



**Foothill Transit**  
Going Good Places

## **SPECIAL EXECUTIVE BOARD MEETING**

West Covina, CA  
Friday, August 24, 2018



Foothill Transit

# Executive Board Meeting AGENDA

SPECIAL EXECUTIVE BOARD MEETING  
8:00 AM, AUGUST 24, 2018  
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 BARAKAT, CALAYCAY, HERRERA, STERNQUIST, WARSHAW
5. APPROVAL OF AGENDA
6. APPROVAL OF MINUTES FOR THE REGULAR MEETING OF JUNE 29, 2018
7. PRESENTATIONS:
  - 7.1. Contractors' Employee Recognition
8. PUBLIC COMMENT
  - 8.1. Executive Director Response to Public Comment

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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.



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**CONSENT CALENDAR:** Items 9 through 15 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. JUNE 2018 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY

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

10. JULY 2018 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY

*Recommended Action: Receive and file the Financial Statements and Investment Summary year-to-date report through July 31, 2018. The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of July 31, 2018, for the fiscal year ending June 30, 2019.*

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.



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11. FISCAL YEAR 2017-2018 PERFORMANCE INDICATORS REPORT

*Recommended Action: Receive and file the FY17-18 Performance Indicators Report.*

12. AUGUST 2018 LEGISLATIVE SUMMARY

*Recommended Action: Receive and file the August 2018 Legislative Summary. Adopt an oppose position on Proposition 6.*

13. CONTRACT AWARD – CAMERA SURVEILLANCE SYSTEM INSTALLATION AT COVINA TRANSIT CENTER AND PARK & RIDE

*Recommended Action: Authorize the Executive Director to negotiate final terms and conditions and execute an agreement with Leverage Information Systems, Inc. in the amount of \$181,556.55 to furnish and install a camera surveillance system at the Covina Transit Center and Park & Ride and maintain the system for a period of one year.*

14. CONTRACT AWARD – DATA STORAGE SUPPORT AND MAINTENANCE

*Recommended Action: Authorize the Executive Director to finalize contract terms and conditions and execute a three-year agreement in the amount of \$193,163.94 with Converge One to upgrade and install the Pure Storage data storage solution at the Foothill Transit administrative office.*

15. CONTRACT AWARD – DOWNTOWN LOS ANGELES LAYOVER IMPROVEMENTS – 17<sup>th</sup> STREET AND GRAND AVENUE (SITE 1)

*Recommended Action: Authorize the Executive Director to finalize and enter into Agreement No. 18-053 with Palp, Inc. dba Excel Paving Co. in the amount of \$723,795 for construction repairs and improvements for the downtown Los Angeles mid-day layover site at the intersection of 17<sup>th</sup> Street and Grand Avenue (Site 1).*

REGULAR AGENDA:

16. BUS STOP ENHANCEMENT PROGRAM (BSEP) UPDATE

*Recommended Action: Receive and file the Bus Stop Enhancement Program (BSEP) Update.*



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17. SILVER STREAK REALIGNMENT ANALYSIS

*Recommended Action: Receive and file this report and provide direction to staff regarding the Silver Streak realignment options.*

18. LINE 497 - PUBLIC OUTREACH RESULTS

*Recommended Action: Receive and file the results of the public outreach conducted related to Line 497, and maintain the current route alignment on Line 497 while eliminating a select few westbound trips to improve overall efficiency on the line.*

19. FREE RIDE COUPON POLICY

*Recommended Action: Provide direction to staff on Free Ride Coupon Program policy and scope.*

20. PROPOSED PROCUREMENT POLICIES AND PROCEDURES MANUAL REVISIONS

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

21. EXECUTIVE DIRECTOR COMMENT

22. BOARD MEMBER COMMENT

23. ADJOURNMENT

**The next Regular Meeting of the Executive  
Board is scheduled for  
Friday, September 28, 2018 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 29, 2018  
8:00 a.m.**

**1. CALL TO ORDER**

The meeting was called to order by Chair Calaycay at 8:02 a.m.

**2. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Member Barakat.

**3. FOCUS ON SAFETY**

Roberto Estrella, Safety Compliance Coordinator, presented a safety message on Fourth of July safety.

**4. ROLL CALL**

Roll call was taken by Christina Lopez, Board Secretary.

Present: Member Richard Barakat, Member Sam Pedroza, Member Corey Warshaw, Vice Chair Carol Herrera, Chair Corey Calaycay

**5. APPROVAL OF AGENDA**

After discussion, by Common Consent, and there being no objection, the Board approved as presented.

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

Approval of the minutes for the Regular Meeting of April 27, 2018 and Regular Meeting of May 25, 2018.

Motion by Vice Chair Herrera, second by Member Warshaw, the minutes for the Regular Meeting of April 27, 2018 and Regular Meeting of May 25, 2018 were approved. Motion carried 4-0. Abstention Member Barakat.

## 7. **PRESENTATIONS**

### 7.1 Contractors' Employee Recognition

Marc Perla, General Manager, Keolis, introduced and recognized the following Pomona location Keolis operator and employee of the month:

Crezette Shoulders, Operator of the Month (June 2018)  
Amada Palestino, Employee of the Month (June 2018)

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

Thomas P. Collier, Operator of the Month (June 2018)  
Tracy Nicometo, Employee of the Month (June 2018)

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

## 8. **PUBLIC COMMENT**

Mary Griffieth, Transit Advocate, addressed the Executive Board. Ms. Griffieth stated that she is very well aware that she is allowed three minutes to speak. She commented that at the previous meeting she addressed her concerns with roads, back and hearing problems with drivers, especially on Lines 480 and 492. She also expressed her concerns with Foothill Transit's emphasis on the fare recovery box when Foothill Transit cannot make people pay, the discussion of rail when Foothill Transit is a bus company, and concerns with the homeless situation. Ms. Griffieth stated Foothill Transit needs to put funding into buses, better routes and timing. She also stated that something needs to be done about strapping of wheelchairs on buses.

Kevin Ooms, Vice President, Reporting and Accounting, Transdev addressed the Executive Board. Mr. Ooms stated how much Transdev appreciates its partnership with Foothill Transit.

Ryan Adams, Senior Vice President Strategic Development, Keolis addressed the Executive Board. He thanked the board for their partnership.

**CONSENT CALENDAR**

9. **MAY 2018 FINANCIAL STATEMENTS AND INVESTMENT SUMMARY**

Recommendation: Receive and file the Financial Statements and Investment Summary year-to-date report through May 31, 2018.

Motion by Member Pedroza, second by Member Barakat, to receive and file. Motion carried 5-0.

10. **MAY 2018 PERFORMANCE INDICATORS REPORT**

Recommendation: Receive and file the May 2018 Performance Indicators Report.

Motion by Member Pedroza, second by Member Barakat, to receive and file. Motion carried 5-0.

11. **COACH OPERATOR AUDIT RESULTS**

Recommendation: Receive and file the results of the FY2017-2018 Fourth Quarter Coach Operator Audits.

Motion by Member Pedroza, second by Member Barakat, to receive and file. Motion carried 5-0.

12. **HOLIDAY SERVICE SCHEDULE FOR FISCAL YEAR 2018-2019**

Recommended Action: Approve the proposed FY2018-2019 Holiday Service Schedule.

Motion by Member Pedroza, second by Member Barakat, to approve. Motion carried 5-0.

13. **DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM GOAL**

Recommendation: Adopt a DBE program goal of two percent for Foothill Transit's federally funded projects undertaken during federal fiscal years (FFY) 2019 through 2021 (October 1, 2018 through September 30, 2021).

Motion by Member Pedroza, second by Member Barakat, to approve. Motion carried 5-0.



**REGULAR AGENDA**

14. **JUNE 2018 LEGISLATIVE SUMMARY**

Recommendation: Receive and file the June 2018 Legislative Summary.  
Adopt an oppose position on AB 327

David Reyno, Director of Government Relations, presented this item.

Mr. Reyno presented the results of the primary elections for statewide offices, San Gabriel Valley congressional districts, San Gabriel Valley state assembly districts, and San Gabriel Valley state senate districts.

