financial performance data.

## **Overall System Performance**

Foothill Transit's overall system performance is based on several key indicators. These include total ridership, fare revenues, vehicle service hours, and total operating expenses.

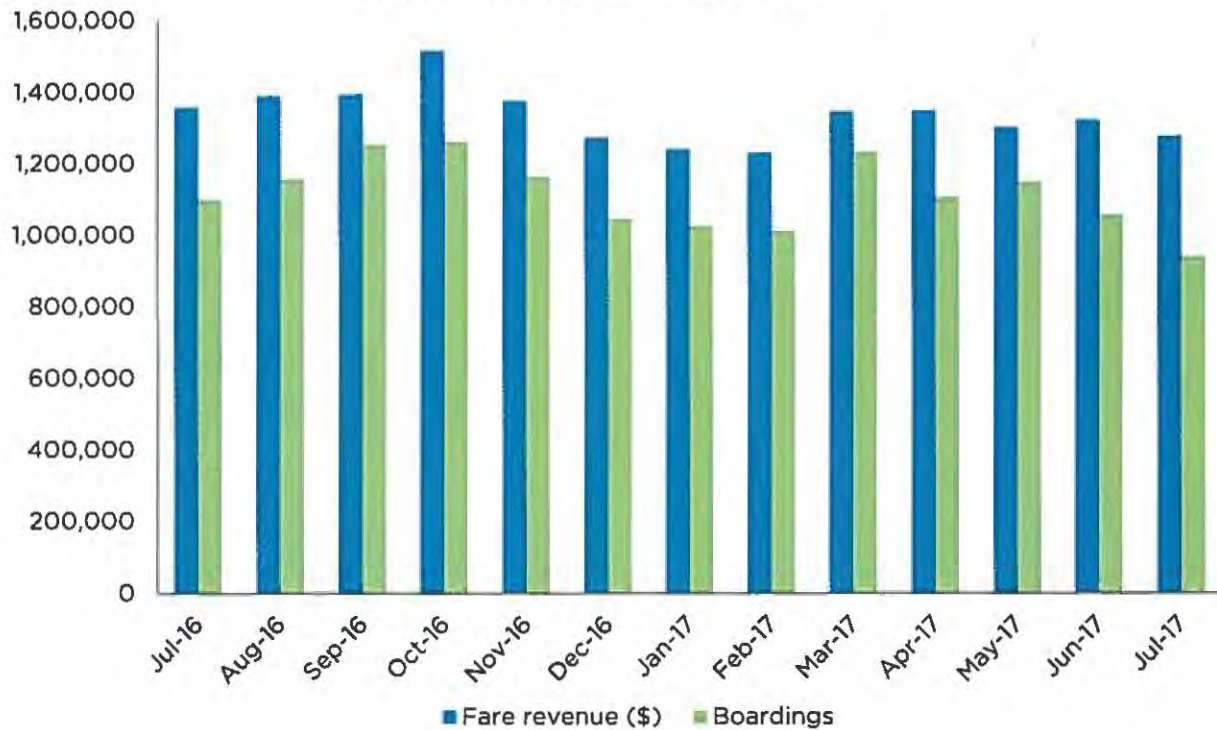
### ***Total Boardings and Total Fare Revenues***

In July of FY2017/18, Foothill Transit buses had 938,202 boardings. When compared with the previous fiscal year, ridership decreased by 14 percent. This year to year variance is due to a confluence of factors. Firstly, Metro underwent a service change at the end of June, which significantly increased frequencies on the Silver Line thus leading to a decrease in Silver Streak boardings. Furthermore, there was record heat throughout the month of July, which may have led to fewer riders. Finally, the Fourth of July this year fell on Tuesday, rather than Monday, which may have caused regular commuters to take more time off from work. We will monitor ridership in the coming months for any impacts as a result of the fare restructuring and service enhancements that will go into effect in October, as well as the passage of Senate Bill 1, which will increase gas taxes and vehicle fees.

Total fare revenue recorded in July was \$1.27 million, a six percent decline from the same period last year, primarily as a result of the ridership drop.



Total Boardings and Fare Revenues



**Vehicle Service Hours and Operating Expenditure**

In July, Foothill Transit operated 71,066 service hours, which represents a one percent decrease compared to the same period last fiscal year.

In July, Foothill Transit incurred \$7.6 million in operating expenses, which is ten percent higher compared to the previous fiscal year. Variance between July 2016 and July 2017 expenses is related to contract startup costs and higher costs related to the new Pomona operations and maintenance contract.

**Goal 1: Operate a Safe Transit System**

Foothill Transit's primary goal is to operate a safe transit system. Foothill Transit monitors system safety by tracking the number of preventable accidents incurred for every 100,000 miles of vehicle operation.

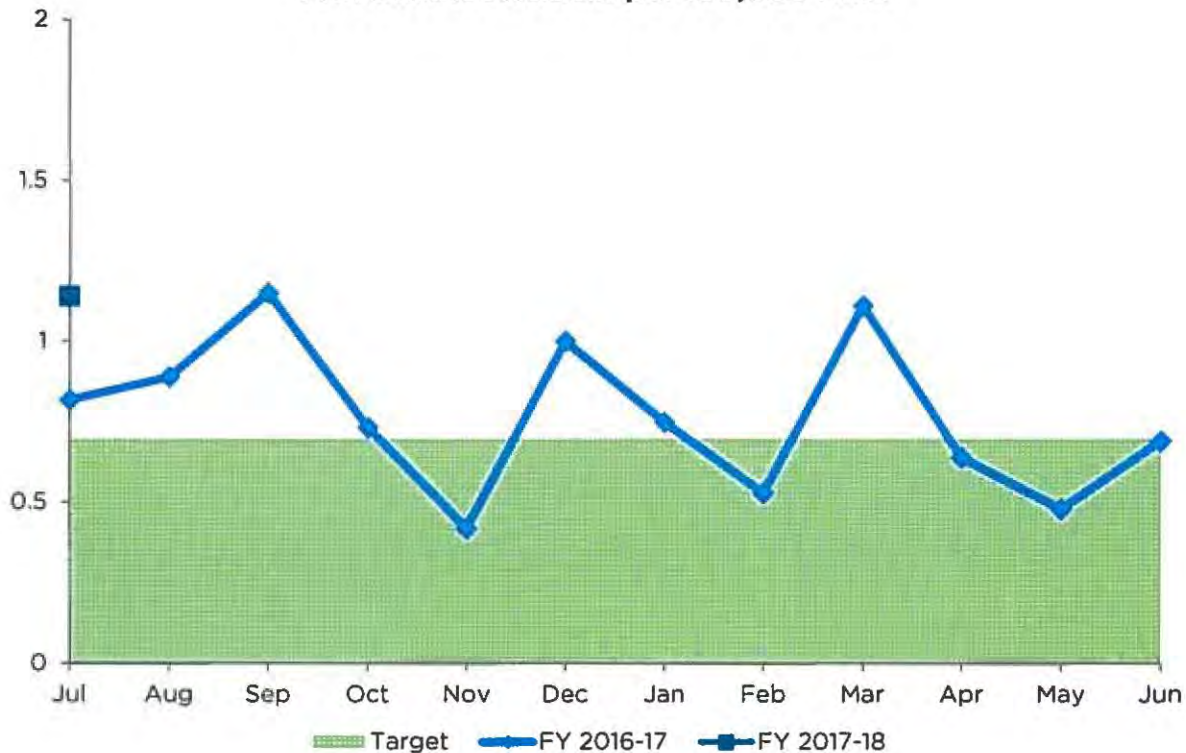
**Preventable Accidents per 100,000 Miles**

In FY2017/18, Foothill Transit adopted the standard of 0.70 or fewer preventable accidents per 100,000 mile. The agency had 1.14 preventable accidents in July, which is a 39 percent increase compared to the same period last year. Preventable accidents continue to result primarily from coaches making contact with fixed objects, with 44 percent of preventable accidents



in July resulting from fixed object collisions. Keolis and Transdev are addressing this issue by renewing their mirror station campaign, which assists bus operators in identifying their specific mirror reference points by placing colored bean bags at specific locations when pulling out of the yard, as well as having road supervisors regularly conduct field spot checks with the goal of observing operator behavior and thus mitigating fixed object collisions. Finally, Transdev is continuing their "green man" safety campaign" this fiscal year, where florescent green cutouts resembling small children with reflector decals and red warning flags are placed throughout the yard, which reminds operators to slow down and be cautious.

Preventable Accident per 100,000 Miles



**Goal 2: Provide Outstanding Customer Service**

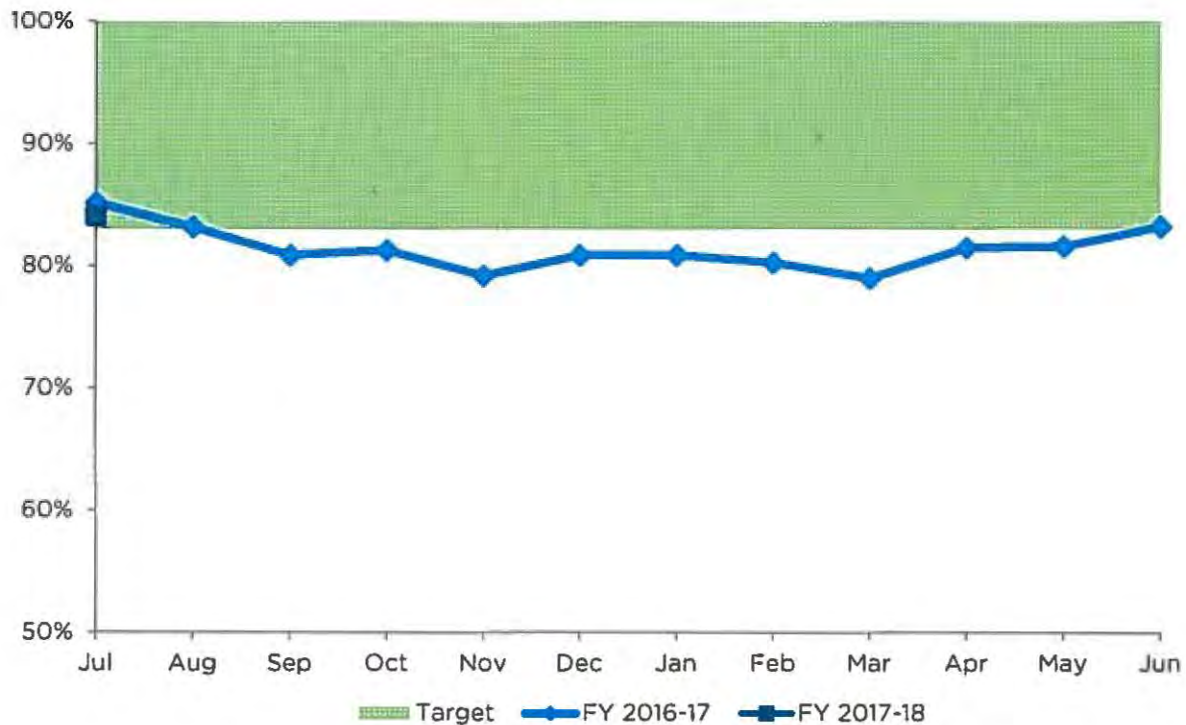
Foothill Transit measures this goal by monitoring the following categories: schedule adherence, average miles between service interruptions, and complaints per 100,000 boardings for customers calling the customer service line.



**Schedule Adherence**

Foothill Transit measures its schedule adherence using the industry standard metric of on-time performance (OTP). OTP is calculated by evaluating a vehicle's adherence to time points in the planned schedule. A trip is considered on-time if it departed the time point no more than five minutes late and not early. Foothill Transit has adopted a goal of 83 percent or higher OTP for this fiscal year. In July, Foothill Transit achieved 84.1 percent OTP for the entire system, which meets the target. Quality Assurance staff continue to monitor the SMARTBus system in real-time to ensure that the bus service runs in accordance with the schedule. Staff continue to work closely with the contractors to identify areas for improvement.

**On-time Performance**





**Average Miles between Service Interruptions**

Average miles between service interruptions is a maintenance performance indicator that measures the miles between mechanical roadcalls of a vehicle used during revenue service resulting in a service delay of more than five minutes. In July, Foothill Transit averaged 35,901 miles between service interruptions as reported by the operations contractors. Foothill Transit exceeded the maintenance reliability goal of at least 20,000 miles between service interruptions and the metric is four percent lower compared to the same period last fiscal year.

As older bus models have been retired and replaced by newer buses, the average age of the fleet has decreased, resulting in an increase in mechanical reliability. Furthermore, there has been a campaign to repower the 1600, 1700 and 1800-series coaches that were procured in FY 2007 through 2010. These coaches have undergone a heavy maintenance campaign that has included a refurbishing of the interior space, technology updates, a repainting with Foothill Transit’s new livery, and an engine rebuild, thus further increasing reliability and decreasing the frequency of mechanical breakdowns that would result in customer delays. Careful monitoring of roadcalls by Foothill Transit staff have helped to identify trends in types of mechanical failures and these are being used to advise targeted bus maintenance efforts.

**Average Miles between Service Interruptions**



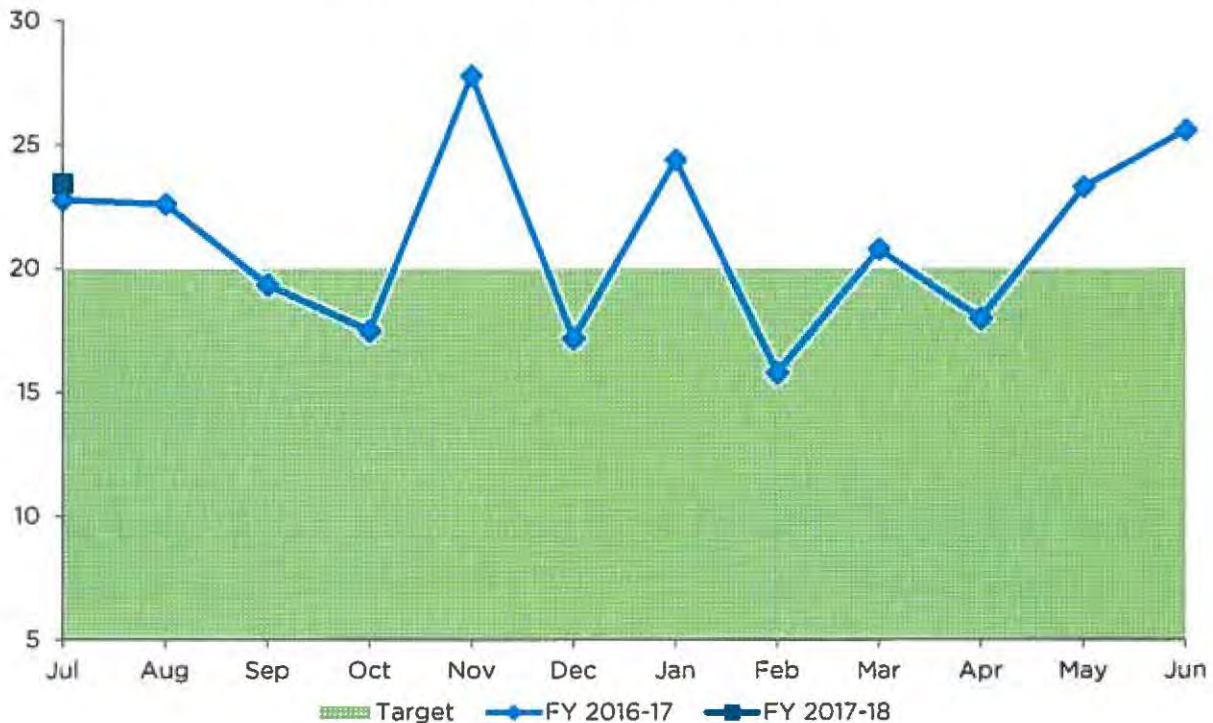


**Complaints per 100,000 Boardings**

Customer complaints are counts of incidents where a customer reports dissatisfaction with the service. All customer complaints received by Foothill Transit are subject to an investigation process which ensures all customers receive a response and allows Foothill Transit to determine if a complaint is valid. Investigations include contacting the customer and reviewing the SMARTBus system, dispatch logs, on-board videos, or verbal communication with the coach operator.

In July, Foothill Transit received 23.4 complaints per 100,000 boardings, which represented a 3 percent increase from the previous fiscal year. This increase can be primarily attributed continued ramp closures and detours impacting service delivery, as well as the transition to a new contractor at the Pomona facility. Furthermore, due to the increasing popularity of social media and mobile technology, customers now have unprecedented access to different avenues of communicating with Foothill Transit. Thus, complaints have increased as communication has become more streamlined.

**Complaint per 100,000 Boardings**





**Goal 3: Operate an Effective Transit System**

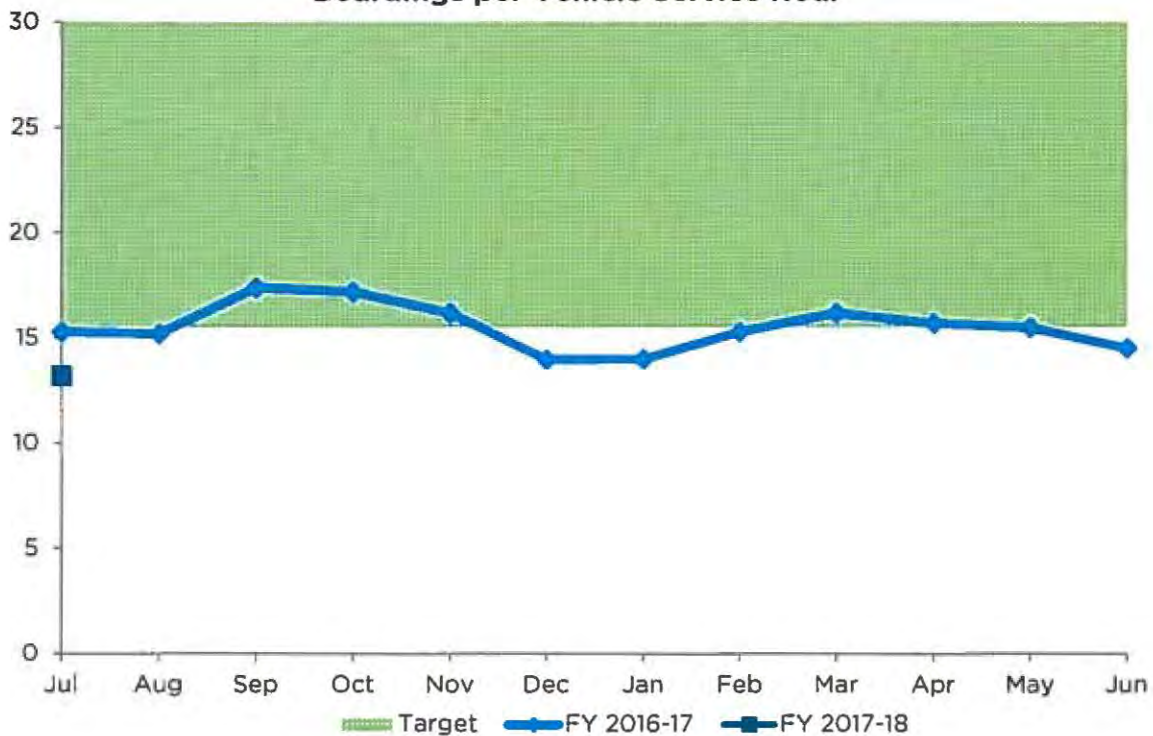
Foothill Transit measures service effectiveness by monitoring boardings per vehicle service hour and average weekday boardings.

**Boardings per Vehicle Service Hour**

Boardings per vehicle service hour is the total number of boardings divided by the total number of service hours in a given period. In July, there were 13.2 boardings per vehicle service hour, which doesn't meet the performance target of 15.5 or more boardings per service hour. This is a 14 percent decline compared to the same period the previous year.

Foothill Transit continues to encourage increased ridership by targeting specific demographics of customers through the Class Pass program and marketing towards schools, religious groups, and senior citizens. Improved data analysis allows Foothill Transit staff to better understand travel demand throughout the service area, therefore assisting them in better planning routes and schedules.

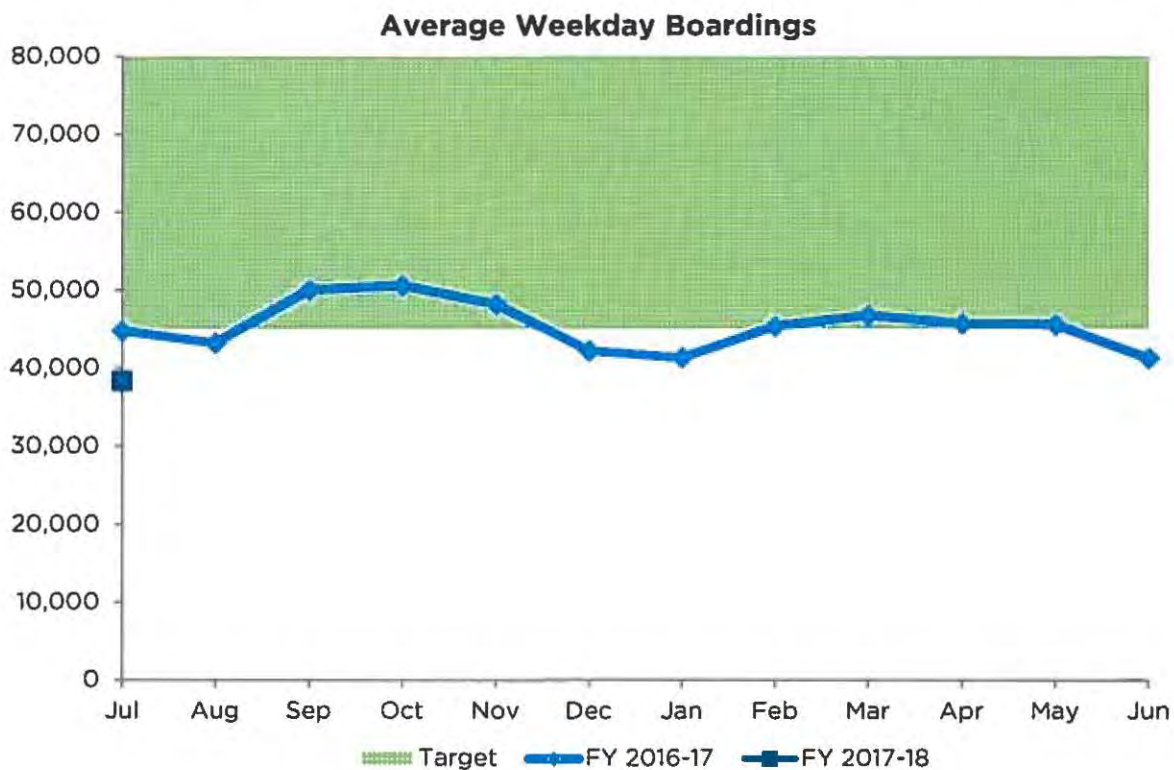
**Boardings per Vehicle Service Hour**





**Average Weekday Boardings**

The number of average weekday boardings is calculated by dividing the total number of weekday boardings by the number of days with weekday service in a given period. The FY2017/18 performance target for average weekday boardings is to achieve at least 45,034 average weekday boardings. In July, there were 38,405 average weekday boardings, which is a 14 percent decrease from the same period the previous year and doesn't meet the target.



**Goal 4: Operate an Efficient Transit System**

Foothill Transit measures its overall efficient use of available resources by monitoring the average cost per vehicle service hour and farebox recovery ratio.



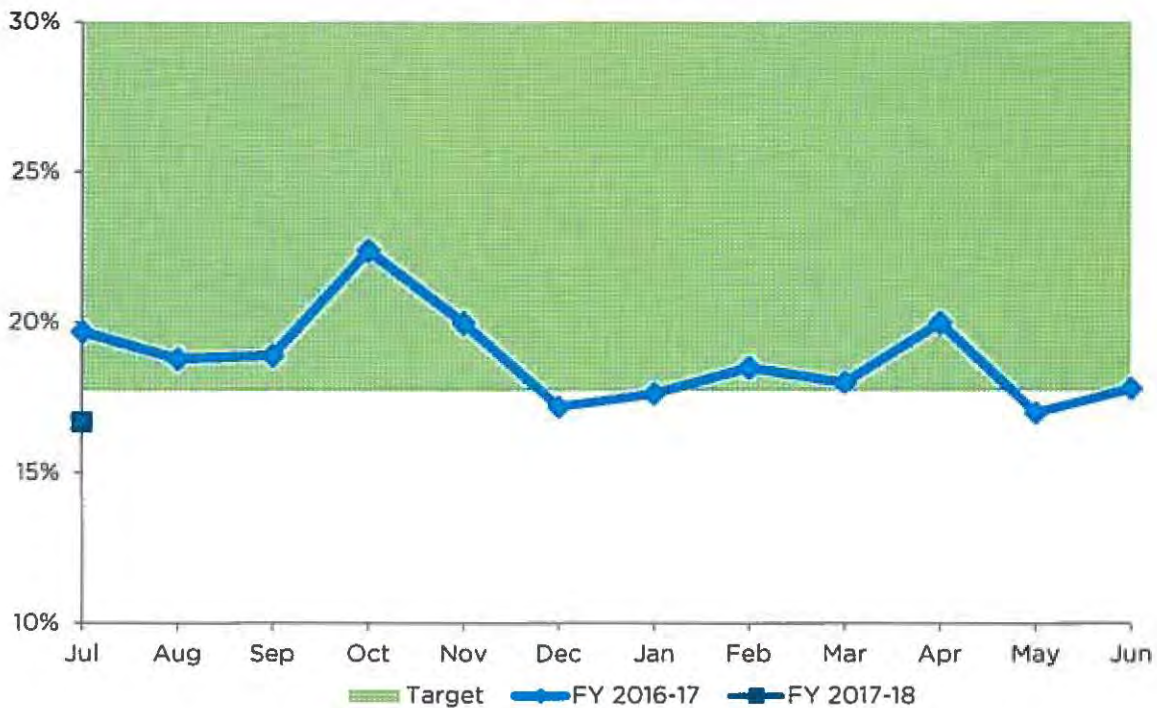


**Farebox Recovery Ratio**

Farebox recovery ratio is a measure of the proportion of operating costs recovered by passenger fares. The farebox recovery ratio is calculated by dividing total fare revenue by total operating expense. In July, the Farebox Recovery Ratio was 16.7 percent, which doesn't meet the target of 17.7 percent. The Transportation Development Act (TDA) stipulates that a minimum ratio of 20 percent of a transit agency's cost of providing service must be met using local funds in order for the transit agency to receive the state sales tax available for public transit purposes. To date, Foothill Transit has met that threshold by applying its farebox revenues.

As mentioned before, Foothill Transit has begun receiving fare revenue for Lines, 190, 194 and 270. Along with the fare restructuring that will go into effect in October, staff project that fare revenue will increase relative to operating expenses, resulting in a marked improvement in this metric in FY2017/18.

**Farebox Recovery Ratio**

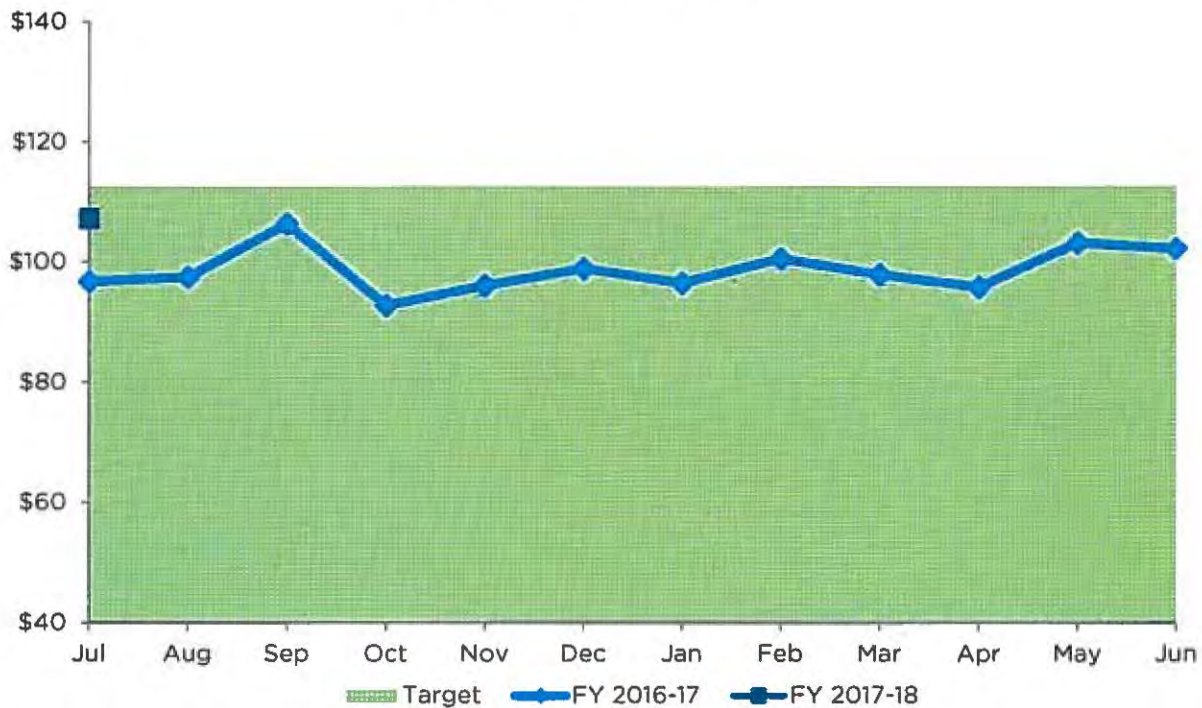




**Average Cost per Vehicle Service Hour**

Average cost per vehicle service hour is an industry standard utilized to measure the cost efficiency of transit service. It is derived by dividing operating expenses by vehicle service hours. Foothill Transit's average cost per vehicle service hour in July was \$107.28, which meets the fiscal year target of less than \$112.63, and is eleven percent higher than the previous fiscal year. This variance is due to the increase in operating expenses associated with higher costs of the newly procured Pomona operations and maintenance contract.

**Average Cost per Vehicle Service Hour**



Sincerely,

Mike Tobin  
Quality Assurance Analyst

Doran J. Barnes  
Executive Director

**Foothill Transit  
Key Performance Indicators  
July 2017**

Goal	Performance Indicator	July 2017	Met Target?	July 2016	% Improvement Over Same Month Last Year	FY 2017-2018 YTD	Met Target?	FY 2016-2017 YTD	% Improvement YTD	Performance Target
Overall System Performance	Total Boardings	938,202	-	1,100,121	(15%)	938,202	-	1,100,121	(15%)	
	Vehicle Service Hours	71,066	-	71,818	(1%)	71,066	-	71,818	(1%)	
	Total Fare Revenue	\$1,274,525	-	\$1,358,854	(6%)	\$1,274,525	-	\$1,358,854	(6%)	
	Total Operating Expense	\$7,623,822	-	\$6,917,166	10%	\$7,623,822	-	\$6,917,166	10%	
Safety	Preventable Accidents per 100,000 Miles	1.14	No	0.82	39%	1.14	No	0.82	39%	≤ 0.70
Customer Service	Schedule Adherence	84.1%	Yes	85.3%	(1%)	84.1%	Yes	85.3%	(1%)	≥ 83%
	Miles Between Mechanical Service Interruptions	35,901	Yes	37,559	(4%)	35,901	Yes	37,559	(4%)	≥ 20,000
	Complaints per 100,000 Boardings	23.4	No	22.8	3%	23.4	No	22.8	3%	≤ 20.00
Effectiveness	Boardings per Vehicle Service Hour	13.2	No	15.3	(14%)	13.2	No	15.32	(14%)	≥ 15.5
	Average Weekday Boardings	38,405	No	44,820	(14%)	38,405	No	44,820	(14%)	≥ 45,034
Efficiency	Farebox Recovery Ratio	16.7%	No	19.7%	(15%)	16.7%	No	19.65%	(15%)	≥ 17.7%
	Average Cost per Vehicle Service Hour	\$107.28	Yes	\$96.32	11%	\$107.28	Yes	\$96.32	11%	≤ \$112.63

Red = did not meet target

**Foothill Transit  
Operations Report  
July 2017**

Goal	Performance Indicator	July 2017	July 2016	% Improvement Over Same Month Last Year	FY 2017-2018 YTD	FY 2016-2017 YTD	% Improvement YTD
Operations	Average fare per boarding	\$1.36	\$1.24	10%	\$1.36	\$1.24	10%
	Average cost per boarding	\$8.13	\$6.29	29%	\$8.13	\$6.29	29%
	Average subsidy per boarding	\$6.77	\$4.57	48%	\$6.77	\$4.57	48%
	Total vehicle miles	1,400,131	1,464,790	(4%)	1,400,131	1,464,790	(4%)
	Vehicle service miles	1,021,364	1,040,043	(2%)	1,021,364	1,040,043	(2%)
	Total vehicle hours	87,539	94,954	(8%)	87,539	94,954	(8%)
	In-service speed (mph)	14.4	14.5	(1%)	14.37	14.5	(1%)
	Boardings per vehicle service mile	0.92	1.06	(13%)	0.92	1.06	(13%)



August 25, 2017

To: Executive Board

Subject: **August 2017 Legislative Summary**

---

**Recommendation**

Receive and file the August 2017 Legislative Summary. There are no recommended positions on bills this month.

**Analysis**

A summary of state and federal legislation and corresponding status is attached.

***State Legislative Issues:***

The Legislature is back in full swing as both the Senate and Assembly have returned from their summer recess. Committee and floor hearings will keep things busy at the Capitol, as the Legislature hits the home stretch, with session ending on September 15. Committee hearings will conclude this month, and starting in the beginning of September both houses will conduct long sessions on their respective floors.

Legislative leaders are working on finalizing a Cap and Trade Expenditure Plan for 2017-18, which could include a reconfiguration of the continuous appropriation of Cap and Trade auction proceeds established by SB 862 that was chaptered into law in 2014. The continuous appropriation currently supports the Transit and Intercity Rail Capital Program (TIRCP), the Low Carbon Transit Operations Program (LCTOP), the Affordable Housing and Sustainable Communities Program, and the California high-speed rail project.

The California Transit Association (CTA) has been meeting with legislators and staff to advocate for doubling the continuous appropriations to the TIRCP and LCTOP. A total of 28 legislators, led by Senate Transportation and Housing Committee Chair Jim Beall (D-San Jose), have adopted the Association's message and have signed on to a letter formally requesting that Governor Brown and Legislative leaders double the state's Cap and Trade investment in public transportation.

***Federal Legislative Issues:***

The U.S. Senate Appropriations Committee unanimously approved the fiscal year 2018 Transportation, Housing and Urban Development, and Related Agencies (THUD) funding bill with a vote of 31 to 0.



The bill appropriates \$19.47 billion in discretionary spending for the U.S. Department of Transportation, which is \$978 million more than the FY17 enacted level, and \$1.63 billion more than appropriated in the House of Representatives THUD bill. It includes a total of \$12.129 billion for the Federal Transit Administration (FTA), including the full \$9.733 billion for Highway Trust Fund supported grant programs authorized in the Fixing America's Surface Transportation (FAST) Act.

The Senate bill provides \$2.133 billion for the Capital Investment Grants (CIG) program, which is \$380 million more than the House version, but \$168 million less than authorized by the FAST Act. The bill makes available an additional \$14.4 million in previously unobligated funds for the CIG program. Importantly, the Senate bill includes directive language to ensure the continuation of the program. The bill not only provides funding for all existing full funding grant agreements (FFGA) and small starts projects that received a portion of their funding in FY 2017, but it also explicitly provides funding for qualified projects expecting to sign FFGAs in FY 2018.

The legislation funds the TIGER grant program, which the House bill would eliminate, at \$550 million. The THUD appropriations measures must now be considered by the full House and Senate respectively, after which both chambers will need to reconcile their differences into a final FY 2018 spending bill. Final approval is predicated on Congress first reaching a bipartisan budget agreement. The American Public Transportation Association (APTA) expects work on both issues to begin when Congress returns in September.

**Budget Impact**

The recommended action has no budget impact.

Sincerely,

David Reyno  
Director of Government Relations

Doran J. Barnes  
Executive Director

Attachment

## 2017 Legislation Summary

Current as of 8/15/2017

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
AB 1	Frazier	<p>AB 1 and SB 1 are \$6 billion/year proposals, like the proposals that preceded them in the 2015-2016 Special Session on Transportation Infrastructure, include a combination of new revenues, additional investments of Cap and Trade auction proceeds, accelerated loan repayments, Caltrans efficiencies &amp; streamlined project delivery, accountability measures, and constitutional protections.</p> <p>These proposals would continue to fund public transit by doubling the Cap and Trade allocation to the Transit and Intercity Rail Capital Program and Low Carbon Transit Operations Program; and, each triples the incremental diesel sales tax going to the State Transit Assistance program, from 1.75% to 5.25% (an effective increase of 3.5%).</p>	This bill could lead to increased state funding for Foothill Transit.	See SB 1.	CTA - Support	Support Position Adopted 2/24/2017
AB 17	Holden	This bill would create a Transit Pass Program to provide free or reduced-fare transit passes to public school, community college, California State University and University of California students. This program would join the Transit and Intercity Rail Capitol Program and Low Carbon Transit Operations Program as a transit related Cap and Trade expenditure once appropriated from the Greenhouse Gas Reduction Fund. Recent amendments (May 31, 2016) have removed a dedicated funding amount for this program.	This bill could help support Foothill Transit's Class Pass Program.	Senate Committee on Transportation		Support Position Adopted 2/24/2017
AB 301	Rodriguez	Existing law prohibits a person from operating a commercial motor vehicle unless the person has passed a written and driving test for the operation of a commercial motor vehicle that complies with specified federal standards and any other requirements imposed by the Vehicle Code. AB 301 would require the Department of Motor Vehicles, by June 1, 2019, to ensure that the maximum	This bill would assist Foothill Transit's Operating Contractors from lengthy delays in hiring coach operators due to difficulty obtaining the appropriate license.	Assembly Committee on Appropriations	CTA - Support	Support Position Adopted 5/26/2017

## 2017 Legislation Summary

Current as of 8/15/2017

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
		wait time to obtain an appointment to take the driving skills test to operate a commercial motor vehicle does not exceed 7 days. The bill would require the department, by June 1, 2018, to submit a report to the budget and transportation committees of the Legislature detailing how the department intends to achieve the 7-day maximum wait time. The bill would require the report to include, among other components, the methodology the department intends to use to collect and monitor wait times, and an implementation timeline for the department's recommendations.				
AB 1113	Bloom	This bill would amend the statutes governing the State Transit Assistance (STA) program to clarify several ambiguities that led to the State Controller's Office's (SCO) 2016 administrative changes. These changes implemented new calculation and allocation methodologies for the STA program, suddenly changing the way these vital funds are distributed. These STA grant funds are vital to the ongoing operations and capital projects of about 145 public transit systems statewide.	This bill would help bring consistency and clarity to Foothill Transit's budgeting process related to the STA Program.	Assembly Committee on Rules	CTA - Support	Support Position Adopted 3/24/2017
ACA 5	Frazier	This measure would add Article XIXD to the California Constitution to require revenues derived from vehicle fees imposed under a specified chapter of the Vehicle License Fee Law to be used solely for transportation purposes. The measure would prohibit these revenues from being used for the payment of principal and interest on state transportation general obligation bonds that were authorized by the voters on or before November 8, 2016. The measure would prohibit the revenues from being used for the payment of principal and interest on state transportation general obligation bonds issued after that date unless the bond act submitted to the voters expressly	This bill would protect Foothill Transit's dedicated state transportation funds from being diverted for other purposes.	Passed by the Legislature and awaiting action by the Governor.	CTA - Support	Support Position Adopted 5/2/2017



## 2017 Legislation Summary

Current as of 8/15/2017

(Amendments and Bills with updated status or requesting action are indicated in **bold**)

Bill No.	Author	Analysis	Potential Impacts	Location	Outside Agency Positions	Recommended Position
		authorizes that use. The measure would also prohibit the Legislature from borrowing these revenues, except as specified, or using them for purposes other than transportation purposes.				
SB 1	Beall	See AB 1. SB 1 adds another 0.50% sales tax on diesel fuel increment, for intercity and commuter rail purposes.	This bill could lead to increased state funding for Foothill Transit.	Signed by the Governor & Chaptered by the Secretary of State - 4/28/2017	CTA - Support	Support Position Adopted 2/24/2017
SB 268	Mendoza	This bill would change the Los Angeles County Metropolitan Transportation Authority (Metro) Board of Directors current governance structure, including an increase in members from 16 to 21. The original composition of the Metro Board was the result of a lengthy, local process in which all local stakeholders were brought together to develop a consensus. This bill attempts to undermine existing law and unilaterally overrule a locally agreed upon governance structure. The restructuring of a local board should be done at the local level and not at the state level and sets a troubling precedent for local entities.	If this bill becomes law, it would be a step towards putting the Foothill Transit JPA at risk of being altered by state legislation at any time with the local governing agencies having no control in the matter.	Assembly Committee on Local Government	Metro - Oppose	<b>Oppose Position Adopted 6/30/2017</b>



August 25, 2017

To: Executive Board

Subject: **Coach Operator Audit Results**

---

### **Recommendation**

Receive and file the results of the FY2016-2017 Fourth Quarter Coach Operator Audits.