Proposition 69 passed by 81 percent. The proposition will protect SB 1 and guarantees that tax dollars that go to SB 1 are spent on transportation and cannot be diverted.

The SB 1 repeal qualified for the November ballot. The repeal required 584,000 signatures and 940,000 signatures and submitted. Doran Barnes, Executive Director, stated that if SB 1 is repealed, that would be a loss of \$3 million a year in operating funding, and the loss of millions of dollars in potential capital funding.

Mr. Reyno recommended that the Executive Board take an oppose position on AB 327. The bill would allow the South Coast Air Quality Management District to adopt rules and regulations that require operators of public and commercial fleet vehicles, including public transit agencies, to purchase the cleanest commercially available vehicles. Foothill Transit has actively been working on a solution at the state level with California Transit Association and California Air Resources Board.

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

15. **OVER-THE-ROAD COACH DEMONSTRATION**

Recommendation: Receive and file a report on Foothill Transit's plan to demonstrate an over-the-road coach in service.

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

Mr. Cordero reported that over-the-road coach manufacturer MCI has been



working on a new designed coach, focusing on enhanced accessibility and ADA provisions. The new MCI D45 CRT LE is designed with a low-floor curb level ADA ramp, a second door, and ergonomically designed spiral staircase for ease of entry.

MCI offered Foothill Transit the opportunity to demonstrate the coach in Foothill Transit's service area. For the purposes of the demonstration, the coach will be placed on expresses and commuter routes. Passenger surveys will be conducted to get customer feedback. Marketing of the demonstration will take place in order to give customers awareness of the demonstration, and the coach will be wrapped to help customers recognize the coach.

Received and filed.

16. **ELECTRIC BUS PROGRAM UPDATE**

Recommendation: Receive and file this update on new regulations, programs, and funding sources for Foothill Transit's electric bus program.

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

Mr. Cordero reported that Foothill Transit's Electric Bus Program has been very successful, with over 1.5 million electric miles driven to date. In the past six months, many changes in the regulatory and the funding landscape of zero emissions has taken place.

The California Public Utilities Commission (CPUC) has developed rules that enable the state's investor-owned utilities to invest in electric vehicle charging infrastructure. The final plans were approved by the CPUC Board on May 31, 2018.

As a result, Southern California Edison (SCE) will be investing over \$350 million in electric vehicle charging infrastructure. SCE will pay the cost for "make ready" projects, which consists of all the transformers, paneling, trenching, and civil work required to bring electricity to each stub for an electric vehicle charger. In addition, they will be providing a 50 percent rebate to transit agencies and schools to cover a portion of the charger unit costs. SCE will also launch several new programs that Foothill Transit can tap into as it grows its fleet: The Charge Ready Transit Bus, which Foothill Transit has already submitted an application for this program, and Charge Ready Transport.

The CPUC has approved three new rate tariffs that SCE had proposed that apply to heavy-duty electric vehicles. The tariffs will simplify billing and lower the cost of electricity.

Progress has been made by the California Air Resources Board (CARB) on electric bus rulemaking. Foothill Transit has worked with the California Transit Association (CTA) to develop a counterproposal. Because of the advocacy of CTA and its member agencies, CARB released an updated detailed regulation draft that reflected many of CTA's arguments. CARB staff expects the final regulation to go to the CARB Board in September.

Foothill Transit staff is working with Proterra on the design and installation of an overhead in-depot charging system for the Arcadia Operations and Maintenance Facility. The project schedule is in development, but it is expected to be completed by the end of the year.

Foothill Transit continues to pursue grant-funding sources for Foothill Transit's electrification activities, such as the Line 280 expansion and electrification, Azusa Intermodal Transit Center electric bus charging station, Line 486 electrification and fuel cells, and the purchase of 30 double decker electric buses. Doran Barnes, Executive Director, stated that Foothill Transit has applied for almost \$50 million in grants.

Received and filed.

17. **CONTRACT AWARD - IN-DEPOT CHARGING DESIGN SERVICES**

Recommendation: Authorize the Executive Director to negotiate final terms and conditions and enter into a contract with Burns & McDonnell in the amount of \$440,800 for In-Depot Charging Station Design Services.

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

Mr. Cordero reported that in 2016 the Executive Board set a goal of transitioning the agency's entire fleet to 100 percent electric by 2030. In moving this project forward staff realized that in order to meet that goal, staff needs to understand and address the need for charging infrastructure at the Pomona and Arcadia facilities.

In February, the Executive Board authorized the issuance of RFP 18-038 for consulting services to assist Foothill Transit in the design and implementation of an in-depot charging system. On May 2, four proposals



were received. Following the initial evaluation, the proposers were interviewed and were asked to submit a Best and Final Offer. The final scores ranked Burns & McDonnell with the highest overall score over the other three proposers.

Motion by Member Pedroza, second by Vice Chair Herrera, to approve.  
Motion carried 4-1.

18. **CONTRACT AMENDMENT - BUS HEAVY MAINTENANCE AGREEMENT NO. 15-062**

Recommendation: Authorize the Executive Director to amend Contract No. 15-062 in the amount of \$1,800,000 to complete the repainting, livery upgrade, bus decal installation, and heavy maintenance on 30 60-foot articulated buses with Complete Coachworks and extend the contract term to September 30, 2018.

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

Mr. Cordero reported that Foothill Transit's fleet of articulated buses were placed in service in 2010 on the Silver Streak route. By 2015, a majority of the buses were close to reaching 600,000 miles. During that time, Foothill Transit also changed its livery.

A contract was awarded to Complete Coach Works for the repainting, livery upgrade, and heavy maintenance on the 30 60-foot articulated buses. The contract allowed for "Unanticipated Work" to be performed. Unanticipated Work is defined as repairs that neither the contractor nor Foothill Transit anticipated. Out of the 30 buses, 21 have gone through repowering and repainting. With nine buses remaining it is estimated that \$1,730,850 needs to be added to the contract to complete the project.

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

19. **EXECUTIVE DIRECTOR COMMENT**

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

Mr. Barnes reported the following:



- Thanked Bob Kuhn, former Foothill Transit Executive Board Member for attending the meeting.
- Thanked the Executive Board Members who participated in the legislative meetings in Sacramento and the meeting at Proterra in Burlingame.
- The Marketing Department has developed a shortened version of the videos that are shown prior to the start of Executive Board Meetings. The video will be provided to Governing Board Members to use as a tool at their cities.
- Foothill Transit has begun Hollywood Bowl Service out of Hacienda Heights.
- There will be no Executive Board Meeting in July. The August Executive Board has been moved up a week to August 24.
- Two buses have been wrapped to celebrate the bus maintenance team that won first place at the APTA International Bus Rodeo. The buses will be on display in the parking lot immediately following the Executive Board Meeting.
- Mr. Barnes requested that the meeting be adjourned in the memory of Eddie King, father of Director of Customer Service and Operations LaShawn King Gillespie and El Monte Transit Store Manager Isabel Soltero. Ms. Soltero had been a member of the broader Foothill Transit team since January 2005.

## 20. **BOARD MEMBER COMMENT**

Comments by Members of the Foothill Transit Executive Board.

- Member Pedroza welcomed Mr. Barakat to the Executive Board. He also addressed the concerns that Ms. Griffieth expressed during Public Comment, that Foothill Transit is not accustomed to having members of the public attend the meetings and that members of the public tend to attend city council meetings. He requested that a different type of clock be used during Public Comment.
- Chair Calaycay requested that an update be provided on the wheelchair strapping issue at the next Executive Board Meeting.
- Vice Chair Herrera thanked fellow board members who attended the legislative and Proterra meetings. Thanked Doran Barnes, Executive Director for all his efforts and she wished him a happy birthday.
- Member Barakat thanked everyone for welcoming him to the Executive Board.
- Chair Calaycay stated that the visit to the Proterra facility to see their research and development efforts was fascinating.

21. **ADJOURNMENT**

Adjournment for the June 29, 2018 Foothill Transit Executive Board Meeting.