### **Background**

Coach operator performance audits were conducted during the period of May 24, 2017 through May 27, 2017 to monitor the performance of the on street service delivery provided by Foothill Transit's operations contractors. These performance checks evaluate fare collection, customer relations, and safety. The performance checks are conducted by Moore & Associates, Inc., a firm the agency contracts with to provide these services. Moore & Associates is a full-service professional public transit consulting firm.

In order to ensure maximum coverage of Foothill Transit's operational area the audits are conducted randomly at various times throughout the day. Auditors from Moore & Associates utilize Foothill Transit service as anonymous riders. When the auditor first boards, they will challenge the driver by depositing the incorrect fare or by attempting to use an invalid transfer or pass. If the driver challenges the fare the auditor will then deposit the correct fare, if not, the occurrence is reported as a fare violation. Once onboard the bus, the auditor will then monitor the coach operator's performance in terms of customer relations and safety.

**Attachment A** summarizes the results of the May 2017 audits for each operating facility. Table 1 shows the trend of the Coach Operator Audits for Foothill Transit's Arcadia facility. Table 2 shows the trend of the Coach Operator Audits for Foothill Transit's Pomona facility.

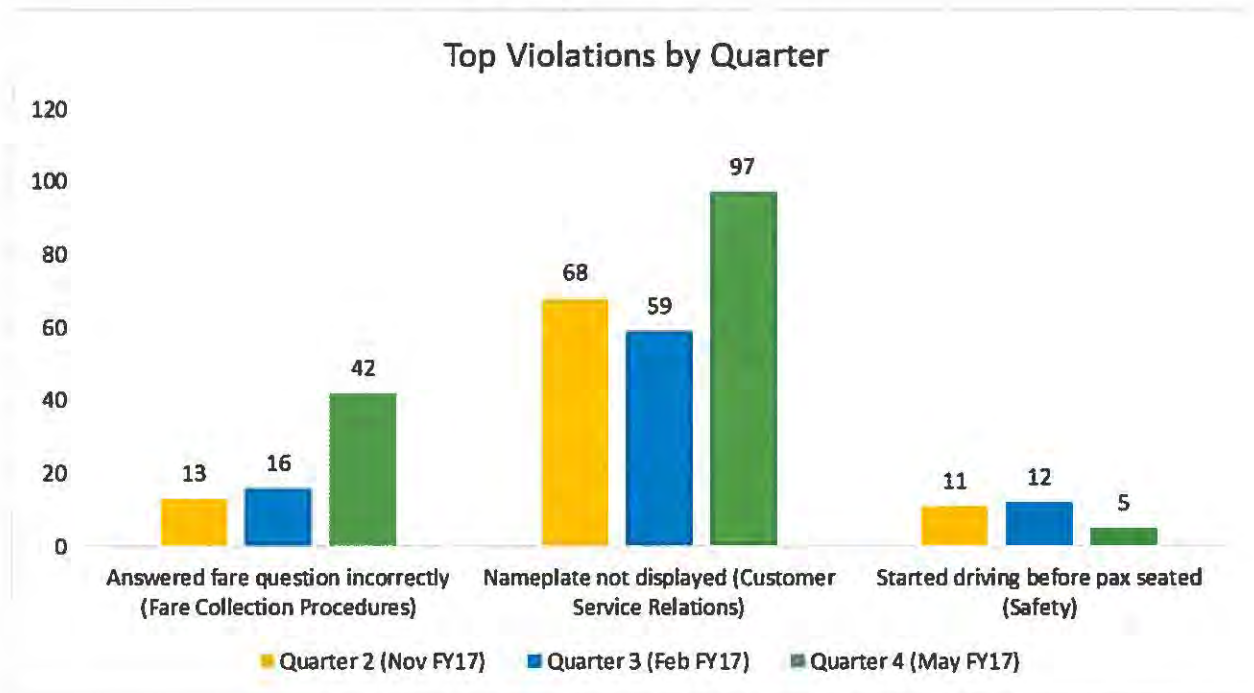
### **Results**

Operators with no noted violations are awarded a certificate and "Perfect Check" pin, which can be worn as part of their uniform. In the Fourth Quarter audit, a total of 42 coach operators had perfect checks.

The audit results show a significant increase in total violations from the Third Quarter (February 2017) for the Pomona facility, which can be attributed to an increase in nameplate violations. The Arcadia facility had a slight increase in total



violations in the Fourth Quarter when compared to the previous quarter. This increase in total violations for Arcadia can be primarily attributed to an increase in customer relations violations this quarter. The majority of the violations in the Fourth Quarter for the service characteristics observed fell within the following areas:



Additionally, auditors observed on-time performance during each observed trip. For the trips observed this audit period, 78 percent were reported as being on-time, which amounts to a 13 percent increase from the previous quarter.

While the primary focus of the Coach Operator Audits is on Fare, Safety, and Customer Service violations, staff have modified the audit process to include an Americans with Disabilities (ADA) challenge. The challenge for this audit period required the mystery riders to make a request for the ramp to be lowered. Out of the 139 requests made, 97 percent of the operators complied. Those instances of non-compliance were noted by the auditors and the operators involved have been coached by our contractors' management staff.

The Coach Operator Audits provide Foothill Transit with the ability to monitor and evaluate the performance of operators delivering service. In an effort to maintain quality, Foothill Transit's management team reviews the results regularly with the Assistant General Managers and Operations Managers of



both operating facilities to receive insight as well as to formulate action plans to address the areas that require attention.

The administrative team continues to work with both operations contractors to maintain and ensure Foothill Transit's high service standards for safety, courtesy, and on-time performance. The coach operator performance audits will continue to be conducted on a quarterly basis in order to measure and document progress in maintaining and improving performance.

**Budget Impact**

Funding for the coach operator audits is included each year as part of the budget development process.

Sincerely,

Tanya M. Pina  
Operations Contract Manager

Doran J. Barnes  
Executive Director

## Attachment A

### Summary for Transdev - Arcadia

	NOV 2016	AVERAGE VIOLATIONS PER TRIP	FEB 2017	AVERAGE VIOLATIONS PER TRIP	MAY 2017	AVERAGE VIOLATIONS PER TRIP
TOTAL AUDITS CONDUCTED	130	N/A	126	N/A	114	N/A
FARE VIOLATIONS	16	0.1	21	0.2	23	0.2
CUSTOMER RELATIONS VIOLATIONS	113	0.9	147	1.2	156	1.4
SAFETY VIOLATIONS	29	0.2	25	0.2	13	0.1
TOTAL VIOLATIONS	158	1.2	193	1.5	192	1.7
TOTAL PERFECT CHECKS	47	N/A	37	N/A	26	N/A

### Summary for First Transit - Pomona

	NOV 2016	AVERAGE VIOLATIONS PER TRIP	FEB 2017	AVERAGE VIOLATIONS PER TRIP	MAY 2017	AVERAGE VIOLATIONS PER TRIP
TOTAL AUDITS CONDUCTED	67	N/A	57	N/A	83	N/A
FARE VIOLATIONS	12	0.2	9	0.2	19	0.2
CUSTOMER RELATIONS VIOLATIONS	98	1.5	60	1.1	137	1.7
SAFETY VIOLATIONS	4	0.1	12	0.2	10	0.1
TOTAL VIOLATIONS	114	1.7	81	1.4	166	2.0
TOTAL PERFECT CHECKS	14	N/A	15	N/A	16	N/A



August 25, 2017

To: Executive Board

Subject: **Foothill Transit 2017 Title VI Program**

---

### **Recommendation**

Approve Foothill Transit's 2017 Title VI Program update and analysis (the full Title VI Program and its associated attachments are available for viewing upon request).

### **Analysis**

Since 1972, the Federal Transit Administration (FTA) has required recipients of federal assistance to provide assessments of compliance with Title VI of the Civil Rights Act of 1964 as part of the grant approval process. An updated plan must be submitted by grantees every three years; Foothill Transit will submit its next report by October 1, 2017. Title VI regulations mandate that no person in the United States shall, on the ground of race, color and national origin, be excluded from participation in, or be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance from the FTA.

In October 2012, updated Title VI guidelines were released by the FTA which clarified the reporting responsibilities of transit agencies, and added additional responsibilities. In accordance with FTA Circular 4702.1B, "Title VI Requirements and Guidelines for Federal Transit Administration Recipients," Foothill Transit's Title VI report covers all aspects of the agency's program and monitoring efforts, and contains the following elements:

1. Information about how Foothill Transit communicates the rights granted by Title VI to its customers, including information about how it collects and addresses Title VI related complaints.
2. Information regarding Foothill Transit's public outreach program and strategy including its plan to integrate Limited English Proficient people.
3. Foothill Transit's System Standards and Policies including vehicle load, vehicle headway, on-time performance, service availability, distribution of transit amenities and vehicle assignment.



4. Demographic analysis of the population within Foothill Transit's service area.
5. Policies regarding major service changes and measuring service change impacts on minority and low-income neighborhoods, including a summary of service changes undertaken since Foothill Transit's last Title VI program review in 2014.
6. The results of the monitoring program to assess Foothill Transit's compliance with its own policies and procedures.

The review of current Foothill Transit service against the Title VI policies and standards shows that service is mostly meeting the minimum standards. Summaries of each of the individual analysis points are listed below:

- A. **Vehicle load** – No route exceeds the maximum load factor standard by service type (local, limited stop, and express). Five local routes have standees (load factor has exceeded the 1.00 threshold – a person per seat) – specifically during non-peak hours on weekdays. Local express and commuter express routes are currently operating under capacity limit. These are Routes 178, 190, 486, 488, and 853. Staff will continue to monitor these routes and will accordingly adjust the number of trips or frequency to accommodate changes in ridership load.
- B. **Vehicle headway** – The majority of Foothill Transit service meets the minimum headway standards; however, Foothill Transit will review the feasibility of adding service for those lines which do not meet the minimum standard. Routes 195, 270, 274, 284, 285, 286, 289, and 494 are low-demand routes, which currently do not have the ridership to support additional service.
- C. **On-time performance** – Twenty-four routes did not meet the Board-adopted system-wide standard of 83 percent during the weekday. Fourteen did not meet the standard on weekends, and nine did not meet the standard during both weekdays and weekends. Where possible, further adjustments will be made to the schedules of those routes that do not meet the overall system average. Foothill Transit staff will continue to work closely with both operations contractors to improve performance.



- D. **Service availability** – Service availability is distributed evenly with respect to the service area demographics. The minority population within ¼-mile distance of a Foothill Transit bus stop is slightly higher than that of the service area average.
- E. **Vehicle assignment** – The average age of buses at the Arcadia Yard is slightly higher than those at the Pomona Yard. This is a readjustment based on Foothill Transit 2014 Title VI Program in which the bus fleet utilized by Pomona Yard was found to be older than that of Arcadia Yard. Therefore, new buses that have been purchased by Foothill Transit since the last Title VI Program report have been given to Arcadia Yard to improve its fleet’s reliability, with the exception of the electric bus fleet. These buses are dedicated to Route 291, which operates out of Pomona Yard due to infrastructure and route-yard proximity.
- F. **Distribution of transit amenities** – Analysis of the distribution of funds from the Bus Stop Enhancement program showed that the population within a ¼-mile distance of 13 of the 34 stops that benefited from funds did not exceed the average minority population of the service area. Ten of those 13 stops also did not exceed the average low-income population of the agency’s service area. Bus stop locations are evaluated and selected not solely based on the location’s minority and low-income populations, but also on multiple criteria such as safety, current service level and ridership, locational proximity to major activity points, cost effectiveness, and other environmentally sustainable improvements plus added amenities.
- G. **Major Service Change** – Since the submission of the 2014 Title VI Program, Foothill Transit has carried out one major service change (Line 690’s Route Modification), started one pilot student pass program (Citrus College Class Pass Program), and assumed operation of three L.A. Metro lines – 190, 194, and 270. Foothill Transit is planning to implement one major service change and one fare change in October 2017. Equity analysis has been performed for all of these major service changes.





**Budget Impact**

There is no financial impact associated with adopting Foothill Transit's 2017 Title VI Program.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Vy Phan-Hoang'.

Vy Phan-Hoang  
Transit Planner

A handwritten signature in blue ink, appearing to read 'Doran J. Barnes'.

Doran J. Barnes  
Executive Director



August 25, 2017

To: Executive Board

Subject: **Proposed Procurement Policies and Procedures Manual Revisions**

---

### **Recommendation**

Adopt the proposed Procurement Policies and Procedures Manual Revisions.

### **Analysis**

Foothill Transit has adopted procurement policies and procedures that are consistent with federal regulations and the laws of the State of California. The purpose of these policies and procedures is to set forth the procurement methods and establish standards for obtaining Goods and Services, including Public Works Construction Projects, and Architectural/Engineering services necessary for the delivery of Foothill Transit's service. These procedures include guidelines for the solicitation, award, and administration of formally advertised contracts, as well as the consultant selection, negotiation, award, and administration of competitively negotiated contracts.

The Executive Board adopted the current version of the Foothill Transit Procurement Manual in October 2015. The Procurement Manual documents Foothill Transit's procurement policies. As federal and state guidelines change, the Procurement Manual must sometimes be updated to reflect these changes.

Many of the proposed changes to the Foothill Transit Procedures reflect updates and clarifications set forth in Federal Transit Administration (FTA) Guidance, or are spelling/grammar corrections and are not substantive nor do they affect existing Foothill Transit procedures. A redlined version of the policies and procedures manual is included as **Exhibit A**.

The following revisions to the Procurement Manual are proposed:

1. Procurement Method Threshold Changes

New recommended thresholds described below adjust Foothill Transit levels to better reflect the landscape of vendors at these dollar levels of procurement. The recommended procurement method level changes is included as **Exhibit B**.



Goods and Services

- Raise the micro purchase threshold for local funds from \$5,000 to \$7,500, and the micropurchase threshold for federal funds from \$3,000 to \$3,500.

2. Debarment Procedure

Adds a formal procedure and process to debar or suspend firms from doing business with Foothill Transit if they or individuals associated with their firm have committed criminal acts, or if there have been significant performance issues (such as non-payment of subcontractors or inability to deliver goods or services).

3. Media Buying Policy

Adds the authority to allow a third-party entity to procure media services on behalf of Foothill Transit. This authority is consistent with the approach utilized by other regional transit agencies, including Metro. The third-party entity will obtain media services for Foothill Transit consistent with best practices in public procurement.

4. Demonstration Authority for Innovative Products, Approaches or Technologies

Allows Foothill Transit to enter into discussions and partner with a vendor on a non-competitive basis for a time-limited evaluation period in order to pilot a unique and innovative project.

5. Update Manual to comply with new Federal Requirements

Update the Foothill Transit procurement manual to reflect new requirements as the result of the passage of the Fixing America's Surface Transportation (FAST) Act, as well as the implementation of the Office of Management and Budget (OMB) Supercircular (2 CFR 200) on Uniform Administrative Requirements, Cost Principles and Audit Requirements.



6. Update Manual to reflect new State/Local Requirements

Update manual to incorporate state and local requirements into the manual.

7. Update Manual to reflect current federal guidance

Update the Foothill Transit procurement manual to reflect language consistent with language in FTA's Best Practices Procurement Manual, FTA Third Party Circular 4220.1F (Third Party Contracting Requirements), and FTA's Award Management Circular (5010.1E)

8. General Clarifications to Procurement Policies and Procedures

Align administrative procedures in the manual with current practice and utilization of Foothill Transit's electronic procurement system and vendor management system. Provide general clarifications to unclear language in the manual, as well as correct minor spelling and grammatical errors that currently exist in the manual.

**Budget Impact**

The revisions to the Foothill Transit Procurement Policies and Procedures Manual will not impact the organization's budget.

Sincerely,

Jarrett Stoltzfus  
Director of Policy and Strategic Sourcing

Doran J. Barnes  
Executive Director

**EXHIBIT A**



# **Foothill Transit**

Going Good Places

**Procurement  
Policies and Procedures  
Manual**

~~October 2015~~

**August 2017**

# Table of Contents

INTRODUCTION	1
CHAPTER I - LEVELS OF APPROVAL	2
A. <del>Goods and Services</del>	<del>2</del>
<u>A. Goods and Services</u>	<u>2</u>
B. Architectural and Engineering Services	3
C. Public Works/Construction Projects	3
D. Sole Source	<del>34</del>
E. Change Orders and Amendments	4
F. Delegations	<del>45</del>
CHAPTER II <del>=</del> POLICIES	<del>56</del>
A. Revision of Procurement Procedures	<del>56</del>
B. Standards of Conduct and Conflict of Interest Policies	<del>5</del>
<del>1. Conflict of Interest</del>	<del>5</del>
<del>2. Gratuities, Kickbacks, and Contingent Fees</del>	<del>6</del>
<del>3. Confidential Information</del>	<del>64</del>
<del>Organizational Conflict of Interest</del>	<del>6</del>
C. Purchasing Policies	<del>79</del>
<del>1. Equal Employment Opportunity/Affirmative Action</del>	<del>7</del>
<del>2. Disadvantaged Business Enterprise</del>	<del>7</del>
<del>3. Cooperative Procurement</del>	<del>9</del>
<del>4. Open Competition Required</del>	<del>9</del>
<del>5. Efficient and Economic Purchases</del>	<del>10</del>
<del>6. Public Records Act</del>	<del>10</del>
<del>7. Term Limitations—Rolling Stock Procurements</del>	<del>11</del>
<del>8. Revenue Contracts</del>	<del>11</del>
<del>9. Escrow/Surety Deposits</del>	<del>11</del>

<del>D.</del> <i>Procurement History</i>	<del>11</del>
<del>1.</del> <i>Rationale for the Method of Procurement</i>	<del>12</del>
<i>Procurement Initiation Form</i>	<del>i ii</del>
<i>Method of Procurement Decision Matrix</i>	<del>iii</del>
<del>2.</del> <i>Contract Type</i>	<del>12</del>
<del>3.</del> <i>Contractor Selection</i>	<del>12</del>
<del>4.</del> <i>Cost or Price Evaluation</i>	<del>12</del>
<b><u>E. Internal Controls - Federal Awards</u></b>	<b><u>16</u></b>
<b><u>F. Federal Awarding Agency Review</u></b>	<b><u>17</u></b>
<b><u>G. Record Retention and Access</u></b>	<b><u>17</u></b>

<b>CHAPTER III <del>—</del> PROCUREMENT PROCEDURES</b>	<b><del>13</del><u>18</u></b>
<b>SUBCHAPTER A - PROCUREMENT BY MICRO-<i>Purchase</i></b>	<b><del>14</del><u>PURCHASES</u> <u>18</u></b>
<b>SUBCHAPTER B - SMALL PURCHASES</b>	<b><del>13</del><u>18</u></b>
<b>SUBCHAPTER C - INVITATION FOR BIDS (IFB)</b>	<b><del>15</del><u>19</u></b>
A. <i>General</i>	<del>15</del> <u>19</u>
B. <i>Use</i>	<del>15</del> <u>19</u>
C. <i>Scope of Work and Specifications</i>	<del>15</del> <u>19</u>
D. <i>Issuance of IFB</i>	<del>16</del> <u>20</u>
E. <i>IFB Packet</i>	<del>17</del> <u>21</u>
F. <i>Control Record</i>	<del>17</del> <u>21</u>
G. <i>Pre-Bid Conference</i>	<del>17</del> <u>22</u>
H. <i>Addendum to Invitation for Bids</i>	<del>18</del> <u>22</u>
I. <i>Cancellation of IFB</i>	<del>19</del> <u>23</u>
J. <i>Receipt of Bids</i>	<del>19</del> <u>23</u>
K. <i>Withdrawal of Bids</i>	<del>19</del> <u>23</u>
L. <i>Bid Opening</i>	<del>20</del> <u>23</u>
M. <i>Recording of Bids</i>	<del>21</del> <u>24</u>
N. <i>Tabulation of Bids</i>	<del>21</del> <u>25</u>
O. <i>Mistakes in Bids</i>	<del>21</del> <u>25</u>



- P. *Minor Irregularities in Bids*  
~~22~~26
- Q. *Multiple or Alternate Bids*  
~~22~~26
- R. *Analysis of Limited Bid Response*  
~~23~~27
- S. *Determination of Responsiveness*  
~~23~~27
- T. *Responsible Bidder Evaluation* ~~24~~  
28  
~~Responsibility Determination Form~~  
~~27~~U.  
*Rejection of All Bids*  
~~27~~30
- V. *Rejection of Individual Bids*  
~~28~~31
- W. *Award of the Contract*  
~~30~~32
- X. *Final Award*  
~~30~~33
- Y. *Project Completion*  
~~31~~33

**SUBCHAPTER D - REQUEST FOR PROPOSALS (RFP).....3234**

- A. *General*  
~~32~~34
- B. *RFP Contents*  
~~32~~34
- C. *Issuance of RFP*  
~~32~~34
- D. *RFP Packet*  
~~33~~35
- E. *Control Record*  
~~34~~36
- F. *Pre-Proposal Conference*  
~~34~~36
- G. *Addenda to ~~Requests for Proposals~~*  
~~35~~the RFP  
37
- H. *Cancellation of the RFP*  
~~36~~38
- I. *Receipt of Proposals*  
~~36~~38
- J. *Withdrawal of Proposals*  
~~36~~38
- K. *Format of Proposal*  
~~36~~38
- L. *Evaluation of Proposals*  
~~37~~39
- M. *Discussions*  
~~38~~40
- N. *Request for Best and Final Offer* ~~39~~ (BAFO)  
41
- O. *Recommendation for Contract Award*  
42

<u>P.</u>	<u>Debriefing of Unsuccessful Proposers</u>	
		<u>4042</u>
<u>P.Q.</u>	<u>Award of the Contract</u>	
		<u>4043</u>
<del>Q.</del>	<del>Final Award</del>	
		<del>41</del>
R.	<u>Final Award</u>	
		<u>43</u>
<u>S.</u>	<u>Project Completion</u>	
		<u>4143</u>
<b>SUBCHAPTER E - SPECIAL PROCEDURES FOR <u>REQUEST FOR QUALIFICATIONS (RFQ) -</u></b>		
	<b>ARCHITECTURAL/ENGINEERING SERVICES</b>	<b><u>4345</u></b>
<b>SUBCHAPTER F - SOLE SOURCE PROCUREMENTS <u>4648</u></b>		
	<i>Non-Competitive Procurement Justification Form</i>	<u>49</u>
<b>SUBCHAPTER G - SINGLE BID OR PROPOSAL 50</b>		
<b>SUBCHAPTER H - EMERGENCY PROCUREMENTS 52</b>		
<b>SUBCHAPTER I - UNSOLICITED PROPOSALS 53</b>		
<b>SUBCHAPTER J - AMENDMENTS AND CHANGE ORDERS <u>5455</u></b>		
<b>SUBCHAPTER K - USE OF AN EXISTING CONTRACT <del>56</del>Subchapter L - Options 57</b>		
<b>SUBCHAPTER <del>M</del> <u>L</u> - <u>OPTIONS</u> 58</b>		
<b><u>SUBCHAPTER M</u> - INTERGOVERNMENTAL AND JOINT PROCUREMENT AGREEMENTS <u>5859</u></b>		
<b>SUBCHAPTER N - INDEPENDENT COST ESTIMATES 60</b>		
	<i>Independent</i> <b><u>SUBCHAPTER O - PRICE OR COST Estimate ANALYSIS</u></b>	<u>61</u>
<b>SUBCHAPTER <del>O</del> - <i>Price or Cost Analysis</i> <u>62</u></b>		
	<i>Cost Analysis Summary</i>	<u>63</u>
<b><u>SUBCHAPTER Q - DEMONSTRATION (PILOT) PROJECTS FOR INNOVATIVE PRODUCTS, APPROACHES, OR TECHNOLOGIES</u></b>		<b><u>64</u></b>
<b>CHAPTER IV - PURCHASE ORDERS <u>66</u></b>		
<b><u>68</u></b>		
A.	<i>Purchase Order Process / Requirements</i>	68
B.	<i>Types of Purchase Orders:</i>	68
1.	<i>Contract Purchase <del>orders</del> <u>Orders</u> (KPO)</i>	68
2.	<i>Purchase Orders (PO)</i>	69
	<del>3. <i>Purchase Invoice (PI)</i></del>	<del>69</del>
C.	<i>Receipt of Goods/Service and Authorization to Pay</i>	69
<b>CHAPTER V - VENDOR PROTEST PROCEDURES <u>68</u></b>		
<b><u>70</u></b>		
A.	<i>Purpose</i>	70
B.	<i>General</i>	70
C.	<i>Definitions</i>	70
D.	<i>Grounds for Protest</i>	71

- E. Contents of Protest  
71
- F. Timing Requirements and Categories of Protests  
72
- G. Review of Protest by Foothill Transit  
72
- H. ~~Effects~~**Effect** of Protest on Procurement Actions  
73
- I. Summary Dismissal of Protests  
74
- J. Protest Decisions  
74
- K. Judicial Appeals  
74
- L. Federal Transit Administration Appeals (Only if Federal funds are used in the procurement)  
74

**CHAPTER VI - CONTRACT ADMINISTRATION** ..... **74**  
**76**

- A. Contract Administration Guidelines  
76
- B. State and Local Procurement Requirements.  
76
- C. Federal Procurement Requirements  
~~76~~77
- ~~C~~D. Bonding Requirements  
~~78~~77
  - 1. ~~Purpose~~  
~~78~~
  - 2. ~~Responsibility~~  
~~78~~
  - 3. ~~Types of Bonds~~  
~~79~~
    - a. ~~Bid Guarantee~~  
~~79~~
    - b. ~~Performance~~  
~~79~~
    - c. ~~Payment~~  
~~79~~
  - 4. ~~Procedures~~  
~~80~~
  - 5. ~~Forfeiting of Bonds~~  
~~80~~
- ~~D~~E. Insurance Requirements  
~~80~~79
- ~~E~~F. Liquidated Damages  
~~81~~80
- ~~F~~G. Indemnification  
~~81~~80
- ~~G~~H. Termination for Cause, Mutual Agreement, and for Convenience  
~~82~~80
- ~~H~~I. Dispute Resolution  
~~82~~81

<del>I</del> J.	Project Control File	82
	<del>81</del>	
JK.	Vendor File	83
	<del>Database</del>	
		82
K.	Types of Contracts and Payment Terms	84
	<del>L.</del>	
	<u>Types of Contracts and Payment Terms</u>	82
		82

**CHAPTER VII - DEBARMENT AND SUSPENSION PROCEDURES 84**

A.	<u>Purpose</u>	84
		84
B.	<u>Definitions</u>	84
		84
C.	<u>Grounds for Debarment</u>	85
		85
D.	<u>Debarment Process</u>	87
		87
E.	<u>Debarment Recommendation and Debarment Determination</u>	88
		88
F.	<u>Period of Debarment</u>	89
		89
G.	<u>Suspension</u>	89
		89
H.	<u>Effect of Debarment or Suspension</u>	90
		90
I.	<u>Judicial Appeals</u>	90
		90
	<u>Appendix A – State and Local Requirements</u>	91
	<u>Appendix B – Federal Requirements</u>	94
	<u>Appendix C – Forms</u>	97

## INTRODUCTION

Foothill Transit has major responsibilities, which include the operation of a public transportation system and the planning, design, and programming of transportation projects. All contracts are awarded by Foothill Transit by its own procurement office, which is responsible for identifying the needs of Foothill Transit and originating the procurement package for supplying those needs.

Foothill Transit receives funding from both the Federal government and the state. Therefore, Foothill Transit adopts procurement policies and procedures that are consistent with Federal regulations and the laws of the State of California. These procedures apply to all procurements irrespective of the source of the funds. Specific requirements for procurements funded by the Federal Transit Administration ([FTA](#)) are so identified. These procedures [also](#) apply to any revenue contract ~~whose, the~~ primary purpose [of which](#) is to either generate revenues in connection with a transit-related activity, or to create business opportunities utilizing ~~a Federal Transit Administration an~~ [FTA](#)-funded asset.

The purpose of these policies and procedures is to set forth the procurement methods and establish [the applicable](#) standards for obtaining goods and services, including construction, professional, and Architectural/Engineering services, necessary for the operation of Foothill Transit's transit service. These procedures include guidelines for the solicitation, negotiation, award or selection, and administration of all contracts.-

The procurement procedures are designed to:

- Instill public confidence in the procurement process of Foothill Transit.
- Ensure fair and equitable treatment for all vendors who seek to deal with Foothill Transit.
- Ensure maximum open and free competition in the expenditure of public funds.
- Provide the safeguards to maintain a procurement system of quality and integrity.

The methods by which the foregoing are implemented are described in detail in the remainder of this document and the attachments hereto.

The procurement process is ongoing throughout the fiscal year. During budget preparation, each department head should identify, to the extent possible, all goods and services that will need to be procured during the upcoming fiscal year (July 1 - June 30).

## CHAPTER I - LEVELS OF APPROVAL

~~For most procurements, with the exception of those using the informal process, there are two phases of the process that need to be approved:~~

Every procurement requires two determinations at the outset:

(1) The method of procurement applicable to the procurement at issue; and

~~☐ Issuance~~ (2) The level of approval required for (a) issuance of the solicitation document and (b) contract award.

~~☐ Contract award~~

~~Procurements that occur as the result of a micropurchase or small purchase, or through the use of~~ The method of procurement is determined by the type and anticipated (and actual) cost of the goods or services being procured. Goods or services being procured through a cooperative purchasing agreements agreement (such as the California Multiple Award Schedule (CMAS), or) or on a pre-approved non-competitive basis (such as through a the sole source do not utilize this process) do not require a “method of procurement” determination. The anticipated cost of the procurement is established by independent cost estimate and must take into account the cost of the base term and all options requested in the solicitation. A procurement must meet the requirements, by type and cost, of the chosen method of procurement at both the solicitation phase and the award phase.

The level of approval is also determined by the type and anticipated and actual cost of the goods or services being procured. For purposes of determining the applicable level of approval, the cost of the procurement takes into account only the cost of the base term requested in the solicitation and/or proposed for award.

~~In this chapter the levels set forth apply to both the approval of the issuance of the solicitation document and the approval of the resulting contract.~~ The following approval levels apply to the foregoing determinations:

### A. Goods and Services

~~Procurements~~ Procurement of services, supplies, or other property, ~~with the exception of~~ except for Architectural and Engineering services and public works/construction projects.

<i>Price Threshold</i>	<i>Method of Procurement</i>	<i>Required Approval Level</i>
------------------------	------------------------------	--------------------------------

Foothill Transit Procurement Policies and Procedures

Less than <del>\$5,000</del> <u>\$7,500</u> *	Micro Purchase	Department Directors
<del>\$5,000</del> <u>\$7,500</u> -\$20,000*	Small Purchase	Department Directors
\$20,000-\$75,000	Small Purchase	Executive Director
\$75,000-\$100,000	RFP or IFB	Executive Director
Greater than \$100,000	RFP or IFB	Executive Board
*Less than <del>\$3,000</del> <u>\$3,500</u> when Federal Funds are used.		
** <del>\$3,000</del> <u>\$3,500</u> - \$20,000 when Federal Funds are used.		

Please note that Department Directors are not authorized to delegate their approval authority.

**B. Architectural and Engineering Services**

Procurement of professional consultants for engineering, architectural, land surveying, or other support services, such as program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, or related services as it relates to research, planning, development, design, construction, alteration, or repair of real property."

<i>Price Threshold</i>	<i>Method of Procurement</i>	<i>Required Approval Level</i>
Less than \$10,000	RFQ	Director of Facilities
<del>\$10,000 - \$100,000</del>	<del>RFQ</del>	<del>Executive Director</del>
<u>\$10,000 - \$100,000</u>	<u>RFQ</u>	<u>Executive Director</u>
Greater than \$100,000	RFQ	Executive Board

**C. Public Works/Construction Projects**

~~Procurements~~**Procurement** of labor and/or materials for construction or public works projects.

For the purposes of this section, public works are defined in Article 3.5 of the California Public Contract ~~code~~**Code**, which requires that any public works project over \$6,500 be ~~competitively bid.~~ **done by contract after competitive bidding.** Public ~~works~~**work projects** include construction of any **building or facility or repair to any building but do not refer to the definition of Public Works in California Labor Code 1720.** **and any painting or repairs to any building or facility. Cal. Pub. Cont. Code 20121, 20122. (Note that the California Labor Code broadly defines “public works” for purposes of prevailing wage laws. State prevailing wage requirements apply to public works in excess of \$1,000, regardless of whether such “public works” also fit the definition provided in Public Contract Code 20121.)**

<i>Price Threshold</i>	<i>Method of Procurement</i>	<i>Required Approval Level</i>
Less than \$6,500	Small Purchase	Director of Facilities
\$6,500 - \$100,000	IFB	Executive Director
Greater than \$100,000	IFB	Executive Board

**D. Sole Source**

~~Procurement~~**Procurements** accomplished through solicitation or acceptance of a proposal from only one available source or solicitation of a number of sources in which competition is determined inadequate.

<i>Price Threshold</i>	<i>Method of Procurement</i>	<i>Required Approval Level</i>
Less than \$20,000	<del>Sole Source</del>	Department Directors
<del>\$20,000-\$100,000</del>	Sole Source	<del>Executive Director</del>
<b><u>\$20,000-\$100,000</u></b>	<b><u>Sole Source</u></b>	<b><u>Executive Director</u></b>
Greater than \$100,000	Sole Source	Executive Board

**E. Change Orders and Amendments**

~~Except as provided below, any~~**Any** amendments and/or individual change orders will be approved at the same price threshold as the underlying contract (e.g., a change order of between \$10,000 and \$100,000 must be approved by the Executive Director; a change order of over \$100,000 must be approved by the Executive Board.) **, except in the following circumstances:**

**1.** When the cumulative value of all amendments or change orders to a contract exceeds \$10,000, **the amendment or change order responsible for**



exceeding the \$10,000 threshold and all future individual amendments or change orders that increase the cost for that contract must be approved by the Executive Director.

2. When the cumulative value of all amendments or change orders to a contract exceeds \$100,000, the amendment or change order responsible for exceeding the \$100,000 threshold and all future individual amendments or change orders that increase the cost for that contract must be approved by the Executive Board (e.g., if there have been four change orders for a contract totaling \$90,000, and there is a fifth change order for \$10,000, the fifth change order and all future change orders must be approved by the Executive Board.)

3. For contracts with a value of over Five Million Dollars (\$5,000,000), the Executive Director is authorized to approve individual change orders with a value equal to five percent (5%) or less of the contract value. When the cumulative value of all change orders for such contracts exceeds five percent (5%), the change order responsible for exceeding the five percent (5%) threshold and all future individual change orders for that contract must be approved by the Executive Board.

4. For on-call contracts (contracts requiring the issuance of task orders), the addition of each task order scope by amendment will be approved at the level of approval required for the value of the task order at issue (e.g., a task order for \$15,000 may be approved by a department director; a task order of \$50,000 must be approved by the Executive Director) where the value of the individual task order at issue is below \$75,000. For task orders with an individual value at or above \$75,000, approval of the Executive Board is required. The cumulative value rules set forth in (1)-(3) above do not apply to amendments of on-call contracts.

#### **F. Delegations**

Except as otherwise provided in these procedures and specifically in this Chapter related to levels of approval, all rights, powers, duties, and authorities relating to the procurement of supplies, services, and construction vested in the Executive Director are hereby delegated to the Deputy Executive Director.

Except as provided in these procedures, all rights, powers, duties, and authorities delegated to the Deputy Executive Director are, in turn, delegated to the \_\_\_\_\_ Director of \_\_\_\_\_ **Procurement.**

#### **Policy and Strategic Sourcing.**

The Director of **Procurement** Policy and Strategic Sourcing may delegate approval to the Director of Policy and Strategic Sourcing's staff as necessary. However, approvals allowed only to the Executive Director, Deputy Executive

Foothill Transit Procurement Policies and Procedures

---

Director, or the Director of ~~Procurement~~Policy and Strategic Sourcing may not be delegated.

The Executive Board is specifically authorized to execute approval authorized at any level.

The Executive Director and/or the Deputy Executive Director are specifically authorized to execute approvals delegated to the Director of ~~Procurement~~Policy and Strategic Sourcing.

## CHAPTER II – POLICIES

Foothill Transit is governed by a five-member Executive Board. Among other duties, Foothill Transit's Executive Board is responsible for establishing policies ~~which~~to guide the operation of Foothill Transit. It is in that capacity that the Board adopted a set of procurement policies. These policies serve as a base upon which procurement procedures can be developed.

Foothill Transit's Board has adopted related policies which serve to guide procurement activities. Those policies are summarized in this Section.

### A. Revision of Procurement Procedures

The Director of ~~Procurement~~Policy and Strategic Sourcing is responsible for updating and clarifying these procurement procedures on an as-needed basis. All substantive changes to procurement policies shall be reviewed and approved by the Executive Board.

### B. Standards of Conduct and Conflict of Interest Policies

There will be uniform and equitable application of the Standards of Conduct of Foothill Transit involving all activities associated with the procurement of goods and services. This section defines responsibility to identify and prevent a real or apparent conflict of interest.

#### 1. Conflict of Interest

No Executive Board Member or employee of Foothill Transit shall participate in the selection, ~~or in the award,~~ or administration of ~~the~~ Contract~~a contract~~ if a conflict of interest, real or apparent, would be involved.

Such a conflict is determined in accordance with the Conflict of Interest Code adopted by the Foothill Transit Executive Board. Such a conflict would arise when ~~any of those previously listed has a~~ an Executive Board Member, Foothill Transit employee, an immediate family member or partner of an Executive Board Member or Foothill Transit employee, or an entity or organization that employs or is about to employ any person that has a relationship with any of the foregoing persons has a present or potential financial or other significant interest ~~in the firm selected for award, such as a present or potential employment interest, in the selection, award, or administration of a contract or subcontract~~. In cases where there may be ~~a benefit~~ such an interest, either direct or indirect, there is a responsibility to report in writing such

~~benefit~~interest to the Executive Board. If anyone fails to report such ~~benefit~~interest, he or she will be subject to any disciplinary proceeding deemed appropriate by the Executive Board, including possible dismissal.

Executive Board members and employees of Foothill Transit shall be subject to the conflict of interest laws of the State of California. Anyone who violates the standards of the law shall be subject to the penalties, sanctions, or other disciplinary actions provided for therein.

In addition, Foothill Transit will disclose in writing any potential conflict of interest to the Federal Transit Administration or other United States Department of Transportation component making a financial assistance award to Foothill Transit in accordance with applicable Federal awarding agency policy.

2. Gratuities, Kickbacks, and Contingent Fees

No Executive Board member or employee of Foothill Transit shall solicit, demand, or accept from any person, contractor, potential contractor, or potential ~~subcontractors~~,subcontractor anything of a monetary value, including gifts, gratuities, and favors except as the receipt and reporting of gifts is permitted by The Political Reform Act (California Government Code Section 81000, *et. seq.*). Anyone failing to adhere to the above will be subject to any disciplinary proceeding deemed appropriate by Foothill Transit, including possible dismissal.

3. Confidential Information

No Executive Board member nor employee of Foothill Transit shall use confidential information for his or her actual or anticipated personal gain, or the actual or anticipated personal gain of any other person related to them by blood, marriage, or by common commercial or financial interest. Anyone failing to adhere to the above will be subject to any disciplinary proceeding deemed appropriate by Foothill Transit, including possible dismissal.

4. Organizational Conflict of Interest

~~Each entity that enters into a contract with Foothill Transit is required, prior to entering into such contract, to inform Foothill Transit of any real or apparent organizational conflict of interest. Such organizational conflict of interest exists when any of the following circumstances arise:~~

It is the policy of Foothill Transit to avoid taking an action that might result in or create the appearance of an organizational conflict of interest.