There being no further business, the Foothill Transit Executive Board meeting adjourned in the memory of Eddie King and Isabel Soltero at 9:39 a.m.



August 24, 2018

To: Executive Board

Subject: **June 2018 Financial Statements and Investment Summary**

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### **Recommendation**

Receive and file the Financial Statements and Investment Summary year-to-date report through June 30, 2018.

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

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

#### Assets

The balance sheet, as of June 30, 2018, shows total assets at \$326 million. This total consists primarily of \$211 million in fixed assets, \$103 million in cash and investments and \$12 million in receivable and prepaid assets. Foothill Transit's cash position of \$76.6 million is \$5.1 million more than the previous month, and is \$7.2 million more than last year in June.

#### Liabilities

The accounts payable balance is \$16.5 million. Accounts Payables include operations and maintenance expenses for \$9.32 million and \$1.21 million for fuel.

The deferred revenue of \$63.43 million represents funds 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 \$30.4 million in liquid accounts held with Bank of the West; \$30.8 million in interest bearing money market accounts with Bank of the West; \$67,600 with Chase; \$1.23 million with US Treasury and \$15.3 million invested in the Local Agency



Investment Fund (LAIF). Longer-term investments include \$24 million with Bank of the West Agency notes; 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)**

June 2018 year-to-date fare revenues were \$16.34 million, which is approximately \$260,000 more than was collected in FY2016-2018. This increase was realized in spite of a 7% ridership decline. The revenue increase is attributed to the fare restructuring implemented in October 2017. Through June 2018, ridership is approximately 7.56 percent less than it was last year at this time. Operating costs through June 2018 were \$92.22 million, which is \$6,012,228 less than the budget and \$6,361,495 more than June 2017. Of this \$92.22 million, \$72.83 million reflects operating costs for the Arcadia and Pomona operations contractors. Other operating expenses include fuel, which was \$5.53 million through June 2018.

The report also reflects receipt of \$2 million of Prop A. Local Return funds from the City of West Covina. These funds were used for transit operating expenses during the first quarter of FY2018.

Capital expenditures through June were \$26.24 million compared with \$30.85 million last year at this time. The annual budget for capital expenditures includes the purchase of 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 June year-to-date farebox recovery ratio was 17.72 percent, approximately 0.02 percent higher than the performance target of 17.70 percent. The farebox recovery ratio is calculated by dividing the total fare revenue of \$16,343,392 by the total bus operating expense of \$92,223,224. This ratio is less than the June 2017 ratio of 18.82 percent. Although less than last year, the target was met due to the fare restructuring and less than planned expenses.





Declining bus ridership is a nationwide trend. Foothill Transit is participating in a region-wide study to analyze LA County ridership and provide recommendations for attracting riders.

**Total Disbursements** (Attachment D)

Total disbursements reflect invoices paid for the month of June 2018; 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 2018 were \$6.75 million. Capital disbursements totaled \$110,928 and other significant disbursements include \$1.42 million to Keolis and \$4.21 million to Transdev for bus operating services.

Sincerely,

A handwritten signature in blue ink that reads "Michelle Lopes Caldwell".

Michelle Lopes Caldwell  
Director of Finance and Treasurer

A handwritten signature in blue ink that reads "Doran J. Barnes".

Doran J. Barnes  
Executive Director

Attachments

Foothill Transit  
Balance Sheet  
As of June 30, 2018

**Assets**

## Current Assets:

Cash	\$76,615,454
Investments	26,477,898
Due from government agencies	5,956,388
Other receivables	1,619,682
Other assets	4,430,058

Total Current Assets \$115,099,480

Property & Equipment (net of depreciation) 211,054,870

Total Assets \$326,154,350

**Liabilities and Equity**

## Current Liabilities:

Accounts payable and accrued liabilities	\$16,498,600
Deferred Revenue	63,433,587

Total Liabilities \$79,932,187

**Equity**

## Fund Balance:

Investment in Capital Assets	\$211,054,870
Current Year Change	(768,580)
Reserve	35,935,873

Total Equity \$246,222,163

Total Liabilities and Equity \$326,154,350

Summary of Cash and  
Investment Account  
For June 30, 2018

Cash:	Interest Rate	Term	Principal/ Book & Market Value
Bank of the West-Reg. Checking	N/A	Demand Deposit	\$21,583,236
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	8,840,987
BOW-Prop 1B-Cal Grants	0.85%	Demand Deposit	5,583,992
Bank of the West-Money Market	0.85%	Demand Deposit	14,728,852
Bank of the West-Money Market	0.85%	Demand Deposit	9,723,273
Bank of the West-LCTOP	0.07%	Demand Deposit	757,391
Chase Business Saving	0.18%	Demand Deposit	67,639
LAIF Investment	1.90%	Demand Deposit	15,328,483
Subtotal Cash on Hand			<u>\$76,615,454</u>
<b>Investments:</b>			
Bank of the West:			
1 Maturity - 10/29/20 - 5yrs.	1.125%	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
6 Maturity - 11/01/2018 - 6 months	1.95%	US Treasury Bill	1,232,898
	0.45-1.60%	Cert. of Deposit	1,245,000
Subtotal Investments			<u>\$26,477,898</u>
Total Cash and Investments			<u><u>\$103,093,352</u></u>

**Foothill Transit**  
**Statement of Revenue and Expense**  
**For Month Ended June 30, 2018**

	Actual YTD June-18	Budget YTD June -18	Variance	Actual YTD June - 17
<b>Fare Revenue</b>				
Farebox	\$8,101,339	\$8,742,604	(7.33%)	\$8,330,050
Pass Sales	3,689,301	3,686,400	0.08%	3,435,100
TAP Cash Purse	3,291,450	3,625,417	(9.21%)	3,067,576
MetroLink & Access Service	573,813	704,042	(18.50%)	597,943
EZ Transit Pass	687,489	663,362	3.64%	651,677
<b>Total Operating Revenue</b>	<b>\$16,343,392</b>	<b>\$17,421,825</b>	<b>(6.19%)</b>	<b>\$16,082,346</b>
<b>Operating Subsidies and Other</b>				
Transportation Development Act	\$21,381,166	\$23,116,173	(7.51%)	\$22,940,811
STA	1,991,204	871,136	128.58%	1,841,803
Senate Bill 1 - STA - Operating	1,614,533	0	0.00%	0
SB1-STA BSCP (OP)	183,702	0	0.00%	0
AQMD/MSRC – Clean Air Grant - OP	100,000	0	0.00%	0
Prop A 40% Discretionary	16,562,423	16,526,131	0.22%	16,081,241
Prop A 40% BSCP	4,592,402	4,464,961	2.85%	4,558,875
Prop A Exchange	2,000,000	0	0.00%	1,781,155
Prop C BSIP	930,206	930,206	0.00%	914,207
Prop C Base Restructuring	1,997,984	1,997,984	0.00%	1,963,620
Prop C Transit Service Expansion	332,948	332,948	0.00%	327,222
Transit Security-Operating	900,983	900,983	0.00%	918,025
Measure R Operating	10,442,879	10,442,879	0.00%	10,411,724
Measure M Operating	9,945,816	9,945,816	0.00%	
CRD Subsidy	1,700,000	1,600,000	0.00%	3,100,000
Miscellaneous Transit Revenues	1,023,429		0.00%	1,001,419
<b>Total Subsidies and Other</b>	<b>\$75,699,675</b>	<b>\$80,813,627</b>	<b>(6.33%)</b>	<b>\$69,779,383</b>
<b>Total Operating Revenue</b>	<b>\$92,043,067</b>	<b>\$98,235,452</b>	<b>(6.30%)</b>	<b>\$85,861,729</b>
<b>Other Revenues</b>				
Gain on Sale of Fixed Assets	\$74,164	\$0	0.00%	\$121,056
Auxiliary Revenue	1,456,144	1,620,000	(10.11%)	1,370,991
<b>Total Other Revenues</b>	<b>\$1,530,308</b>	<b>\$1,620,000</b>	<b>(5.54%)</b>	<b>\$1,492,047</b>
<b>Total Operating and Other Revenues</b>	<b>\$93,573,375</b>	<b>\$99,855,452</b>	<b>6.29%</b>	<b>\$87,353,775</b>
<b>Operating Expenses</b>				
Operations	\$81,484,441	\$84,568,242	3.65%	\$75,423,587
Maintenance & Vehicle Technology	803,716	898,870	10.59%	801,782
Marketing and Communications	1,669,982	2,257,050	26.01%	1,515,437
Information Technology	2,081,801	2,395,030	13.08%	2,026,552
Administration	2,251,264	2,891,150	22.13%	2,587,878
Policy & Strategic Sourcing	582,179	931,800	37.52%	609,992
Finance	1,418,785	1,779,240	20.26%	1,103,142
Planning	874,284	1,297,750	32.63%	707,851
Facilities	1,056,771	1,216,320	13.12%	1,085,507
<b>Total Operating Expenses</b>	<b>\$92,223,224</b>	<b>\$98,235,452</b>	<b>6.12%</b>	<b>\$85,861,729</b>
<b>Other Expenses</b>				
Property Management	\$355,309	\$445,000	20.16%	\$368,817
Dial-A-Ride	737,582	800,000	7.80%	856,305
Special Services	257,260	375,000	31.40%	266,925
<b>Total Other Expenses</b>	<b>\$1,350,151</b>	<b>\$1,620,000</b>	<b>39.20%</b>	<b>\$1,492,047</b>
<b>Total Operating and Other Expenses</b>	<b>\$93,573,375</b>	<b>\$99,855,452</b>	<b>6.29%</b>	<b>\$87,353,775</b>
<b>Capital Revenues</b>				
Capital Grants	\$26,243,580	\$51,449,852	(48.99%)	\$30,848,596
<b>Capital Expenditures</b>				
Capital Expenditures	\$26,243,580	\$51,449,852	48.99%	\$30,848,596

**Bank Account - Check Details**

Period: 06/01/18..06/30/18

Foothill Transit

Wednesday, July 11, 2018

FOOTHILLTRANSITCLIN

This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 06/01/18..06/30/18

Check	Entry					
Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount Status
<b>B001</b>	<b>General Checking</b>					
	Phone No.		800-488-2265			
06/06/18	E00846	International City Management Assoc. Retirement Co	Payroll ending 6/2/18 retirement funds	38,397.36	0.00	0.00 Posted
06/06/18	E00847	Keolis Transit Services LLC	04/16-30 Pomona Contractor Services	1,386,592.63	0.00	0.00 Posted
06/06/18	E00848	Keolis Transit Services LLC	04/27/2018 Pomona Special Service Bus Bridge	254.69	0.00	0.00 Posted
06/06/18	E00849	Keolis Transit Services LLC	05/12/2018 Pomona Special Service Bus Bridge	1,496.98	0.00	0.00 Posted
06/06/18	E00850	Keolis Transit Services LLC	Transporting of bus to Touch a Truck Event	447.09	0.00	0.00 Posted
06/06/18	E00851	Transdev Services, Inc.	04/16-30 Arcadia Contractor Services	2,182,441.39	0.00	0.00 Posted
06/06/18	E00852	Transdev Services, Inc.	04/2018 Special Services	2,786.76	0.00	0.00 Posted
06/06/18	E00853	Transdev Services, Inc.	05/12/2018 Arcadia Special Service Bus Bridge	408.52	0.00	0.00 Posted
06/06/18	E00854	Transdev Services, Inc.	05/2018 Management Services	165,210.73	0.00	0.00 Posted
06/06/18	E00855	Transdev Services, Inc.	2018 Arcadia Fiscal Year Incentives	31,000.00	0.00	0.00 Posted
06/07/18	52287	A-1 Event & Party Rentals	February Governing Board Rental at Arcadia Yard	344.67	344.67	0.00 Posted
06/07/18	52288	Allied Administrators for Delta Dental	07/18 Dental insurance premium	6,145.27	6,145.27	0.00 Posted
06/07/18	52289	Amazon Web Services, Inc	Web Hosting	251.41	251.41	0.00 Posted
06/07/18	52290	AYSO Region 624	Ayso Soccer Sponsor	600.00	600.00	0.00 Posted
06/07/18	52291	CIGNA Group Insurance	06/18 Life Insurance premium	3,983.47	3,983.47	0.00 Posted
06/07/18	52292	Clean Energy	03/18 Arcadia O& M	405,777.69	405,777.69	0.00 Posted
06/07/18	52293	ENO Transportation Foundation	Transit Mid-Manager Tuition - Vincent/Tanya/Andrew	11,250.00	11,250.00	0.00 Posted
06/07/18	52294	FEDEX Corp.	Express Mail	55.44	55.44	0.00 Posted
06/07/18	52295	Landmark Healthplan of California, Inc.	06/18 Chiropractor insurance premium	319.12	319.12	0.00 Posted
06/07/18	52296	PCAM, LLC	04/18 Dial A Ride Shuttle Service	47,345.80	47,345.80	0.00 Posted
06/07/18	52297	Pulsar Advertising	04/218 TAP Card and Day Pass Campaign	35,173.75	35,173.75	0.00 Posted
06/07/18	52298	Richards Watson and Gershon	4/18 Legal Fees	1,524.90	1,524.90	0.00 Posted
06/07/18	52299	Rodger's Food Service	June 8th Governing Board Meeting	509.18	509.18	0.00 Posted
06/07/18	52300	Roy Eseyan	Reimbursed Expense Education	1,629.00	1,629.00	0.00 Posted
06/07/18	52301	Sharlane Bailey	Reimbursable Expenses - APTA / NTI Training	55.65	55.65	0.00 Posted
06/07/18	52302	State Compensation Insurance Fund	6/1/18-7/1/18Works Comp insurance premium	4,493.50	4,493.50	0.00 Posted
06/07/18	52303	Temple City Chamber of Commerce	2018 Membership Dues	200.00	200.00	0.00 Posted
06/07/18	52304	The Gas Co.	5/18 Admin Bldg Gas	648.73	648.73	0.00 Posted
06/07/18	52305	Thompson Coburn LLP	4/18 CAD/AVL Procurement	592.00	592.00	0.00 Posted
06/07/18	52306	T-Mobile USA Inc.	Vericity Cellular SIM	545.69	545.69	0.00 Posted
06/07/18	52307	Verizon Business - 15043	MPLS POM, ARC, WC, Park & Ride, El Monte, Puente H	9,999.13	9,999.13	0.00 Posted
06/07/18	52308	Verizon Wireless	Cell Phone and avail cellular	22,770.46	22,770.46	0.00 Posted
06/07/18	52309	Vision Service Plan - (CA)	06/18 Vision insurance premium	1,109.54	1,109.54	0.00 Posted
06/07/18	52310	Waste Management	6/18 Warehouse Trash	299.01	299.01	0.00 Posted
06/07/18	52311	Willie J. Brooks	06/18 Indoor Plant Care	662.75	662.75	0.00 Posted
06/07/18	52312	Yoko Igawa	Reimbursed Travel and Meeting	122.64	122.64	0.00 Posted
06/14/18	52313	A-1 Event & Party Rentals	SGV Mtg 6/6/18 Table Cloths Rental	59.13	59.13	0.00 Posted
06/14/18	52314	ACC Business	Arcadia Phone Internet	4,005.55	4,005.55	0.00 Posted
06/14/18	52315	AT and T - 5025	5/20-6/19 El Monte Phone Lines	341.34	341.34	0.00 Posted
06/14/18	52316	Athens Services- 54957	6/18 Admin Trash Service & Parking Lot Sweeping	1,225.83	1,225.83	0.00 Posted
06/14/18	52317	Capture Technologies, Inc.	Verint	254.17	254.17	0.00 Posted

**Bank Account - Check Details**

Period: 06/01/18..06/30/18

Foothill Transit

Wednesday, July 11, 2018

FOOTHILLTRANSITCLIN

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Bank Account: Date Filter: 06/01/18..06/30/18