An organizational conflict of interest occurs (A) where a contractor is unable, or potentially unable, to render impartial assistance or advice to Foothill Transit due to ~~activities, relationships, contracts, or circumstances~~ (financial or otherwise) which may impair the contractor's objectivity; (B) a contractor has an unfair competitive advantage through receipt of or ~~obtaining access to nonpublic information~~; or (C) during the performance of an earlier contract or the conduct of a procurement, the contractor has established the ground rules for the solicitation or selection of the services or goods to be acquired by ~~developing specifications, evaluation factors, or similar documents~~.

Based on this policy:

- a. ~~Lack of Impartiality or Impaired Objectivity. When the contractor is unable, or potentially unable, to provide impartial and objective assistance or advice to Foothill Transit due to other activities, relationships, contracts, or circumstances.~~ Reference in Procurement Documents. Foothill Transit shall specify or otherwise reference the policy concerning organizational conflicts of interest found herein in all procurement documents, including but not limited to those for Federally-funded projects and activities, design-build projects, and procurements for design-build related activities (i.e., engineering services, inspection, or technical support in the administration of the design-build projects).
- b. ~~Unequal Access to Information. The contractor has an unfair competitive advantage through obtaining access to nonpublic information during the performance of an earlier contract.~~ Pre-Award Disclosure. Foothill Transit shall require every vendor to certify the absence of, or disclose to Foothill Transit, any real or apparent organizational conflict of interest at the time of submission of the vendor's bid, proposal, or offer. If a disclosure is necessary, Foothill Transit shall require the vendor to describe in detail why it believes, in light of the interest(s) identified, that performance of the proposed contract can be accomplished in an impartial and objective manner or why the identified interest otherwise does not afford the vendor an unfair competitive advantage. Foothill Transit shall further require that the disclosure include all relevant facts concerning any past, present, or planned interests that may present an organizational conflict of

interest. The refusal to provide the disclosure or certification, or any additional information required, may result in disqualification of the vendor for award.

- c. ~~Biased Ground Rules. During the conduct of an earlier procurement or contract, the contractor has participated in establishing the ground rules for a future procurement by developing specifications, evaluation factors, or similar documents.~~ Review of Pre-Award Disclosure. Foothill Transit's contracting officer shall review the disclosure and may request additional information from the vendor. All information given by the vendor, and any other relevant information known to Foothill Transit, shall be used to determine whether an award to the vendor may create an organizational conflict of interest. If any organizational conflict of interest is found to exist, Foothill Transit may (1) disqualify the vendor or (2) determine that it is otherwise in the best interest of Foothill Transit to contract with the vendor and include appropriate provisions to mitigate or avoid such conflict in the contract awarded.
- d. Post-Award Disclosure. After award, conflict of interest guidelines and policies shall continue to be monitored and enforced. Foothill Transit shall include contract provisions in every contract that require the contractor to make an immediate and full disclosure of any organizational conflicts of interest, real or apparent, that could not reasonably have been known or discovered prior to contract award. The disclosure shall include a full description of the organizational conflict(s) and a description of the action(s) the contractor has taken, or proposes to take, to avoid or mitigate the organizational conflict. Foothill Transit may terminate the contract for cause if Foothill Transit determines that the conflict has not been adequately avoided or mitigated or for convenience if it is otherwise in Foothill Transit's best interest to terminate. If a non-disclosure or misrepresentation of or concerning an organizational conflict is discovered after award of a contract, Foothill Transit may terminate the contract for cause.
- e. Procurements Involving Environmental Documents. In any procurement based or relying on environmental documents prepared by, or in concert with, contractor or consultant support, the procurement documents shall contain a notice identifying which companies and consultants contributed to the documents.

## 5. Mandatory Disclosures - Federal Awards

Foothill Transit shall timely disclose in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting a Federal award to the Federal Transit Administration or other applicable Federal awarding agency.

**C. Purchasing Policies**

1. Equal Employment Opportunity/Affirmative Action

All procurement documents issued by Foothill Transit shall require all interested vendors to certify:

- a. That the vendor does not discriminate against any employee or applicant for employment, because of race, color, religion, sex, sexual orientation, gender identity, age, creed, ~~color,~~ disability, or national origin;
- b. That the vendor is in compliance with all Executive Orders and Federal, State, and local laws regarding fair employment practices and non-discrimination in employment; and
- c. That the vendor agrees to demonstrate positively and aggressively the principle of equal opportunity in employment.

2. Disadvantaged Business Enterprise

a. General Policy

The Executive Board of Foothill Transit has determined as a matter of policy that whenever Federal funds are used to support a procurement, disadvantaged business enterprises (DBEs), as defined in 49 C.F.R. Part 26, shall have the opportunity to compete fairly for contracts financed in whole or in part with Federal funds. Accordingly, and as required by 49 C.F.R. Section 26.13, each such prime contract signed by Foothill Transit (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance:

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 C.F.R. Part 26 in the award and administration of U.S. DOT-assisted contracts. Failure by the contractor to carry out these requirements is a

material breach of this contract, which may result in the termination of this contract or such other remedy as Foothill Transit deems appropriate.

b. Contract Goals

Foothill Transit's DBE Liaison Officer shall be responsible for determining whether to establish a DBE goal for each Federally-assisted contract. The setting of DBE contract goals shall be consistent with the provisions of 49 C.F.R. §§ 26.51(c) through (f).

c. Contractor Compliance

Proposers and bidders must take necessary and reasonable steps to ensure that DBEs have a fair opportunity to participate in the proposed contract and/or subcontracts. If a proposer or bidder qualifies as a certified DBE or is joint venturing with a certified DBE, a copy of the DBE certification(s), and a description of the dollar value of the proposed work that it intends to perform with its own forces, together with a statement of the percentage interest in the contract held by a joint venturer DBE must be submitted with its proposal or bid. If a proposer or bidder intends to utilize DBE subcontractors, it must identify the subcontractors in its proposal or bid and set forth the percentage value of the work to be performed by the subcontractors utilizing the "Designation of Subcontractors" and "Designation of DBE Subcontractors" forms ~~which~~that are included with each invitation for bids or request for proposals, as appropriate.

In the event that Foothill Transit has established a DBE goal for a contract, each proposer or bidder must, prior to contract award, document that it has obtained sufficient DBE participation to meet the contract's goal or document that it has made adequate good faith efforts to meet the goal, even though it did not succeed in obtaining enough DBE participation to do so. In instances in which DBE subcontractors are utilized to meet a contract goal, a successful proposer will be required to submit documentation with its initial proposal as a matter of responsibility and a bidder will be required to submit documentation with its sealed bid as a matter of responsiveness. In addition to the information on the "Designation of DBE Subcontractors" form, this documentation must include (1) written documentation of the proposer's or bidder's commitment to use identified DBEs; and (2) written confirmation from the DBE that it is participating in the contract.

d. Good Faith Efforts



When a proposer or bidder indicates that it cannot meet a contract goal, its submitted documentation must also include evidence of good faith efforts undertaken by the proposer or bidder to achieve DBE participation sufficient to meet the goal. For purposes of determining the adequacy of those efforts Foothill Transit shall be guided by Appendix A to 49 C.F.R. Part 26.

e. Tracking Participation

Foothill Transit shall require contractors to submit monthly reports identifying payments made to DBE firms.

f. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Areas

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

3. Veterans Employment—~~Contractors~~

Foothill Transit shall require contractors working on a capital project funded using Federal assistance ~~shall~~to give a hiring preference, to the extent practicable, to veterans (as defined in 5 U. S. C. 2108) who have the requisite skills and abilities to perform the construction work required under the contract. This requirement shall not be understood, construed, or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

4. Cooperative Procurement

When circumstances warrant, Foothill Transit may attempt to fill requirements through a cooperative purchasing agreement with the State of California, the County of Los Angeles, or ~~with~~ other appropriate public or private cooperative procurement ~~agencies~~agency.

5. Open Competition Required

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

Unreasonable requirements placed on firms in order for them to qualify to do business.

Unnecessary experience and excessive bonding requirements.

Noncompetitive pricing practices between firms or between affiliated companies.

Noncompetitive award to any person or firm on retainer contracts.

The specification of only a brand name product without listing its salient characteristics and not allowing an equal product to be offered.

Exclusionary or discriminatory specifications.

Any arbitrary action in the procurement process.

The Director of ~~Procurement~~**Policy and Strategic Sourcing** will monitor each procurement and document all of the steps taken during the procurement to ensure that there are no arbitrary actions taken during the procurement process, and that each ~~solicitation~~**procurement** document includes all requirements expected of bidders or offerors.

**If Foothill Transit establishes any list(s) of prequalified persons, firms, or products to use in acquiring goods and services, Foothill Transit shall ensure that such lists are current and include enough qualified sources to ensure maximum open competition.**

6. Efficient and Economic Purchases

The Director of ~~Procurement~~**Policy and Strategic Sourcing** will review all proposed procurements to ensure that ~~that~~ there are no purchases of unnecessary or duplicative items; and to determine whether it is necessary and/or appropriate to consider consolidating or breaking out procurements to obtain more economical purchases. The Director of ~~Procurement~~**Policy and Strategic Sourcing** will, in consultation with the Director of Finance, examine major procurements to determine if it is in Foothill Transit's best interest to enter into a capital lease rather than to make a purchase.

7. Public Records Act

Ownership of Records – All Proposals~~or~~, Bids, or Offers received in response to ~~Requests for Proposals~~ a procurement become the exclusive property of Foothill Transit, except questionnaires and/ or financial statements submitted as part of a proposal, bid, or offer, in accordance with California Public Utilities Code § 99154. Such questionnaires and financial statements shall be returned to ~~Proposers~~ vendors not selected for contract award by Foothill Transit within thirty (30) days after the earlier of approval of award to the successful ~~proposer~~ vendor by Foothill Transit's Executive Board or contract award, if Executive Board approval is not required.

Marking of Documents -- ~~Proposers and Bidders~~ Vendors shall clearly designate and mark information deemed confidential, proprietary, or trade secret consistent with applicable California law. Proposals~~or~~, Bids, or Offers that indiscriminately identify all or most of the ~~Proposal~~ proposal, bid, or offer as exempt from disclosure without justification will not be sufficient and shall not bind Foothill Transit in any way whatsoever.

Public Records -- At such time as a contract is awarded by Foothill Transit, all Proposals~~or~~, Bids, or Offers submitted in response to ~~this RFP~~ the procurement shall become a matter of public record and shall be regarded as public records, with the exception of those elements of each ~~Proposal~~ proposal, bid, or offer which are: (i) trade secrets as that term is defined in California Government Code § 6254.7(d) and which are so marked as trade secret, confidential, or proprietary; and (ii) any questionnaires and/or financial statements required and deemed to not be public records and not open to public inspection pursuant to California Public Utilities Code § 99154. Foothill Transit will not disclose information marked proprietary, confidential, or trade secret unless required to do so by law or legal process; provided, however, Foothill Transit may disclose such information to its legal and financial advisors as it deems necessary or appropriate. Foothill Transit shall not in any way be liable or responsible for the disclosure of any such records or portions thereof, including, without limitation, those so marked as confidential, proprietary, or trade secret, if disclosure is deemed required by law or by an order of a court.

8. Term Limitations ~~—~~ Rolling Stock Procurements

The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that the term of rolling stock procurements, including the exercise of options, funded with Federal funds will not exceed five (5) years.

9. Revenue Contracts

With the exception of lease agreements for certain portions of its Administrative Headquarters Facility, Foothill Transit does not enter into any revenue producing contracts. Contracts with local municipalities wherein Foothill Transit is reimbursed for goods and/or services provided are not considered revenue contracts.

10. Escrow/Surety Deposits

When it becomes necessary for Foothill Transit to place funds in excess of \$500,000 into an escrow account or other form of performance security for the purchase of land, buildings, and other major assets, Foothill Transit will require the agency holding and or requesting these funds to guarantee interest earning at a minimum rate equal to 80% of the current LAIF rate. In the event this rate cannot be guaranteed, Foothill Transit will:

\_\_\_\_\_ (1) ~~guarantee~~ Guarantee payment within four working days from the day the funds are requested. ~~In, with the event Foothill Transit fails to fulfill this guarantee, Foothill Transit will~~ obligation to compensate all related parties to the transaction for actual costs incurred ~~because if~~ payment ~~was is~~ received after the four working days;

\_\_\_\_\_ (2) Secure a certificate of deposit (CD) in Foothill Transit's name in the amount of the required escrow/security deposit and surrender the CD to the agency requiring the deposit; or

\_\_\_\_\_ (3) Select an escrow agent that will guarantee Foothill Transit an interest earning rate that is acceptable based on the terms and conditions at the time of the purchase.

It will be at Foothill Transit's option to select option 1, 2, or 3.

11. Demonstration Projects for Innovative Products, Approaches, or Technologies

It is in Foothill Transit's best interest to consider proposals for demonstration (pilot) projects. A demonstration project is a short-term, carefully planned, pilot exercise designed to test and evaluate the feasibility and application of an innovative product, approach, or technology not currently used by Foothill Transit. Demonstration projects will allow Foothill Transit to observe and analyze effectiveness and efficiency of the innovative product, approach, or technology without a large commitment of resources. Demonstration projects may be initiated by an unsolicited proposal or by Foothill Transit on its own initiative. A demonstration project may result in a procurement if Foothill Transit determines that the

piloted product, approach, or technology should be fully implemented at Foothill Transit.

Demonstration projects may be considered for goods or services. Demonstration projects shall not be considered for public works/construction (as defined in Article 3.5 of the California Public Contract Code) projects or for projects involving architectural and/or engineering services. Demonstration projects shall not be considered in connection with Federal funding unless such funding is specifically authorized for use on such demonstration project.

## 12. Media Buying Policy

It is in Foothill Transit's best interest to facilitate the timely purchase of communications media to meet Foothill Transit's advertising and related media needs by exempting such purchases from the standard procurement process. Media procurements require geographically and demographically targeted exposure to reach Foothill Transit's ridership, potential ridership, and interested parties. Potential media outlets typically only touch upon one geographic region, i.e., local newspapers, or one demographic, i.e., language-based advertising, and as such, are uniquely capable of reaching Foothill Transit's desired audience.

- a. Foothill Transit may facilitate media procurements by authorizing a designated Media Buyer to conduct competitive solicitations for such procurements in a manner consistent with media industry practices. The Media Buyer shall be an outside professional services consultant obtained through the standard procurement process. The Media Buyer shall be responsible for obtaining and analyzing bids from media outlets, negotiating rates and "bonus" space or time, recommending the most efficient and cost-effective media choices to Foothill Transit Communications personnel, and placing media orders on behalf of Foothill Transit with the written approval of the Director of Marketing and Communications.
- b. Media procurements shall be initiated by the Director of Marketing and Communications or his or her designee.
- c. Media procurements conducted without the services of a designated Media Buyer shall be treated as sole source procurements not requiring a justification form.
- d. The purchase of classified advertising of procurement and recruitment notices is excepted and is not affected by this policy.

## 13. Recovered Materials - Federal Funds

Foothill Transit and its contractors shall comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

D. Procurement History

An accurate written account of each procurement will be maintained by the Procurement Department, and the Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that it is included in the official procurement file. The Project Manager will complete a Procurement Initiation Form ~~(see page i)~~ for each procurement action, including new procurements and all contract amendments, to initiate the procurement process. A record of procurement actions, i.e., Procurement History, will be initiated for all Invitation for Bids, Request for Proposals ~~and~~, Request for Qualifications, and Sole Source procurements. ~~Each~~ Procurement history documentation will be updated as a procurement progresses and will be retained as a historical record of the procurement. Procurement history includes, but is not limited to:

1. Rationale for the Method of Procurement

The type of procurement to be used for a given project will be determined at the outset of the project through consultation between the Project Manager and the Director of ~~Procurement~~Policy and Strategic Sourcing. A written justification for the procurement type selected will be developed including a completed "Method of Procurement Matrix" ~~(see page iii)~~ set forth below.

2. Contract Type

The rationale for selecting the type of contract, fixed price or cost reimbursement, will be developed by the Project Manager, Director of ~~Procurement and legal counsel~~Policy and Strategic Sourcing and Counsel, and will be recorded by the Director of ~~Procurement~~Policy and Strategic Sourcing.

3. Contractor Selection

Reasons for contractor selection or rejection will be fully documented, including, but not limited to, evaluation criteria, responsiveness to the requirements of the solicitation, responsibility, or cost. The Director of ~~Procurement~~Policy and Strategic Sourcing will fully document the selection process.

4. Cost or Price Evaluation

The cost of potential contracts will be evaluated and documented by the Project Manager, and compared to the Independent Cost Estimate required under Chapter III, Subchapter N. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that a cost or price analysis is completed as required under Chapter III, Subchapter O ~~is completed~~. The Director of ~~Procurement~~Policy and Strategic

Sourcing will ensure that ~~appropriate~~ documentation of the cost or price analysis is included in the procurement file.

E. Internal Controls - Federal Awards

Foothill Transit shall establish, maintain, and evaluate its internal procurement and contract management controls to provide reasonable assurance that Foothill Transit is managing its Federal awards in compliance with Federal law and the terms and conditions of the award. Foothill Transit's controls shall also safeguard personally identifiable and sensitive information.

F. Federal Awarding Agency Review

Foothill Transit shall comply with the requirements of 2 C.F.R. 200.324 regarding Federal awarding agency review of technical specifications on proposed procurements and pre-procurement review of procurement documents on all Federally-funded procurements, unless exempt under Federal regulation.

G. Record Retention and Access

Foothill Transit shall maintain financial records, supporting documents, statistical records, and all other records pertinent to a Federal award for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

Foothill Transit shall provide FTA, Inspectors General, the Comptroller General of the United States, and any pass-through entity (if applicable), or any of their authorized representatives, the right of access to any documents, papers, or other records of Foothill Transit which are pertinent to a Federal award, in order to make audits, examinations, excerpts, and transcripts, in accordance with applicable Federal regulations.

## CHAPTER III – PROCUREMENT PROCEDURES

### Subchapter A - Procurement by Micro- Purchases

A micro purchase is a procurement for goods or services (excluding public works projects) that total \$~~5,000~~\$7,500 or less, (~~\$3,000~~\$3,500 or less when Federal Funds are used). Purchases below \$~~5,000~~\$7,500 (~~\$3,000~~\$3,500 or less when Federal Funds are used) may be made without obtaining competitive quotations if it is determined by the Department Director that the price to be paid is fair and reasonable. ~~The splitting of procurements to avoid competition is prohibited, and the Director of Procurement will review micro purchases to ensure that prohibited splitting of procurements has not taken place.~~ The Department Director will document how this determination was derived ~~on the Purchase Order, if a Purchase Order is required.~~

Micro- purchases must be distributed equitably among qualified suppliers, and the splitting of purchases to avoid the requirements of competition above the micro purchase threshold is prohibited. The Director of Policy and Strategic Sourcing has the authority to review micro purchases to ensure that such purchases are being distributed among qualified suppliers and are not being split to avoid competition requirements.

### Subchapter B - Small Purchases

For procurements between \$~~5,000~~\$7,500 and \$~~75,000~~75,000 (~~\$3,000~~\$3,500 to \$75,000 when Federal Funds are used) (public works construction projects valued at \$6,500 or less can be procured through the small purchase process), written quotations from three (3) vendors are required. ~~Oral quotes will be accepted with written confirmation required.~~ The responsibility for soliciting quotations rests with the Department Director of Policy and Strategic Sourcing. Appropriate documentation, including a list of the vendors contacted, the quotes received, and ~~a statement by the Department Director that~~ a determination ~~has been made~~ by the Department Director of Policy and Strategic Sourcing that the price is fair and reasonable ~~shall~~ (supported by a cost or price analysis) will be included within the ~~Purchase Order~~Procurement File. If the lowest ~~bidder~~priced vendor is not chosen, the documentation will include a technical justification for the selection of other than the lowest ~~bidder~~priced vendor. Foothill Transit may not divide or reduce the size of a procurement to avoid additional procurement requirements applicable to larger acquisitions.



## Subchapter C - Invitation for Bids (IFB)

### A. General

The Invitation for Bids (IFB) competitive procurement process is used for public works/construction projects valued at \$6,500 or more, and, if appropriate, purchases of goods and services whose cumulative value will exceed \$75,000. The IFB process is coordinated by the Director of ~~Procurement~~Policy and Strategic Sourcing.

### B. Use

The IFB method of procurement is employed when all of the following apply:

A clear and accurate description of the technical requirements for the material, product, or service to be procured is available in a manner that provides for full and open competition.

Two or more responsible suppliers are willing and able to compete effectively for the contract.

The procurement lends itself to a firm, fixed-price contract. A firm fixed-price contract is usually awarded in writing to the lowest responsive and responsible bidder, but a fixed price incentive contract or inclusion of an economic price adjustment provision can be appropriate. When specified in the bidding procurement documents, factors such as transportation costs and life cycle costs affect the determination of the lowest bid; ~~payment.~~ Payment discounts are used to determine the low bid only when prior experience indicates that such discounts are typically taken.

Selection of the successful bidder can be made on the basis of price and those price-related factors listed in the solicitation including, but not limited to, transportation costs, life cycle costs, and discounts expected to be taken.

Discussions with one or more bidders after bids have been submitted are expected to be unnecessary because award of the contract will be made based on price and price-related factors alone.

### C. Scope of Work and Specifications

The Project Manager shall provide the Director of ~~Procurement~~Policy and Strategic Sourcing with the scope of work and specifications for each solicitation. The following general rules apply to scopes of work and specifications:

A common basis for bidding must be provided. Specifications and scopes of work should set out the minimum essential characteristics and standards of the items or services to be procured. Whenever possible, the expected quality of services to be provided or the performance characteristics of the item should be specified.

Specifications and scopes of work should not call for features or quality levels which are not necessary to meet the bid requirements.

All optional items should be identified by the Project Manager, and the ~~solicitation~~procurement documents should set forth the expected needs and the manner in which the related bid prices will be considered.

In order to foster free and open competition, specifications may not require a "brand name" product without allowing an "or equal" product to be offered. When it is impractical or uneconomical to write a clear and accurate description of the technical requirements of the goods or services required, a "brand name or equal" description may be used to define the performance or other salient characteristics of the goods or services sought. The specific features or salient characteristics of the named brand which must be met by offerors of "an equal" bid must be clearly stated.

Because standard specifications and requirements allow for more efficient operations and result in lower prices, they should be used wherever suitable. Maximum use should be made of industry, Federal, State, and local government specifications and requirements.

#### **D. Issuance of IFB**

~~For any project that is estimated to cost over \$100,000, the~~The Executive Board must approve the issuance of an Invitation for Bids (IFB). ~~when the estimated cost of the project or base term for goods or services exceeds \$100,000.~~  
The Project Manager shall prepare the Board Report seeking authorization to issue the IFB. All IFBs will be prepared by the ~~Procurement~~ Department, of Policy and Strategic Sourcing and will be advertised on Foothill Transit's ~~web site, and, website in sufficient time prior to the date set for bid closing.~~  
Notice of IFBs for public works/construction projects also must be published in a newspaper of general circulation, including, but not limited to trade publications, in sufficient time prior to the date set for bid closing. The notice must include the following minimum information:

A general description of the services or goods to be purchased.

Where to ~~receive an~~obtain a copy of the IFB.

The location, day, and time of the Pre-Bid Conference (~~if~~ one is scheduled).

The location, last day, and hour bids will be accepted (deadline).

The Bid Acceptance Period.

Whether Federal funds are being used for the procurement.

#### **E. IFB Packet**

The Director of ~~Procurement~~Policy and Strategic Sourcing or designee will coordinate the release of the IFB packet. The IFB packet will include the following:

1. Instructions To Bidders – General instructions concerning the bid format, pre-contractual expenses, contract conditions, pre-bid conferences, and other information including language stating that because bids can at times be ambiguous, Foothill Transit reserves the right to request additional information before making an award and also reserves the right to seek clarification from any bidder about any statement in its bid that Foothill Transit finds ambiguous.
2. Submittal Documents (Bid Forms) – Required forms to be complete by the bidder and submitted with the bid.
3. Exhibits (and Scope of Work) - These can be documents ~~which~~that display key facts, specifications, maps, report formats, and other important information to clearly define the goods or services needed in order for the bidders to properly respond to the IFB.
4. General Terms and Conditions.
5. Special Terms and Conditions – Provisions unique to each IFB, if applicable, will be included (e.g., special terms of the resulting contract; any modifications to general terms and conditions; milestones; and special payments procedures).

#### **F. Control Record**

1. A control record will be maintained by the ~~Procurement~~Department of Policy and Strategic Sourcing as IFB packets are distributed to prospective bidders. The control record profiles the following information:
  - a. Date and time IFB packets are distributed.
  - b. Names and addresses of bidders receiving bid invitations and attending pre-bid conferences.

2. The control record has two primary purposes:
  - a. Serves as a mailing list for the issuance of addenda.
  - b. Provides a record for verification in cases of vendor protests and other issues.

#### **G. Pre-Bid Conference**

A pre-bid conference may be used as a means of briefing prospective bidders and explaining specifications and requirements to them as early as possible after the ~~invitation~~IFB has been issued and before the bids are opened. The pre-bid conference will not be used as a substitute for amending a defective or ambiguous ~~invitation~~IFB. Unless otherwise specified in the IFB documents, attendance by potential bidders is not mandatory. ~~Minutes of the conference and the~~The list of attendees will be issued to prospective bidders.

The pre-bid conference shall be chaired by the Director of ~~Procurement~~Policy and Strategic Sourcing or designee, and shall follow the format below:

Discussion on basic requirements such as instructions to the bidders, funding, contract type, and specific points that should be addressed in each ~~proposal~~bid response.

Discussion on the participation requirements for disadvantaged business enterprises (DBE), if applicable.

Discussion on the scope of work ~~and have the~~ The Project Manager should be available to answer technical questions.

Provide project schedule.

#### **H. Addendum to Invitation for Bids**

If after issuance of an IFB, but before the time set for opening of bids, it becomes necessary to make changes in quantities, specifications, opening dates, etc., or to correct or clarify a defective or ambiguous IFB, such changes shall be accomplished by the issuance, in writing, of an addendum to the IFB. Before issuing an addendum to an IFB, the period of time remaining until the time set for bid submittal and the need for extending this time must be considered. ~~Where only a short time remains, consideration should be given to notifying prospective bidders of an extension of time by email, facsimile or telephone.~~ If a material change, addition, or deletion to the IFB is being made, and less than 72 hours are remaining until bid opening, the scheduled bid opening time must be extended by at least 72 hours. Such notification should be confirmed in the addendum. The addendum shall be sent to each prospective bidder to whom the IFB was furnished or to any prospective bidder who attended any site visit and/or pre-bid conference and shall provide:

1. Addendum number and date.
2. Number, date, and the title of the IFB concerned.
3. Clearly stated changes made in the IFB and the extension of the opening date, if applicable.
4. Instructions to bidders for acknowledging receipt of the addendum and information concerning the effect of failure to acknowledge and return the addendum.

#### **I. Cancellation of IFB**

~~Invitations for bids~~ IFBs shall not be canceled unless cancellation is clearly in Foothill Transit's interest (i.e., where there is no longer a requirement for the material or service, or where amendments to the ~~invitation~~ IFB would be of such magnitude that a new invitation is desirable). When an ~~invitation~~ IFB is canceled, bids which have been received shall be returned unopened to the bidders and a notice of cancellation shall be sent to all prospective bidders to whom ~~invitations for bids~~ IFBs were issued.

The notice of cancellation shall identify the ~~invitation for bids~~ IFBs; briefly explain the reason the ~~invitation~~ IFB is being canceled; and, where appropriate, assure prospective bidders that they will be given an opportunity to bid on any re-solicitation of bids or any further requirements for the type of material or service involved.

If the ~~invitation for bids~~ IFB is canceled before the time for bid openings, this fact shall be recorded in the control file, with a statement of the number of entities invited to bid and the number of bids received.

**J. Receipt of Bids**

Bids shall be submitted so as to be received at the location designated in the ~~invitation for bids~~IFB not later than the exact time set for the receipt of bids. The only acceptable evidence to establish the time of receipt at Foothill Transit's offices is the time/date stamp of Foothill Transit, which shall be placed on the bid wrapper immediately upon receipt. The Foothill Transit staff person receiving the bid shall sign the exterior of the bid package to verify the date and time received and person receiving the bid. The timeliness of bids is the sole responsibility of the bidder. Bids received after ~~this specified~~the date and time specified in the IFB shall be considered late and shall not be considered for evaluation. Late Bids shall be returned to the sender unopened.

**K. Withdrawal of Bids**

Any bidder may withdraw ~~their~~its bid, either personally or by written request, received by Foothill Transit, at any time prior to the time fixed for the receipt of the bids. Negligence on the part of ~~Bidders~~a bidder in preparing ~~their~~its bid confers no right of withdrawal of ~~their~~the bid after such bid has been opened. ~~No~~Following bid opening, no bid may be withdrawn for the time period specifically set forth in each ~~invitation for bids~~IFB.

## L. Bid Opening

Upon receiving the bids, it is the Director of ~~Procurement~~Policy and Strategic Sourcing or designee's responsibility to record their receipt and keep them unopened and secure, except as stated below.

Prior to bid opening, information concerning the identity and number of bids received shall be made available only to Foothill Transit representatives who have a proper need for such information, as determined by the Director of ~~Procurement~~Policy and Strategic Sourcing.

Unidentified bids may be opened solely for the purpose of identification and then only by the Director of ~~Procurement~~Policy and Strategic Sourcing. If a sealed bid is opened by mistake or for purposes of identification, the Director of ~~Procurement~~Policy and Strategic Sourcing shall immediately write on the envelope an explanation of the opening, the date and time opened, and the ~~invitation for bid~~IFB number, ~~and their signature~~. The Director shall sign the envelope. Bids opened by mistake or for identification purposes shall be resealed in the envelope and no information contained therein shall be disclosed prior to the public bid opening.

The Director of ~~Procurement~~Policy and Strategic Sourcing or designee shall decide when the time set for bid opening has arrived and shall so declare to those present.

All bids received prior to the time set for receipt shall then be publicly opened and when practical, read aloud by the Director of ~~Procurement~~Policy and Strategic Sourcing or designee to the persons present. The bids received shall be recorded. If it is impractical to read the entire bid, as where many items are involved, the total amount of the bid shall be read.

A second Foothill Transit representative shall be present to witness the opening and reading of the bids and, along with the Director of ~~Procurement~~Policy and Strategic Sourcing or designee, shall sign the recording document to verify its accuracy.

The original of each bid shall be carefully safeguarded, particularly until the abstract of bids has been made and its accuracy verified.

The original bid form shall not be allowed to pass out of the hands of the Department of Policy and Strategic Sourcing. The original bids may not be removed from the ~~Procurement~~ Department of Policy and Strategic Sourcing office except for official review and evaluation by Foothill Transit ~~legal~~

~~counsel~~Counsel. A copy of each bid must be maintained in Foothill Transit's procurement files in lieu of such originals for the interim period.

All bids will be open to public review in accordance with the provisions of Paragraph C.~~67~~ of Chapter ~~I, and~~II. The results of the bid opening will be posted on the Foothill Transit website at the same time that all bidders are notified of Foothill Transit's proposed award of a contract to the lowest responsive and responsible bidder. All bids, including attachments and envelopes, shall be retained for the official files.

#### **M. Recording of Bids**

The ~~invitation for bid~~IFB number, bid opening date and time, general description of the procurement item, names of bidders, prices bid, and any other information required for bid evaluation, shall be entered on the official Foothill Transit record and shall be available for public inspection. When the items are too numerous to warrant the recording of all bids completely, an entry shall be made of the ~~invitation~~IFB number, opening date and time, general description of the procurement items, and the total price bid where definite quantities are involved.

The official record shall be completed as soon as practical after bids have been opened and read aloud. The Director of ~~Procurement~~Policy and Strategic Sourcing shall be responsible for maintaining files of these records and abstracts and will post the tabulation of bids on the Foothill Transit website within a reasonable time period after bid opening.

The IFB file ~~of the invitation for bids~~ shall show the distribution that was made and the date thereof. The names and addresses of prospective bidders requesting the ~~invitation for bids~~IFB who were not included on the original solicitation list shall be added and made a part of the record.

#### **N. Tabulation of Bids**

Bids shall be evaluated on the basis of responsiveness and responsibility indicated in the ~~Invitation for Bids~~IFB. Award shall be made to the bidder submitting the lowest bid, unless Foothill Transit determines that the bid is not responsive and/or the bidder is found to be not responsible.

#### **O. Mistakes in Bids**

General. Technicalities or minor irregularities in bids are waived if the Director of ~~Procurement~~Policy and Strategic Sourcing determines that ~~it shall be~~waiver is in Foothill Transit's best interest. The Director of ~~Procurement~~Policy and Strategic Sourcing shall either give a bidder an



opportunity to cure any deficiency resulting from a technicality or minor irregularity in its bid; or waive the deficiency if it is to Foothill Transit's advantage to do so.

Mathematical Errors. Errors in extension of unit prices or in mathematical calculations shall be corrected by Foothill Transit prior to award. In all cases of errors in mathematical computation, the unit prices shall not be changed.

Mistakes Discovered Before Opening. A bidder can correct mistakes discovered before the time and date set for bid opening by withdrawing the original bid and submitting a new bid prior to the time and date set forth for bid opening.

Confirmation of Bid. If the Director of Procurement Policy and Strategic Sourcing knows or has reason to conclude that a mistake has been made, the bidder shall be requested to confirm the bid. Situations in which confirmation will be requested include obvious, apparent errors on the face of the bid, or a bid unreasonably lower than the other bids submitted. If the bidder alleges mistake, the bid will be corrected or withdrawn if any of the following conditions are met:

If the mistake and the intended correction are clearly evident on the face of the bid document, the bid shall be corrected to the intended correct bid and must not be withdrawn. Examples of mistakes that may be clearly evident on the face of the bid document are typographical errors, errors in extending unit prices, transposition errors, and arithmetical errors.

A bidder will be permitted to withdraw a low bid if:

A mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or

The bidder submits proof of evidential value, which clearly and convincingly demonstrates that a mistake was made.

Determination Required. When a bid is corrected or withdrawn, or correction or withdrawal is denied, the Director of Procurement Policy and Strategic Sourcing shall prepare a determination showing that the relief was granted or denied.

## **P. Minor Irregularities in Bids**

1. A minor irregularity is one which is merely a matter of form and not of substance or pertains to some immaterial or inconsequential defect or variation in a bid from the exact requirement of the solicitation. If such a

situation exists, the correction of the irregularity or waiver of the requirement will be made if it would not be prejudicial to other bidders.

2. A defect or variation in a bid is considered immaterial and inconsequential when its significance as to price, quantity, quality, or delivery is trivial.
3. The Director of ~~Procurement~~Policy and Strategic Sourcing shall either give the bidder an opportunity to cure any deficiency resulting from minor informality or irregularity in a bid, or waive the deficiency, whichever is to the advantage of Foothill Transit.

#### **Q. Multiple or Alternate Bids**

Unless ~~multiple or alternate bids are~~ requested in the solicitation, ~~these~~multiple or alternate bids will not be accepted. However, if a bidder clearly indicates a base bid, it shall be considered for award as though it were the only bid submitted by the bidder. These provisions shall be set forth in the solicitation and, if multiple or alternate bids are allowed, it shall specify their treatments.

#### **R. Analysis of Limited Bid Response**

If less than three bids have been received, the Director of ~~Procurement~~Policy and Strategic Sourcing may examine the reasons for the small number of bids received. The purpose of this examination is to ascertain whether the small number of responses is attributable to an absence of any of the prerequisites of formal advertising. A price or cost analysis may be performed to establish the reasonableness of the bid price before an award is made.

#### **S. Determination of Responsiveness**

1. Any bid which fails to conform to the essential requirements of the ~~invitation for bids~~IFB, such as specifications, delivery schedule, warranty, or the required bid documents, shall be rejected as non-responsive.
2. A bid shall be rejected when the bidder imposes conditions, that modify requirements of the ~~invitation for bids~~IFB. Bids may be rejected in cases, including but not limited to those in which the bidder:

Attempts to protect itself against future changes in conditions such as increased costs, if a total price to Foothill Transit cannot be determined for bid evaluation.

Fails to state a price and in lieu thereof states that price shall be "price in effect at time of delivery."

States a price but qualifies such price as being subject to "price in effect at time of delivery."

Where not authorized by the ~~invitation for bid~~IFB, conditions or qualifies the bid by stipulating that the bid is to be considered only if, prior to date of award, bidder ~~received~~receives (or does not receive) award under a separate procurement.

Limits rights of Foothill Transit under any contract clause.

Fails to comply with all of the requirements of the IFB.

Fails to furnish a bid bond in accordance with the requirement of the ~~invitation for bids~~IFB.

3. The originals of all rejected bids, and any written findings with respect to such rejections, shall be preserved in the file relating to the procurement.
4. After submitting a bid, if a bidder transfers all of his assets or the part of his assets related to the bid during the period between the bid opening and the award, Foothill Transit may accept or reject the bid at its sole discretion.

#### T. **Responsible Bidder Evaluation.**

~~4.~~ Before awarding the contract, Foothill Transit shall determine that a prospective contractor is **responsible** and that prices are **reasonable**. Bidders may be asked to provide any information required to determine the responsibility of the bidder.

A responsible bidder is one who meets the standards set forth below:

- a. Has adequate financial resources, or the ability to obtain such resources as required during performance of the contract.
- b. Has a satisfactory record of integrity and business ethics.
- c. Is neither debarred nor suspended from State or Federal programs.
- d. Is able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing business commitments.
- e. Is in compliance with applicable licensing and tax laws and regulations.
- f. Has a satisfactory record of performance. The contractor must have sufficient key personnel with adequate experience, a parent firm (if appropriate) with adequate resources and experience, and

key subcontractors with adequate experience and past performance. The contractor must have sufficient past experience in carrying out similar work with particular attention to management approach, staffing, timeliness, technical success, budgetary controls, and other specialized considerations as described in Foothill Transit's solicitation. Contractors who are, or have been seriously deficient in current or recent contract performance, when the number of contracts and the extent of deficiency of each are considered, is presumed to be non-responsible. Documented past unsatisfactory performance will ordinarily be sufficient to justify a finding of non-responsibility.

- g. Is otherwise qualified and eligible to receive an award under applicable laws and regulations. In addition, the contractor's integrity and compliance with public policy will be examined.
- h. Has the necessary organization, experience, operational controls, and technical skills, or the ability to obtain them.
- i. Has the necessary production, construction, and technical resources, equipment, and facilities, or the ability to obtain them.
- j. Is ~~Registered~~registered with appropriate entities so that contractor is eligible to receive public funds. This includes, but is not limited to, public works contractor registration with the California Department of Industrial Relations.

Evaluation of the responsibility of prospective contractors may be made based upon the following sources:

- a. A list of debarred, suspended, or ineligible firms or individuals. The Federal System for Award Management, Foothill Transit's debarment list, or other system(s) as determined by ~~the~~ Federal government, state or local governments, will be examined to determine if a prospective contractor has been debarred or suspended.
- b. From the prospective contractor's bids and proposals, replies to questionnaires, financial data such as balance sheets, profits and loss statements, cash forecasts, and financial histories of the contractor and affiliated concerns; current and past production records, list of tools, equipment, and facilities, written statements or commitments concerning financial assistance and subcontracting arrangements.

- c. Publications, including credit ratings, trade and financial journals, and business directories and registers may also be used.
  - d. References such as suppliers, subcontractors, customers of the prospective contractor, banks and financial institutions, commercial credit agencies, other government agencies, purchasing and trade associations, and better business bureaus and chamber of commerce.
  - e. Documented past performance on contracts with Foothill Transit.
  - f. Appropriate websites containing information concerning the responsibility of prospective contractors.
  - g. If appropriate, it will be determined, through utilization of the California State Licensing Board website, whether a prospective contractor possesses required licenses.
  - h. If appropriate, prospective contractors will be required to provide financial information to determine if the contractor has resources adequate to perform the contract, or the ability to obtain them.
  - i. The past performance of prospective contractors will be checked by contacting references using a list of standard questions, and responses will be documented.
  - j. In certain cases, such as bus procurements, site visits will be conducted to validate the manufacturing capabilities of the prospective contractor.
3. The Director of ~~Procurement~~Policy and Strategic Sourcing in consultation with the Project Manager will be responsible for preparing the responsibility findings and will ensure that documentation of the findings is included in the procurement file.
4. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that no contract is recommended for award nor executed until the contractor has been determined to be responsible.
5. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that the form set forth ~~below~~in Appendix C is utilized and completed by the ~~Project Managers~~Procurement Department for each procurement action undertaken by Foothill Transit. The Director of ~~Procurement~~Policy and Strategic Sourcing will also ensure that the completed form is included in the procurement file.