Check							Entry
Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Status
06/14/18	52318	Cintas Corporation #2	First Aid Kit Supplies	237.02	237.02	0.00	Posted
06/14/18	52319	Darold D. Pieper Attorney at Law	5/18 Legal Fees	7,379.49	7,379.49	0.00	Posted
06/14/18	52320	Dept. of Industrial Relations (Accounting)	Industry P&R Elevator Permit	225.00	225.00	0.00	Posted
06/14/18	52321	FEDEX Corp.	Express Mail	177.15	177.15	0.00	Posted
06/14/18	52322	G4S Secure Integration LLC	06/18 Security Maintenance	10,233.55	10,233.55	0.00	Posted
06/14/18	52323	Golden Star Technology Inc	Audio Equipment for Board Room	6,914.94	6,914.94	0.00	Posted
06/14/18	52324	Home Depot Credit Services	5/18 Facility Supplies	292.16	292.16	0.00	Posted
06/14/18	52325	IPI Construction	05/18 Pomona Renovations	28,962.27	28,962.27	0.00	Posted
06/14/18	52326	Lazar and Associates	05/18 Translating services	240.70	240.70	0.00	Posted
06/14/18	52327	Mobile Relay Associates Inc.	06/18 Mobile Radio / Portable Radio Analog Service	21,236.03	21,236.03	0.00	Posted
06/14/18	52328	Panera, LLC	SGV Regl. Transit Providers Mtg 6/18	477.86	477.86	0.00	Posted
06/14/18	52329	Penske Toyota Scion of West Covina	Vehicle service	173.10	173.10	0.00	Posted
06/14/18	52330	Peter Barron Stark and Associates	Executive Coaching	1,985.80	1,985.80	0.00	Posted
06/14/18	52331	ReadyRefresh	5/18 Drinking Water	72.25	72.25	0.00	Posted
06/14/18	52332	Rui Zhang	Refund PE 6/3/17 to 3/24/18 So Security & Medicare	925.76	925.76	0.00	Posted
06/14/18	52333	Schindler Elevator Corporation	6/1/18 - 8/31/18 Elevator Maintenance	2,688.36	2,688.36	0.00	Posted
06/14/18	52334	Stantec Architecure	On-Call A&E	8,430.91	8,430.91	0.00	Posted
06/14/18	52335	Suburban Water Systems	5/18 Admin Bldg Water	1,086.99	1,086.99	0.00	Posted
06/14/18	52336	Thomas J. Koontz	Interior Cards	4,515.12	4,515.12	0.00	Posted
06/14/18	52337	Thompson Coburn LLP	4/18 General Procurement	39,697.88	39,697.88	0.00	Posted
06/14/18	52338	TransTrack Systems Inc.	FY18-002 Passenger Mile Consulting	6,000.00	6,000.00	0.00	Posted
06/14/18	52339	Verizon Business - 15043	Cellular VPN	2,937.57	2,937.57	0.00	Posted
06/14/18	52340	Wright Express	Vehicle Fueling May 2018	392.16	392.16	0.00	Posted
06/14/18	52341	Zones Inc.	Replacement Keyboards, mice & webcams for Director	349.74	349.74	0.00	Posted
06/20/18	E00856	Keolis Transit Services LLC	05/19/2018 Pomona Special Service Rose Bowl	12,856.34	0.00	0.00	Posted
06/20/18	E00857	Keolis Transit Services LLC	05/1-15 Pomona Contractor Services	787,751.13	0.00	0.00	Posted
06/20/18	E00858	Transdev Services, Inc.	05/19/2018 Arcadia Special Service	9,498.77	0.00	0.00	Posted
06/20/18	E00859	Transdev Services, Inc.	05/1-15 Arcadia Contractor Services	1,044,368.34	0.00	0.00	Posted
06/20/18	E00860	Payment of Invoice PI023248	Payroll ending 6/16/18 retirement funds	38,867.92	0.00	0.00	Posted
06/21/18	52342	Psomas	3/30-4/26 A&E for Mt. SAC Transit Center Project	49,347.77	49,347.77	0.00	Posted
06/21/18	52343	AFLAC	06/18 Voluntary insurance premium	1,523.10	1,523.10	0.00	Posted
06/21/18	52344	Ardent Technologies, Inc	04/2018 Website Maintenance	1,530.00	1,530.00	0.00	Posted
06/21/18	52345	Ashlien Savage	Educational Assistance and Reimbursement	1,715.00	1,715.00	0.00	Posted
06/21/18	52346	C.A.T. Specialties	Ladies and Men's Brisk Jacket	562.74	562.74	0.00	Posted
06/21/18	52347	CA Newspaper Service Bureau	IFB 18-053 San Gabriel Tribune	263.62	263.62	0.00	Posted
06/21/18	52348	California Chamber of Commerce	7/18-7/19 Membership Renewal #690569	769.00	769.00	0.00	Posted
06/21/18	52349	California Choice	7/18 Medical insurance premium	50,838.16	50,838.16	0.00	Posted
06/21/18	52350	Chamber of Commerce - Pasadena	2018 Inaugural Gala & Silent Auction - 2 Tickets	400.00	400.00	0.00	Posted
06/21/18	52351	Cintas Corporation #2	Safety Kit Supplies	166.07	166.07	0.00	Posted
06/21/18	52352	Corey L. Calaycay	Reimbursable Expenses	211.96	211.96	0.00	Posted
06/21/18	52353	Digium Inc.	5/26-6/25/18 Arcadia Yard Phone	2,136.91	2,136.91	0.00	Posted
06/21/18	52354	FEDEX Corp.	Express Mail	146.30	146.30	0.00	Posted
06/21/18	52355	Fred Pryor Seminars	Cal/OSHA Compliance 1 Day Seminar	537.00	537.00	0.00	Posted
06/21/18	52356	Frontier	Local Phone	2,557.75	2,557.75	0.00	Posted
06/21/18	52357	Gotcha Media Holdings, LLC	Mt. SAC, Rio Hondo	3,150.00	3,150.00	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/18..06/30/18

Foothill Transit

Wednesday, July 11, 2018

FOOTHILLTRANSITCLIN

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Bank Account: Date Filter: 06/01/18..06/30/18