**Responsibility Determination Form**

**Procurement No:**

**Vendor:**

**Date:**

**For each of the areas described below, check that the appropriate research has been accomplished and provide a short description of the research and the results.**

	<b>Acceptable</b>	<b>Comment</b>
<del>1. Integrity and Ethics. Has a satisfactory record of integrity and business ethics.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>2. Debarment and Suspension. Is neither debarred nor suspended from federal programs under DOT regulations, "Non procurement Suspension and Debarment."</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>3. Affirmative Action and DBE. Is in compliance with the Common Grant Rule's Affirmative Action and DOT's Disadvantaged Business Enterprise Requirements.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</del>	
<del>4. Public Policy. Is in compliance with the public policies of the federal government.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>5. Administration and Technical Capacity. Has the necessary organization, experience, accounting and operational controls, and technical skills, or ability to obtain them.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>6. Licensing and Taxes. Is in compliance with applicable licensing and tax laws and regulations.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>7. Financial Resources. Has, or can obtain, sufficient financial resources to perform the contract.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	
<del>8. Production Capability. Has, or can obtain, the necessary production, construction, and technical equipment and facilities.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	

~~9. Timeliness. Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.~~       ~~Yes  No~~

~~10. Performance Record. Is able to provide a satisfactory current and past performance record.~~       ~~Yes  No~~

## U. Rejection of All Bids

1. Any time prior to the bid opening date and time, Foothill Transit may cancel or postpone the bid opening, or cancel the IFB in its entirety.
2. Preservation of the integrity of the competitive bid system dictates that after bids have been opened, award must be made to that responsible bidder who submitted the lowest responsive bid, unless there is compelling reason to reject all bids and cancel the ~~invitation for bids~~ **IFB**.
3. Every effort shall be made to anticipate changes in a requirement prior to the date of bid opening and to notify all prospective bidders of any resulting modification or cancellation, thereby permitting bidders to change their bids and preventing unnecessary exposure of bid prices.
4. As a general rule, after opening, an ~~invitation for bids~~ **IFB** should not be canceled and re-advertised due solely to increased requirements for the items being procured. Award should be made on the ~~invitation for bids~~ **IFB** and the additional quantity should be treated as a new procurement.
5. ~~Invitations for bids~~ **IFBs** may be canceled after opening but prior to award, and all bids rejected, where ~~it~~ **such action** is consistent with Federal and State procurement regulations. A written determination must be included in the ~~invitation for bid~~ **IFB** file stating that cancellation is in the best interest of Foothill Transit for reasons such as the following:

Inadequate, ambiguous, or otherwise deficient specifications were cited in the ~~invitation for bids~~ **IFB**.

The supplies or services are no longer required.

The ~~invitation for bids~~ **IFB** did not provide for consideration of all factors of cost to Foothill Transit.

Bids received indicate that the needs of Foothill Transit can be satisfied by a less expensive item differing from that on which bids were received.

All otherwise acceptable bids received are at unreasonable prices.

The bids were not independently arrived at in open competition, were collusive, or were submitted in bad faith. Such situation must be substantiated and ~~may be~~ reported to Foothill Transit's ~~legal~~ counsel.

The bids received did not provide competition ~~which~~that was adequate to ensure reasonable prices. A price or cost analysis may be used to establish the reasonableness of prices.

6. When it is determined to reject all bids, Foothill Transit shall notify each bidder that all bids have been rejected and state the reason for such action.

#### **V. Rejection of Individual Bids**

1. Any bid which fails to conform to the essential requirements of the ~~invitation for bids~~IFB, such as specifications, delivery schedule, warranty, or the required bid documents, shall be rejected as non-responsive.
2. A bid shall be rejected where the bidder imposes conditions ~~which~~that modify requirements of the ~~invitation for bids~~IFB. For example, bids may be rejected in which the bidder:

Attempts to protect himself against future changes in conditions such as increased costs, if a total price to Foothill Transit cannot be determined for bid evaluation.

Fails to state a price and in lieu thereof states that price shall be "price in effect at time of delivery."

States a price but qualifies such price as being subject to "price in effect at time of delivery."

Where not authorized by the ~~invitation for bid~~IFB, conditions or qualifies the bid by stipulating that the bid is to be considered only if, prior to date of award, bidder ~~received~~receives (or does not receive) award under a separate procurement.

Limits rights of Foothill Transit under any contract clause.

Fails to comply with all of the requirements of the IFB.



- ~~g.~~ 3. Bids received from any person or firm debarred or ineligible shall be rejected if the period of debarment or ineligibility has not expired.
- ~~h.~~ 4. Low bids received from firms determined to be not responsible pursuant to Federal or State procurement regulations shall be rejected in accordance with the procedures set forth in this Chapter.
- ~~i.~~ 5. A bid may be rejected if a bid guarantee is required and a bidder fails to furnish it in accordance with the requirement of the invitation for bids.
- ~~3.~~ 6. The originals of all rejected bids, and any written findings with respect to such rejections, shall be preserved in the file relating to the procurement.
- ~~4.~~ 7. After submitting a bid, if a bidder transfers all of his assets or that part of his assets related to the bid during the period between the bid opening and the award, the transferee may not take over the bid, thus Foothill Transit may reject the bid.

**W. Award of the Contract**

Unless all bids are rejected, award shall be by written notice, within the time for acceptance specified in the bid or extension thereof, to the responsible and responsive bidder whose bid, conforming to all the material terms and conditions of the IFB, is the lowest in price.

When award is made to other than the lowest bidder, the lowest bidder will be notified in writing by Foothill Transit of any evidence reflecting upon the responsibility of the bidder and affording the bidder the opportunity to rebut such evidence and present evidence of qualifications to perform the contract.

Notice of award shall be made by over-night delivery, email, or facsimile to the successful bidder. In addition, Foothill Transit will notify all unsuccessful bidders of its intent to award a contract to the successful bidder at the same time it notifies the successful bidder if Board approval is not required, and at the same time as the publication of the Board agenda if Board approval is required. Notification to unsuccessful bidders will be made by over-night delivery, email, or facsimile. Bid bonds will be returned to unsuccessful bidders in a reasonable period of time, but in no event shall that security be held by ~~the district~~ Foothill Transit beyond 60 days from the time the award is made, ~~—~~“”, except with the consent of the affected bidder.

**X. Final Award**

If Executive Board approval is required for ~~the selection of the contractor~~ award, the Project Manager shall prepare the board report, in consultation with the Director of ~~Procurement, that identifies~~ Policy and Strategic Sourcing. The report shall identify all bidders responding to the IFB, ~~and describes~~ describe the procurement and bid evaluation ~~processes~~. ~~The board report should describe~~ process, and the services or goods being procured.

The contract ~~may~~ will be reviewed by ~~legal counsel~~ Counsel who will ensure that the contract will not include any terms or conditions to be negotiated in the future. The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that any contract addressing such terms and/or conditions will not be executed. The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that the contract is executed at the approval level required in these procedures.

Two original signed copies of each contract will be executed by Foothill Transit and the contractor. The Procurement Department will maintain one original of the contract for the procurement file and distribute one original to the contractor. Copies will be distributed to ~~legal counsel~~ Counsel, the procurement file, and the ~~project manager~~ Project Manager.

#### **Y. Project Completion**

All original documentation related to each procurement such as the IFB, Bid, control record, board report, background data, evaluation criteria and scores, meeting reports/notes, as well as the logs documenting bid opening dates and bid receipt dates will be submitted to the Director of ~~Procurement~~ Policy and Strategic Sourcing for storage when the file becomes inactive. For audit purposes, complete files will be maintained for a minimum of four years after the project is closed out and completed unless a different time period is mandated by a funding entity.

## Subchapter D - Request for Proposals (RFP)

### A. General

The Request for Proposals (RFP) process is used in the procurement of services (see ~~Section E, subsection c, item iii~~ [Subchapter E](#) for the procurement of architectural and engineering services) or when conditions are not appropriate for the use of an IFB. The latter is generally the case when the goods or services to be acquired are described in a performance or functional specification; or if described in detailed technical specifications, other circumstances such as the need for discussions or the importance of basing contract award on factors other than price alone are present. RFPs are generally used for the purchase of services such as lease agreements, maintenance and service contracts, rental contracts and professional service contracts. The RFP process is coordinated by the Director of [Procurement Policy and Strategic Sourcing](#).

### B. RFP Contents

The RFP process is a competitive negotiated procurement process that requires evaluation of ~~offerer~~ [offerors](#)'s proposed costs and understanding of the contract performance requirements in accordance with established evaluation criteria. The competitive negotiated procurement process does not require award to the lowest offeror. An RFP generally includes:

- Project background.
- Purpose of the engagement.
- General firm qualifications desired.
- Scope of work.
- Project schedule.
- Proposal requirements.
- Criteria for selection.
- Payment terms.

### C. Issuance of RFP

~~For any project that is estimated to cost over \$100,000, the~~ [The](#) Executive Board must approve the issuance of a Request for Proposals (RFP).— [when the](#)

estimated cost of the project or base term for goods or services exceeds \$100,000. The Project Manager shall prepare the Board Report seeking approval of the issuance of the RFP. All RFPs will be prepared by the Procurement Department, and will be advertised on Foothill Transit's ~~web site, and, must be published in a newspaper of general circulation, including, but not limited to trade publications,~~ website in sufficient time prior to the date set for proposal receipt ~~of proposals~~. The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that the RFP is made available to an adequate number of qualified sources to ensure fair and open competition. The notice must include the following minimum information:

A general description of the services or goods to be purchased.

Where to ~~receive an~~ obtain a copy of the RFP.

The location, day, and time of the Pre-Proposal Conference (~~if~~ one is held).

The location, last day, and hour proposals will be accepted (deadline).

Whether Federal funds are being used for the procurement.

#### **D. RFP Packet**

The Director of ~~Procurement~~ Policy and Strategic Sourcing or designee will coordinate the release of the RFP packet. The RFP packet will include the following:

1. Instructions To Proposers - General instructions concerning the proposal format, pre-contractual expenses, contract conditions, pre-proposal conferences, and other information, including, but not limited to language stating that because offers can at times be ambiguous, Foothill Transit reserves the right to request additional information before making an award and also reserves the right to seek clarification from any proposer about any statement in its offer that Foothill Transit finds ambiguous. Foothill Transit may require proposers to raise exceptions to the contract terms on penalty of waiver of such exceptions during contract negotiation.
2. Attachments - Required forms to be completed by the proposer and submitted with the proposal.
3. Exhibits - These can be documents which display key facts, specifications, maps, report formats, and other important information to clearly define the goods or services needed in order for the proposers to properly respond to the RFP.

4. Contract Terms – These are the general terms and conditions and other provisions (e.g., contract time, special terms of the resulting contract; any modifications to general terms and conditions; milestones; and special payments procedures) that will form the basis of the contract between Foothill Transit and the successful Proposer.

5. 4. Scope of Work - Each RFP will contain a statement or scope of work prepared by the Project Manager ~~which~~that provides a clear and accurate description of the technical requirements for the materials, products, or services being ~~produced~~procured. A statement or scope of work should only state the actual minimum needs of Foothill Transit, and be developed in a manner designed to promote full and open competition. At a minimum, the statement or scope of work should address the following areas:

- a. The specific objectives of the proposed work.
- b. A detailed description of the work to be performed outlining various tasks or phases of work, and defining the limits of the proposed project.
- c. A requirement for periodic reporting or progress on the project if the procurement involves consultant or professional services.
- d. A proposed delivery schedule.

~~e. A proposed contract period.~~

## **E. Control Record**

1. A control record will be maintained by the ~~Procurement~~ Department of Policy and Strategic Sourcing as RFP packets are distributed to prospective ~~bidders~~proposers. The control record profiles the following information:

Date and time RFP packets are distributed.

b. Names and addresses of vendors receiving the RFP and attending the pre-proposal conference.

2. The control record has two primary purposes:

a. Serves as a mailing list for the issuance of addenda.

b. Provides a record for verification in cases of vendor protests and other issues.

**F. Pre-Proposal Conference**

1. A pre-proposal conference may be used as a means of briefing prospective proposers and explaining complicated specifications and requirements to them as early as possible after the RFP has been issued and before the proposals are received. The pre-proposal conference will not be used as a substitute for amending a defective or ambiguous RFP. Unless otherwise stated in the RFP documents, attendance by prospective proposers is not mandatory. ~~Minutes of the conference and the~~The list of attendees will be issued to all prospective proposers.
2. The pre-proposal conference shall be chaired by the Director of ~~Procurement~~, Policy and Strategic Sourcing or his or her designee and shall follow the format below:
  - a. Discuss basic requirements such as instructions to the proposers, funding, contract type, evaluation criteria, and specific points that should be addressed in each proposal.
  - b. Discuss the participation requirements for disadvantaged business enterprises (DBE), if applicable.
  - c. Discuss the scope of work ~~and have the~~, The Project Manager should be available to answer technical questions.
  - d. Conclude by announcing when and where the proposals are due and by restating ~~the requested proposal length and maximum pages in scope of work~~, any specific limits on proposals (page length, etc.).

**G. Addenda to ~~Requests for Proposals~~the RFP**

If after issuance of ~~requests for proposals~~the RFP, but before the time set for receipt of proposals, it becomes necessary to make changes in quantities, specifications, delivery schedules, opening dates, etc. or to correct or clarify a defective or ambiguous RFP, such changes shall be accomplished by issuance, in writing, of an amendment to the RFP. Before issuing an amendment to an RFP, the period of time remaining until the time set for proposal submittal and the need for extending this time must be considered. Where only a short time remains, consideration should be given to notifying prospective proposers of an extension of time by email, facsimile, or telephone. Such notification should be confirmed in the amendment. The amendment shall be sent to each prospective proposer to whom the RFP was furnished or who attended any site visit and/or pre-proposal conference.

Any information given to a prospective proposer concerning an RFP shall be furnished promptly to all other prospective proposers as an amendment to the RFP if such information is necessary to proposers in submitting proposals ~~on the request~~ or if the lack of such information would be prejudicial to uninformed proposers. No award shall be made on the ~~request~~RFP unless such amendment has been issued in sufficient time to permit all prospective proposers to consider such information in submitting or modifying their proposals.

The RFP will indicate that Foothill Transit is not bound by any oral representations, clarifications, or changes made in the written specification by Foothill Transit's employees, unless such clarification or change is provided to potential proposers in written addendum form from Foothill Transit.

Each addendum issued to ~~a request for proposals~~an RFP shall:

- a. Be serially numbered and dated.
- b. Include the number, date, and a description of the ~~original~~-RFP ~~concerned~~at issue.
- c. Clearly state the changes made in the RFP and the extension of the due date, if any.
- d. Include instructions to proposers for acknowledging receipt of the addendum and information concerning the effect of failure to acknowledge or return the amendment.

#### H. Cancellation of the RFP

RFPs shall not be canceled unless cancellation is clearly in Foothill Transit's interest (i.e., where there is no longer a requirement for the service, or where amendments to the RFP would be of such magnitude that a new RFP is desirable). When an RFP is canceled, proposals which have been received shall be returned unopened to the proposers and a notice of cancellation shall be sent to all prospective proposers to whom ~~requests for proposals~~RFPs were issued.

The notice of cancellation shall identify the RFP number; briefly explain the reason the RFP is being canceled; and, where appropriate, assure prospective proposers that they will be given an opportunity to propose on any re-solicitation or any further requirements for the type of service involved.

#### I. Receipt of Proposals

Proposals shall be submitted so as to be received at the location designated in the RFP not later than the exact time set for the receipt of proposals. The only acceptable evidence to establish the time of receipt at Foothill Transit's offices is the time/date stamp of Foothill Transit which shall be placed on the proposal wrapper immediately upon receipt. The Foothill Transit staff person receiving the proposal shall sign the exterior of the proposal package to verify the date and time received and person receiving the proposal. The timeliness of proposals is the sole responsibility of the proposer.

**J. Withdrawal of Proposals**

Any proposer may withdraw ~~their~~its proposal, either personally or by written request, received by Foothill Transit, at any time prior to the time fixed for the receipt of the proposals. Negligence on the part of ~~proposers~~a proposer in preparing ~~their~~its proposal confers no right of withdrawal of ~~their~~the proposal after such proposal has been opened. ~~No proposal may be withdrawn for a period of 60 days following the proposal deadline.~~The RFP shall set forth the time period within which proposals must remain open following the date set for receipt of proposals. Unless justified by the circumstances of a particular procurement, the RFP shall provide that proposals remain open for a period of 120 days following the date set for receipt of proposals.

**K. Format of Proposal**

The response to each RFP must be made in accordance with the requirements set forth in the RFP, both for mandatory content and for sequence. Noncompliance on the inclusion of conditions, limitations, or misrepresentations may be cause for rejection of a proposal.

**L. Evaluation of Proposals**



1. Each RFP will contain the Evaluation Criteria that will be used by Foothill Transit in evaluating proposals. These criteria ~~are~~shall be set forth in the RFP in order of their relative importance, with the most important being listed first. To reflect this, each criterion will either be scored using an equal score range (equal weighing) or each criterion will be assigned a weight. If a weight is assigned, each score will be multiplied by the weight to produce a final criterion score. Price is always included as an evaluation criterion, ~~with the exception of architectural and engineering services. Price will be evaluated by giving the lowest price proposal the full number of points assigned to the price criteria and computing the number of points for the other proposals in accordance with their relationship to the lowest price—the lowest price is divided by the price of the proposer whose price is being evaluated, and then the quotient resulting from the foregoing calculation is multiplied by the number of points assigned to the price factor to determine the price score of the proposer whose price is being evaluated. This calculation is done for each proposal being evaluated. The price scores are then added to the scores for other factors to determine the highest over-all score. The RFP will clearly indicate how.~~ (If conducting a qualifications-based procurement, i.e., an RFQ, price is excluded as an evaluation factor.) The RFP will set forth the particular method by which price will be evaluated. Only criteria set forth in the RFP may be used to evaluate the proposal.
2. If the RFP sets forth “Minimum Requirements Criteria”, a “pass/fail” evaluation will be made of the proposal to determine compliance with the “Minimum Requirements Criteria.” Failure in any one of the “pass/fail”” criteria may be cause for disqualifying the entire proposal from further review. However, Foothill Transit’s evaluation may, in Foothill Transit’s discretion, be augmented by verbal or written requests to proposers for clarification, or additional information as necessary to determine if the “Minimum Requirements Criteria” have been met. The determination to disqualify a proposal shall be solely at the discretion of Foothill Transit.
3. Proposals ~~which~~that “pass” the “pass/fail” test are evaluated using the procedures set forth in this section.
4. ~~a.~~ a.—An evaluation committee for each RFP will be recommended by the Director of Procurement Policy and Strategic Sourcing in consultation with the Project Manager and appointed by the Executive Director. In appointing individuals to ~~a~~the Evaluation Committee, the Executive Director will consider the nature of the procurement, and the appropriate expertise of the individuals ~~appointed to the Committee~~recommended for appointment.
5. ~~b.~~ b.—A date and time for an evaluation meeting will be set.

6. ~~e.~~ Members of the Evaluation Committee shall be familiar with the content of the RFP. Any questions on the RFP, or documentation furnished by ~~an offeror~~ a proposer shall be addressed to the Director of ~~Procurement~~ Policy and Strategic Sourcing prior to initiation of evaluations.
7. ~~d.~~ The Evaluation Committee shall first perform a technical evaluation of each ~~offeror~~ proposer's proposal using the evaluation score sheets provided by the Director of ~~Procurement~~ Policy and Strategic Sourcing.
8. ~~4.~~ Upon compilation of the Evaluation Committee's initial scores, the Director of ~~Procurement shall review the scores and make a determination as to which offerors are in~~ Policy and Strategic Sourcing shall review the scores, determine whether discussions are necessary or if award may be made based on initial proposals, and if discussions are to be conducted, define the competitive range and determine which proposers fall within the competitive range for purposes of conducting discussions ~~with the proposers~~.
9. ~~5.~~ The competitive range shall be ~~determined on the basis of cost or price and other factors that are stated in the solicitation~~ defined based on factors and criteria known to all proposers (i.e., the evaluation factors and criteria set forth in the RFP) and shall include all proposals that have a reasonable chance of being selected for award. The competitive range shall not be used to unfairly eliminate proposers. If discussions are conducted with one ~~offeror~~ proposer, discussions must be conducted with all ~~offerors~~ proposers within the competitive range.
10. ~~6. Discussion~~ Discussions after receipt of initial proposals is not required in the following cases:
- The Director of Policy and Strategic Sourcing determines that evaluation and award may be made based on initial proposals alone;
  - ~~a.~~ Procurement is for supplies for which prices or rates are fixed by law or regulation;
  - ~~b.~~ Time for delivery will not permit discussions; or
  - ~~e.~~ The procurement is for a product and, due to the existence of adequate competition or accurate prior cost experience, it can be clearly demonstrated that acceptance of an initial proposal would result in a fair and reasonable price.

**M. Discussions**

The Evaluation Committee ~~shall~~may conduct oral discussions with all responsible ~~offerors~~proposers who submit proposals within the competitive range, as determined in subsection L. During the discussion phase of the source selection process, all communication is coordinated through the Director of ~~Procurement~~Policy and Strategic Sourcing.

2. The discussion process is governed by the following general guidelines.
  - a. Notify all proposers regarding their status and arrange a meeting with ~~the offerors~~those proposers who have been determined to be within the competitive range.
  - b. Verbally at the meeting and in written form advise ~~offerors~~proposers of deficiencies in their proposals so that the ~~offerors~~proposers are given an opportunity to satisfy Foothill Transit's requirements.
  - c. Attempt to resolve any uncertainties concerning the proposer's technical ~~proposals~~proposal and other terms and conditions of the proposal.
  - d. Resolve any suspected mistakes by calling ~~them~~such mistakes to the ~~offeror~~proposer's attention as specifically as possible without disclosing information concerning contained in other ~~offeror's~~ proposals or regarding the evaluation process.
  - e. Provide the ~~offeror~~proposer a reasonable opportunity to submit any cost or price, technical, or other revisions to its proposal that may result from the discussion.

During the discussion, the Evaluation Committee should not engage in:

- a. Technical leveling, defined as helping ~~an offeror~~a proposer bring its proposal up to the level of other proposals through successive rounds of discussion, such as pointing out weaknesses resulting from the ~~offeror~~proposer's lack of diligence, competence, or inventiveness in preparing the proposal.
- b. Technical transfusion, defined as disclosure of technical information pertaining to a proposal that results in improvement of a competing proposal.
- c. Auction techniques, such as:

Indicating to an ~~offeror~~proposer the cost or price that it must meet to obtain further consideration.

Advising ~~an offeror~~ a proposer of its price standing relative to another ~~offeror~~ proposer; however, it is permissible to inform ~~an offeror~~ proposer that its cost or price is considered by the Evaluation Committee to be too high or unrealistic.

Otherwise furnishing information about other ~~offeror~~ proposer's prices.

**N. Request for Best and Final Offer (BAFO)**

1. Upon completion of discussions, Foothill Transit may make a selection for contract award without requesting ~~Best and Final Offers~~ BAFOs or may issue to all proposers within the competitive range a request for a final supplement denominated the "Best and Final Offer" (BAFO). Oral requests for ~~best and final offers~~ BAFOs shall be confirmed in writing. - ~~Best and Final Offers~~

2. BAFOs must be submitted in accordance with written procedures received from Foothill Transit. ~~2. Such requests shall advise offerors~~ advising proposers that:

~~That negotiations~~ Negotiations are being concluded.

~~That offerors~~ Proposers are being asked for their "best and final" offer, not merely to confirm or reconfirm prior offers.

~~That any~~ Any revision or modification of proposals must be submitted by the date specified.

**O. Recommendation for Contract Award**

1. ~~3.~~ Following the review of the initial proposals, results of discussions, and/or BAFOs by the Evaluation Committee, the Director of ~~Procurement~~ Policy and Strategic Sourcing shall consolidate the cost and technical evaluations and all score sheets along with ~~their~~ the Committee's comments and recommendations.

2. After reviewing the evaluations and recommendation made by the Evaluation Committee, the Executive Director shall make a determination of the recommendation for contract award.

**OP. Debriefing of Unsuccessful Proposers**

1. When a contract is to be awarded on some basis other than price alone, unsuccessful proposers shall be debriefed upon their written request submitted to the Director of ~~Procurement~~ Policy and Strategic Sourcing within a reasonable time. Debriefings shall be provided at the earliest time after ~~the Director of Procurement makes~~ a final determination is

made recommending the award of the contract. The debriefing shall be conducted by the Director of ~~Procurement~~Policy and Strategic Sourcing and may be either oral or written as the Director of ~~Procurement~~Policy and Strategic Sourcing determines appropriate.

2. The debriefing shall:

Be limited to discussion of the unsuccessful proposer's proposal and must not include specific discussion of a competing proposer's proposal.

Be factual and consistent with the evaluation of the unsuccessful proposer's proposal; and

Provide information on areas in which the unsuccessful proposer's technical proposal was deemed weak or deficient.

**PQ. Award of the Contract**

After evaluation of proposals in accordance with the criteria set forth in the RFP, the contract shall be awarded to the ~~offerer of the~~proposer whose proposal is most advantageous to Foothill Transit, price and other factors considered.

Notice of award shall be made by over-night delivery, email, or facsimile to the successful proposer. In addition, Foothill Transit will notify all unsuccessful proposers of its intent to award a contract to the successful proposer at the same time it notifies the successful proposer if Board approval is not required, and at the same time as the publication of the Board agenda if Board approval is required. Notification to unsuccessful proposers will be made by over-night delivery, email, or facsimile. If the Executive Board does not accept the Executive Director's recommendation as to the successful proposer, the Executive Board may: (1) choose another proposer using the same criteria set forth in the RFP; or (2) direct re-solicitation of proposals.

**QR. Final Award**

If Executive Board approval is required for selection of the successful proposer, the Project Manager, in consultation with the Director of ~~Procurement~~Policy and Strategic Sourcing, shall prepare the board report ~~that identifies. The board report shall identify~~ all individuals or firms responding to the RFP, ~~describes describe~~ the procurement and evaluation ~~processes, and sets process, set~~ forth the evaluation scores for each proposer. ~~The board report should, and~~ describe the services or goods being procured.

The contract will be ~~drafted reviewed~~ by ~~legal counsel~~Counsel who will ensure that the contract will not include any terms or conditions to be negotiated in the future. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure

that any contract addressing such terms and/or conditions will not be executed. The Director of ~~Procurement~~[Policy and Strategic Sourcing](#) will ensure that the contract is executed at the approval level required in these procedures.

Two original signed copies of each contract will be executed by Foothill Transit and the contractor. The Procurement Department will maintain one original of the contract for the procurement file and distribute one original to the contractor. Copies will be distributed to ~~legal counsel~~[Counsel](#), the procurement file, and the project manager.

### **RS. Project Completion**

All original documentation related to each procurement such as the RFP, successful proposal, BAFO, control record, board report, background data, evaluation criteria and scores, and meeting reports/notes will be submitted to the Director of ~~Procurement~~[Policy and Strategic Sourcing](#) for storage when the file becomes inactive. For audit purposes, complete files will be maintained for a minimum of four years after the project is closed out and completed unless a different time period is mandated by a funding entity.

Negotiated procurement records or files should provide at least the following pertinent information: justification for the use of negotiation in lieu of competitive bidding; contractor selection; justification for contract type; determination and findings; record of negotiations; and cost or price analysis.

## Subchapter E - Special Procedures for Request for Qualifications (RFQ) - Architectural/Engineering Services

- A. Special procedures will be used for competitive negotiation procedures for the qualifications-based procurement of architectural and engineering (“A/E”- ~~hereafter~~) services and related services such as program management, construction management, feasibility studies, preliminary engineering, design, surveying, mapping, or related services. An RFQ is used in the solicitation of A/E and related services.
- B. Following this method, each proposer’s qualifications are evaluated and the most qualified proposer is selected subject to negotiation of fair and reasonable compensation. ~~Under this method,~~ Foothill Transit may not consider price as an evaluation factor in determining the most qualified proposer. Negotiation is conducted with only the most qualified proposer. ~~This method, where price cannot be used as an evaluation factor and negotiations are conducted with only the most qualified proposer,~~ This method can only be used in procurement of the above services. ~~This method of procurement~~ it cannot be used to obtain other types of services even though firms that provide the above types of services are also potential sources to perform other services.
- C. Refer to the RFP procedures above for all pre-evaluation activities, as well as debriefing, final award, and project completion. The steps to be used for ~~proposal~~ submittal evaluation and contract negotiation for A/E and related services solicitations are as follows:
1. An evaluation committee will be recommended by the Director of ~~Procurement~~ Policy and Strategic Sourcing in consultation with the Project Manager and appointed by the Executive Director to review eligible firms and all responses to ~~RFP.2.Team evaluates~~ the RFQ.
  2. The Evaluation Committee will evaluate eligible firms based on factors and criteria set forth in the RFQ, which may include the following:
    - a. Professional qualifications for performance of the required services;
    - b. Specialized experience and technical competence in the type of work required;
    - c. Experience and professional qualifications of the firm’s staff to be assigned to the project;
    - d. Location of the main office of the proposing firm and its consultants (provided such consideration does not unduly limit competition);
    - e. ~~Capacity~~ Analysis of the firm’s current workload and capacity to accomplish the work in the required time; and;

~~f. d. Past~~Overall performance ~~in terms of cost control, quality of work and compliance with performance schedules~~record of the firm.

3. ~~The~~ Evaluation ~~team holds~~Committee will hold discussions with the most highly qualified firms (“short list”).
4. ~~4. The~~ Evaluation ~~team prepares~~Committee will prepare a selection report for the Executive Director recommending, in order of preference, those firms that are considered to be the most highly qualified to perform the required services. The report should include a description of the discussions and evaluations by the team to allow the Executive Director to review the basis upon which the recommendations were made. The Executive Director shall not add firms to the selection report. If recommended firms are deemed to be unqualified or the report is inadequate, the Executive Director shall document the reasons therefore and return the report to the evaluation team for appropriate revision.
5. ~~5.~~The final selection shall be made by the Executive Director from a list of the most highly qualified firms prepared by the ~~evaluation team.~~Evaluation Committee. The Executive Director will list those firms in order of preference for negotiating a contract.
6. ~~6.~~After the final selection has taken place, Foothill Transit may release information identifying only the A/E firm with which an attempt will be made to negotiate a contract. If negotiations are terminated without awarding a contract to the highest rated firm, Foothill Transit may release information that negotiations will take place with the next highest rated firm.
7. ~~7.~~The final selection authorizes negotiations to begin with the most qualified firm, which will be requested to submit a proposal that includes fees and cost estimates.
8. ~~8.~~The negotiation of compensation to the contractor should represent a fair and equitable payment for the services performed. At this stage, negotiations must take place not only on the amount of compensation, but also the method of payment.
9. ~~9.~~In determining the amount of compensation and the method of payment, consideration shall be given to:

Scope and complexity of designs, surveys, and other work and the skills necessary for these services.  
Quality and quantity of data provided to the A/E by Foothill Transit.  
Location of, and conditions under which, the services will be performed.



Date services are to begin and time allowed for performance.

10. Costs should be negotiated taking into consideration:

Direct Labor.

Overhead.

General and administrative expenses.

Materials.

Other direct costs.

Profit, which is further influenced by:

Degree of A/E's risk.

Level of effort.

Level of talent or expertise the A/E must furnish.

Amount of subcontracting.

Amount of top level A/E management involved.

Subcontracts.

Contractor's investment.

11. When the contract is negotiated and signed, the negotiations ~~are~~shall be documented and placed in the file.
12. The contract shall be monitored to ensure that expenditures and payments ~~therefore~~ are commensurate with performance and ~~that both have met~~meet all the terms of the contract.
13. The contractor is responsible for the professional quality, technical accuracy, and coordination of all services under the contract. The contractor may be liable to Foothill Transit for costs resulting from errors or deficiencies in design furnished under the terms of the A/E contract.

## Subchapter F - Sole Source Procurements

- A. Sole source procurement is a purchase accomplished through solicitation or acceptance of a proposal from only one source; or, if after solicitation of a number of sources, competition is determined inadequate. A sole source procurement above the ~~micropurchase~~micro purchase threshold must be documented as to the reasons why only one supplier is acceptable. Purchases under ~~\$3,000~~\$7,500 (\$3,500 when Federal funds are used) are considered ~~micropurchases~~micro purchases and are exempt from the requirement to obtain competitive quotes or process a sole source justification. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that the form set forth ~~below~~in Appendix C is utilized by the Project Manager in evaluating a potential sole source procurement and in making a recommendation that a sole source procurement be utilized by Foothill Transit. The Project Manager must fully document the grounds for the sole source procurement, and the Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that the justification is provided to the Executive Director or Executive Board for approval as appropriate. The Director of ~~Procurement~~Policy and Strategic Sourcing will also ensure that that the completed form is included in the procurement file.
- B. The following areas must be considered in sole source determinations:
1. A contract amendment or change order that is not within the scope of the original contract is considered a sole- source procurement.
  2. ~~Sole~~A sole source procurement may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:

### Single Source

The item or services sought is available only from a single source and one of the following condition described below is present:

- i. Unique Capability or Availability. The offeror demonstrates a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted, and is available to Foothill Transit only from one source and has not in the past been available to Foothill Transit from another source.

- ii. Patents or Restricted Data Rights. Patent or data rights restrictions preclude competition.
- iii. Substantial Duplication Costs. In the case of a follow-on contract for the continued development or production of highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in substantial duplication of costs that are not expected to be recovered through competition.
- iv. Unacceptable Delay. In the case of a follow-on contract for the continued development or production of a highly specialized equipment and major components thereof, when it is likely that award to another contractor would result in unacceptable delays in fulfilling Foothill Transit's needs.

Unusual and Compelling Urgency. Foothill Transit may limit the number of sources from which it solicits bids or proposals when it has such an unusual and urgent need for the property or services that it would be seriously injured unless it were permitted to limit the solicitation. Foothill Transit may limit the solicitation when the public exigency or emergency will not permit a delay resulting from competitive solicitation for the property or services. \_

FTA Approval. The Federal Transit Administration authorizes noncompetitive negotiations.

Inadequate Competition. After solicitation of a number of sources, competition is determined inadequate. If upon completion of a competitive procurement only one proposal is received, the Director of Procurement Policy and Strategic Sourcing will review the specifications and determine if they were unduly restrictive or ~~by-contacting~~contact sources that chose not to submit a bid or proposal to inquire the reasons for not submitting a bid or proposal. If it is determined that the competition was inadequate, the procurement can proceed as a sole source.

- C. A cost analysis must be performed for each sole source procurement if price reasonableness cannot be determined via a price analysis. The purpose of the analysis is to provide sufficient information to support the conclusion that the price is fair and reasonable. The analysis will be prepared by the Project Manager in consultation with the Director of Procurement Policy and Strategic Sourcing. The Director of Procurement Policy and Strategic Sourcing will ensure that no contracts will be executed until a fully detailed and documented analysis is completed, and made a part of the appropriate procurement file. The Director of Procurement Policy and Strategic Sourcing will ensure that the template set forth in Subchapter O of this Chapter relating to cost analysis is

utilized and completed by the Project Manager for each sole procurement action undertaken by Foothill Transit. The Director of **Procurement Policy and Strategic Sourcing** will also ensure that ~~that~~ the completed template is included in the procurement file.

D.

~~1. Advertising~~

~~All print, digital, audio and video advertising agreements will be treated as sole source procurements not requiring a justification form. Advertising requires geographically and demographically targeted exposure to reach Foothill Transit's ridership, potential riders and interested parties. Potential advertising outlets typically touch upon just one geographic region, i.e. local newspapers, or one demographic, i.e. language based advertising, and as such, are uniquely capable of reaching Foothill Transit's desired audience for every individual advertising agreement."~~

**Non-Competitive Procurement Justification Form**

~~Procurement by noncompetitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:~~

**Check one:**

~~\_\_\_\_\_ The item is available only from a single source (sole source justification is attached).-~~

~~\_\_\_\_\_ The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation (documented emergency condition is attached).-~~

~~\_\_\_\_\_ FTA authorizes noncompetitive negotiations (letter of authorization is attached).-~~

~~\_\_\_\_\_ After solicitation of a number of sources, competition is determined inadequate (record of source contacts is attached).-~~

~~\_\_\_\_\_ The item is an associated capital maintenance item as defined in 49 U.S.C. §5307(a)(1) that is procured directly from the original manufacturer or supplier of the time to be replaced (price certification attached).-~~

Comments:

~~\_\_\_\_\_ Independent Estimate and Price/Cost Analysis are attached.~~

\_\_\_\_\_  
Director of Procurement \_\_\_\_\_ Project Manager

\_\_\_\_\_  
Date \_\_\_\_\_ Date

## Subchapter G - Single Bid or Proposal

A single bid situation exists when only one bid has been received at the time and date set for bid opening; or only one responsive bid is received at the time and date set for bid opening (as a result of having only one responsive bidder and all other bidders being determined to be non-responsive). A single proposal situation exists when only one proposal has been received at the time and date set for submission of proposals; or it is determined after review of proposals received that only one proposal meets the criteria set forth in the request for proposals.

When only one bid or proposal is received in response to a solicitation that was issued to multiple sources, it must first be determined if there was adequate competition. The receipt of only one bid or proposal does not, in itself, mean that competition was inadequate. At a minimum, to determine if there was adequate competition, bidders/proposers who received solicitations, but did not bid/propose, will be contacted by the Director of ~~Procurement~~Policy and Strategic Sourcing and questioned to determine why they did not respond to the solicitation. Potential bidders/proposers will be specifically queried as to whether there were any elements in the procurement which may have restricted competition. The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that documentation reflecting the above process is included in the procurement file. Upon completion of the above process, the Director of ~~Procurement~~Policy and Strategic Sourcing will determine whether there were any elements in the procurement that may have restricted competition and will determine whether the procurement documents should be modified and the solicitation re-advertised or whether the procurement can go forward as originally advertised. If this is the case then the procurement is treated as a sole source, and it must be processed in accordance with the requirements for a sole source procurement set out in these Procedures.

Alternatively, the original solicitation can be cancelled, the requirements in the original solicitation can be changed to allow for more bids or proposals, and a new invitation for bids or request for proposals issued.

If the reasons given by the non-responders are unrelated to the specification and/or solicitation terms, it will be presumed that competition was adequate and the award of the contract can be carried out as the result of a competitive procurement.

If the competition is deemed to be adequate, a price analysis must be performed to determine the reasonableness of the bid or proposal price. The Project Manager, in consultation with the Director of ~~Procurement~~Policy and Strategic Sourcing will prepare the price analysis. If, on the basis of a price analysis, it can be documented that the price is fair and reasonable, and if the bid is responsive and, as appropriate, the bidder or proposer is responsible, the contract may be awarded. If it cannot be determined that the bid or proposal price is reasonable; on the basis of a price

## Foothill Transit Procurement Policies and Procedures

---

analysis; the bidder or proposer will be requested to provide a detailed breakdown of costs and profit, and Foothill Transit will perform a cost analysis.

If competition is deemed to be inadequate, and it is determined appropriate to process the award as a sole source, a cost analysis must be performed unless the reasonableness of the price can be established based on a bidder or proposer's catalogue or market price.

## Subchapter H - Emergency Procurements

Emergency procurements (defined as purchases immediately necessary for the preservation of life or property, or to prevent an immediate termination of a critical Foothill Transit function or activity) will be handled immediately and expedited as required. The Director of [Procurement Policy and Strategic Sourcing](#) has the authority to approve the purchase of all goods and services in emergency conditions. If the Director of [Procurement Policy and Strategic Sourcing](#) is unavailable to authorize an emergency procurement, the Executive Director and/or the Deputy Executive Director may provide the necessary authorization. Upon completion of the emergency procurement, the Director of [Procurement Policy and Strategic Sourcing](#) will document the actions taken and execute a proper requisition.



### Subchapter I - Unsolicited Proposals

- A. An Unsolicited Proposal is a proposal that is:
1. Innovative and unique;
  2. Independently originated and developed by the offeror;
  3. Prepared without Foothill Transit's supervision, endorsement, direction, or direct involvement;
  4. Sufficiently detailed such that its benefits in support of Foothill Transit's mission and responsibilities are apparent;
  5. Not an advance proposal for property or services that Foothill Transit could acquire through competitive methods; and
  6. Not an offer responding to a published expression of need or request for proposals previously published by Foothill Transit.
- B. Receipt of an unsolicited proposal does not, by itself, justify contract award without providing for full and open competition. Unless the unsolicited proposal offers a proprietary concept that is essential to contract performance, competition is required.

To satisfy the requirement for full and open competition, the following actions must be taken before Foothill Transit enters into a contract resulting from an unsolicited proposal:

Publicize receipt of the unsolicited proposal.

Publicize an adequate description of the property or services offered without improperly disclosing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought.

Publicize Foothill Transit's interest in acquiring the property or services described in the proposal.

Provide an adequate opportunity for interested parties to comment or submit competing proposals.

Publicize Foothill Transit's intention to award a contract based on the unsolicited proposal or another proposal submitted in response to the publication.

- C. If it is impossible to describe the property or services offered without revealing proprietary information or disclosing the originality of thought or innovativeness of the property or services sought, Foothill Transit may make a sole source award to the offeror. A sole source award may not be based solely on the unique capability of the offeror to provide the specific property or services proposed.

## Subchapter J - Amendments and Change Orders

~~A.~~ A. An amendment is any change to a contract that alters the terms and conditions of the original contract; or provides for a change in the scope or requirements of the original contract beyond what is specifically allowed by the original contract. ~~Amendments are formal changes that must be approved at the same signature authority level as the original contract.~~ A contract may not be amended to include a larger scope, greater quantities, or options beyond Foothill Transit's reasonably anticipated needs.

~~B.~~ B. Foothill Transit shall have the right, based on a clause contained in each contract, to issue a change order to correct errors, omissions, or discrepancies; to cover acceptable overruns; to expand or reduce the scope of the contract; or to direct other changes in contract execution to meet unforeseen field, regulatory, or market conditions. All change orders must be within the scope of the original contract and approved by Foothill Transit in advance of work being conducted by the contractor in accordance with the value of the change order or the calculated value of the time extension. In addition, Foothill Transit shall have the unilateral right, based on a clause contained in each contract, to issue an immediate change order and negotiate cost and price for time and materials after the issuance of the change order. ~~Change orders must be approved at the same signature authority level as the original contract.~~ A change order is not permitted if the change causes a major deviation from the original purpose of the work or the intended method of achievement, or causes a revision of contract work, so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract. Such a change would be considered a "cardinal change" to the contract.

~~C.~~ C. All amendments shall be submitted to the Director of Procurement Policy and Strategic Sourcing complete with explanations and back up information and, when applicable, a detailed breakdown of charges for review and/or recommendation of approval.

~~D.~~ D. Verification of Amendments:-

The Director of Procurement Policy and Strategic Sourcing will verify all amendments under the following procedures:

1. The Project Manager and the Director of Procurement Policy and Strategic Sourcing will review the proposed contract amendment and determine whether it is within the scope of work for the project of the original contract. If the work under the amendment is within the scope of work of the original contract, the Project Manager in consultation with the Director of Procurement Policy and Strategic Sourcing will perform a

price or cost analysis to determine if the price is fair and reasonable before recommending approval of the amendment.

2. If the amendment includes work that is not within the scope of work of the original contract, the amendment will be treated as a sole- source procurement, and evaluated accordingly. Supporting documentation will be added to the procurement files.
3. The Director of ~~Procurement~~Policy and Strategic Sourcing and the Project Manager will ensure that the methods of calculating the amount of the amendment are in conformance with the terms of the contract.
4. The issuance of change orders for each individual contract shall be monitored by the Director of ~~Procurement~~Policy and Strategic Sourcing.

### Subchapter K - Use of an Existing Contract

- A. An “existing contract” means a contract that, when formed, was intended to be limited to the original parties thereto, ~~and does.~~ An existing contract is not ~~include~~a State or local government purchasing ~~schedules~~schedule or purchasing ~~contracts~~contract. The use of “tag-ons” (the addition of work, supplies, equipment, or services) by Foothill Transit that ~~is~~are beyond the scope of the original contract is prohibited.
- B. Within the conditions set forth below, Foothill Transit is permitted to use existing contract rights held by another.

Foothill Transit may use contract options held by another with the following limitations:

Foothill Transit must ensure that the terms and conditions of the option it seeks to exercise are substantially similar to the terms and conditions of the option as stated in the original contract at the time it was awarded.

Foothill Transit may not exercise an option unless it has determined that the option price is better than prices available in the market, or that when it intends to exercise the option, the option is more advantageous.

- C. Assignment of Contract Rights ~~—~~

Foothill Transit is required to limit its procurements to the amount of property and services required to meet its reasonably expected needs without adding excess capacity simply for the purpose of assigning contract rights to others at a later date. Foothill Transit must be able to justify the quantities it procures.

Foothill Transit may assign its contract rights to others if the original contract contains an assignability provision that permits the assignment of all or a portion of the specified deliverables under the terms originally advertised, competed, evaluated, and awarded, or contains other appropriate assignment provisions.

## Subchapter L - Options

In awarding a contract that will include options, Foothill Transit will evaluate bids or offers for any option quantities or ~~period~~periods contained in a solicitation if it intends to exercise those options after the contract is awarded. When an option is exercised, the Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that the exercise of the option is in accordance with the terms of the original contract, and that a cost or price analysis is conducted as appropriate to determine if the option price is better than prices available in the market at the time that the option is to be exercised, or that the option price is more advantageous to Foothill Transit at the time that the option is exercised. The Director of Policy and Strategic Sourcing will also ensure that responsibility checks are carried out on any option exercise.

Option quantities, periods, and terms identified in a bid or proposal will be evaluated by the Project Manager or the Foothill Transit evaluation team at the time that the bid or proposal is evaluated and prior to the award of the base contract.

A record of the above actions will be documented in the procurement records.

## Subchapter M - Intergovernmental and Joint Procurement Agreements

Foothill Transit is authorized to use ~~the~~ cooperative purchasing agreements such as California Multiple Award Schedules (CMAS), Western States Contracting Alliance (WSCA), NJPA (National Joint Powers Alliance), and other cooperative purchasing methods. These offers goods and services to California State and Local Government agencies at prices which are fair, reasonable, and competitive. Under these methods, Foothill Transit is responsible for its own contracting program and purchasing decisions.

Under ~~cooperative purchasing methods~~ **CMAS**, the contractor offers to provide products or services at a price equal to or lower than the Federal GSA multiple award schedule. For CMAS, the State of California adds standard contract terms and conditions which result in a CMAS contract. It is the option of the contractor whether or not to allow a local government such as Foothill Transit to use their CMAS contract. This is not a competitive bid process, and Foothill Transit may use any criteria to assess the offers and select the awarded contractor

Federal funds may be used for certain types of cooperative purchases. Foothill Transit shall consult with Counsel prior to initiating a cooperative purchase using Federal funds. Federal law requires that any cooperative purchase contract using Federal funds be limited as follows: (1) the initial contract term may not be for more than two (2) years; (2) the contract may not include more than three (3) optional extensions for terms of not more than one (1) year each; and (3) the contract may not be in effect for a total period of more than five (5) years, including each extension.

Cooperative agreements that utilize a catalog approach where multiple vendors/resellers offer the same product at a maximum price point will require that three or more quotes are obtained prior to award. Cooperative agreements that have publicly and openly competed procurements where one vendor has been selected as the sole awardee will not require multiple quotes. A cost or price analysis is still required for cooperative procurements.”

Foothill Transit ~~can~~ **may** jointly procure goods and services with other entities. When obtaining goods or services in this manner ~~when using~~ **using** Federal funds ~~are utilized~~, the Director of **Procurement Policy and Strategic Sourcing** shall ensure that Federal requirements, required clauses, and certifications are properly followed and included in the resulting joint solicitation and contract documents.

## Subchapter N - Independent Cost Estimates

An Independent Cost Estimate is required for ~~federally funded procurements over \$3,000.~~ any procurement over the micro purchase threshold.

### A. Construction Projects

Construction cost estimates will be developed either directly by the A&E firm responsible for design development of the project or by a subcontractor of the firm. The estimates received will be dated and made part of the procurement documentation. The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that the estimates are prepared prior to the issuance of an invitation for bids.

~~1. The estimates will be made part of the procurement documentation and will be utilized and compared to the actual bids received to determine the reasonableness of the bids.~~

~~2. Following the receipt of bids, the Procurement Director, in consultation with the Project Manager and the A&E firm, will determine the reason for any bid prices that exceed the estimates, document the reason, and ensure that the documentation is included in the appropriate procurement file.~~

### B. Non-Construction Projects, Goods, or Services

~~1. Cost estimates for non-construction projects, goods, or services will be developed by the Project Manager as part of the development of solicitation, procurement documents. The estimates will be made part of the procurement documentation and will be utilized and compared to the actual bids or price proposals received to determine the reasonableness of the bids or price proposals. At a minimum, the documentation will identify the source of information used to develop the estimate, the date that the estimate was made, and identify the individual preparing the estimate. The Director of Procurement Policy and Strategic Sourcing will ensure that the estimates are prepared prior to the issuance of solicitation documents.~~  
~~2. Following the receipt of bids or proposals, the Procurement Director, in consultation with the Project Manager, will determine the reason for any bid price or price proposals that exceed the estimates, document the reason, and ensure that the documentation is included in the appropriate procurement file.~~ procurement documents.

### C. Use of Form

The Director of ~~Procurement~~ Policy and Strategic Sourcing will ensure that the form set forth ~~below~~ in Appendix C is utilized and completed by the



Project Manager for each procurement action undertaken by Foothill Transit. The Director of ~~Procurement~~Policy and Strategic Sourcing will also ensure that ~~that~~ the completed form is included in the procurement file.

**Independent Cost Estimate**

~~Contract Type:~~ \_\_\_\_\_ ~~Date of Estimate:~~ \_\_\_\_\_

~~Description of Goods / Service:~~

~~Method of Obtaining the Estimate:-~~

~~I have obtained the following estimate from...:~~

- ~~Published Price List / Past pricing (date) \_\_\_\_\_~~
- ~~Engineering or technical estimate~~
- ~~Independent Third Party estimate~~
- ~~Other (specify) \_\_\_\_\_~~

~~Cost Estimate Details:~~

~~Through the method stated above it has been determined that the total cost of the goods/services is expected to be: \$ \_\_\_\_\_ Details are shown below.~~

Cost of Standard Items				US-Dollars
Product	Cost (\$/ea)	Cost (\$/ea)	Notes / Data Source	
	Delivered	No-Freight		

Cost of Services, Repairs, or Non-Standard Items							Total
Item / Task:	Other Direct	Labor	Labor	Allocated	SG&A	Profit	
Materials	-Costs	(rate, hours)	Class	overhead			

A

B

~~Signature of Preparer:-~~

~~\_\_\_\_\_ The preceding cost estimate was obtained or prepared by:~~

~~[For complex items or tasks, attach detailed spreadsheet(s) explaining rationale.]~~



## Subchapter O – Price or Cost Analysis

~~A. In the event a single bid is received,~~ **A. Foothill Transit shall conduct** a price or cost analysis ~~shall be used to determine the reasonableness of the bid price. The purpose of the analysis is to provide sufficient information to support the conclusion that the price is fair and reasonable. The appropriate analysis will be prepared by the Project Manager, in consultation with the Director of Procurement. The Director of Procurement will ensure that no contracts will be executed until a fully detailed and documented analysis is completed, and made a part of the appropriate procurement file.~~ **B. The Project Manager, in consultation with the Director of Procurement may conduct a price analysis in evaluating a bid price. in connection with every procurement action in excess of the micro purchase threshold, including contract modifications.** If a valid price analysis cannot be completed, a cost analysis of the bid price may be conducted.

~~C. 1. Price analysis~~ **Analysis** is the process of examining and evaluating a prospective price without evaluation of the separate cost elements or proposed profit of the prospective supplier.

Price analysis may be accomplished through one or more of the following activities:

- 1. Adequate price competition (exists when two or more responsible offerors compete independently and submit proposals deemed responsive to a solicitation, and there is no evidence that competition was restricted or that the lowest price is unreasonable).**
- 2. Comparison to prices set by law or regulation, established catalog prices, or established market prices.**

**Prices Set by Law or Regulation should be established by a copy of the applicable rate schedules.**

**Established Catalog Price is a price included in a catalog, price list, schedule, or other form that (1) is regularly maintained by a manufacturer or vendor, (2) is published or made available for inspection by customers, and (3) states prices at which sales are currently or were last made to a significant number of buyers from the general public.**

**Established Market Price is a current price established in the usual and ordinary course of business between buyers and**

sellers free to bargain. A market price must be verified by buyers and sellers who are independent of the offeror.

3. Comparison to previous purchases (need to account for changes in quantity, quality, delivery schedules, and the economy, and analyze each differing situation through trend analysis; need to ensure that previous price was fair and reasonable).
4. Comparison to a valid independent cost estimate.
5. Value analysis.

~~D.~~ **2. Cost analysis** **Analysis** is the review and analysis of a contractor's cost or pricing data and of the factors applied in projection from the data to the estimated costs, in order to form an opinion on the degree to which the contractor's proposed costs represent what performance of the contract should cost, assuming reasonable economy and efficiency. ~~A price cost analysis must be performed prior to the award or contract of a Sole Source Procurement.~~ ~~E.~~ As compared to price analysis, cost analysis involves a more detailed review of the offeror's proposal and **is can be** used where Foothill Transit has less assurance of a fair and reasonable price.

~~F.~~ ~~Price analysis may be accomplished through one or more of the following activities:~~

- ~~1. The comparison of prior quotations and contract prices with current quotations for the same or similar end items (to provide a suitable basis for comparison, appropriate allowances must be made for differences in such factors as specifications, quantities ordered, time for delivery, etc.).~~
- ~~2. The use of "yardsticks" (such as dollars per pound, per horsepower, or other units) to point up apparent gross inconsistencies which should be subjected to greater pricing inquiry.~~
- ~~3. The comparison of prices set forth in published price lists issued on a competitive basis, published market prices of commodities, and similar indicators, to Foothill Transit with discount or rebate arrangements.~~
- ~~4. The comparison and analysis of proposed prices with Independent Cost Estimates.~~
- ~~5. The comparison of prices paid by other users (government or commercial) of the same or similar items to the proposed prices.~~

~~G.~~ Cost analysis may be accomplished through the following:

1. Verify contractor's cost data.
2. Evaluate specific elements of costs and project these data to determine the effect on prices of such factors as:
  - a. The necessity for certain costs;
  - b. The reasonableness of amounts estimated for the necessary costs;
  - c. Allowances for contingencies; and
  - d. The basis used for allocations of particular overhead costs to the proposed contract.
3. When the necessary data is available, compare the contractor's estimated cost with:
  - a. Actual costs previously incurred by the contractor;
  - b. The contractor's last prior cost estimate for the same or similar estimates;
  - c. Current cost estimates from other possible sources; and
  - d. Prior estimates or historical costs of other contractors manufacturing the same or similar items.
4. Forecasting future trends in costs from historical experience:
  - a. In periods of either rising or declining costs, an adequate cost analysis must include some evaluation of the trends.
  - b. In cases involving recently developed, complex equipment, even in periods of relative price stability, trend analysis of basic labor and materials costs should be undertaken.

~~H.~~—In performing a cost analysis, there are three questions that should be asked in the examination of costs, particularly those in the overhead area:

1. Is the cost allowable in accordance with Federal guidelines ~~in Section 15 of the Federal Acquisition Regulations (FAR)?~~
2. Is the cost allocable to the particular project?; and
3. Is the cost reasonable?

A cost analysis conducted in support of a Federally-funded procurement action must comply with the cost principles set forth in 2 C.F.R. Part 200, Subpart E.

B. The purpose of the price or cost analysis is to provide sufficient information to support the conclusion that the price is fair and reasonable. The appropriate analysis will be prepared by the Project Manager, in consultation with the

Director of Policy and Strategic Sourcing. The Director of Policy and Strategic Sourcing will ensure that no contracts will be executed until a fully detailed and documented analysis is completed and made a part of the appropriate procurement file.

~~C.~~ If only one bid or proposal is received, the sole bidder or proposer must cooperate with Foothill Transit as necessary in order for its bid or proposal to be considered for award. A new solicitation may be issued if the single bid or proposal price appears unreasonable or if no determination is made as to the reasonableness of the single bid or proposal price.

~~D.~~ The Director of ~~Procurement~~Policy and Strategic Sourcing will ensure that the form set forth ~~below~~in Appendix C is utilized and completed by the Project Manager for each cost or price analysis. The Director of ~~Procurement~~Policy and Strategic Sourcing will also ensure that the completed form is included in the procurement file.

E. Foothill Transit shall negotiate profit as a separate element of the price for each Federally funded contract where there is no price competition and in all cases where a cost analysis is performed. Establishment of a fair and reasonable profit must take into consideration the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of the contractor's record of past performance, and industry profit rates in the surrounding geographical area for similar work..

Subchapter P – Design-Build Contracts

Public Contract Code §§ 22160, et seq.<sup>1</sup> provides state law authority for design-build procurements. Subject to changes in applicable law, the design-build method of project delivery may be used for transit capital projects with a projected contract award of \$1,000,000 or more. These are complex procedures requiring careful analysis and reviews as to their applicability and the specific procedures to be followed.

<sup>1</sup> California Pub. Con. Code § 22169 is effective only until January 1, 2025, and remains subject to further legislative amendments.

Subchapter Q - Demonstration (Pilot) Projects for Innovative Products, Approaches, or Technologies

A demonstration project is a short-term, carefully planned, pilot exercise designed to test and evaluate the feasibility and application of an innovative product, approach, or technology not currently used by Foothill Transit. Demonstration projects will allow Foothill Transit to observe and analyze effectiveness and efficiency of the innovative product, approach, or technology without a large commitment of resources. Demonstration projects may be initiated by an unsolicited proposal or by Foothill Transit on its own initiative. A demonstration project may result in a procurement if Foothill Transit determines that the piloted product, approach, or technology should be fully implemented at Foothill Transit.

Demonstration projects shall not be considered for public works/construction (as defined in Article 3.5 of the California Public Contract Code) projects or for projects involving architectural and/or engineering services. Demonstration projects shall not be considered in connection with Federal funding unless such funding is specifically authorized for use on such demonstration project.

A. Preliminary Discussions

Foothill Transit may engage in preliminary discussions with a vendor to explore the feasibility of a proposed demonstration (pilot) project. Discussions are not negotiations for the award of a contract. A summary of these discussions shall be documented and retained in the contract file.

B. Determination

Prior to entering into negotiations for the award of a contract for a demonstration project, the Executive Director shall make a determination stating that:

1. Testing or experimentation is advisable to evaluate the service or reliability of an innovative product, approach, or technology;
2. The product, approach, or technology cannot be reasonably acquired for evaluation through a competitive solicitation;
3. The product, approach, or technology is not currently in use by Foothill Transit;
4. The results of the demonstration project shall be documented and made publicly available on Foothill Transit's website upon its conclusion;



5. There is an intent to competitively acquire the product, approach, or technology if, after testing and evaluation, a decision is reached to continue its use within Foothill Transit; and
6. Any outside funding relied upon to justify the award of the contract pursuant to this subchapter has been documented.

C. Notice of Intent

1. Notice of intent to enter negotiations for a demonstration project shall be published on Foothill Transit's website for at least seven days before entering into negotiations with the vendor. The notice shall remain on Foothill Transit's website until expressions of interest are due.
2. Such notice shall include: (i) title and/or brief description of the goods or services to be procured; (ii) name of the proposed vendor; (iii) a summary of the determination made pursuant to subsection B above; (iv) how vendors may express their interest in providing such goods or services; and (v) the due date for expressions of interest, which shall be no sooner than five days after the posting of the notice.

D. Evaluation of Interest

Upon evaluation of expressions of interest received, if any, the Executive Director shall make a determination of how to proceed, which shall include the basis for such determination. Where it appears that the product, approach, or technology is already competitively available in the marketplace, the Executive Director may determine that a competitive solicitation may be issued; or, if it appears that the product, approach, or technology can be reasonably evaluated using short-term contracts with more than one vendor, the Executive Director may determine that negotiations to establish such demonstration projects may be conducted with more than one vendor; or negotiations may proceed with the single vendor originally identified.

E. Negotiations

After completing negotiations, the Executive Director shall award the contract if it is determined that the award will be in Foothill Transit's best interest and that the price is fair and reasonable.

F. Award

The Executive Director has the authority to award a demonstration project contract under \$100,000. A demonstration project contract of \$100,000 or more must be awarded by the Executive Board.

G. Contract Term

Contracts for demonstration projects should be for a term that is reasonable both to conduct the demonstration and to determine its effectiveness. The term of the demonstration project shall not exceed one (1) year, unless the Executive Director determines that the effectiveness of the product, approach, or technology cannot be evaluated in one (1) year.

In order to enter into a multi-year contract, the Executive Director shall make a determination setting forth with specificity:

1. Why the effectiveness of the product, approach, or technology cannot be evaluated in one (1) year; and
2. How the proposed term of the contract was determined. In making such determination, the Executive Director may consider whether it would be in Foothill Transit's best interest to ensure that no break in the provision of services occurs at the end of the demonstration project, if successful. If the Executive Director makes such a determination, the Executive Director should establish an initial term that is long enough to allow for the subsequent solicitation of those services at the conclusion of the project's evaluation.

H. Notice of Award

1. Award of contracts pursuant to this Subchapter shall be published on Foothill Transit's website in a location that is accessible by the public following award of the contract.

**Foothill Transit Procurement Policies and Procedures**

<b>COST ANALYSIS SUMMARY (For New Contracts Including Letter Contracts)</b> (See Instructions below)							
SOLICITATION # _____			SUPPLIES AND/OR SERVICES TO BE FURNISHED _____				
PREPARER'S NAME, DEPARTMENT, TITLE, PHONE _____							
DIVISION(S) AND LOCATION(S) WHERE WORK IS TO BE PERFORMED _____			APPROVAL SIGNATURE _____				
<b>DETAIL DESCRIPTION OF COST ELEMENTS</b>							
1. DIRECT MATERIAL  A. PURCHASED PARTS  B. SUBCONTRACTED ITEMS  C. OTHER (1) RAW MATERIAL (2) STANDARD COMMERCIAL ITEMS  <div style="text-align: right;"><i>TOTAL DIRECT MATERIAL</i></div>			Vendor A Proposal	Vendor B Proposal	Independent Estimate	Analysis	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
2. MATERIAL OVERHEAD (RATE % x \$ BASE *)			_____	_____	_____	_____	
3. DIRECT LABOR		ESTIMATED HOURS	RATE/ HOUR	Vendor A (\$)	Vendor B (\$)	Independent Estimate	Variance
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
<i>TOTAL DIRECT LABOR</i>		_____	_____	_____	_____	_____	_____
4. LABOR OVERHEAD  <div style="text-align: right;">OH Rate X BASE (labor total above)</div>		_____	_____	Vendor A (\$)	Vendor B (\$)	Independent Estimate	Variance
		_____	_____	_____	_____	_____	_____
		_____	_____	_____	_____	_____	_____
<i>TOTAL LABOR OVERHEAD</i>		_____	_____	_____	_____	_____	_____
5. OTHER DIRECT COSTS  A. SPECIAL TOOLING/EQUIPMENT  <div style="text-align: right;"><i>TOTAL SPECIAL TOOLING/EQUIPMENT</i></div> B. TRAVEL (1) TRANSPORTATION (2) PER DIEM OR SUBSISTENCE  <div style="text-align: right;"><i>TOTAL TRAVEL</i></div>			Vendor A (\$)	Vendor B (\$)	Independent Estimate	Variance	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
			_____	_____	_____	_____	
<b>DETAIL DESCRIPTION OF COST ELEMENTS (continued)</b>			Vendor A (\$)	Vendor	Independent	Variance	

**Foothill Transit Procurement Policies and Procedures**

		B (\$)	Estimate	
C. INDIVIDUAL CONSULTANT SERVICES				
	TOTAL INDIVIDUAL CONSULTANT SERVICES			
D. OTHER				
	TOTAL OTHER			
E. SUBTOTAL DIRECT COST AND OVERHEAD				
6. GENERAL AND ADMINISTRATIVE (G&A)	RATE %			
	-X \$ BASE (Use 5.E above)			
7. ROYALTIES (if any)				
8. SUBTOTAL ESTIMATED COST				
9. CONTRACT FACILITIES CAPITAL AND COST OF MONEY				
10. SUBTOTAL ESTIMATED COST				
11. FEE OR PROFIT				
12. TOTAL ESTIMATED COST AND FEE OR PROFIT				
13. Discounts				
14. Option Costs (specify)				
15. ADJUSTED COST				

**ANALYSIS GUIDELINES**

**1. DIRECT MATERIAL**

— A. Analyze Purchased Parts: Provide a consolidated price analysis of material quantities included in the various tasks, orders, or contract line items being proposed and the basis for pricing (vendor quotes, invoice prices, etc.).

— B. Subcontracted Items: Analyze the total cost of subcontract effort and supporting written quotations from the prospective subcontractors

— C. Other:

— (1) Raw Material: Review any materials in a form or state that requires further processing. Analyze priced quantities of items required for the proposal. Consider alternatives and total cost impact.

— (2) Standard Commercial Items: Analyze proposed items that the offeror will provide, in whole or in part, and review the basis for pricing. Consider whether these could be provided at lower cost from another source.

**2. MATERIAL OVERHEAD**

Verify that this cost is not computed as part of labor overhead (item 4) or General and Administrative (G&A) (Item 6):

**3. DIRECT LABOR**

Analyze the hourly rate and the total hours for each individual (if known) and discipline of direct labor proposed. Determine whether actual rates or escalated rates are used. If escalation is included, analyze the degree (percent) and rationale used. Compare percentage of total that labor represents for each bid.

**4. LABOR OVERHEAD**

Analyze comparative rates and ensure these costs are not computed as part of G&A. Determine if Government Audited rates are available,

**5. OTHER DIRECT COSTS**

— A. Special Tooling/Equipment. Analyze price and necessity of specific equipment and unit prices.

— B. Travel. Analyze each trip proposed and the persons (or disciplines) designated to make each trip. Compare and check costs.

## Foothill Transit Procurement Policies and Procedures

— C. Individual Consultant Services. Analyze the proposed contemplated consulting. Compare to independent estimate of the amount of services estimated to be required and match the consultants' quoted daily or hourly rate to known benchmarks.

— D. Other Costs. Review all other direct charge costs not otherwise included in the categories described above (e.g., services of specialized trades, computer services, preservation, packaging and packing, leasing of equipment and provide bases for pricing. Scan for duplication or omissions.

### — 6. GENERAL AND ADMINISTRATIVE EXPENSE

See notes on labor overhead above and check whether the base has been approved by a Government audit agency for use in proposals.

### — 7. ROYALTIES

If more than \$250, analyze the following information for each separate royalty or license fee; name and address of licensor; date of license agreement; patent numbers, patent application serial numbers, or other basis on which the royalty is payable; brief description (including any part of model numbers or each contract item or component on which the royalty is payable); percentage or dollar rate of royalty per unit; unit price of contract item; number of units; and total dollar amount of royalties.

### — 8. SUBTOTAL ESTIMATED COST

Compare the total of all direct and indirect costs excluding Cost of Money and Fee or Profit. Note reasons for differences.

### — 9. CONTRACT FACILITIES CAPITAL AND COST OF MONEY

Analyze the offerors' supporting calculations and compare to known standards.

### — 10. SUBTOTAL ESTIMATED COST

This is the total of all proposed costs excluding Fee or Profit. Determine the competitive range. Question outliers.

### — 11. FEE OR PROFIT

Review the total of all proposed Fees or Profit. Remember that the FTA prohibits cost plus percentage of cost contracting, and caps fixed fees under CPFF type contracts at 10% and profits under fixed price contracts and time and material profit markups at 15%.

### — 12. TOTAL ESTIMATED COST AND FEE OR PROFIT

Analyze the range of total estimated costs including Fee or Profit, and explain variance to independent estimate. Identify areas for negotiation or areas to be challenged. Explain your conclusions regarding fair and reasonable pricing.

### — 13. DISCOUNTS

Review basis for Discounts and range between offers.

- 2. Such notice shall include: (i) title and/or brief description of the goods or services procured; (ii) name of the vendor; (iii) dollar value of the contract; (iv) the date of the published notice of intent to enter into negotiations for the award of a contract from a demonstration project; (v) a summary determination of the basis for the demonstration project; and (vi) the term of the contract and the date before which Foothill Transit will determine whether to competitively acquire or discontinue use of the product, technology, or approach.**

**ATTACH NARRATIVE COST ANALYSIS MEMO ADDRESSING ITEMS AS INSTRUCTED ABOVE.**

### **I. Conclusion of Demonstration Project**

**At the conclusion of the demonstration term, based upon documented results of the project, Foothill Transit shall make a determination, including the reasons therefor, whether to competitively acquire or to discontinue the use of the product, approach, or technology.**



## CHAPTER IV - PURCHASE ORDERS

### ~~A.~~A. Purchase Order Process / Requirements

1. Purchase Orders can be issued for the purchase of good~~and~~ or services. The issuance of a purchase order requires the approval of the Department Director and /or Project Manager responsible for the particular budget. The Finance system will not allow the issuance of a Purchase Order when sufficient budget funding is not available. Three types of Purchase Orders are available: 1) Contract Purchase Orders (KPO); 2) Purchase Orders (PO); and 3) Purchase Invoices (PI).
2. A KPO, PO<sub>s</sub>, or PI is required for all purchases. A properly completed Purchase Order includes: a description of the item to be procured, the quantity, unit cost, total costs and when applicable attachments including: invoice, contract, vendor quotations, and when and where service will be performed; and when and where the items will be delivered.
3. The account name(s) and number(s) must be provided to determine which account will be expensed when the Purchase Order is processed for payment.
4. Purchase Orders are handled by orally notifying the vendor of the approved Purchase Order number. Written confirmation shall be sent to the vendor, if appropriate.
5. Vendors shall be instructed to include their Purchase Order number on all correspondence, including packaging, invoices, credit memos, etc.

### B. Types of Purchase Orders:

#### ~~1.~~1. ~~Contract Purchase orders~~Orders (KPO)

This type of purchase order is used when the purchase of goods and/or services is directly tied to an executed contract. The Contract Purchase Order number is the same as the executed contact number preceded with "KPO" and the amount will be the amount of the total contract value which will be encumbered and no longer available for future expenditures. This will be the maximum potential liability for all payments under the executed contract. Progress payments can be accomplished using the KPO number; however payments cannot exceed the total value of the KPO. In the event a contract amendment is executed which either increases or decreases the initial contract amount, the KPO can be modified to reflect the amendment. The modification would be similar to the preparation of the original KPO using the contract number preceded by KPO, entering an account number and amount of the amendment, a positive amount for a contract increase and negative amount for a contract reduction.

#### ~~2.~~2. Purchase Orders (PO)

A Purchase Order is used when the good and/or services have not been received and the vendor requires an authorization to sell and invoice Foothill Transit for goods and/or services. The PO number will be assigned by the finance system and the amount should be sufficient to encumber funds to complete the purchase. Normally the goods and/or services are delivered and one payment is executed for full payment. However, POs may be issued for items that are to be delivered over a period of time with payments executed as the goods and/or services are delivered. Using the PO for staggered deliveries and payments is akin to a "Blanket Purchase Order". The total amount of the PO will be encumbered, removing the funding from future expenditures.

~~3.3.~~ Purchase Invoice (PI)

Purchase Invoices are to be used when an invoice for goods and/or services has been received from the vendor. The PI number will be assigned by the finance system. The issuance of the PI will initiate payment for the goods and/or services. The PI amount cannot exceed available funding.

**C. Receipt of Goods/Service and Authorization to Pay**

1. The Department Director, his or her designee, or the designated Project Manager is responsible for the receipt of the physical merchandise order when goods are being purchased. Upon receipt, the packing slip shall be compared to the goods received. If correct, the packing slip shall be signed and dated and processed for payment.
2. The Department Director, his or her designee, or the designated Project Manager is responsible for the supervision of services to be performed for Foothill Transit. Upon completion of the services, invoice(s) shall be compared to the services received. If correct, invoice shall be signed and dated and processed for payment.



## CHAPTER V - VENDOR PROTEST PROCEDURES

### Purpose

The purpose of ~~these procedures~~ this Chapter is to set forth the procedures to be utilized by Foothill Transit in considering and determining all bid protests or objections regarding solicitations, proposed award of a contract, or award of a contract whether before or after award.

### General

In order for a bid protest to be considered by Foothill Transit, it must be submitted by an interested party (as defined below) in accordance with the procedures set forth herein. A protest ~~which is~~ submitted by a party ~~which~~ that is not an interested party or which is not in accordance with the procedures shall not be considered by Foothill Transit, and will be returned to the submitting party without any further action by Foothill Transit.

In all instances where Foothill Transit receives a protest involving a potential contract that will be funded with Federal Transit Administration funds, Foothill Transit will notify the Federal Transit Administration of the protest, provide information concerning the nature of the protest, and keep the Federal Transit Administration informed about the status of the protest.

### Definitions

For purposes of these Bid Protest Procedures:

The term "Bid" includes any bid or offer submitted by a bidder in response to an Invitation for Bid (IFB), ~~and~~ a proposal submitted by a proposer in response to a Request for Proposals (RFP), or a submittal submitted by an offeror in response to a Request for ~~Proposals~~ (RFP) Qualifications (RFQ).

The term "contract" means that document to be entered into between Foothill Transit and the successful bidder and offeror.

The term "days" refers to normal business days of Foothill Transit staff offices.

The term "interested party" means any person: who is an actual or prospective proposer, bidder, or offeror in the procurement involved; and whose direct economic interest would be affected by the award of ~~the~~ a contract or by failure to award a contract. A subcontractor does not qualify as an "interested party" because it does not have a direct economic interest in the results of the procurement.

The term “solicitation” means an Invitation for Bids (IFB), Request for Proposals (RFP), or other form of document used to procure equipment or services.

### **Grounds for Protest**

Any interested party may file a bid protest with Foothill Transit on the grounds that:

1. Foothill Transit has failed to comply with applicable Federal or State Law;
2. Foothill Transit has failed to comply with its procurement procedures;
3. Foothill Transit has failed to comply with the terms of the solicitation in question, including the failure to adhere to the evaluation criteria set forth in the solicitation, if applicable;
4. Foothill Transit has issued restrictive or discriminatory specifications; or
5. Award is made to other than the lowest responsive and responsible bidder on formally advertised (IFB) procurements.

### **Contents of Protest**

1. A bid protest must be filed in writing and must include:

The name and address of the protestor.

The name and number of the procurement solicitation.

A detailed statement of the grounds for the protest, including all relevant facts and a citation to the Federal or State law, the provision of Foothill Transit procurement procedures, or specific term of the solicitation alleged to have been violated.

Any relevant supporting documentation the protesting party desires Foothill Transit to consider in making its decision.

The desired relief, action, or ruling sought by the protestor.

2. Protests must be filed with:

Director of ~~Procurement~~ [Policy and Strategic Sourcing](#)  
Foothill Transit  
100 South Vincent Avenue, Suite 200  
West Covina, California 91790

3. All protests must be received at the Foothill Transit address listed above during normal office hours of 8:00 a.m. to 5:00 p.m., Pacific Standard or Daylight Time.
4. If any of the information required by this section is omitted or incomplete, Foothill Transit will notify the protestor, in writing, within one day of the receipt of the protest, and the protestor will be given one day to provide the omitted or incomplete information in order for the protest to be further considered. Note that this provision only applies in the case of a failure to state any grounds for a protest and does not apply to stating inadequate grounds for a protest or the failure to submit documentation.

### **Timing Requirements and Categories of Protests**

Foothill Transit will consider the following categories of bid protests within the time period set forth in each category:

Any bid protest alleging improprieties in a solicitation process or in ~~solicitation~~[procurement](#) documents must be filed no later than five calendar days prior to the scheduled bid opening or deadline for submittal or proposals, as appropriate, in order to be considered by Foothill Transit. Any protest based on such grounds not filed within this period will not be considered by Foothill Transit. This category of protests includes, but is not limited to, allegation of restrictive or exclusionary specifications or conditions.

Any bid protests regarding the evaluation of bids or proposals by Foothill Transit, or improprieties involving the approval or award or proposed approval or award of a contract must be filed with Foothill Transit no later than five calendar days after the protestor's receipt of Foothill Transit's written notice of its decision or intended decision to award a contract. Any protest filed after such date which raises issues regarding the evaluation of bids or proposals, or the contract approval or award will not be considered by Foothill Transit. Foothill Transit will notify all unsuccessful bidders or proposers of its intent to award a contract to the successful bidder or proposer by email at the same time it notifies the successful bidder or proposer if Board approval is not required, and at the same time as the publication of the Board agenda if Board approval is required.

### **Review of Protest by Foothill Transit**

Foothill Transit will notify the protestor within 3 days of timely receipt of a bid protest that the protest is being considered.

In the notification, Foothill Transit will inform the protestor of any additional information required for evaluation of the protest by Foothill Transit, and set a time deadline for submittal of such information. If Foothill Transit

requests additional information, and it is not submitted by the stated deadline, Foothill Transit may either review the protest on the information before it, or decline to take further action on the protest.

In its sole discretion, Foothill Transit may give notice of any bid protest to other bidders or proposers for the procurement involved in the protest, as appropriate, and permit such bidders or offerors to submit comments to Foothill Transit relative to the merits of the bid protest. Foothill Transit will set a time deadline for the submittal of such comments, which will be no less than 5 days after Foothill Transit provides notification of the protest.

In its sole discretion, Foothill Transit may schedule an informal conference on the merits of a bid protest. All interested parties will be invited to participate in the conference. Any information provided at the conference will only be considered by Foothill Transit in deciding the bid protest if it is submitted to Foothill Transit in writing within 3 days after the conference.

### **~~Effects~~Effect of Protest on Procurement Actions**

Upon receipt of a timely protest regarding either the solicitation process of the ~~solicitation~~**procurement** documents in the case of sealed bids, Foothill Transit will postpone the opening of bids until resolution of the protest. The filing of the protest will not, however, change the date on which bids are due, unless Foothill Transit determines, and so notifies all bidders, that such a date change is necessary and appropriate to carry out the goals of the procurement and assure fair treatment for all bidders.

Upon receipt of a timely protest regarding evaluation of bid or proposals, or the approval or award of a contract, Foothill Transit will suspend contract approval or other pending action, or issue a stop work order if appropriate, until the resolution of the protest. In this event, the successful bidder or proposer may not recover costs as a change order.

Notwithstanding the pendency of a bid protest, Foothill Transit reserves the right to proceed with any appropriate step or action in the procurement process or in the implementation of the contract in the following cases:

- a. Where the item to be procured is urgently required;
- b. Where Foothill Transit determines, in writing, that the protest is vexatious or frivolous;
- c. Where delivery or performance will be unduly delayed, or other undue harm to Foothill Transit will occur, by failure to make the award promptly; or
- d. Where Foothill Transit determines that proceeding with the procurement is otherwise in the public interest.

## Summary Dismissal of Protests

Foothill Transit reserves the right to summarily dismiss all or any portion for a bid protest that raises legal or factual arguments or allegations that have been considered and adjudicated by Foothill Transit in a previous bid protest by any interested party in the same solicitation or procurement action.

## Protest Decisions

1. After review of a bid protest by appropriate Foothill Transit staff and/or ~~legal counsel~~[Counsel](#), a recommendation shall be made to the Foothill Transit Executive Director concerning the appropriate disposition of such protest.
2. The recommendation shall be made on the basis of the information provided by the protestor and other parties, the results of any conferences, and Foothill Transit's own investigation and analysis.
3. The decision of the Foothill Transit Executive Director shall be in writing and shall be the final binding agency action. Except in exceptional circumstances, the decision of the Foothill Transit Executive Director will be issued within 30 days after the date all relevant information is submitted according to the dealings set forth in these procedures.
4. If the protest is upheld, Foothill Transit will take appropriate action to correct the procurement process and protect the rights of the protestor, including resolicitation, revised evaluation of bids or proposals or Foothill Transit's determination, or termination of the contract.
5. If the protest is denied, Foothill Transit will lift any suspension imposed and proceed with the appropriate state of the procurement process or the contract.

## Judicial Appeals

A protestor adversely affected by a bid protest decision may appeal such decision to an appropriate court of the State of California.

## Federal Transit Administration Appeals (Only if Federal funds are used in the procurement)

1. A protestor adversely affected by a bid protest decision of the Foothill Transit Executive Director may submit a protest to the Federal Transit Administration (FTA) in accordance with the provisions of FTA Circular 4220.1F, as currently in effect as of the date of Foothill Transit's decision on the bid protest. A protestor must exhaust its administrative remedies by pursuing Foothill Transit's protest procedures to completion before appealing Foothill Transit's decision to FTA.