Check				Amount	Printed Amount	Voided Amount	Entry Status
Date	Check No.	Vendor Name	Description				
06/21/18	52358	Grand Car Wash		616.86	616.86	0.00	Posted
06/21/18	52359	Instant Signs Inc.	Bus Book Posters	800.28	800.28	0.00	Posted
06/21/18	52360	Katherine E. Gagnon	Reimbursed Expense	131.01	131.01	0.00	Posted
06/21/18	52361	Lewis Engraving	Milestone awards, Roland Cordero, Christina Lopez	159.82	159.82	0.00	Posted
06/21/18	52362	Mobile Relay Associates Inc.	02/18 Mobile Radio Service for Proterra bus	938.00	938.00	0.00	Posted
06/21/18	52363	Moore and Associates Inc.	Transit Store Customer Service Audits CY 2018 Qt2	2,914.00	2,914.00	0.00	Posted
06/21/18	52364	PCM Sales Inc.	Bitdefender Antivirus renewal	3,247.50	3,247.50	0.00	Posted
06/21/18	52365	Raycom	6/18 Recurring Service Consisting of: maintenance	317.00	317.00	0.00	Posted
06/21/18	52366	Roy Jorgensen Associates, Inc.	01/19 LicRenew Computerized Maintenance Management	6,906.00	6,906.00	0.00	Posted
06/21/18	52367	Staples Business Adv.-Dept. LA	Office Supplies	208.56	208.56	0.00	Posted
06/21/18	52368	Thomas J. Koontz	Interior Cards	4,337.71	4,337.71	0.00	Posted
06/21/18	52369	Thompson Coburn LLP	4/18 Covina and West Covina Park & Ride	720.00	720.00	0.00	Posted
06/21/18	52370	Top Cleaners LLC	Cleaning of tablecloths	175.00	175.00	0.00	Posted
06/21/18	52371	Verizon Business - 15043	Transit Store MPLS	6,204.57	6,204.57	0.00	Posted
06/21/18	52372	Vy Thuy Phan - Hoang	Educational Assistance and Reimbursement	2,228.81	2,228.81	0.00	Posted
06/21/18	52373	Yoko Igawa	Travel Reimbursement	65.50	65.50	0.00	Posted
06/21/18	52374	Zones Inc.	Replacement Keyboards, mice & webcams for Director	1,942.79	1,942.79	0.00	Posted
06/27/18	E00861	Keolis Transit Services LLC	Ecoliner replacement decals	2,462.40	0.00	0.00	Posted
06/27/18	E00862	Keolis Transit Services LLC	Proterra Fire Suppression Bottles	4,400.30	0.00	0.00	Posted
06/28/18	52375	A-1 Event & Party Rentals	06-26-2018 Chairs and Tables for Habit truck event	238.47	238.47	0.00	Posted
06/28/18	52376	Alandale Ins. Agency	FY 19 Prepay Insurance Premiums	135,747.46	135,747.46	0.00	Posted
06/28/18	52377	Amazon Web Services, Inc	Web Hosting	998.67	998.67	0.00	Posted
06/28/18	52378	Andrew John Papson	Expense report	307.12	307.12	0.00	Posted
06/28/18	52379	Ardent Technologies, Inc	05/2018 Website Maintenance	3,570.00	3,570.00	0.00	Posted
06/28/18	52380	AT and T - 5019	Phone Service	311.77	311.77	0.00	Posted
06/28/18	52381	AT and T - 5025	EI Monte general phone line	1,709.58	1,709.58	0.00	Posted
06/28/18	52382	Azteca Landscape	5/18 Landscape Maintenance	2,754.44	2,754.44	0.00	Posted
06/28/18	52383	Christopher Pieper	CAPPO Gateway Meeting	60.00	60.00	0.00	Posted
06/28/18	52384	FEDEX Corp.	Express Mail	175.65	175.65	0.00	Posted
06/28/18	52385	Finley and Cook, PLLC	7/18-6/19 Annual Support	6,816.00	6,816.00	0.00	Posted
06/28/18	52386	Frontier	Arcadia computer phone line	180.64	180.64	0.00	Posted
06/28/18	52387	G4S Secure Integration LLC	06/18 Security Maintenance	2,086.28	2,086.28	0.00	Posted
06/28/18	52388	Green's Lock and Safe	Facility Keys	49.00	49.00	0.00	Posted
06/28/18	52389	Industry Public Utility Commission	05/18 Industry P&R Electricity	1,155.43	1,155.43	0.00	Posted
06/28/18	52390	Iron Mountain Inc.	5/18 Shredding Services	119.84	119.84	0.00	Posted
06/28/18	52391	Leticia Jimenez	Educational Assistance and Reimbursement	2,500.00	2,500.00	0.00	Posted
06/28/18	52392	Linda Garrison	06/18 Yogo instruction	520.00	520.00	0.00	Posted
06/28/18	52393	Neofunds by Neopost	5/18 Postage	607.91	607.91	0.00	Posted
06/28/18	52394	Office Depot	Office Supplies	1,352.53	1,352.53	0.00	Posted
06/28/18	52395	Regional Chamber of Commerce SGV	Public Affairs	100.00	100.00	0.00	Posted
06/28/18	52396	Richards Watson and Gershon	5/18 Legal Fees	1,717.42	1,717.42	0.00	Posted
06/28/18	52397	Sabrina Ashley Muhne	Educational Assistance and Reimbursement	149.10	149.10	0.00	Posted
06/28/18	52398	South Coast AQMD	FY 18-19 Emission Fees	131.79	131.79	0.00	Posted
06/28/18	52399	Thomas J. Koontz	Interior Cards	5,783.61	5,783.61	0.00	Posted
06/28/18	52400	Thompson Coburn LLP	5/18 Electric Bus Procurement	13,667.39	13,667.39	0.00	Posted

**Bank Account - Check Details**

Period: 06/01/18..06/30/18

Foothill Transit

Wednesday, July 11, 2018

FOOTHILLTRANSITCLIN

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Bank Account: Date Filter: 06/01/18..06/30/18

<b>Check</b>							<b>Entry</b>
<b>Date</b>	<b>Check No.</b>	<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	<b>Printed Amount</b>	<b>Voided Amount</b>	<b>Status</b>
06/28/18	52401	Tri - Signal Integration, Inc.	6/18 Industry P&R Fire Alarm Monitoring	70.00	70.00	0.00	Posted
06/28/18	52402	Ultimate Maintenance Services, Inc	6/18 Janitorial Services	3,118.00	3,118.00	0.00	Posted
06/28/18	52403	Virgilio Victorio	FTA TAM Training	721.76	721.76	0.00	Posted
06/28/18	52404	Walnut Valley Water District	5/18 Industry P&R Landscape Water	349.14	349.14	0.00	Posted
	<b>General Checking</b>			<b>6,752,005.77</b>	<b>1,042,764.42</b>	<b>0.00</b>	





August 24, 2018

To: Executive Board

Subject: **July 2018 Financial Statements and Investment Summary**

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**Recommendation**

Receive and file the Financial Statements and Investment Summary year-to-date report through July 31, 2018.

The attached Financial Statements and Investment Report summarize Foothill Transit's unaudited operations and financial condition as of July 31, 2018, for the fiscal year ending June 30, 2019.

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

Assets

The balance sheet, as of July 31, 2018, shows total assets at \$324 million. This total consists primarily of \$210 million in fixed assets, \$94 million in cash and investments and \$20 million in receivable and prepaid assets. Foothill Transit's cash position of \$67.3 million is \$9.3 million less than the previous month, and is \$0.6 million less than last year in July.

Liabilities

The accounts payable balance is \$14.1 million. Accounts Payables include operations and maintenance expenses for \$10 million and \$0.41 million for fuel.

The deferred revenue of \$64.2 million represents funds 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 \$20.3 million in liquid accounts held with Bank of the West; \$31.5 million in interest bearing money market accounts with Bank of the West; \$67,600 with Chase; \$1.23 million with US Treasury and \$15.4 million invested in the Local Agency



Investment Fund (LAIF). Longer-term investments include \$24 million with Bank of the West Agency notes; 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 2018 year-to-date fare revenues were \$1.3 million, which is \$71,992 less than the budgeted amount and \$30,733 more than July 2017. Through July 2018, ridership is approximately 0.13 percent more than it was last year at this time. Operating costs through July 2018 were \$7.7 million, which is \$750,634 less than the budget and \$54,439 more than July 2017. Of this \$7.7 million, \$6.34 million reflects operating costs for the Arcadia and Pomona operations contractors. Other operating expenses include fuel, which was \$0.40 million through July 2018.

Capital expenditures through July were \$48,161 compared with \$1.09 million last year at this time. The annual budget for capital expenditures includes the purchase of 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 17 percent, approximately 0.7 percent higher than the performance target of 16.3 percent. The farebox recovery ratio is calculated by dividing the total fare revenue of \$1,305,258 by the total bus operating expense of \$7,678,261. This ratio is slightly higher than the July 2017 ratio of 16.7 percent.

**Total Disbursements** (Attachment D)

Total disbursements reflect invoices paid for the month of July 2018; 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 2018 were \$11.45 million. Capital disbursements



**Foothill Transit**

## **Executive Board Meeting**

Special Executive Board Meeting - 08/24/18  
July 2018 Financial Statements and Investment  
Summary  
Page 3

totaled \$3.48 million and other significant disbursements include \$2.26 million to Keolis and \$3.51 million to Transdev for bus operating services.

Sincerely,

A handwritten signature in blue ink that reads "Michelle Lopes Caldwell".

Michelle Lopes Caldwell  
Director of Finance and Treasurer

A handwritten signature in blue ink that reads "Doran J. Barnes".