2. Under the provision of the FTA Circular, FTA will only review protests regarding the alleged failure of Foothill Transit to have written protest procedures, the alleged failure of Foothill Transit to have complied with its protest procedures; or Foothill Transit's alleged failure to review a protest when presented the opportunity to do so. FTA will not consider every appeal filed by a protestor merely because a Federal law or regulation may be involved. Instead, FTA will exercise discretionary jurisdiction over those appeals involving issues important to FTA's overall public transportation program. FTA will refer violation of Federal law for which it does not have primary jurisdiction to the Federal authority having proper jurisdiction.
3. In accordance with the FTA Circular, such protest must be filed with FTA's Regional Office no later than five (5) working days after the date when the protestor has received actual or constructive notice of Foothill Transit's final decision or within five (5) working days of the date when the protester has identified other grounds for appeal to FTA (i.e., Foothill Transit's failure to have or failure to comply with its protest procedures or failure to review the protest).

D-

E. \_\_\_\_\_

## CHAPTER VI - CONTRACT ADMINISTRATION

### A. Contract Administration Guidelines

1. A Notice to Proceed will be issued as necessary as determined by the Director of ~~Procurement~~Policy and Strategic Sourcing in consultation with ~~legal counsel~~Counsel and the Project Manager.
2. A letter of agreement shall be sufficient for projects with a specific scope of work and with a value of \$10,000 or less.
3. A full contract agreement (with terms and conditions) will be entered into ~~and executed~~ for all ~~other~~ projects with a value in excess of \$10,000.
4. All agreements will be assigned a contract number, which must be referred to on the Purchase Order and the contractor's invoices.
5. Once the Notice to Proceed or ~~agreement~~contract (if a Notice to Proceed is not required) is signed, the Project Manager will originate the Purchase Order.
6. The Project Manager will review and approve all invoices ~~before~~in a timely manner so that timely payment ~~is~~may be issued to the contractor in accordance with the contract provisions.
7. The Executive Director will sign all contracts unless unavailable, in which case contracts will be signed in accordance with the adopted Procurement Policies and Procedures.
8. A copy of the procurement document must be included with the contract files, including an explanation of the process used in procuring the goods or services.
9. The Project Manager is responsible for ensuring that each contractor provides the goods and services specified in the contract in accordance with the terms and conditions of the contract including, but not limited to, product and/or construction specifications.
10. Foothill Transit is solely responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements.

### B. State and Local Procurement Requirements.

State and local requirements are applicable to all procurements regardless of the source of funding. These requirements are listed in Appendix A.

C. ~~B.~~ **Federal Procurement Requirements**

1. Since Foothill Transit receives FTA capital assistance, Federal procurement requirements apply to all Federally-funded ~~capital~~ procurements. Some of these requirements are unique and pertain only to Federally-funded procurements. ~~Listed below are those~~The specific contract terms and/or regulatory or administrative requirements that only apply when Federal funds are being utilized for the procurement are listed in Appendix B. ~~Note that the~~

2. The requirements of the Americans with Disabilities Act, the equal opportunity provisions of the Civil Rights Act of 1964, as amended, and the FTA's Drug and Alcohol Testing Requirements (49 CFR Parts 655) (if applicable) apply to all procurements ~~(if applicable)~~, *even if Federal funds are not utilized.*

~~4.~~ 3. State or local geographic preferences, except those expressly mandated or encouraged by Federal statute, are prohibited. (A/E procurements may use geographic location as selection criteria provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.)

~~2.~~ ~~For procurements over \$100,000, the Buy America requirements set forth in 49 CFR part 661 apply.~~

~~3.~~ ~~Any procurement involving equipment, materials, or commodities suitable for transport by ocean vessel shall contain the clauses required by 49 CFR Part 381: Cargo preference – U.S. Flag Vessels.~~

~~4.~~ ~~In the procurement of rolling stock, the requirements of 49 CFR Part 663 concerning Pre-Award and post-Delivery Audits apply.~~

~~5.~~ ~~In the procurement of buses, the requirements of 49 CFR Part 665 concerning Bus Testing apply.~~

~~6.~~ ~~For public works/construction projects, the requirements of 49 CFR Part 41 (specifically Part 41.117: Seismic safety) apply.~~

~~7.~~ ~~For public works/construction projects or activities exceeding \$2,000, the requirements of the Davis-Bacon Act (40 U.S.C. 276a – 276a(7)) and implementing Department of Labor regulations apply.~~



- ~~8. For public works/construction projects in excess of \$2000, the provision of the Copeland Anti-Kickback Act (40 U.S.C. 276c) and implementing Department of Labor regulations apply.~~
- ~~9. For public works/construction projects, the requirements of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-222) and implementing Department of Labor regulations apply.~~
- ~~10. For any contract of over \$100,000, the third party contractor will be required to complete and submit certification forms, and, if appropriate, lobbying disclosure forms concerning compliance with 31 U.S.C. 1352.~~
- ~~11. Each third party contractor must acknowledge that if it makes a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal government reserves the right to impose penalties under the Program Fraud Civil Remedies Act of 1986.~~
- ~~12. Each third party contractor is required to acknowledge the mandatory standards and policies related to every efficiency that are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321, et. seq.).~~
- ~~13. For public works/construction projects, each third party contractor must agree to comply with any Federal environmental and resource conservation requirements that apply to the construction activities under the terms of the Contract. The contractor is required to report any violation of standards, orders or regulation issued under the Clean Air Act (42 U.S.C. 7401 et. seq.) or the Federal Water Pollution Control Act (33 U.S.C. 1251 et. seq.) resulting from any activity of the contractor in connection with the performance of the contract to FTA and to the appropriate U.S. EPA regional office. The contract is responsible for the disposal of hazardous materials, in accordance with applicable Federal, State and local law and guidelines~~
- ~~14. Each third party contractor for contracts over \$25,000 must certify that they will not enter into contracts for over \$25,000 with suspended or debarred contractors (Executive Order 12549; 49 CFR part 29).~~
- ~~15. Each third party contractor must comply with Civil Rights requirements concerning nondiscrimination and equal employment opportunity (29 U.S.C. 623; 42 U.S.C. 2000, 6102, 12112; 12132; 49 U.S.C. 5332; 29 C.F.R. Part 1630; 41 C.F.R. Parts 60 et. Seq.).~~
- ~~16. Each third party contractor must comply with appropriate Patent and Rights in Data requirements (37 C.F.R. Part 401 and 49 C.F.R. Part 18).~~

~~17. Each third party contractor must comply with the Department of Transportation Disadvantage Business Enterprise (DBE) regulations (49 C.F.R. Part 26).~~

~~18. Fly America. Each third party contractor must comply with 49 U.S.C. 40118 in accordance with the General Service Administration's regulations at 41 CFR Part 301-10.~~

#### C. D. Bonding Requirements

##### Purpose

To ensure uniform and equitable application of bonding requirements in compliance with State and Federal regulations, and protect the interests of Foothill Transit.

##### Responsibility

It shall be the responsibility of the Director of Procurement Policy and Strategic Sourcing to ensure that these guidelines are followed and applied impartially.

##### Types of Bonds

Bid Guarantee: This shall consist of a firm commitment, such as a bid bond, certified or cashier's check, or other negotiable instrument accompanying a bid as assurance the bidder will, upon acceptance of the bid by Foothill Transit, execute such contractual documents as may be required within the time specified. Foothill Transit will require bid bonds for all public works/construction projects in excess of \$6,500, for any equipment or services contract of a critical nature to the operations of Foothill Transit, or for any equipment contract in which the equipment ifis specifically manufactured for Foothill Transit. ~~Public works/construction projects require a bid bond of ten (10) percent of the amount bid. Equipment purchases and service projects requiring a bid bond will have a bond requirement of up to five (5) percent of the amount bid.~~ The bid bond amounts are set forth in the chart below. Foothill Transit will require proposal bonds for any equipment or services contract of a critical nature to the operations of Foothill Transit. ~~Service projects requiring a proposal bond will have a bond requirement of up to five (5) percent of the amount bid.~~ Failure of bidders to comply with these requirements will result in a determination by the Director of Procurement Policy and Strategic Sourcing that the bid is non-responsive.

b. Performance: This is a bond executed in connection with a contract to secure fulfillment of all the Contractor's obligations

under such contract. Performance bonds shall be written by a corporate surety ~~registered in the County of Los Angeles~~that is an admitted surety in the State of California. Foothill Transit will require performance bonds for all public works/construction projects in excess of \$6,500, for any equipment or services contract of a critical nature to the operations of Foothill Transit, or for any equipment contract in which the equipment is specifically manufactured for Foothill Transit. ~~Public works/construction projects require a performance bond of 100 percent of the amount of the contract. Equipment purchases requiring a bond will have a bond requirement of up to twenty (20) percent of the amount of the contract. Service projects requiring a bond will have a bond requirement of up to 100 percent of the amount of the contract.~~ Bond amounts are set forth in the chart below.

Payment: This is a bond executed in connection with a ~~Contract~~contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. Payment bonds shall be written by a corporate surety ~~registered in the County of Los Angeles~~that is an admitted surety in the State of California. Foothill Transit will require a bond for public works/construction contract over \$25,000. ~~The required payment bond will be 100 percent of the amount of the contract.~~Bond amounts are set forth in the chart below.

4. Procedures

Public works/construction -- Bid guarantees and performance bonds are required by the State of California for all public works/construction projects in excess of \$6,500. Payment bonds are required by the State of California for all public works/construction projects in excess of \$25,000.

Other projects -- Bid guarantees and/or performance bonds are not required unless the procurement involves equipment or services of a critical nature to the operations of the agency and/or is specifically manufactured for the agency thereby making procurement from another source difficult or time consuming. Payment bonds are not required under these circumstances.

Required bonding levels are:

Type of Project	Type of Bond		
	Bid	Performance	Payment
Public Works/Construction <del>(as applicable)</del> <u>*These bond amounts are mandatory</u>	10%	100%	100%

Materials and Equipment <i><u>*Bonds mandatory if procurement is for equipment of a critical nature to the operations of Foothill Transit or if equipment is specifically manufactured for Foothill Transit</u></i>	up to <del>10</del> 5%	up to 20%	<del>Not Required</del> N/A
Services (except for personal or professional) <i><u>*Bonds mandatory if procurement is for services of a critical nature to the operations of Foothill Transit</u></i>	up to 5%	up to 100%	<del>Not Required</del> N/A

5. Forfeiting of Bonds

All contracts that contain bonding requirements shall contain a clause allowing termination on default of the contractor and providing that in such cases the surety company shall bear the responsibility for the completion of the contract, or if no surety company has provided a performance bond, Foothill Transit will claim the alternate to the performance and payment bond and use such funds for the completion of the contract.

~~D.~~ E. Insurance Requirements

Insurance requirements vary depending on the project type. They may include provisions for personal injury, environmental liability and other areas. The insurance requirements for each project are established by Foothill Transit.

In assessing risk, Foothill Transit will consider the following project information:

Scope of work.

Contract amount.

Whether the project requires the contractor to operate on Foothill Transit property.

The ultimate use of the good or service provided by the contractor.

Previous experience associated with similar or related projects.

Once the insurance requirements are defined, they must be included in the procurement document.

The Director of Procurement Policy and Strategic Sourcing will request that insurance certificates be provided within ten (10) business days after

contract execution. A copy of the insurance certificate is to be kept in the project file.

The Director of ~~Procurement~~Policy and Strategic Sourcing shall not allow any contract to continue without proper insurance in effect after notification of the lapse of requisite insurance.

#### ~~E.~~F. **Liquidated Damages**

1. The Project Manager will determine whether the use of a liquidated damages provision is appropriate for each specific procurement. The amount of liquidated damages must be reasonable, shall be set at a specific rate for each day of overrun in contract time for a public works/construction contract or for delivery of goods, or for each instance of an incident giving rise to imposition of liquidated damages in a service contract, and the rate must be specified in the contract. If liquidated damages are assessed in a Federally-funded contract, the Project Manager in consultation with the Finance Manager will ensure that, as appropriate, the liquidated damages recovered are credited to the project unless the Federal Transit Administration permits otherwise.
2. A liquidated damages clause may be used if it is determined that:
  - a. The time of delivery of goods or services to Foothill Transit is critical, and Foothill Transit can expect to suffer damage if the delivery is delinquent.
  - b. The extent or amount of such damage would be difficult or impossible to determine.

#### ~~F.~~G. **Indemnification**

All contracts shall provide that the contractor indemnify and save harmless Foothill Transit, its members, Executive Board Members, officers, agents, employees, and other consultants or contractors as appropriate from any injuries and or damages received by any person during any operations connected with the Contract, by use of any improper materials, or by any act or omission of the Contractor or his subcontractor, agents, servants or employees.

#### ~~G.~~H. **Termination for Cause, Mutual Agreement, and for Convenience**

All contracts shall contain a provision allowing for the termination of the contract for convenience by Foothill Transit and prescribe methods in which the contractor may calculate cost of work already performed, and termination settlement costs. All contracts shall also contain a clause allowing for termination by mutual agreement of the parties. All contracts supported by Federal grants that exceed \$10,000 are to include provisions that allow Foothill

Transit to terminate the contract [for cause or convenience](#), and that stipulate the manner by which termination will be made and the basis for settlement.

#### **[H.I.](#) Dispute Resolution**

All contracts shall contain provisions providing that any dispute between the contractor and Foothill Transit relating to the implementation or administration of the contract in question be resolved in accordance with a dispute resolution process set out in the contract.

#### **[H.J.](#) Project Control File**

The project control file shall be maintained during the procurement process, throughout the term of the contract and for three years following completion of all work.

The control file consists of the following sections:

Vendor list.

Rationale for type of procurement used.

List of all vendors responding to the procurement.

All documentation relating to the selection process, including, but not limited to: evaluation score sheets, bids, rationale for selection and/or rejection of respondents, and the source selection plan.

Notice to proceed (if applicable).

Final contract.

Executive Board report, if required.

All correspondence.

Proof of insurance.

Bond documents.

Notice of Solicitation.

Legal advertisement [\(if applicable\)](#).

Original procurement document and all addenda.

Original responses to the procurement.

DBE information.

Returned mail.

**J. K. Vendor ~~File~~ Database**

1. The Vendor ~~File~~ Database is housed in the electronic procurement portal and consists of a listing of businesses, organizations, and enterprises that could provide quality goods and services specific to Foothill Transit.
2. A vendor ~~may~~ will be ~~declared “not responsible” and removed from the Vendor File if the vendor:~~ removed from the Vendor Database if Foothill Transit determines that the vendor should be prohibited from participating in Foothill Transit procurement actions. Foothill Transit shall make such determination in accordance with the Debarment and Suspension Procedures set forth in Chapter VII.
  - ~~a. Repeatedly misses deadlines in deliveries of goods and services.~~
  - ~~b. Provides unsatisfactory goods and services.~~
- ~~3. Before declaring a vendor to be “not responsible,” the Director of Procurement will make every effort to give the vendor an opportunity to correct the problem. The following steps must be followed:~~
  - ~~a. Notify vendor of possible disqualification from vendor list~~
  - ~~b. If no response to the first notice is received, issue a second notice~~
  - ~~c. If no response to the second notice is received, the third notice will be issued informing the vendor that it has been deemed “not responsible” and removed from the Vendor file effective ten days from the date of the third notice.~~
- ~~4. A file will be kept of all activity and communications with the vendor. All actions must be fully documented and the file will be retained for a period no less than two years.~~
- ~~5. In order for a vendor to be reinstated into Foothill Transit’s Vendor File, the vendor must file a request with the Director of Procurement in writing declaring to be a “responsible vendor.”~~
- ~~6. The reinstatement letter must include the following:~~
  - ~~a. Reason vendor failed to respond to procurement requests.~~
  - ~~b. Reason vendor provided slow or unsatisfactory deliveries.~~

- ~~c. Steps vendor has taken to eliminate slow or unsatisfactory deliveries.~~
- ~~d. Statement why vendor should be reconsidered as a responsible vendor.~~
- ~~e. Promise to maintain their responsible vendor status.~~

**K-L Types of Contracts and Payment Terms**

1. Except as provided in this section, any type of contract which will promote the best interest of Foothill Transit may be used. A type of contract other than firm, fixed-price may be used only when a determination is made by the Director of ~~Procurement~~Policy and Strategic Sourcing that such contract is likely to be less costly than the firm, fixed-price contract or that it is impractical to obtain the supplies, services or construction required by the firm, fixed-price contracting method.
2. A firm, fixed-price contract establishes a price that is not subject to any adjustment on the basis of the contractor's cost experience in performing the contract.
3. A cost-reimbursement contract is one in which the contractor is paid its reasonable, allocable and allowable costs of performance regardless of whether the work is completed.
4. A time and material contract can be used only:
  - a. After a determination by the Director of ~~Procurement~~Policy and Strategic Sourcing that no other type of contract is suitable; and
  - b. If the contract specifies a ceiling price that the contractor shall not exceed except at its own risk.
5. Cost plus percentage of cost ~~contracts~~and percentage of construction cost methods of contracting are prohibited.
6. Advance payments utilizing Federal Transit Administration funds are prohibited unless prior written concurrence is obtained from the Federal Transit Administration.
7. Progress payments will only be made on the basis of costs incurred or, in the case of construction contracts or certain major acquisition contracts, on the basis of percent of completion or major milestones completed or major components procured. In such cases, ~~legal counsel~~Counsel will ensure that the contract provides that Foothill Transit obtain adequate security including taking title to major components, letters of credit or equivalent means to protect Foothill Transit's interests.





## CHAPTER VII - DEBARMENT AND SUSPENSION PROCEDURES

### A. Purpose

The purpose of this Chapter is to set forth the Debarment and Suspension Procedures to be used by Foothill Transit in making a determination as to whether a contractor should be prohibited from participating in Foothill Transit Procurement Actions. These Procedures are intended to protect the public interest by assuring that Foothill Transit awards Contracts to responsible Contractors only, and by barring from participation those Contractors that have engaged in criminal acts, fraudulent or deceptive practices, a pattern of deficient performance, or other improper actions as described in this Chapter. As set forth below, the Procedures establish the specific grounds for Debarment and/or Suspension and the process to be followed by Foothill Transit to assure that an affected Contractor is afforded due process in the Debarment Determination. The Procedures establishes a process for local debarment decisions and are separate and apart from any State or Federal debarment process.

### B. Definitions

For purposes of these Debarment and Suspension Procedures:

The term “Affiliate” means a person or firm that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a Contractor. For purposes of determining status as an Affiliate, “control” may be evidenced by interlocking ownership or management, financial control, actual day-to-day control, or shared facilities, equipment, or employees.

The term “Bid” includes any bid or offer submitted by a bidder in response to an Invitation for Bid (IFB), a proposal submitted by a proposer in response to a Request for Proposals (RFP), or a response submitted by an offeror in response to a Request for Qualifications (RFQ).

The term “Civil Judgment” means a judgment or finding of a civil offense by a court of competent jurisdiction.

The term “Contract” means the document entered into, or to be entered into, between Foothill Transit and a successful bidder.

The term “Contractor” means a person or firm that has submitted a Bid in a Foothill Transit Procurement Action, or reasonably may be expected to submit such a Bid, or has provided equipment, vehicles,

construction work, professional services, or other materials or services for Foothill Transit under a Contract.

The term “Conviction” means a conviction of a criminal offense by a court of competent jurisdiction, whether entered upon a verdict or a plea.

The term “Days” refers to normal business days of Foothill Transit staff offices.

The term “Debarment” means the action taken by Foothill Transit which results in a Contractor, and identified Affiliates of the Contractor, being prohibited from bidding on, being awarded, and/or performing work on a Contract for a specified Debarment Period.

The term “Debarment Determination” means the written determination made by Foothill Transit’s Executive Director regarding the Debarment of a Contractor pursuant to Section E hereof.

The term “Debarment Panel” means the three person panel established by Foothill Transit to make recommendations regarding Debarment actions to the Foothill Transit Executive Director. The Debarment Panel shall consist of three individuals from Foothill Transit. Individuals from the Department of Policy and Strategic Sourcing are not permitted to sit on the Debarment Panel.

The term “Debarment Period” means the period of Debarment described in Section F hereof and set forth in the Debarment Determination.

The term “Debarment Recommendation” means the written recommendation made by the Debarment Panel to Foothill Transit’s Executive Director regarding a proposed Debarment action.

The term “Disposition Agreement” means a written agreement between Foothill Transit and a Contractor that disposes, to the satisfaction of Foothill Transit, of the grounds for a possible Debarment.

The term “Government Entity” means any Federal, State, or local department, agency, or authority.

The term “Procurement Action” means a procurement carried out by Invitation for Bids (IFB), Request for Proposals (RFP), Request for Qualifications (RFQ), or other form of solicitation used by Foothill Transit to procure equipment, vehicles, construction work, professional services, or other materials or services.

The term “Suspension” means the action taken by Foothill Transit which results in a Contractor, and identified Affiliates of the Contractor, being temporarily disqualified from participating in Foothill Transit Procurement Actions pending the issuance of a Debarment Determination.

C. Grounds for Debarment

1. Foothill Transit may debar a Contractor for any of the following:

- a. Conviction of or a Civil Judgment for (i) the commission of a criminal offense under Federal or State law in obtaining, attempting to obtain, or performing a contract with a Government Entity; or (ii) the commission of fraud, embezzlement, theft, bribery, extortion, forgery, falsification or destruction of records, or receiving stolen property.
- b. Conviction of or a Civil Judgment for the commission of any other offense indicating a lack of business integrity or business honesty that directly affects the Contractor’s responsibility.
- c. Violation of the terms of a contract with a Government Entity so serious as to justify Debarment, such as a pattern of unsatisfactory or deficient performance of the contract, including material or repeated failure to meet contractual deadlines or to provide contract deliverables.
- d. Disqualification, suspension, or debarment by another Government Entity.
- e. Fraudulent, deceptive, or otherwise improper conduct, statements, or actions in connection with obtaining, attempting to obtain, or performing a contract with Foothill Transit or another Government Entity, including bribery, billing irregularities, destruction of records, or misrepresentations or fraud relating to disadvantaged or minority business enterprises.
- f. A pattern of unsafe practices in the performance of work under contracts with Foothill Transit or other Government Entities, as evidenced by factors such as multiple and serious violations of Federal or State OSHA statutes or regulations, materially deficient worker safety programs or practices, or a workers’ compensation experience modification history consistently in excess of industry averages.

- g. Acts or omissions that indicate the Contractor's lack of quality, fitness, or capacity to perform, or that indicate a lack of business integrity or business honesty.
  - h. A pattern of false, frivolous, or vexatious claims against Government Entities in connection with the performance of contracts.
  - i. The presence of officers, directors, shareholders, or partners in the Contractor's business who were in those positions with another Contractor that was debarred by Foothill Transit or another Government Entity in the last five (5) years.
  - j. Any other cause of so serious or compelling a nature that it affects the present responsibility of the Contractor.
2. Foothill Transit may, in its discretion and based on the specific facts of the case: (a) institute Debarment proceedings under this Chapter against a Contractor on the basis of the actions of an Affiliate that would constitute a grounds for Debarment under this Section; and (b) in issuing a Debarment Determination, impose appropriate sanctions on an Affiliate as well as on the Contractor that is the subject of the Debarment process.
3. The fraudulent, criminal, or other improper conduct of any officer, director, shareholder, partner, or employee of a Contractor may be imputed to the Contractor and may be the basis for Debarment or Suspension hereunder when the conduct occurred in connection with the individual's performance of duties for or on behalf of the Contractor, or occurred with the Contractor's knowledge, approval, or acquiescence.

D. Debarment Process

5. The Debarment process under this Chapter will be initiated by Foothill Transit's Director of Policy and Strategic Sourcing providing written notice to a Contractor of an intent to debar, which shall set forth (a) the specific grounds for the proposed Debarment and relevant facts relied upon by Foothill Transit; (b) a notice of the Contractor's right to submit written information and argument in opposition to the proposed Debarment; and (c) a notice of the Contractor's right to a hearing, subject to paragraph 4 below.
6. The Contractor's information and argument in opposition to the intent to debar shall be submitted to Foothill Transit within ten (10) Days after the date of the written notice of the intent to debar.

7. Foothill Transit will, within fifteen (15) Days after the receipt of the Contractor's submittal under paragraph 2, conduct a hearing before the Debarment Panel (unless the hearing is waived pursuant to paragraph 4). At the hearing, the Director of Policy and Strategic Sourcing will present information and evidence in support of the intent to debar, and the Contractor will have the opportunity to appear with counsel, submit evidence, and present witnesses. Unless Foothill Transit and the Contractor otherwise agree, there will be a transcribed record of the hearing, which shall be made available to the Contractor at cost.
8. If the notice of intent to debar is based upon a Conviction or Civil Judgment, the Debarment Panel may waive the requirement for a hearing and make its determination on the basis of the written record, specifically including the grounds for Debarment cited by the Director of Policy and Strategic Sourcing, the relevant facts relied upon, and the written information and argument submitted by the Contractor. In addition, in any other case, Foothill Transit and the Contractor may, by mutual agreement, waive the requirement for a hearing.
9. In the Debarment process, the Contractor may submit evidence of mitigating factors, such as (a) the Contractor brought the activity cited as grounds for Debarment to the attention of Foothill Transit or another Government Entity; (b) the Contractor has established standards of conduct, internal control systems, and/or ethics training programs to prevent future actions that would constitute grounds for Debarment; (c) the Contractor has investigated the circumstances surrounding the grounds for Debarment and has made the results of that investigation available to Foothill Transit or other Government Entities; or (d) the Contractor has taken appropriate disciplinary action against the individuals responsible for the actions constituting the grounds for Debarment.

E. Debarment Recommendation and Debarment Determination

1. Within twenty (20) Days after the completion of the hearing under Section D 3, or within twenty (20) Days after the Contractor's submittal under Section D 2 if no hearing is held, the Debarment Panel shall prepare its Debarment Recommendation. The Debarment Recommendation shall state the specific reasons for the proposed decision, including any findings of fact from the hearing. If the decision is to recommend Debarment, the Debarment Recommendation shall state the specific grounds for the Debarment, the relevant facts relied upon, whether the Debarment extends to any Affiliates, and the proposed Debarment Period. The Debarment

Recommendation shall be submitted to Foothill Transit's Executive Director.

2. After review of the Debarment Recommendation, the Executive Director will promptly issue the Debarment Determination, which may adopt, modify, or reject the Debarment Recommendation of the Debarment Panel. In the event the Executive Director modifies or rejects the Debarment Recommendation of the Debarment Panel, the Executive Director shall provide a written explanation for that modification or rejection. The Executive Director's Debarment Determination shall constitute the final agency action.
3. The Executive Director shall notify the Contractor, and any affected Affiliates, of the Debarment Determination by certified mail, return receipt requested. If the Debarment Determination is to debar the Contractor, the notice shall include the specific grounds for Debarment, whether the Debarment extends to any Affiliates, and the Debarment Period.
4. At any time before the Executive Director issues the Debarment Determination under Section E 2, Foothill Transit and the Contractor may enter into a Disposition Agreement relating to the proposed Debarment of the Contractor. Any such Disposition Agreement shall be based on a determination by Foothill Transit that, based on the particular facts presented (including any mitigating factors presented by the Contractor), it is in the public interest to enter into such agreement in lieu of a formal Debarment or Suspension action. A Disposition Agreement may set forth specific actions, internal control procedures, and standards of conduct the Contractor will be required to implement, and may also include a specific period of time during which the Contractor will be prohibited from participating in Foothill Transit Procurement Actions.

#### F. Period of Debarment

1. The Debarment Period shall be five (5) years, three (3) years, or one (1) year, commensurate with the seriousness of the grounds for Debarment. In setting the Debarment Period, Foothill Transit will take into account, in addition to the specific grounds for Debarment presented: (a) whether the Contractor has a pattern or history of actions that could be grounds for Debarment; and (b) any mitigating factors described in Section D 5.
2. The Debarment Period shall commence on the date the Debarment Determination is received by the Contractor. The Debarment Determination shall be deemed received by the Contractor on: (a) the day of delivery, if delivered by hand (including overnight courier

service) during the Contractor's regular business hours; or (b) on the fifth business day following deposit in the United States mail, first class, postage prepaid, to the last known address of the Contractor.

3. Foothill Transit may reduce the Debarment Period, upon request of the Contractor, for reasons such as (a) reversal of the Conviction or Civil Judgment that was the grounds for Debarment; (b) change in ownership or management of the Contractor; or (c) newly discovered material evidence that directly relates to the grounds for Debarment.

#### G. Suspension

1. Foothill Transit may suspend a Contractor that has received a written notice of intent to debar from participating in Foothill Transit Procurement Actions during the pendency of the Debarment process under this Chapter. Such a Suspension shall be based on a determination by the Director of Policy and Strategic Sourcing that, on the basis of the seriousness of the grounds for Debarment involved and the available evidence, immediate action is necessary to protect the public interest. The Director of Policy and Strategic Sourcing will include notice of such Suspension in the written notice of intent to debar.
2. A Contractor suspended pursuant to paragraph 1 above shall be allowed to submit written information and argument in opposition to the Suspension.
4. A Suspension under paragraph 1 shall remain in effect until the Executive Director issues the Debarment Determination regarding the Contractor under Section E, unless in the interim the Director of Policy and Strategic Sourcing determines, on the basis of the Contractor's written submittal or other available information, that the Suspension is no longer necessary to protect the public interest.
5. The Debarment Determination under Section E shall supersede any Suspension under this Section.

#### H. Effect of Debarment or Suspension

1. A Contractor that is debarred or suspended under this Chapter (including any debarred or suspended Affiliates) shall be prohibited, for the period of such Debarment or Suspension, from (a) submitting a bid or proposal in response to any Foothill Transit Procurement Action; (b) being awarded a Contract with Foothill Transit; or (c) serving as a subcontractor, at any tier, on any work or project undertaken pursuant to a Foothill Transit Procurement Action.



2. If a Contractor that is debarred under this Chapter is performing work or providing services for Foothill Transit as a contractor or subcontractor under a Contract in effect on the date of such Debarment, Foothill Transit may, in its discretion: (a) if the Contractor is the prime contractor under such a Contract, terminate that Contract for default; (b) if the Contractor is a subcontractor under such a Contract, direct the prime contractor to terminate the subcontractor from all future work under that Contract; or (3) if Foothill Transit determines it is in the public interest or otherwise necessary and appropriate for continuity of the work or services being provided, continue the Contract as is or with such modifications as Foothill Transit determines appropriate.

I. Judicial Appeals

A Contractor adversely affected by a Debarment Determination under this Chapter may seek relief in an appropriate court of the State of California.

**Appendix A – State and Local Requirements**

<u>State Laws</u>	<u>Sections(s)</u>	<u>Subject</u>
<u>Civil Code</u>	<u>3320 – 3321</u>	<u>Prompt Payment and Retention to Design Professionals</u>
<u>Civil Code</u>	<u>9000 - 9566</u>	<u>Provisions Applicable to Public Works of Improvement; Payment Bond Requirement for Construction Projects</u>
<u>Code of Civil Procedure</u>	<u>995.311</u>	<u>Verification of Admitted Surety Insurers on Bonds</u>
<u>Code of Regulations</u>	<u>8 C.C.R. 16000</u>	<u>Public Works and Prevailing Wage Cont.</u>
<u>Government Code</u>	<u>4525 et seq.</u>	<u>Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms</u>
<u>Government Code</u>	<u>4529.10 - 4529.20</u>	<u>Architect &amp; Engineering Services</u>
<u>Government Code</u>	<u>4420 - 4422</u>	<u>Surety Requirements on Public Building or Construction Contracts</u>
<u>Government Code</u>	<u>4215</u>	<u>Removal, Relocation or Protection of Existing Utilities</u>
<u>Government Code</u>	<u>4550 - 4554</u>	<u>Antitrust Claims; Assignment</u>
<u>Government Code</u>	<u>53064</u>	<u>Identical highest and lowest bids; selection by lot</u>
<u>Government Code</u>	<u>53068</u>	<u>Notice inviting bids</u>
<u>Government Code</u>	<u>53069.85</u>	<u>Contracts for public works; liquidated damages; bonus for completion prior to time specified</u>
<u>Government Code</u>	<u>53079</u>	<u>Local public entity; construction</u>

<u>State Laws</u>	<u>Sections(s)</u>	<u>Subject</u>
		<u>project, security deposit; interest</u>
<u>Government Code</u>	<u>6250 – 6270</u>	<u>California Public Records Act</u>
<u>Government Code</u>	<u>81000 et seq.</u>	<u>California Political Reform Act of 1974</u>
<u>Labor Code</u>	<u>1720, 1720.2, 1720.3, and 1771</u>	<u>Public Works and Prevailing Wage</u>
<u>Public Contract Code</u>	<u>7100 - 7200</u>	<u>Public Work Contract Clauses</u>
<u>Public Contract Code</u>	<u>4100 - 4114</u>	<u>Subcontracting</u>
<u>Public Contract Code</u>	<u>22160 - 22169</u>	<u>Design-Build</u>
<u>Public Contract Code</u>	<u>9201 - 9204</u>	<u>Claims and Disputes</u>
<u>Public Contract Code</u>	<u>20216 - 20217</u>	<u>Competitive Negotiation Process</u>
<u>Public Contract Code</u>	<u>1103</u>	<u>Responsible Bidder in Public Work Contracts</u>
<u>Public Contract Code</u>	<u>1104</u>	<u>Architectural &amp; Engineering Plans and Specifications</u>
<u>Public Contract Code</u>	<u>3300</u>	<u>Contractor's License in Specifications for Bids</u>
<u>Public Contract Code</u>	<u>3400</u>	<u>Trade Name or Specific Names in Specifications for Bids</u>
<u>Public Contract Code</u>	<u>6109</u>	<u>Ineligible and Debarred Contractors and Subcontractors</u>
<u>Public Contract Code</u>	<u>6610</u>	<u>Contents of Notice Inviting Bids</u>
<u>Public Contract Code</u>	<u>5100 – 5107, 5110</u>	<u>Relief of Bidders</u>
<u>Public Contract Code</u>	<u>20100 - 20103.7</u>	<u>Local Agency Public Construction Act; Title</u>
<u>Public Contract Code</u>	<u>20104 - 20104.8</u>	<u>Resolution of Construction Claims</u>
<u>Public Contract Code</u>	<u>20103.8</u>	<u>Additive and deductive items</u>

Foothill Transit Procurement Policies and Procedures

---

<u>State Laws</u>	<u>Sections(s)</u>	<u>Subject</u>
<u>Public Contract Code</u>	<u>20104.5</u>	<u>Timely Progress Payments</u>
<u>Public Contract Code</u>	<u>20104.7</u>	<u>Damages Relating to Competitive Bidding</u>
<u>Public Contract Code</u>	<u>20120 - 20146</u>	<u>As applicable, Local Public Agency Construction Contract provisions specific to counties</u>
<u>Public Contract Code</u>	<u>20122</u>	<u>Work over \$6,500</u>
<u>Public Contract Code</u>	<u>20125</u>	<u>Advertisement for bids</u>
<u>Public Contract Code</u>	<u>20129</u>	<u>Bidder's security; performance bond</u>

Appendix B – Federal Requirements

<u>Federal Requirement</u>	<u>Notes</u>	<u>When Required</u>						
		<u>Rolling Stock</u>	<u>Operating</u>	<u>Construction</u>	<u>Consultant Services</u>	<u>Research</u>	<u>Goods</u>	<u>Prof'l Services</u>
<u>Buy America</u>	<u>(49 C.F.R. Part 661)</u>	<u>&gt;\$150,000</u>		<u>&gt;\$150,000</u>				
<u>Cargo Preference</u>	<u>(49 C.F.R. Part 381)</u> <u>Where procurement involves equipment, materials, or commodities suitable for transport by ocean vessel</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Fly America</u>	<u>(49 U.S.C. 40118)</u> <u>Required for international air transportation</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Pre-Award and Post-Delivery Audits</u>	<u>(49 C.F.R. Part 663)</u>	<u>X</u>						
<u>Bus Testing</u>	<u>(49 C.F.R. Part 665)</u> <u>Bus procurements only</u>	<u>X</u>						
<u>Seismic Safety</u>	<u>(49 C.F.R. Part 41)</u> <u>New buildings or additions to existing buildings</u>			<u>X</u>				
<u>Davis-Bacon Act</u>	<u>(40 U.S.C. 3141-48)</u>			<u>&gt;\$2,000</u>				
<u>Copeland Anti-Kickback Act</u>	<u>(40 U.S.C. 3145)</u>			<u>&gt;\$2,000</u>				
<u>Contract Work Hours and Safety Standards Act</u>	<u>(40 U.S.C. 3702 and 3704)</u> <u>Applies to employment of laborers or mechanics; not applicable to the purchase of supplies, materials, or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>
<u>Lobbying</u>	<u>(31 U.S.C. 1352)</u> <u>Require certification forms and, if appropriate, lobbying</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>	<u>&gt;\$100,000</u>

Foothill Transit Procurement Policies and Procedures

Federal Requirement	Notes	When Required						
		<u>Rolling Stock</u>	<u>Operating</u>	<u>Construction</u>	<u>Consultant Services</u>	<u>Research</u>	<u>Goods</u>	<u>Prof'L Services</u>
	<u>disclosure forms</u>							
<u>Energy Conservation</u>	<u>(42 U.S.C. 6321)</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Clean Water</u>	<u>(33 U.S.C. 1251)</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>
<u>Clean Air</u>	<u>(42 U.S.C. 7401)</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>	<u>&gt;\$150,000</u>
<u>Civil Rights</u>	<u>Federally-funded construction contracts must include the full clause found at 41 C.F.R. 60-1.4(b)</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Disadvantage Business Enterprises</u>	<u>(49 C.F.R. Part 26)</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Trafficking in Persons</u>	<u>(22 U.S.C. 7102)</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Government-Wide Suspension and Debarment</u>		<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>	<u>&gt;\$25,000</u>
<u>No Government Obligations to Third Parties</u>		<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Patents and Rights in Data</u>	<u>(35 U.S.C. 200 and 37 C.F.R. Part 401)</u>					<u>X</u>		
<u>Program Fraud and False or Fraudulent Statements and Related Acts</u>		<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Recycled Products</u>	<u>(42 U.S.C. 6962)</u> <u>Applies where the value of an EPA designated item exceeds \$10,000</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Safe Operation of Motor Vehicles</u>	<u>(E.O. 13043, E.O. 13513, and U.S. DOT Order 3902.10)</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Access to Records and Reports</u>		<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Federal Changes</u>		<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Substance Abuse Requirements</u>	<u>Where contractor is performing safety-sensitive function</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>Incorporation of Federal Transit Administration Terms</u>		<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>

Foothill Transit Procurement Policies and Procedures

<u>Federal Requirement</u>	<u>Notes</u>	<u>When Required</u>						
		<u>Rolling Stock</u>	<u>Operating</u>	<u>Construction</u>	<u>Consultant Services</u>	<u>Research</u>	<u>Goods</u>	<u>Prof'L Services</u>
<u>Intelligent Transportation Systems-National Architecture</u>	<u>ITS property and services</u>	X	X	X	X	X	X	X
<u>Charter Bus</u>	<u>(49 U.S.C. 5323(d), (r) and 49 C.F.R. Part 604)</u>		X					
<u>Public Transportation Employee Protective Arrangements</u>	<u>(49 U.S.C. 5333(b) and 29 C.F.R. Part 215)</u>		X					
<u>School Bus Operations</u>	<u>(49 U.S.C. 5323(f) and 49 C.F.R. Part 605)</u>		X					
<u>Veteran's Preference</u>	<u>(49 U.S.C. 5325(k))</u>			X				
<u>Americans with Disabilities Act</u>		X	X	X	X	X	X	X

[Appendix C – Forms](#)



**Responsibility Determination Form**

Procurement No:

Vendor:

Date:

For each of the areas described below, check that the appropriate research has been accomplished and provide a short description of the research and the results.

	<u>Acceptable</u>	<u>Comment</u>
1. <u>Integrity and Ethics. Has a satisfactory record of integrity and business ethics.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2. <u>Debarment and Suspension. Is neither debarred nor suspended from federal programs under DOT regulations, "Non-procurement Suspension and Debarment."</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
3. <u>Affirmative Action and DBE. Is in compliance with Affirmative Action and Disadvantaged Business Enterprise Requirements.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	
4. <u>Public Policy. Is in compliance with the public policies of the federal government.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
5. <u>Administration and Technical Capacity. Has the necessary organization, experience, accounting and operational controls, and technical skills, or ability to obtain them.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6. <u>Licensing and Taxes. Is in compliance with applicable licensing and tax laws and regulations.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
7. <u>Financial Resources. Has, or can obtain, sufficient financial resources to perform the contract.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
8. <u>Production Capability. Has, or can obtain, the necessary production, construction, and technical equipment and facilities.</u>	<input type="checkbox"/> Yes <input type="checkbox"/> No	

9. Timeliness. Is able to comply with the required delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments.  Yes  No
10. Performance Record. Is able to provide a satisfactory current and past performance record.  Yes  No



**Independent Cost Estimate**

Contract Type: \_\_\_\_\_ Date of Estimate: \_\_\_\_\_

Description of Goods / Service: \_\_\_\_\_

Method of Obtaining the Estimate: \_\_\_\_\_

I have obtained the following estimate from....

- o Published Price List / Past pricing (date) \_\_\_\_\_
- o Engineering or technical estimate \_\_\_\_\_
- o Independent Third Party estimate \_\_\_\_\_
- o Other (specify) \_\_\_\_\_

Cost Estimate Details:

Through the method stated above it has been determined that the total cost of the goods/services is expected to be: \$ \_\_\_\_\_ . Details are shown below.

**Cost of Standard Items**

**A**

<u>Product</u>	<u>Cost (\$/ea)</u>	<u>Cost (\$/ea)</u>	<u>Notes / Data Source</u>
	<u>Delivered</u>	<u>No Freight</u>	

**US Dollars**

**Cost of Services, Repairs, or Non-Standard Items**

**B**

<u>Item / Task:</u>							
<u>Materials</u>	<u>Other Direct</u>	<u>Labor</u>	<u>Labor</u>	<u>Allocated</u>	<u>SG&amp;A</u>	<u>Profit</u>	<u>Total</u>
	<u>Costs</u>	<u>(rate, hours)</u>	<u>Class</u>	<u>overhead</u>			

**Signature of Preparer:** \_\_\_\_\_

The preceding cost estimate was obtained or prepared by: \_\_\_\_\_

Foothill Transit Procurement Policies and Procedures

---

---

[For complex items or tasks, attach detailed spreadsheet(s) explaining rationale.]

<u>COST ANALYSIS SUMMARY (For New Contracts Including Letter Contracts)</u>									
<u>(See Instructions below)</u>									
<u>SOLICITATION #</u> _____			<u>SUPPLIES AND/OR SERVICES TO BE FURNISHED</u> _____						
<u>PREPARER'S NAME, DEPARTMENT, TITLE, PHONE</u> _____									
<u>DIVISION(S) AND LOCATION(S) WHERE WORK IS TO BE PERFORMED</u> _____			<u>APPROVAL SIGNATURE</u> _____						
<u>DETAIL DESCRIPTION OF COST ELEMENTS</u>									
<u>1. DIRECT MATERIAL</u>			<u>Vendor A Proposal</u>	<u>Vendor B Proposal</u>	<u>Independent Estimate</u>	<u>Analysis</u>			
			_____	_____	_____	_____			
			<u>A. PURCHASED PARTS</u>			_____	_____	_____	_____
			<u>B. SUBCONTRACTED ITEMS</u>			_____	_____	_____	_____
			<u>C. OTHER - (1) RAW MATERIAL</u>			_____	_____	_____	_____
			<u>(2) STANDARD COMMERCIAL ITEMS</u>			_____	_____	_____	_____
			<u>TOTAL DIRECT MATERIAL</u>			_____	_____	_____	_____
<u>2. MATERIAL OVERHEAD</u> <u>(RATE % x \$ BASE *)</u>			_____	_____	_____	_____			
<u>3. DIRECT LABOR</u>		<u>ESTIMATED HOURS</u>	<u>RATE/HOUR</u>	<u>Vendor A (\$)</u>	<u>Vendor B (\$)</u>	<u>Independent Estimate</u>	<u>Variance</u>		
		_____	_____	_____	_____	_____	_____		
		_____	_____	_____	_____	_____	_____	_____	
		_____	_____	_____	_____	_____	_____	_____	
		_____	_____	_____	_____	_____	_____	_____	
		_____	_____	_____	_____	_____	_____	_____	
		_____	_____	_____	_____	_____	_____	_____	
		_____	_____	_____	_____	_____	_____	_____	
		<u>TOTAL DIRECT LABOR</u>		_____	_____	_____	_____	_____	_____
<u>4. LABOR OVERHEAD</u>				<u>Vendor A (\$)</u>	<u>Vendor B (\$)</u>	<u>Independent Estimate</u>	<u>Variance</u>		
		<u>OH Rate</u>	_____	_____	_____	_____	_____	_____	
		<u>X BASE (labor total above)</u>	_____	_____	_____	_____	_____	_____	
<u>TOTAL LABOR OVERHEAD</u>		_____	_____	_____	_____	_____	_____		

**Foothill Transit Procurement Policies and Procedures**

<u>5. OTHER DIRECT COSTS</u>	<u>Vendor A (\$)</u>	<u>Vendor B (\$)</u>	<u>Independent Estimate</u>	<u>Variance</u>
<u>A. SPECIAL TOOLING/EQUIPMENT</u>	_____	_____	_____	_____
<u>TOTAL SPECIAL TOOLING/EQUIPMENT</u>	_____	_____	_____	_____
<u>B. TRAVEL</u>	_____	_____	_____	_____
<u>(1) TRANSPORTATION</u>	_____	_____	_____	_____
<u>(2) PER DIEM OR SUBSISTENCE</u>	_____	_____	_____	_____
<u>TOTAL TRAVEL</u>	_____	_____	_____	_____
<u>DETAIL DESCRIPTION OF COST ELEMENTS (continued)</u>	<u>Vendor A (\$)</u>	<u>Vendor B (\$)</u>	<u>Independent Estimate</u>	<u>Variance</u>
<u>C. INDIVIDUAL CONSULTANT SERVICES</u>	_____	_____	_____	_____
<u>TOTAL INDIVIDUAL CONSULTANT SERVICES</u>	_____	_____	_____	_____
<u>D. OTHER</u>	_____	_____	_____	_____
<u>TOTAL OTHER</u>	_____	_____	_____	_____
<u>E. SUBTOTAL DIRECT COST AND OVERHEAD</u>	_____	_____	_____	_____
<u>6. GENERAL AND ADMINISTRATIVE (G&amp;A) _____ RATE %</u>				
<u>X \$ BASE (Use 5.E above)</u>	_____	_____	_____	_____
<u>7. ROYALTIES (if any)</u>	_____	_____	_____	_____
<u>8. SUBTOTAL ESTIMATED COST</u>	_____	_____	_____	_____
<u>9. CONTRACT FACILITIES CAPITAL AND COST OF MONEY</u>	_____	_____	_____	_____
<u>10. SUBTOTAL ESTIMATED COST</u>	_____	_____	_____	_____
<u>11. FEE OR PROFIT</u>	_____	_____	_____	_____
<u>12. TOTAL ESTIMATED COST AND FEE OR PROFIT</u>	_____	_____	_____	_____
<u>13. Discounts</u>	_____	_____	_____	_____
<u>14. Option Costs (specify)</u>	_____	_____	_____	_____
<u>15. ADJUSTED COST</u>	_____	_____	_____	_____

**ANALYSIS GUIDELINES**

**1. DIRECT MATERIAL**

A. Analyze Purchased Parts: Provide a consolidated price analysis of material quantities included in the various tasks, orders, or contract line items being proposed and the basis for pricing (vendor quotes, invoice prices, etc.).

B. Subcontracted Items: Analyze the total cost of subcontract effort and supporting written quotations from the prospective subcontractors

C. Other:

## Foothill Transit Procurement Policies and Procedures

(1) Raw Material: Review any materials in a form or state that requires further processing. Analyze priced quantities of items required for the proposal. Consider alternatives and total cost impact.

(2) Standard Commercial Items: Analyze proposed items that the offeror will provide, in whole or in part, and review the basis for pricing. Consider whether these could be provided at lower cost from another source.

### 2. MATERIAL OVERHEAD

Verify that this cost is not computed as part of labor overhead (item 4) or General and Administrative (G&A) (Item 6).

### 3. DIRECT LABOR

Analyze the hourly rate and the total hours for each individual (if known) and discipline of direct labor proposed. Determine whether actual rates or escalated rates are used. If escalation is included, analyze the degree (percent) and rationale used. Compare percentage of total that labor represents for each bid.

### 4. LABOR OVERHEAD

Analyze comparative rates and ensure these costs are not computed as part of G&A. Determine if Government Audited rates are available.

### 5. OTHER DIRECT COSTS

A. Special Tooling/Equipment. Analyze price and necessity of specific equipment and unit prices.

B. Travel. Analyze each trip proposed and the persons (or disciplines) designated to make each trip. Compare and check costs.

C. Individual Consultant Services. Analyze the proposed contemplated consulting. Compare to independent estimate of the amount of services estimated to be required and match the consultants' quoted daily or hourly rate to known benchmarks.

D. Other Costs. Review all other direct charge costs not otherwise included in the categories described above (e.g., services of specialized trades, computer services, preservation, packaging and packing, leasing of equipment and provide bases for pricing. Scan for duplication or omissions.

### 6. GENERAL AND ADMINISTRATIVE EXPENSE

See notes on labor overhead above and check whether the base has been approved by a Government audit agency for use in proposals.

### 7. ROYALTIES

If more than \$250, analyze the following information for each separate royalty or license fee; name and address of licensor; date of license agreement; patent numbers, patent application serial numbers, or other basis on which the royalty is payable; brief description (including any part of model numbers or each contract item or component on which the royalty is payable); percentage or dollar rate of royalty per unit; unit price of contract item; number of units; and total dollar amount of royalties.

### 8. SUBTOTAL ESTIMATED COST

Compare the total of all direct and indirect costs excluding Cost of Money and Fee or Profit. Note reasons for differences.

### 9. CONTRACT FACILITIES CAPITAL AND COST OF MONEY

Analyze the offerors' supporting calculations and compare to known standards.

### 10. SUBTOTAL ESTIMATED COST

This is the total of all proposed costs excluding Fee or Profit. Determine the competitive range. Question outliers.

### 11. FEE OR PROFIT

Review the total of all proposed Fees or Profit. Remember that the FTA prohibits cost plus percentage of cost contracting, and caps fixed fees under CPEF type contracts at 10% and profits under fixed price contracts and time and material profit markups at 15%.

### 12. TOTAL ESTIMATED COST AND FEE OR PROFIT

Analyze the range of total estimated costs including Fee or Profit, and explain variance to independent estimate. Identify areas for negotiation or areas to be challenged. Explain your conclusions regarding fair and reasonable pricing.

### 13. DISCOUNTS



Foothill Transit Procurement Policies and Procedures

---

Review basis for Discounts and range between offers.

ATTACH NARRATIVE COST ANALYSIS MEMO ADDRESSING ITEMS AS INSTRUCTED ABOVE.

## Exhibit B

### Recommended Procurement Method Level Changes

#### Goods and Services

<b>Current Threshold</b>	<b>Proposed Threshold</b>	<b>Method of Procurement</b>
Less than \$5,000*	Less than \$7,500*	Micro Purchase
\$5,000 - \$75,000**, ***	\$7,500 - \$75,000	Small Purchase
Greater than \$75,000	Greater than \$75,000	RFP or IFB
*Less than \$3,500 when Federal Funds are used ** \$3,500 to \$75,000 when Federal Funds are used *** Agency reserves the right to use the IFB/RFP Process if desired		



August 25, 2017

To: Executive Board

Subject: **MOU Amendment - Art Component and Cost Sharing for the Azusa Intermodal Transit Center Project**

---

**Recommendation**

Authorize the Executive Director to execute an amendment to the Memorandum of Understanding with the City of Azusa for the Art Component at the Azusa Intermodal Transit Center. The amendment is in the amount of \$1,475 with an additional 10 percent (or \$6,655) not-to-exceed amount for unforeseen change orders on the mural installation artwork.

**Analysis**

At the May 26, 2017 Executive Board Meeting, the Board authorized the Executive Director to develop a Memorandum of Understanding (MOU) specific to the art component at the Azusa Intermodal Transit Center (AITC). The MOU described the cost sharing arrangement between Foothill Transit and the City of Azusa and became effective on June 8, 2017.

Foothill Transit is the contract manager for the artwork and has two separate contracts to fabricate and to install the artwork.

The installation contractor mobilized on August 7, 2017. On August 14, 2017 the artist informed Foothill Transit staff that a metal trim material around the central mosaic panels was necessary in order to keep the integrity of the artwork intact both aesthetically and physically. The cost of the metal trim and installation is \$1,475.

The terms of the MOU reference a fixed sum of \$203,075.40 to be shared equally by Foothill Transit and the City of Azusa. This results in a commitment of \$101,537.70 for each agency. The new metal trim for the triptych panels will cost \$737.50 for each entity. Because of the unforeseen nature of the construction industry, authorization of an additional 10 percent (or \$6,655) not-to-exceed amount for change orders related to the installation work is requested. Any costs associated with change orders will be shared 50/50 between Foothill Transit and the City of Azusa. Prior to approving a change order to the contractor, Foothill Transit staff will obtain approval from City of Azusa staff.



**Foothill Transit**

## **Executive Board Meeting**

Executive Board Meeting - 08/25/17  
Art Component and Cost Sharing for the Azusa  
Intermodal Transit Center Project  
Page 2

### **Budget Impact**

Foothill Transit's current Business Plan includes funding for this project.

Sincerely,

Sharlane R. Bailey  
Director of Facilities

Doran J. Barnes  
Executive Director



August 25, 2017

To: Executive Board

Subject: **2017 Los Angeles County Fair Service**

---

### **Recommendation**

Receive and file the report on Foothill Transit's 2017 Los Angeles County Fair service.

### **Analysis**

During last year's LA County Fair season, Foothill Transit introduced Line 196, a new route that operated between the Azusa Intermodal Transit Center and the Fairplex in Pomona. Line 196 operated all day on Saturdays and Sundays during the month of September, as well as on Labor Day on Monday September 5<sup>th</sup>. The line began providing service one hour before the fair opened and its last trip left the Fairplex forty minutes after the fair closed. Foothill Transit provided just over one thousand customer trips on Line 196. Based on customer surveys, customers came from all over Los Angeles County from as far away as Reseda, Glendale, and Long Beach. Fifty three percent transferred from the Gold Line, 27 percent drove and parked at the Azusa Intermodal Transit Center, 14 percent walked to access the bus, and six percent transferred from other Foothill Transit service.

Building off the success and lessons learned last year, Line 196 will provide service again during the 2017 LA County Fair season. In addition to Line 196, Foothill Transit will also run extended weekend service on Line 197 to allow customers from the Pomona, Claremont, and Montclair Transit Centers to enjoy the Fair. The last Line 197 trip will leave the Fair at 11:54 PM. Line 197 will also be detoured during the weekend to avoid the traffic along McKinley and White, instead traveling along Fairplex Drive to serve the Foothill Transit stop inside Gate 15 at the Fairplex.

Several meetings have already been held with the Fairplex staff to go over ways to improve the service. One improvement is the relocation of the stop at the Fairplex. Last year, the Foothill Transit stop was located inside the Blue Lot. Even though the buses had dedicated protected lanes, private automobiles were able to enter the lanes and this delayed some of the bus operations. This year, buses will enter at Gate 15, close to the Auto Club Raceway. According to Fairplex staff, there is very little traffic and vehicle parking rarely reaches this location. The Fairplex will also run a shuttle that will take transit users from the stop to the admission gates. Our team tested



the location with a bus to ensure that there will be adequate room to enter and exit the location, and the location presented no issues. Last year, the bus stop was close to the tram stop and at times the line for the tram extended to the bus stop. The new location will serve as the bus stop for both Lines 196 and 197.

We will also begin marketing of the service earlier this year. The campaign will include print and digital ads, including a poster on Gold Line trains and Foothill Transit bus stops and geo-located advertisements throughout social media and webpages. Foothill Transit will also target LA Count Fair employees, as last year we found that a number of riders worked at the fair.

Foothill Transit ambassadors will be stationed at the Azusa Intermodal Transit Center during the morning hours to assist customers and answer their questions. The fare for the service will be the local adult fare of \$1.25 per trip, or \$0.50 if customers are transferring from the Gold Line. Discounted fares and passes, including the Class Pass will be honored. The Fairplex is also offering Foothill Transit customers discounted tickets when tickets are purchased online from the LA County Fair website.

Below is a map of Line 196 and the weekend detour of Line 197 and schedules:





Line 196 Schedule

	<b>A</b>	<b>B</b>	<b>C</b>		
	Azusa Gold Line Station	Citrus Ave. & Foothill Blvd.	Boylin Ave. & D St.		
Eastbound to LA County Fair	9:00	9:01	9:25	10:30	
	10:00	10:01	10:25	11:30	
	11:00	11:01	11:25	12:30	
	12:00	12:01	12:25	1:30	
	12:40	12:41	1:08	1:48	
	1:20	1:21	1:45	2:28	
	2:00	2:01	2:25	3:08	
	2:40	2:41	3:08	3:48	
	3:20	3:21	3:45	4:28	
	4:00	4:01	4:28	5:08	
	4:40	4:41	5:08	5:48	
	5:20	5:21	5:48	6:28	
	6:00	6:01	6:25	7:00	
	6:40	6:41	7:08	7:40	
	7:20	7:21	7:48	8:20	
	8:00	8:01	8:28	9:00	
Westbound to Azusa	1:00	1:36	1:58	2:00	
	2:00	2:36	2:58	3:00	
	3:00	3:36	3:58	4:00	
	3:40	4:16	4:38	4:40	
	4:20	4:56	5:18	5:20	
	5:00	5:36	5:58	6:00	
	5:40	6:16	6:38	6:40	
	6:20	6:56	7:18	7:20	
	7:00	7:36	7:58	8:00	
	7:40	8:16	8:38	8:40	
	8:20	8:56	9:18	9:20	
	9:00	9:36	9:58	10:00	
	9:40	10:16	10:38	10:40	
	10:40	11:16	11:36	11:40	
	Sundays	(11:16)	(11:36)	(11:38)	(12:00)
	Sunday 9/3	(11:40)	(12:15)	(12:35)	(12:40)
Sunday 9/3	(12:40)	(1:15)	(1:35)	(1:40)	

LEGEND: LIGHT = AM BOLD = PM DROP OFF ONLY  
(PARENTHESES) = Special additional fair hours through midnight.

Line 197 Schedule

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>		<b>F</b>	<b>G</b>	<b>H</b>	
	Montclair Transit Center	Claremont Transit Center	Arrow Hrg. & Taurus Ave.	Arrow Hrg. & Garey Ave.		Palmdale Dr. & Orange Grove	Wells Ave. & Orange Grove	Pomona North Center	
Southbound to Pomona	10:15	10:22	10:30	10:34	10:41	10:59	11:04	11:11	
	11:15	11:22	11:30	11:34	11:41	11:58	12:03	12:10	
	12:15	12:22	12:30	12:34	12:41	12:58	13:03	13:10	
	1:15	1:22	1:30	1:34	1:41	1:58	2:04	2:11	
	2:15	2:22	2:30	2:34	2:41	2:58	3:03	3:10	
	3:15	3:22	3:31	3:35	3:42	3:58	4:04	4:11	
	4:15	4:22	4:31	4:35	4:42	4:58	5:04	5:11	
	5:15	5:22	5:31	5:35	5:42	5:58	6:04	6:11	
	6:15	6:22	6:31	6:35	6:42	6:58	7:04	7:11	
	7:15	7:22	7:29	7:33	7:40	7:57	8:02	8:09	
	(8:30)	(8:37)	(8:43)	(8:47)	(8:54)	(9:11)	(9:16)	(9:23)	
	(9:30)	(9:37)	(9:43)	(9:47)	(9:54)	(10:11)	(10:16)	(10:23)	
	(10:30)	(10:37)	(10:43)	(10:47)	(10:54)	(11:11)	(11:16)	(11:23)	
	(11:30)	(11:37)	(11:43)	(11:47)	(11:54)	(12:11)	(12:16)	(12:23)	
	Northbound to Montclair	10:03	10:11	10:18	10:21	10:28	10:44	10:51	11:00
		11:03	11:11	11:18	11:21	11:28	11:44	11:51	12:00
12:03		12:11	12:17	12:21	12:27	12:42	12:48	12:56	
1:03		1:11	1:17	1:20	1:26	1:41	1:48	1:57	
2:03		2:11	2:17	2:20	2:27	2:42	2:48	2:56	
3:03		3:11	3:17	3:20	3:26	3:41	3:48	3:57	
4:03		4:10	4:16	4:20	4:26	4:41	4:48	4:57	
5:03		5:10	5:17	5:20	5:26	5:41	5:48	5:57	
6:03		6:10	6:17	6:20	6:26	6:41	6:48	6:57	
7:00		7:07	7:14	7:27	7:33	7:38	7:46	7:54	
(8:30)		(8:37)	(8:43)	(8:58)	(9:02)	(9:07)	(9:14)	(9:23)	
(9:30)		(9:37)	(9:43)	(9:58)	(10:02)	(10:07)	(10:14)	(10:23)	
(10:30)		(10:37)	(10:43)	(10:58)	(11:02)	(11:07)	(11:14)	(11:23)	
(11:30)		(11:37)	(11:43)	(11:58)	(12:02)	(12:07)	(12:14)	(12:23)	

NOTE: The Line 197 schedules above are for LA County Fair service on weekends/holidays only. Please refer to the Bus Book or visit [foothilltransit.org/line/197](http://foothilltransit.org/line/197) for complete service schedules.

Budget Impact

The cost of operating the service has been included in the FY 17-18 budget. To help offset the cost of this service, Foothill Transit is actively pursuing an Air Quality Management District (AQMD) grant designed to reduce automobile emissions for special events.

Sincerely,

Joseph Raquel  
Planning Director

Doran J. Barnes  
Executive Director



August 25, 2017

To: Executive Board

Subject: **American Public Transportation Association Safety Review**

---

**Recommendation**

Receive and file the American Public Transportation Association (APTA) Safety Review results.

**Analysis**

As a service to its members, APTA offers a Bus Safety Management Program Audit that is designed to assess the effectiveness of a transit agency's safety practices, and identify areas for improvement. At our request, APTA's safety audit team completed a review of Foothill Transit's bus safety program.

The audit program has been in existence for 23 years, and has recently been updated to include Safety Management Systems (SMS)-based criteria to reflect requirements from the Federal Transit Administration, including those most recently published in the Proposed Public Transportation Agency Safety Plan at 49 U.S.C. Part 673.

Some of the elements focused upon in the program include hazard identification and resolution, accident and incident investigation and reporting, emergency response planning, training, and coordination, safety data acquisition and analysis, inter-departmental coordination, and employee safety programs.

The audit is ongoing as of the writing of this report, however, the results of the APTA Safety Review will be presented at the August 25<sup>th</sup> Executive Board Meeting.

Sincerely,

Ali Showkatian  
Safety Compliance Manager

Doran J. Barnes  
Executive Director





August 25, 2017

To: Executive Board

Subject: **Property Lease - Downtown Los Angeles Mid-day Layover**

---

**Recommendation**

Authorize the Executive Director to enter into a lease agreement with Caltrans in the amount of \$47,500 per month through December 2018 for approximately 4.5 acres of land owned by Caltrans for use as a mid-day commuter bus layover, if a cost sharing MOU can be negotiated with LADOT to share in the capital and operating expenses. The 4.5 acres is comprised of two sites, one located at the intersection of Maple Avenue and 16<sup>th</sup> Street, and the second at the intersection of Grand Avenue and 17<sup>th</sup> Street, both in downtown Los Angeles.

**Analysis**

At the June 2017 Executive Board meeting, the Board authorized the Executive Director to enter into a lease agreement with Caltrans for a 3.28-acre parcel of land located at the intersection of 16<sup>th</sup> Street and Maple Avenue in downtown Los Angeles. The property will be used as a mid-day layover location for buses that are used to transport our commuting customers to and from downtown Los Angeles on weekdays.

Last month, during a visit to the Maple/16<sup>th</sup> location, Caltrans personnel indicated that a second property had just become available for lease. It is a 1.25-acre lot located at the intersection of Grand Avenue and 17<sup>th</sup> Street, approximately one-half mile closer to the downtown terminus of our commuter service and its orientation allows for easier ingress and egress of buses.

While the property is too small to house all the buses used for our commuter service, it could be used for mid-day layover of up to 50 of our buses and that would further reduce Foothill Transit's ongoing operating costs, but only if LADOT agrees to share the overall lease expense during the term of Foothill Transit's short-term property lease. LADOT would benefit from such an arrangement by being able to use a portion of the space during mid-day hours to house their Commuter Express coaches that also deadhead to and from the San Fernando Valley each weekday.

Beginning in January 2019, LADOT plans to enter into a 20-year lease agreement with Caltrans for both properties for use in their downtown transit operations. That lease agreement between LADOT and Caltrans would include two ten-year options.

Foothill Transit operates six commuter routes that transport customers from various locations in the San Gabriel Valley to downtown Los Angeles each



weekday morning and then back to the San Gabriel Valley in the evenings. Currently at the end of each westbound morning peak period, 61 buses return out of service (deadhead) to the Pomona Operations and Maintenance facility before buses deadhead back to downtown Los Angeles to transport customers eastbound on their return trip home.

Each deadhead trip is approximately 35 miles long and consumes 8.7 gallons of fuel at an average cost of \$0.93 per gallon. A convenient and affordable location near the last westbound drop-off location and the first eastbound pickup location would reduce the annual mileage accumulation on the fleet by approximately 600,000 miles. By utilizing such a location, Foothill Transit would experience an annual fuel cost savings of \$140,000.

Caltrans owns several parcels of land in downtown Los Angeles, and the two locations under consideration that have recently become available are within three miles of the downtown terminus for our commuter routes. We have been in discussions for several months with representatives of Caltrans, the L.A. Mayor's office, and the L.A. Department of Transportation (LADOT) regarding the feasibility of a shared location in downtown L.A. that could serve as LADOT's downtown operations and maintenance facility and as a mid-day layover location for Foothill Transit's and LADOT's commuter fleet.

LADOT is pursuing electrification of its fleet and plans to enter into a long-term lease with Caltrans effective January 2019 to use the locations as their downtown electric bus facility. Their bus fleet will be in revenue service during the day, making the lot available for mid-day parking of both their and our commuter fleets. As our fleet of electric buses grows and as electric buses are introduced into the commuter fleet, the opportunity to park and charge those buses downtown during the day will ensure that the buses parked there have sufficient range to perform Foothill Transit's daily commuter service.

The 3.28-acre property at 16<sup>th</sup>/Maple has been appraised at \$28,500 per month and the 1.25-acre property at 17<sup>th</sup>/ Grand is estimated at \$19,000 per month. They are unable to keep the locations vacant until LADOT is able to enter into their long-term lease in January 2019, and it may be economically and operationally advisable for Foothill Transit to enter into a lease of the properties in the interim period through December 2018 for our use as a mid-day bus layover location until LADOT is able to execute a long-term lease of both properties.

Security services at an estimated monthly cost of \$6,400 will be required during the short term lease to ensure that the buses parked downtown are not vandalized, and portable restrooms and facility custodial services at estimated monthly costs of \$2,000 and \$1,000, respectively will be needed. Costs of capital improvements such as reconfiguration of the driveways, paving and striping of the lot, demolition of the existing concrete pads where structures formerly stood,



etc. will be shared with LADOT. The total estimated cost of these capital improvements is approximately \$537,000. Foothill Transit's share of these costs is estimated to be \$134,250.

Beginning in January 2019, through a Memorandum of Understanding being drafted for negotiation with LADOT, Foothill Transit will have mid-day access to LADOT's downtown location for layover of our CNG commuter fleet. The MOU will include provisions to facilitate future mid-day charging of the Foothill Transit electric commuter buses that will be parked there between the morning and afternoon commuter service periods.

Reduced rates per revenue mile are being negotiated with Keolis and with Transdev, our operations and maintenance contractors, in recognition of the fact that the buses used for commuter service will accumulate fewer miles per year, thereby reducing maintenance costs. The revised rates are projected to result in operating cost savings of approximately \$520,000 annually.

If LADOT is unable to begin downtown layover operations in time for them to share in the operating cost of adding the Grand/17<sup>th</sup> location, we will move forward with a short-term lease of only the Maple/16<sup>th</sup> location.

**Budget Impact**

Assuming a cost-sharing MOU can be negotiated with LADOT, the net operating cost impact of the proposed lease and revised commuter service operation is estimated at a savings of approximately \$324,600 per year (**Attachment A**). In addition to the operating cost savings, capital cost savings will also be realized as a result of the extended life of the bus fleet due to the reduction in annual miles accumulated on the fleet.

Sincerely,

Kevin Parks McDonald  
Deputy Executive Director

Doran J. Barnes  
Executive Director

Attachment

**Attachment A**

**Both Locations (Estimates)**

	Capital Cost	Operating	
		Annual Cost	Annual Savings
<b>Fuel</b>			\$ 140,000
<b>Operating Contracts</b>			\$ 520,000
<b>Property Lease</b>		\$ 558,000	
<b>Security</b>		\$ 76,800	
<b>Temporary Restroom</b>		\$ 24,000	
<b>Cleaning</b>		\$ 12,000	
<b>Striping</b>	\$ 20,000		
<b>Slab/Foundation Demolition</b>	\$ 119,000		
<b>Concrete Slab Replacement</b>	\$ 153,000		
<b>Pavement Repairs</b>	\$ 25,000		
<b>ROW Improvements</b>	\$ 30,000		
<b>Clean Up</b>	\$ 8,000		
<b>A&amp;E</b>	\$ 100,000		
<b>Contingency</b>	\$ 82,000		
<b>Total</b>	<b>\$ 537,000</b>	<b>\$ 670,800</b>	<b>\$ 660,000</b>
<b>Foothill Transit Share</b>	<b>\$ 134,250</b>	<b>\$ 335,400</b>	<b>\$ 660,000</b>
			<b>\$ 324,600</b>



August 25, 2017

To: Executive Board

Subject: **October 2017 Fare and Service Changes**

---

**Recommendation**

Receive and file the October 2017 Fare and Service Change report.

**Analysis**

After a series of public meetings to gather input regarding proposed changes and presenting and getting approval of the changes by the Governing Board, the approved fare and service changes will be implemented on October 22, 2017.

**Fare Structure Change**

The Foothill Transit Governing Board adopted the staff recommended fare proposal at the Annual Meeting in May 2017. Subsequently, the Fare Change Committee began implementation efforts to have the change effective October 2017. The upcoming fare change was designed to have a minimal financial impact on customers by maintaining the existing base fare if they pay with a TAP card. The new fare structure also includes a Day Pass that is valid on both our Local and Silver Streak lines. This product was well received by customers at the public workshops and public hearing.

One of the upcoming fare changes is a 25 cent increase to the regular adult cash fare, taking it to \$1.50. However, as an incentive to move away from cash handling and the related processing costs, those customers using TAP cards will continue to pay the current adult fare of \$1.25. Another change is the elimination of transfers. In order to transfer to another bus, customers can choose between paying the adult fare on the second bus, using a monthly pass, or purchasing the new day pass.



**Chart of Revised Fare Structure**

FARE TYPE	CURRENT	OCTOBER 2017		SEPTEMBER 2019	
		CASH	TAP	CASH	TAP
<b>LOCAL</b>					
Adult	\$1.25	\$1.50	\$1.25	\$1.75	\$1.50
Senior/Persons with Disabilities/Medicare	\$0.50	\$0.75	\$0.50	\$0.75	\$0.50
Student	\$1.25	\$1.50	\$1.25	\$1.75	\$1.50
<b>SILVER STREAK</b>					
Adult	\$2.45	\$2.75	\$2.50	\$3.00	\$2.75
Senior/Persons with Disabilities/Medicare	\$1.15	\$1.25	\$1.15	\$1.50	\$1.25
Student	\$2.45	\$2.75	\$2.50	\$3.00	\$2.75
<b>COMMUTER EXPRESS</b>					
Adult					
Senior/Persons with Disabilities/Medicare	\$4.90	\$5.00	\$5.00	\$5.50	\$5.50
Student					
<b>INTERAGENCY TRANSFER</b>	<b>Adult/Student \$0.50</b> <b>Senior/Persons with disabilities/Medicare: \$0.25</b>				

**Service Changes**

As mentioned earlier, the service changes below are some of the most significant service adjustments ever made by Foothill Transit. The main thrust behind these changes is to improve route and operational efficiency throughout the system. Some of the savings from cancelled and modified lines were invested into other lines to increase the frequency of other routes such as with Line 480 and 482, or the resources saved were reallocated to add service elsewhere needed such as with the addition of Sunday service on Line 270 to enable better weekend connections to the Gold Line.



**Route Modifications**

Line 185 - Northbound Line 185 will travel north on Azusa Avenue and terminate at Sierra Madre Boulevard. Southbound trips will travel south on San Gabriel to continue with the normal route. This change will also free up a bus berth at the Azusa Intermodal Transit Center.

Line 187 - Line 187 will be split into two lines, Line 187 and Line 188. Both lines will meet at the Azusa Intermodal Transportation Center, with more service frequency to the east on Line 188. Line 187 will travel between Pasadena and Azusa, while Line 188 will travel between Azusa and Montclair. The new Line 187 will also now serve a stop at the Santa Anita Mall.

Line 194 - Line 194 will travel along Azusa Way to Hurley to Valley Boulevard to allow easier transfers for customers to Line 280 on Azusa.

Line 291 - Line 291 will have six northbound trips travel along Baseline Boulevard to serve a previously unserved area.

Line 292 - Line 292 will have two route variant trips that will service some of the schools previously serviced by cancelled Line 855. Line 292 will also provide all-day service instead of just during the peak morning and afternoon hours.

Line 480 - Line 480 will now travel along Temple Boulevard and Grand Avenue instead of taking the 10 freeway from South Campus Drive to get to Eastland Center. The western terminus will remain at the Plaza West Covina. The frequency was also increased to fifteen minutes during peak hours and twenty minutes throughout the day.

Line 493 - Line 493 will start at the Industry Park and Ride instead of the Diamond Bar Park and Ride. Selected trips will also start at the Puente Hills Mall to help ease overcrowding.

Line 498- Line 498 will start at the Grand Avenue Park and Ride located at the intersection of Grand Avenue and Baseline Road in the city of Glendora. This change was necessary to accommodate the closure of the Citrus College Park and Ride.

Line 690 - Line 690 will now start at the Azusa Pacific University (APU)/ Citrus College Gold Line station instead of the Azusa Intermodal



Transportation Center. This will allow customers to access the Gold Line at the start of its route.

### **Cancelled Lines**

Line 481 - Line 481 will be cancelled because it travels outside our core service area and there are already four LA Metro routes that service the Wilshire Boulevard corridor including two rail lines. The LA Metro bus lines are Lines 20 and 720 and the Purple and Red rail lines. Customers will have to transfer at Union Station or from Metro Center in Downtown Los Angeles.

Line 494 - Line 494 will be cancelled because customers can take Lines 690 and 270 to get to El Monte Station.

Line 855 - Line 855 will be cancelled. Customers can take Line 292, which will provide all day service.

### **Schedule Adjustments**

Line 270 - Added Sunday service.

Line 482 - Trips have been added during the morning and afternoon service to allow customers to transfer to the commuter service at the Industry Park & Ride. Afternoon trip times have also been shifted to allow customers to transfer from the commuter service at the Industry Park & Ride.

Line 495 - Trips have been added in the morning to help ease overcrowding.

Line 851 - The number of trips have been reduced due to the decline in ridership.

### **Communications Plan**

The required software programming for the farebox has been completed and the files have been submitted to the TAP office for verification and implementation. Once the software is approved and validated, the Fare Change Committee will begin drafting training materials for our operators and customer service representatives. Marketing and design efforts related to communication of the fare and service changes are nearing completion, and materials will soon be printed and distributed. During the first week following implementation of the fare and service changes, staff will be present at popular bus stops to help customers understand the changes and answer questions.



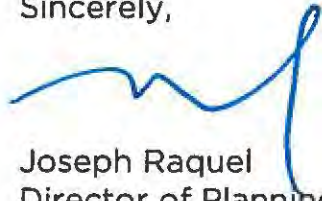


In the upcoming months, we will focus on implementing a communication plans, and internal and external trainings/workshops. Adjacent transit partners, intercity local providers, and cities within Foothill Transit service areas will be included in these communications.

**Budget Impact**

The cost associated with operation of the service as indicted in this report has been included in the FY 17-18 fiscal year budget, as have the projected impacts of the fare changes.

Sincerely,



Joseph Raquel  
Director of Planning



Doran J. Barnes  
Executive Director



August 25, 2017

To: Executive Board

Subject: **Fiscal Year 2016-2017 Performance Indicators Report**

---

### **Recommendation**

Receive and file the FY2016-2017 Performance Indicators Report.

### **Analysis**

This report provides an analysis of Foothill Transit's performance indicators for FY2016-2017. Foothill Transit monitors a number of factors in evaluating the services provided to the public. There are key performance indicators that record the bus system safety, courtesy, and reliability standards, along with industry-standard measurements, which are monitored to assess transit operations.

In FY2016-2017, Foothill Transit achieved five out of nine key performance indicator goals. The performance indicator targets met for the quarter are: preventable accidents per 100,000 miles, average miles between service interruptions, complaints per 100,000 boardings, average hold time, and average cost per vehicle service hour.

Further detail on each performance measure including a description and analysis to account for the variances between reporting periods follows in this section of the item. Foothill Transit's performance indicators are summarized below.

- **Boardings** – Total number of boardings recorded by the farebox in FY2016/17 was 13.6 million - which is the same compared to last fiscal year.
- **Fare Revenue** – Total fare revenue for FY2016-2017 was \$16 million. The average fare was \$1.18 per boarding.
- **Operating Expenses** – Operating expenses incurred in FY2016-2017 totaled \$85.5 million, resulting in an average cost per service hour of \$98.03.
- **Accidents** – The system averaged 0.74 preventable accidents per 100,000 miles in FY2016-2017.
- **Customer Complaints** – Foothill Transit received 21.3 complaints per 100,000 boardings in FY2016-2017. This is 14 percent higher than last fiscal year.
- **Schedule Adherence** – In FY2016-2017, Foothill Transit recorded 81.4 percent on-time performance. This is a two percent decrease from last fiscal year.



## **Analysis**

In order to accomplish its mission, Foothill Transit has the following goals:

- Goal 1:** Operate a safe transit system.
- Goal 2:** Provide outstanding customer service.
- Goal 3:** Operate an effective transit system.
- Goal 4:** Operate an efficient transit system.

These goals provide a framework for performance indicators to quantify and measure how well Foothill Transit is performing. Performance indicators are derived from data collected from a variety of sources including the fareboxes on buses, the SMARTBus CAD/AVL system, reports from the operations contractors, and financial performance data.

## **Overall System Performance**

Foothill Transit's overall system performance is based on several key indicators. These include total ridership, fare revenues, vehicle service hours, and total operating expenses.

### ***Total Boardings and Total Fare Revenues***

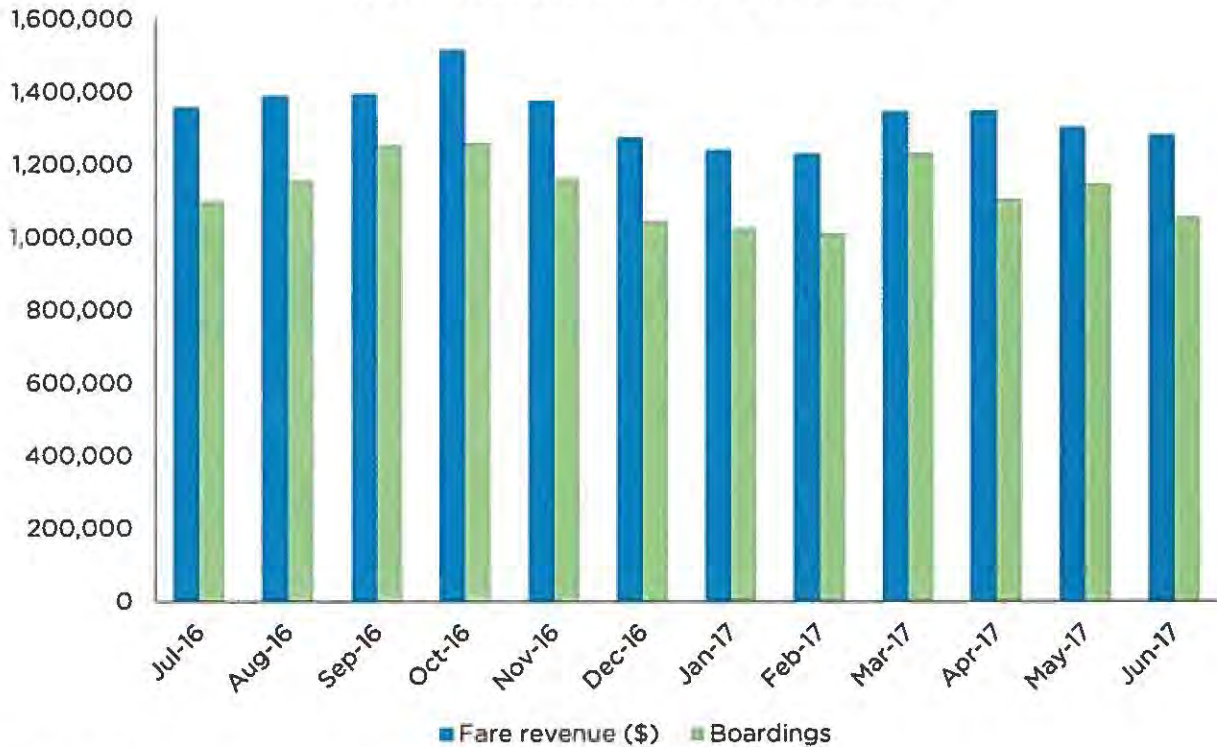
In FY2016-2017 Foothill Transit buses had 13.6 million boardings. When compared with the previous fiscal year, ridership remained virtually flat. However, Foothill acquired Lines 190, 194 and 270 from LA Metro in June of last year. Had the agency not acquired these lines, it is estimated that ridership would have been six percent lower than the previous fiscal year.