Doran J. Barnes  
Executive Director

Attachments

Foothill Transit  
Balance Sheet  
As of July 31, 2018

**Assets**

## Current Assets:

Cash	\$67,326,966
Investments	26,477,898
Due from government agencies	13,424,390
Other receivables	2,023,851
Other assets	4,426,034

Total Current Assets	\$113,679,140
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Property & Equipment (net of depreciation)	210,327,842
--	-------------

Total Assets	\$324,006,982
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**Liabilities and Equity**

## Current Liabilities:

Accounts payable and accrued liabilities	\$14,144,714
--	--------------

Deferred Revenue	64,162,422
------------------	------------

Total Liabilities	\$78,307,136
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**Equity**

## Fund Balance:

Investment in Capital Assets	\$210,327,842
------------------------------	---------------

Current Year Change	(2,057,373)
---------------------	-------------

Reserve	37,429,377
---------	------------

Total Equity	\$245,699,846
--------------	---------------

Total Liabilities and Equity	\$324,006,982
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Summary of Cash and  
Investment Account  
For July 31, 2018

Cash:	Interest Rate	Term	Principal/ Book & Market Value
Bank of the West-Reg. Checking	N/A	Demand Deposit	\$11,449,288
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	8,865,987
BOW-Prop 1B-Cal Grants	0.85%	Demand Deposit	5,588,024
Bank of the West-Money Market	0.85%	Demand Deposit	14,739,485
Bank of the West-Money Market	0.85%	Demand Deposit	9,730,292
Bank of the West-LCTOP	0.07%	Demand Deposit	1,483,411
Chase Business Saving	0.18%	Demand Deposit	67,656
LAIF Investment	1.90%	Demand Deposit	15,401,224
Subtotal Cash on Hand			<u>\$67,326,966</u>
<b>Investments:</b>			
Bank of the West:			
1 Maturity - 10/29/20 - 5yrs.	1.125%	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
6 Maturity - 11/01/2018 - 6 months	1.95%	US Treasury Bill	1,232,898
	0.45-1.60%	Cert. of Deposit	1,245,000
Subtotal Investments			<u>\$26,477,898</u>
Total Cash and Investments			<u><u>\$93,804,865</u></u>

**Foothill Transit**  
**Statement of Revenue and Expense**  
**For Month Ended July 31, 2018**

	Actual YTD July-18	Budget YTD July -18	Variance	Actual YTD July - 17
<b>Fare Revenue</b>				
Farebox	\$597,424	\$714,917	(16.43%)	\$620,759
Pass Sales	295,881	308,583	(4.12%)	275,970
TAP Cash Purse	305,489	254,083	20.23%	269,697
MetroLink & Access Service	47,788	48,417	(1.30%)	52,460
EZ Transit Pass	58,676	51,250	14.49%	55,639
<b>Total Operating Revenue</b>	<b>\$1,305,258</b>	<b>\$1,377,250</b>	<b>(5.23%)</b>	<b>\$1,274,525</b>
<b>Operating Subsidies and Other</b>				
Transportation Development Act	\$1,897,125	\$1,897,125	0.00%	\$330,832
TDA-Reserve from prior years	0	678,642	0.00%	0
STA	340,386	340,386	0.00%	72,595
Prop A 40% Discretionary	1,352,538	1,352,538	0.00%	1,377,178
Prop A 40% BSCP	414,007	414,007	0.00%	372,080
Prop A Exchange	0	0	0.00%	2,000,000
Prop C BSIP	79,651	79,651	0.00%	77,517
Prop C Base Restructuring	171,081	171,081	0.00%	166,499
Prop C Transit Service Expansion	28,509	28,509	0.00%	27,746
Transit Security-Operating	83,631	83,631	0.00%	75,082
Measure R Operating	943,030	943,030	0.00%	870,240
Measure M Operating	952,095	952,095	0.00%	828,819
Miscellaneous Transit Revenues	110,949	110,949	0.00%	150,710
<b>Total Subsidies and Other</b>	<b>\$6,373,003</b>	<b>\$7,051,645</b>	<b>(9.62%)</b>	<b>\$6,349,297</b>
<b>Total Operating Revenue</b>	<b>\$7,678,261</b>	<b>\$8,428,895</b>	<b>(8.91%)</b>	<b>\$7,623,822</b>
<b>Other Revenues</b>				
Gain on Sale of Fixed Assets	\$896	\$0	0.00%	\$853
Auxiliary Revenue	102,900	153,750	(33.07%)	87,557
<b>Total Other Revenues</b>	<b>\$103,796</b>	<b>\$153,750</b>	<b>(32.49%)</b>	<b>\$88,410</b>
<b>Total Operating and Other Revenues</b>	<b>\$7,782,057</b>	<b>\$8,582,645</b>	<b>9.33%</b>	<b>\$7,712,232</b>
<b>Operating Expenses</b>				
Operations	\$6,964,466	\$7,219,118	3.53%	\$6,878,874
Maintenance & Vehicle Technology	59,777	\$72,301	17.32%	61,944
Marketing and Communications	84,666	\$197,467	57.12%	68,382
Information Technology	99,398	\$173,273	42.64%	203,998
Administration	181,328	\$261,123	30.56%	128,322
Policy & Strategic Sourcing	25,878	\$77,058	66.42%	32,612
Finance	111,097	\$147,774	24.82%	123,617
Planning	54,536	\$126,288	56.82%	56,122
Facilities	97,116	\$154,494	37.14%	69,951
<b>Total Operating Expenses</b>	<b>\$7,678,261</b>	<b>\$8,428,895</b>	<b>8.91%</b>	<b>\$7,623,822</b>
<b>Other Expenses</b>				
Property Management	\$32,996	\$37,083	11.02%	\$23,767
Dial-A-Ride	55,000	66,667	17.50%	64,643
Special Services	15,799	50,000	68.40%	0
<b>Total Other Expenses</b>	<b>\$103,796</b>	<b>\$153,750</b>	<b>85.90%</b>	<b>\$88,409</b>
<b>Total Operating and Other Expenses</b>	<b>\$7,782,057</b>	<b>\$8,582,645</b>	<b>9.33%</b>	<b>\$7,712,232</b>
<b>Capital Revenues</b>				
Capital Grants	\$48,161	\$5,951,986	(99.19%)	\$1,092,492
<b>Capital Expenditures</b>				
Capital Expenditures	\$48,161	\$5,951,986	99.19%	\$1,092,492