Staff anticipates ridership growth later this fiscal year as a result of the fare restructuring and service enhancements that will go into effect in October, as well as the passage of Senate Bill 1, which will increase gas taxes and vehicle fees. Foothill Transit staff continue to closely monitor transit ridership trends on the system and in the Southern California region, as well as researching and implementing strategies to attract customers.

Total fare revenue recorded in FY2016-2017 was \$16 million, a six percent decline from last fiscal year. This decline in fare revenue can be attributed to an increase in the proportion of ADA free fare boardings, as well as the acceptance of Metro fare media on Lines 190, 194 and 270 through the end of the fiscal year. Foothill Transit began receiving fare revenue on these new lines beginning in July 2017.



Total Boardings and Fare Revenues



**Vehicle Service Hours and Operating Expenditure**

In FY2016/17, Foothill Transit operated 871,922 service hours, which represents a nine percent increase compared to last fiscal year. This is primarily the result of the addition of Lines 190, 194, 270, as well as longer running times on Interstate 10 and increased service on lines connecting to the Gold Line Foothill Extension.

During FY2016-2017, Foothill Transit incurred \$85.5 million in operating expenses, which is 13 percent higher compared to the previous fiscal year. Variance between years is related to increased service provided due to the aforementioned routes and various service enhancements, as well as startup costs related to the new Pomona operations and maintenance agreement, and increased costs associated with the Arcadia contract which went into effect in June of 2016.

**Goal 1: Operate a Safe Transit System**

Foothill Transit’s primary goal is to operate a safe transit system. Foothill Transit monitors system safety by tracking the number of preventable accidents incurred for every 100,000 miles of vehicle operation.

**Preventable Accidents per 100,000 Miles**

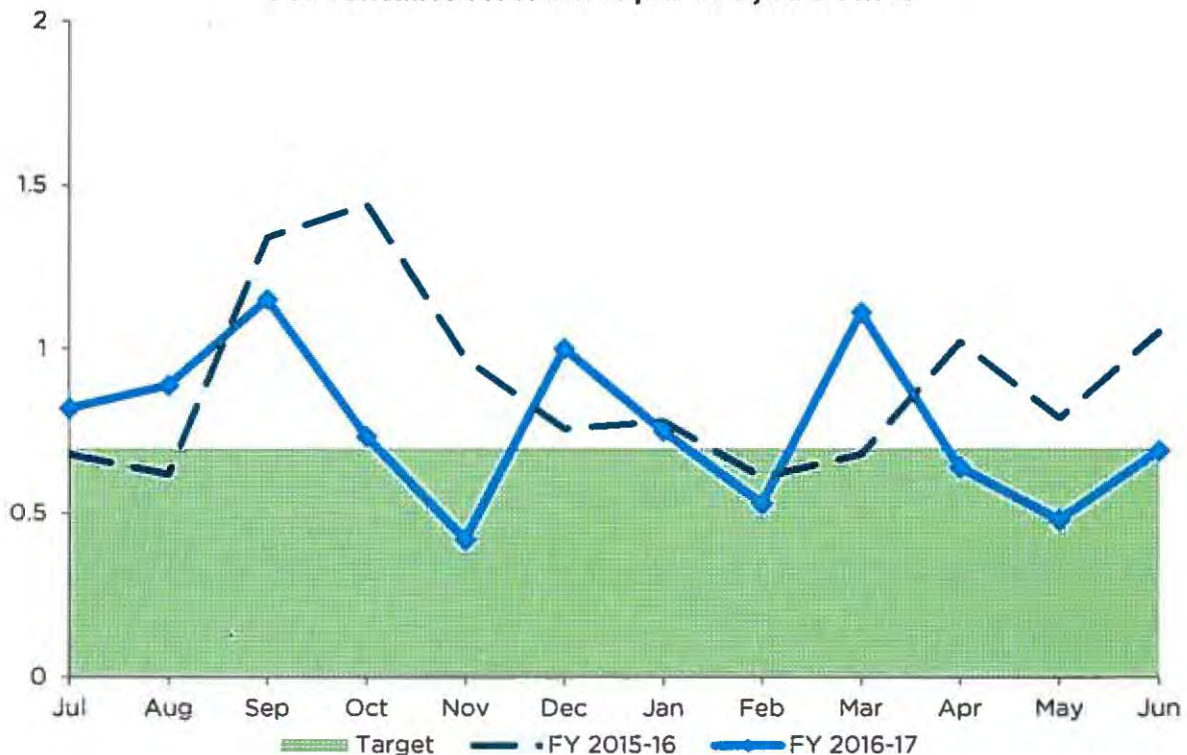
In FY2016-2017, Foothill Transit adopted the standard of 0.70 or fewer preventable accidents per 100,000 mile. The organization ended the year



averaging 0.74, which is a 17 percent improvement compared to the same period last year. The majority of the preventable accidents in FY2016/17 were vehicles making contact with fixed-objects.

Foothill Transit staff continue to work closely with the contractors at both of the yards to improve safety performance. Throughout this fiscal year, particular emphasis was placed on reducing fixed object collisions, increasing pedestrian awareness, and identifying blind spots. Furthermore, staff have been utilizing additional analytic tools in helping to identify trends and trouble areas with the goal of further reducing preventable accidents. Specifically, staff have conducted an analysis of preventable accidents by route and location, in order to better ascertain areas that require additional improvement. These strategies have paid off, as there has been a significant improvement in this metric in the last quarter of the fiscal year, with the agency meeting its target for the months of April, May and June.

Preventable Accidents per 100,000 Miles





**Goal 2: Provide Outstanding Customer Service**

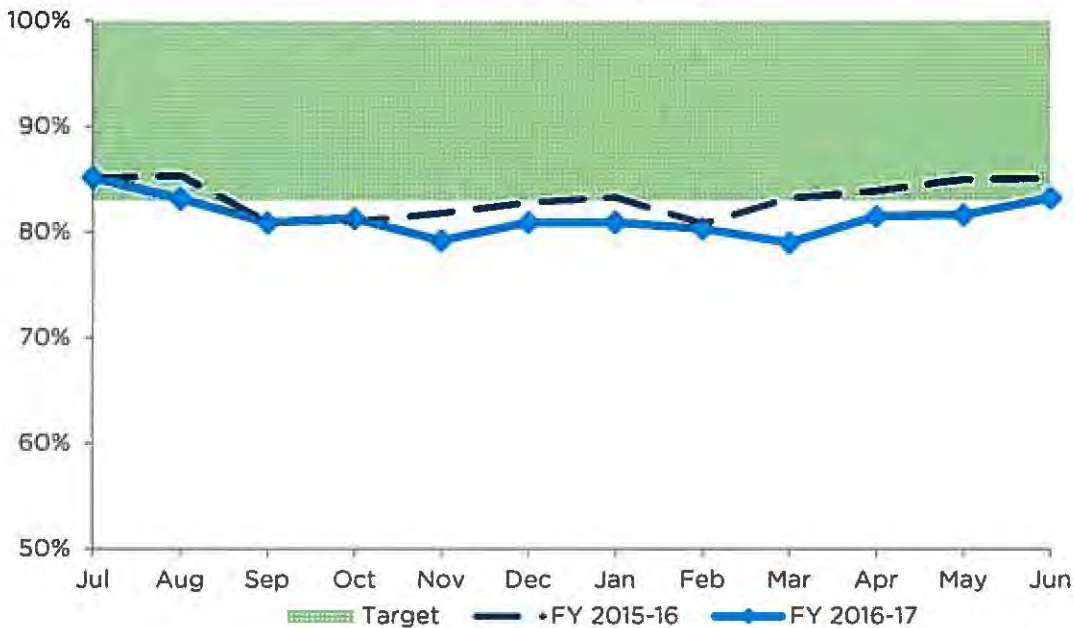
Foothill Transit measures this goal by monitoring the following categories: schedule adherence, average miles between service interruptions, complaints per 100,000 boardings, and average hold time for customers calling the customer service line.

**Schedule Adherence**

Foothill Transit measures its schedule adherence using the industry standard metric of on-time performance (OTP). OTP is calculated by evaluating a vehicle's adherence to time points in the planned schedule. A trip is considered on-time if it departed the time point no more than five minutes late and not early. Foothill Transit has adopted a goal of 83 percent or higher OTP for this fiscal year. In FY2016-2017, Foothill Transit achieved 81.4 percent OTP for the entire system, which doesn't meet the target and is a two percent decrease from last year. This variance is due to myriad construction projects throughout the service area, primarily along the 10 freeway, that have impacted the delivery of service.

Local routes achieved 83 percent OTP, while Limited Stop routes achieved 74 percent and Commuter Express routes achieved 77 percent. Quality Assurance staff continue to monitor the SMARTBus system in real-time to ensure that the bus service runs in accordance with the schedule. Staff have worked closely with the contractors to identify areas for improvement.

**On-time Performance**



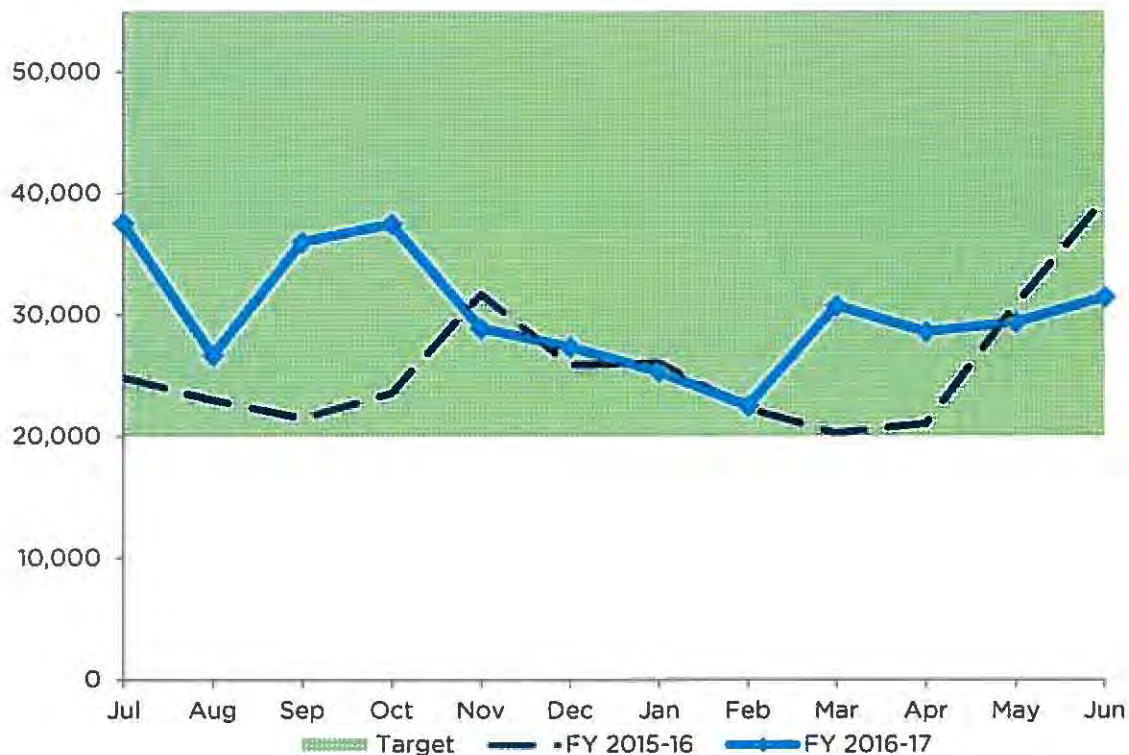


**Average Miles between Service Interruptions**

Average miles between service interruptions is a maintenance performance indicator that measures the miles between mechanical roadcalls of a vehicle used during revenue service resulting in a service delay of more than five minutes. In FY2016-2017, Foothill Transit averaged 30,171 miles between service interruptions as reported by the operations contractors through vehicle maintenance records. Foothill Transit exceeded the maintenance reliability goal of at least 20,000 miles between service interruptions and the metric is 17 percent higher compared to last fiscal year.

As older bus models have been phased out and newer buses added, the overall age of the fleet has decreased, resulting in an increase in mechanical reliability. Furthermore, there has been a campaign to repower the 1600, 1700 and 1800-series coaches that were procured in FY 2007 through 2010. These coaches have undergone a heavy maintenance campaign that has included a refurbishing of the interior space, technology updates, a repainting with Foothill Transit's new livery, and an engine rebuild, thus further increasing reliability and decreasing the frequency of mechanical breakdowns that would result in customer delays. Careful monitoring of roadcalls by Foothill Transit staff have helped to identify trends in types of mechanical failures and these are being used to advise targeted bus maintenance efforts.

**Average Miles between Service Interruptions**



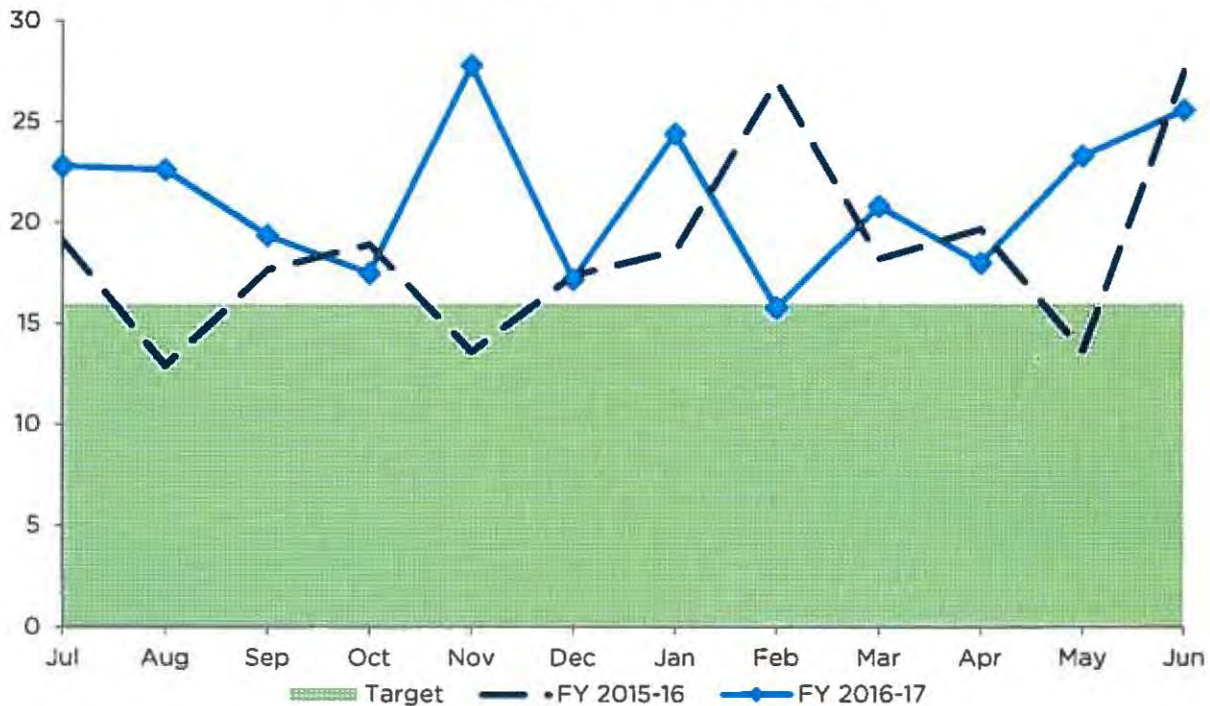


**Complaints per 100,000 Boardings**

Customer complaints are counts of incidents where a customer reports dissatisfaction with the service. All customer complaints received by Foothill Transit are subject to an investigation process which ensures all customers receive a response and allows Foothill Transit to determine if a complaint is valid. Investigations include contacting the customer and include reviewing the SMARTBus system, dispatch logs, on-board videos, or verbal communication with the coach operator.

In FY2016-2017, Foothill Transit received 21.3 complaints per 100,000 boardings, which represented a 14 percent increase from the previous fiscal year. This increase can be primarily attributed to continued ramp closures and detours impacting service delivery, as well as the lead up to the contract transition for the Pomona facility. Furthermore, due to the increasing popularity of social media and mobile technology, customers now have unprecedented access to different avenues of communicating with Foothill Transit. Thus, complaints have increased as communication has become more streamlined.

**Complaints per 100,000 Boardings**

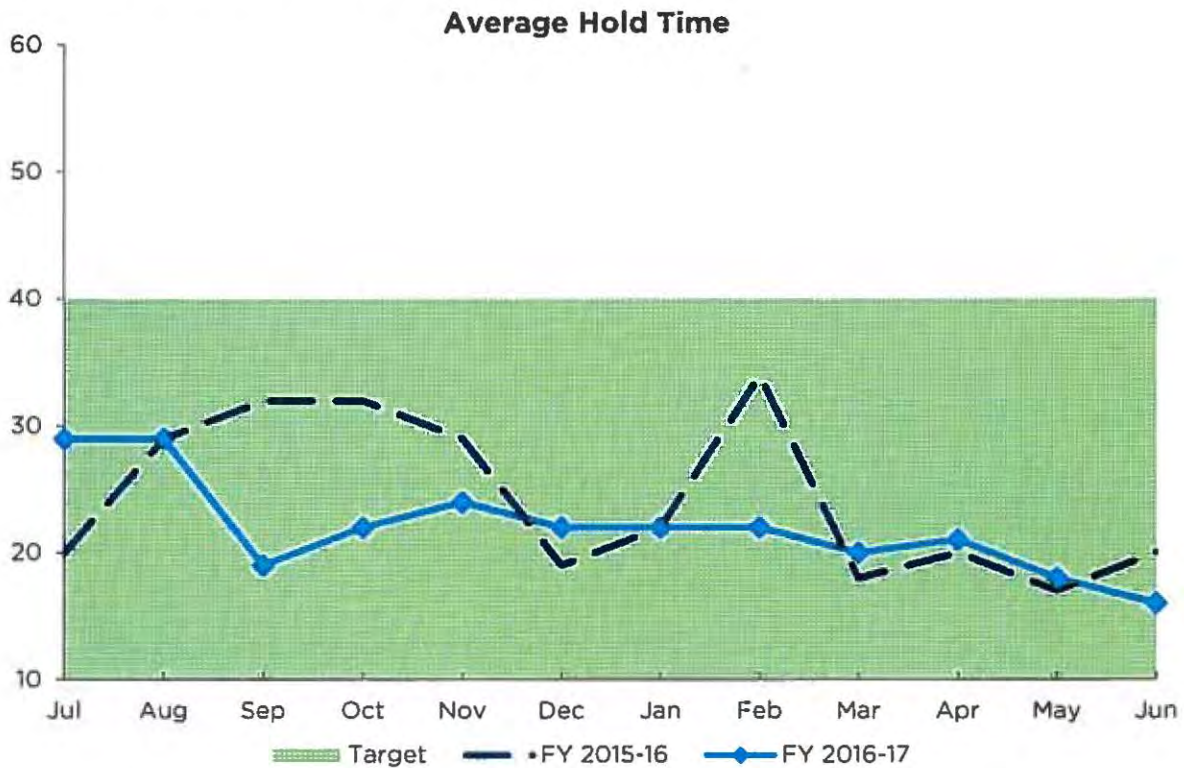






**Average Hold Time**

Phone systems at Foothill Transit’s four Transit Stores provide data on call volumes and times so that facilities can be staffed accordingly. The recorded average hold time of 22 seconds during FY2016-2017 is well below the performance target of less than 40 seconds.





**Goal 3: Operate an Effective Transit System**

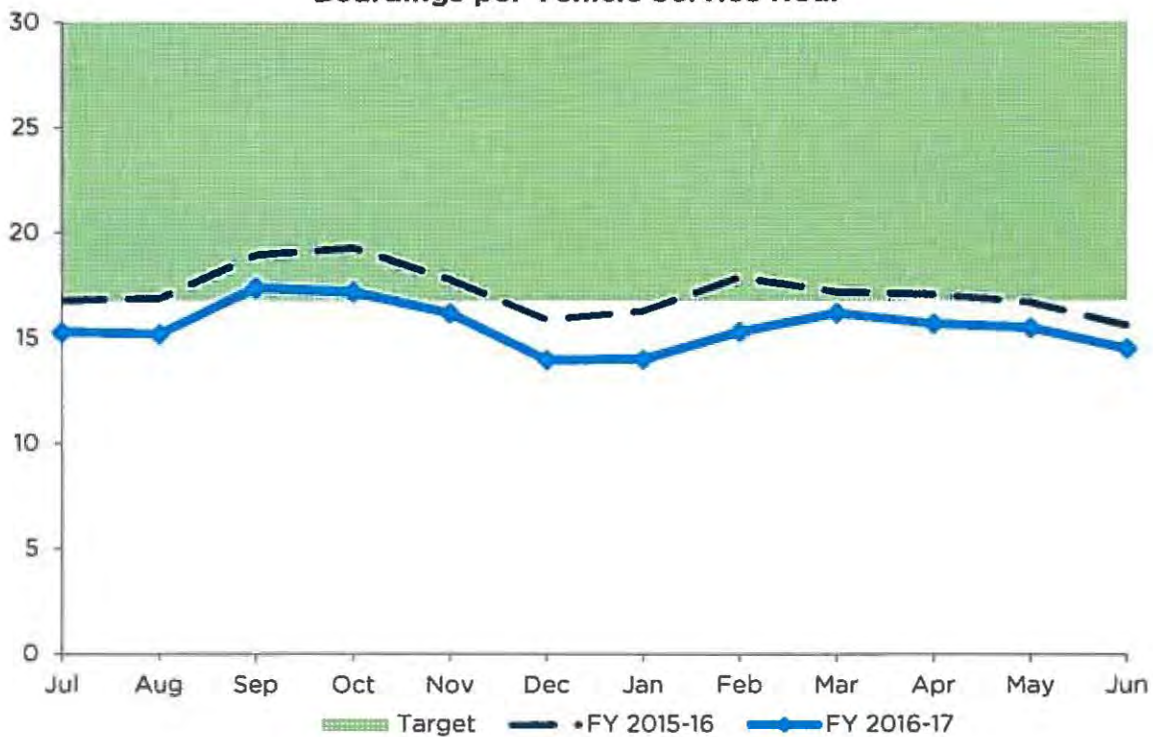
Foothill Transit measures service effectiveness by monitoring boardings per vehicle service hour and average weekday boardings.

**Boardings per Vehicle Service Hour**

Boardings per vehicle service hour is the total number of boardings divided by the total number of service hours in a given period. In FY2016-2017, there were 15.6 boardings per vehicle service hour, which doesn't meet the performance target of 16.8 or more boardings per service hour. This is a nine percent decline compared to the same period the previous year.

Foothill Transit continues to encourage increased ridership by targeting specific demographics of customers through the Class Pass program and marketing towards schools, religious groups, and senior citizens. Improved data analysis allows Foothill Transit staff to better understand travel demand throughout the service area, therefore assisting them in better planning routes and schedules.

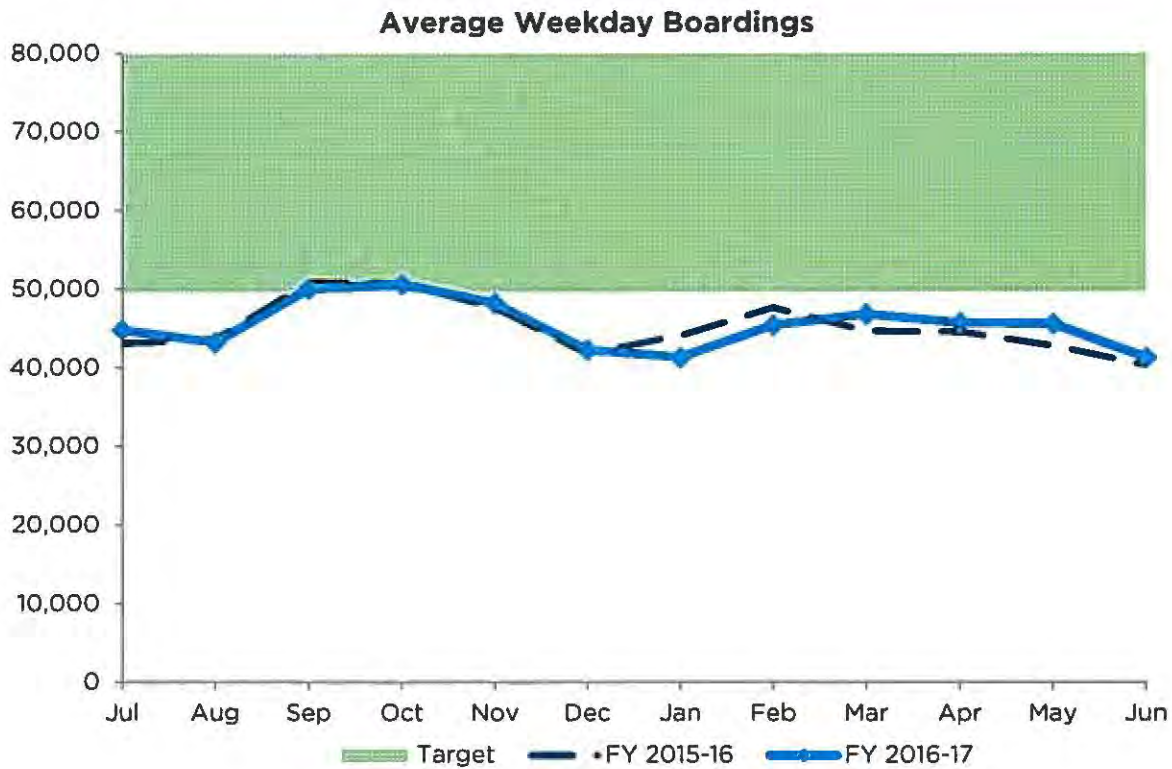
**Boardings per Vehicle Service Hour**





**Average Weekday Boardings**

The number of average weekday boardings is calculated by dividing the total number of weekday boardings by the number of days with weekday service in a given period. The FY2016-2017 performance target for average weekday boardings is to achieve at least 49,638 average weekday boardings. In FY2016-2017, there were 45,620 average weekday boardings, which is a one percent increase from the same period the previous year but doesn't meet the target. This fiscal year, staff have implemented various marketing campaigns with the goal of attracting ridership to the system. This includes a campaign focused on the upcoming fare changes and service enhancements in October of FY2017-2018, as well as the Class Pass, Summer Destinations, Summer Concert Series, National Night Out, and New Residents campaigns.



**Goal 4: Operate an Efficient Transit System**

Foothill Transit measures its overall efficient use of available resources by monitoring the average cost per vehicle service hour and farebox recovery ratio.

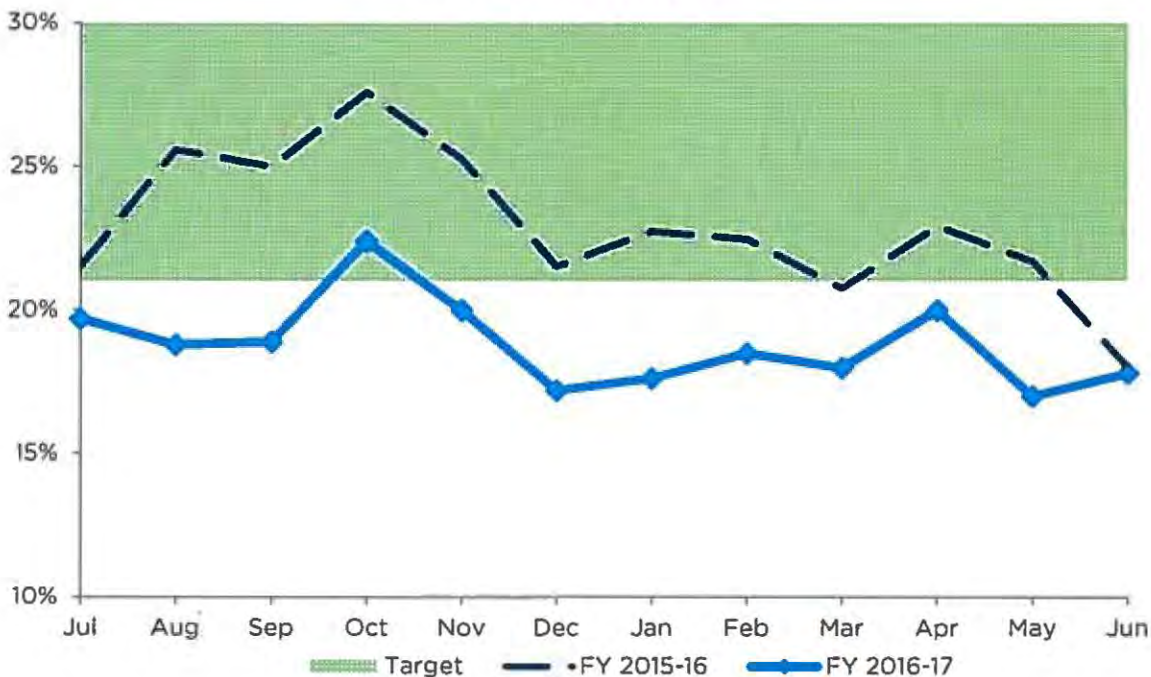


**Farebox Recovery Ratio**

Farebox recovery ratio is a measure of the proportion of operating costs recovered by passenger fares. The farebox recovery ratio is calculated by dividing total fare revenue by total operating expense. In FY2016-2017, the Farebox Recovery Ratio was 18.7 percent, which doesn't meet the target of 21 percent. The Transportation Development Act (TDA) stipulates that a minimum ratio of 20 percent of a transit agency's cost of providing service must be met using local funds in order for the transit agency to receive the state sales tax available for public transit purposes. To date, Foothill Transit has met that threshold by applying its farebox revenues.

The lower farebox recovery ratio as compared to the budget is a result of lower fare revenues than projected due to the acceptance of Metro fare media on Lines 190, 194 and 270, as well as an increase in ADA free fare boardings and concomitant increase in operating expenses. As mentioned before, Foothill Transit has begun receiving fare revenue for Lines, 190, 194 and 270. Along with the fare restructuring that will go into effect in October, staff project that fare revenue will increase relative to operating expenses, resulting in a marked improvement in this metric going FY2017/18 progresses.

**Farebox Recovery Ratio**

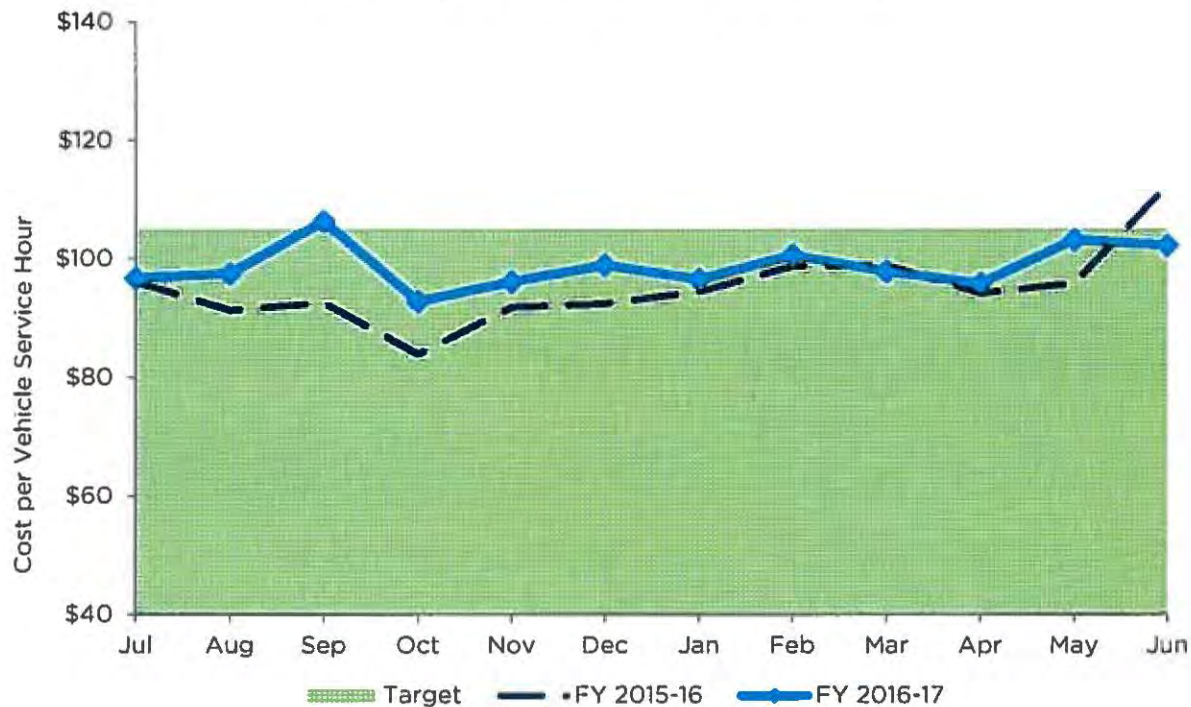




**Average Cost per Vehicle Service Hour**

Average cost per vehicle service hour is an industry standard utilized to measure the cost efficiency of transit service. It is derived by dividing operating expenses by vehicle service hours. Foothill Transit's average cost per vehicle service hour for FY2016/17 was \$98.47, which meets the fiscal year target of less than \$105.17, and is four percent higher than the previous fiscal year. This variance is due to the increase in operating expenses associated with higher costs of the newly procured operation and maintenance contract in Arcadia as well as startup costs associated with the new Pomona operations and maintenance agreement.

**Average Cost per Vehicle Service Hour**



Sincerely,

Mike Tobin  
Quality Assurance Analyst

Doran J. Barnes  
Executive Director

**Foothill Transit  
Key Performance Indicators  
Fiscal Year 2016/17**

Goal	Performance Indicator	FY 2016/17	Met Target?	FY2015/16	% Improvement Over Same Month Last Year	Performance Target
Overall System Performance	Total Boardings	13,561,124	-	13,584,135	(0%)	
	Vehicle Service Hours	871,922	-	799,177	9%	
	Total Fare Revenue	\$16,082,346	-	\$17,144,739	(6%)	
	Total Operating Expense	\$85,861,729	-	\$75,446,753	14%	
Safety	Preventable Accidents per 100,000 Miles	0.74	No	0.90	(17%)	≤ 0.70
Customer Service	Schedule Adherence	81.4%	No	83.2%	(2%)	≥ 83%
	Miles Between Mechanical Service Interruptions	30,171	Yes	25,694	17%	≥ 20,000
	Complaints per 100,000 Boardings	21.3	No	18.7	14%	≤ 16.00
	Average Hold Time (Seconds)	22	Yes	25	(12%)	≤ 40
Effectiveness	Boardings per Vehicle Service Hour	15.6	No	17.1	(9%)	≥ 16.8
	Average Weekday Boardings	45,620	No	45,310	1%	≥ 49,638
Efficiency	Farebox Recovery Ratio	18.7%	No	22.9%	(18%)	≥ 21.0%
	Average Cost per Vehicle Service Hour	\$98.47	Yes	\$95.13	4%	≤ \$105.17

Red = did not meet target

**Foothill Transit  
Operations Report  
Fiscal Year 2016/17**

Goal	Performance Indicator	FY 2016/17	FY2015/16	% Improvement Over Same Month Last Year
Operations	Average fare per boarding	\$1.18	\$1.26	(6%)
	Average cost per boarding	\$6.30	\$5.59	13%
	Average subsidy per boarding	\$5.12	\$4.21	22%
	Total vehicle miles	17,618,116	15,991,195	10%
	Vehicle service miles	12,525,040	11,597,784	8%
	Total vehicle hours	1,148,635	1,043,444	10%
	In-service speed (mph)	14.4	14.6	(2%)
	Boardings per vehicle service mile	1.08	1.17	(7%)



August 25, 2017

To: Executive Board

Subject: **Fiscal Year 2016-2017 Year-End Budget Update**

---

### **Recommendation**

Receive and file the year-end budget update for the fiscal year ending on June 30, 2017.

The attached Departmental Year-End Budget summarizes Foothill Transit's expenditures through the fourth quarter for fiscal year 2016-2017.

### **Budget Update**

As of June 30, 2017, Foothill Transit ended the year \$6.9 million under the approved annual operating budget of \$92.7 million. This variance is primarily attributable to service changes on Lines 486, 496, 280, and 187. With the introduction of the Metro Gold Line Foothill extension and Foothill Transit's operation of Lines 190 and 194, riders shifted to these new services reducing demand on other Foothill Transit service. Foothill Transit modified or cancelled some existing service to meet changing demands, creating budget savings.

### Operating Accomplishments

A major accomplishment during this fiscal year was the award of the Operations and Maintenance contract to Keolis Transit Services, LLC, to operate service out of the Foothill Transit Pomona facility. Other accomplishments include continued design and field testing of the CAD/AVL equipment, modeling for the fare restructuring project and completion of an on-board survey of 5,534 customers to determine travel patterns, demographics of customers and overall satisfaction.

### Capital Program Accomplishments

Annual expenditures for the FY2016-2017 fiscal year capital program totaled \$30.8 million which was \$27.3 million under the approved budget. Major achievements during FY2016-2017 in capital programs included inspection and receipt of 30 new CNG buses, completion of heavy maintenance on nine 60-foot articulated buses and repowering of 28 CNG buses, award of the design/build contract for Covina Transit Center and Park & Ride, replacement of the telephone system at the Arcadia facility, and completion of





construction for the cash revenue security enhancement project at the Arcadia facility.

Projects that did not move forward as planned include the electric bus charging infrastructure for the Arcadia Yard, replacement of the Arcadia Yard CNG compressor, the Pomona Transit Store renovation, and the Mt. Sac Transit Center. This is primarily a timing issue and work is continuing on these projects.

FY2016-2017 Budgetary Variances

All of the Foothill Transit departments ended the year under the approved budget. The year-end budget line item analysis identified a \$145,000 overrun in Account 6130, Telephone/Data, due to unforeseen expenses related to data charges for the new cellular service needed for the CAD/AVL system. This line item has been properly accounted for in the FY2017-2018 budget.

Ridership ended the year less than budgeted, resulting in fare revenues \$3.4 million less than the planned budget amount. This resulted in a farebox recovery ratio of 18.7 percent.

We will continue to review and analyze the budget on a quarterly basis to ensure budget adherence and identify future improvements.

Sincerely,

Michelle Lopes Caldwell  
Director of Finance and Treasurer

Doran J. Barnes  
Executive Director

Attachment

**Attachment A**  
**FY2016-2017 Budget Variance Report**  
**TOTAL BUDGET BY DEPARTMENT**

*From July 1 , 2016, to  
 June 30, 2017*

	<b>Department</b>	<b>Annual Budget</b>	<b>Actual Y-T-D</b>	<b>Variance</b>
1	Customer Service & Operations	\$ 79,968,120	\$ 75,423,587	\$ 4,544,533
2	Maintenance & Vehicle Technology	\$ 878,940	\$ 801,782	\$ 77,158
3	Marketing and Communications	\$ 2,139,890	\$ 1,515,437	\$ 624,453
4	Information Technology	\$ 2,263,240	\$ 2,026,552	\$ 236,688
5	Administration	\$ 3,264,090	\$ 2,587,878	\$ 676,211
6	Procurement	\$ 848,300	\$ 609,992	\$ 238,308
7	Finance	\$ 1,236,250	\$ 1,103,142	\$ 133,108
8	Planning	\$ 975,450	\$ 707,851	\$ 267,599
9	Facilities	\$ 1,174,640	\$ 1,085,507	\$ 150,646
	<b>TOTAL</b>	<b>\$ 92,748,920</b>	<b>\$ 85,861,729</b>	<b>\$ 6,887,191</b>