**Bank Account - Check Details**

Period: 07/01/18..07/31/18

Foothill Transit

Thursday, August 09, 2018

FOOTHILLTRANSITCLIN

This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 07/01/18..07/31/18

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				
07/02/18	E00863	International City Management Assoc. Retirement Co	Payroll ending 6/30/18 retirement funds	39,170.70	0.00	0.00	Posted
07/05/18	52405	Andrew John Papson	Expense report	197.19	197.19	0.00	Posted
07/05/18	52406	Azusa Light & Water	04/30-05/30 Electricity and Water	1,568.27	1,568.27	0.00	Posted
07/05/18	52407	Baker Donelson Bearman and Cal.	5/18-6/18 Public Affairs	18,000.00	18,000.00	0.00	Posted
07/05/18	52408	Bankcard Center-Bank of the West	6/18 Agency credit cards usages	39,379.92	39,379.92	0.00	Posted
07/05/18	52409	C.A.T. Specialties	Transit Store staff jackets	1,737.57	1,737.57	0.00	Posted
07/05/18	52410	Clean Energy	04/18 Pomona O & M	780,260.59	780,260.59	0.00	Posted
07/05/18	52411	Crowe LLP	Professional services - period end 5/31/18	20,000.00	20,000.00	0.00	Posted
07/05/18	52412	Ford of West Covina	vehicle service EV1	80.96	80.96	0.00	Posted
07/05/18	52413	Gotcha Media Holdings, LLC	6/18-7/1/18 Mt. SAC, APU	3,834.00	3,834.00	0.00	Posted
07/05/18	52414	Graingers	Headlamp For Bus Inventory Check	2,021.39	2,021.39	0.00	Posted
07/05/18	52415	Instant Signs Inc.	New Governing Board Picture Poster	133.38	133.38	0.00	Posted
07/05/18	52416	Lillian Lin	Reimbursed Expense Metro TAP	100.00	100.00	0.00	Posted
07/05/18	52417	Linda Apodaca	Reimbursed Expense Travel & Meeting 5/18-6/28/18	224.90	224.90	0.00	Posted
07/05/18	52418	Los Angeles Times Communications, LLC	DBE Advertising	1,260.00	1,260.00	0.00	Posted
07/05/18	52419	Metrolink	05/18 Metrolink Passes	48,520.50	48,520.50	0.00	Posted
07/05/18	52420	Newage PHM, LLC	TS2 Electricity usage	7,537.66	7,537.66	0.00	Posted
07/05/18	52421	Omnitrans	Omnitrans Passes	10,865.63	10,865.63	0.00	Posted
07/05/18	52422	Platinum Security Inc.	04/18 El Monte Security services	11,036.60	11,036.60	0.00	Posted
07/05/18	52423	Pulsar Advertising	06/18 TAP Card and Day Pass Campaign	96,666.25	96,666.25	0.00	Posted
07/05/18	52424	Raycom	07/18 Radio maintenance service	317.00	317.00	0.00	Posted
07/05/18	52425	San Gabriel Valley Economic	Membership Renewal	5,250.00	5,250.00	0.00	Posted
07/05/18	52426	Skyline Pest Control	6/18 Pest & Rodent Control	95.00	95.00	0.00	Posted
07/05/18	52427	Southern California Edison Co.	05/18 Pomona Transit Electricity usage	11,943.45	11,943.45	0.00	Posted
07/05/18	52428	The Gas Co.	6/18 Admin Bldg Gas	635.79	635.79	0.00	Posted
07/05/18	52429	Thomas J. Koontz	Interior Cards	9,304.57	9,304.57	0.00	Posted
07/05/18	52430	Willie J. Brooks	7/18 Indoor Plant Care	449.75	449.75	0.00	Posted
07/11/18	E00864	Keolis Transit Services LLC	05/16-31 Pomona Contractor Services	1,420,471.49	0.00	0.00	Posted
07/11/18	E00865	Transdev Services, Inc.	05/16-31 Arcadia Contractor Services	2,233,092.92	0.00	0.00	Posted
07/11/18	E00866	Transdev Services, Inc.	1712 Reimbursment for bus	78,135.82	0.00	0.00	Posted
07/11/18	E00867	Transdev Services, Inc.	06/2018 Management Services	165,257.47	0.00	0.00	Posted
07/13/18	52431	ACC Business	Admin building Internet	4,140.36	4,140.36	0.00	Posted
07/13/18	52432	ACCO Engineered Systems Inc.	06/18 Admin Bldg Air Handler Filters	2,089.91	2,089.91	0.00	Posted
07/13/18	52433	Adt Security Services, Inc.	07/14-10/13/2018 Pomona yard security services	320.91	320.91	0.00	Posted
07/13/18	52434	Advanced Access Systems Inc.	Arcadia Warehouse Gate Repair	1,711.43	1,711.43	0.00	Posted
07/13/18	52435	Allied Administrators for Delta Dental	08/18 Dental insurance premium	6,270.05	6,270.05	0.00	Posted
07/13/18	52436	Andrew John Papson	Reimbursed Expense ENO Training	696.62	696.62	0.00	Posted
07/13/18	52437	Apollo Electric	Arcadia Shop Charger Installation	6,131.00	6,131.00	0.00	Posted

Check Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry Status
07/13/18	52438	APTA	7/1/18-6/30/19 Membership Dues	43,000.00	43,000.00	0.00	Posted
07/13/18	52439	AT and T - 105068	El Monte store back line	34.31	34.31	0.00	Posted
07/13/18	52440	AT and T - 5025	07/18 El Monte Phone lines	228.84	228.84	0.00	Posted
07/13/18	52441	AT and T - 5025	El Monte phone line router management	335.03	335.03	0.00	Posted
07/13/18	52442	Azteca Landscape	6/18 Landscape Maintenance	2,754.44	2,754.44	0.00	Posted
07/13/18	52443	Baldwin Park Business Association	2018-2019 Membership	250.00	250.00	0.00	Posted
07/13/18	52444	C.A.T. Specialties	Insulated Men's Jackets	193.78	193.78	0.00	Posted
07/13/18	52445	CA Newspaper Service Bureau	SGVT 18-082 IFB Notice	550.72	550.72	0.00	Posted
07/13/18	52446	California Choice	8/18 Medical insurance premium	45,510.04	45,510.04	0.00	Posted
07/13/18	52447	Christina Lopez	Notary Training	532.78	532.78	0.00	Posted
07/13/18	52448	Christopher Pieper	NCMA , NPI Membership Dues	370.00	370.00	0.00	Posted
07/13/18	52449	CIGNA Group Insurance	07/18 Life Insurance premium	4,001.89	4,001.89	0.00	Posted
07/13/18	52450	Cintas Corporation #2	First Aid Kit Supplies	191.67	191.67	0.00	Posted
07/13/18	52451	City of Pomona - Passes	4/23-6/20/18 Get About Ticket Books	2,000.00	2,000.00	0.00	Posted
07/13/18	52452	County of L.A. - Sheriff's Dept.	05/08/18 Private Entity Security	6,547.55	6,547.55	0.00	Posted
07/13/18	52453	Crown Castle USA Inc.	Tower Rental	787.17	787.17	0.00	Posted
07/13/18	52454	Darold D. Pieper Attorney at Law	6/18 Legal Fees	7,378.18	7,378.18	0.00	Posted
07/13/18	52455	David Reyno	Reimbursable Expenses	4,758.05	4,758.05	0.00	Posted
07/13/18	52456	Day - Lite Maintenance Co. Inc.	6/18 Monthly Lighting Contract	96.00	96.00	0.00	Posted
07/13/18	52457	FEDEX Corp.	Express Mail	201.98	201.98	0.00	Posted
07/13/18	52458	Frontier	Industry Park and Ride Phone Line	535.66	535.66	0.00	Posted
07/13/18	52459	Gotcha Media Holdings, LLC	07/18 APU, Rio Hondo, Mt. SAC	6,756.00	6,756.00	0.00	Posted
07/13/18	52460	Home Depot Credit Services	6/18 Facility Supplies	491.88	491.88	0.00	Posted
07/13/18	52461	IBI Group	CAD/AVL Replacement Consulting	17,689.00	17,689.00	0.00	Posted
07/13/18	52462	Industry Mfg. Council	Annual Membership	100.00	100.00	0.00	Posted
07/13/18	52463	Iron Mountain Inc.	6/18 Shredding Services	177.83	177.83	0.00	Posted
07/13/18	52464	Jon House	Educational Assistance and Reimbursement-Business	1,920.00	1,920.00	0.00	Posted
07/13/18	52465	Joshua Seth Landis	Reimbursed Expense ENO Training	2,158.48	2,158.48	0.00	Posted
07/13/18	52466	Katherine E. Gagnon	Reimbursed expense APTA	241.71	241.71	0.00	Posted
07/13/18	52467	Landmark Healthplan of California, Inc.	07/18 Chiropractor insurance premium	319.12	319.12	0.00	Posted
07/13/18	52468	Mt. San Antonio College - The Mountaineer	Digital Advertising	1,500.00	1,500.00	0.00	Posted
07/13/18	52469	Office Depot	Office Supplies	718.22	718.22	0.00	Posted
07/13/18	52470	PC Connection Sales Corp.	Board room replacement computer	2,578.23	2,578.23	0.00	Posted
07/13/18	52471	PCAM, LLC	05/18 Dial A Ride Shuttle Service	50,955.25	50,955.25	0.00	Posted
07/13/18	52472	Peter Barron Stark and Associates	06/18 Executive Coaching	2,024.34	2,024.34	0.00	Posted
07/13/18	52473	Platinum Security Inc.	06/18 El Monte security services	5,498.45	5,498.45	0.00	Posted
07/13/18	52474	Proterra Inc	2001-2003 bus repairs and Labor	65,365.10	65,365.10	0.00	Posted
07/13/18	52475	ReadyRefresh	6/18 Drinking Water	72.25	72.25	0.00	Posted
07/13/18	52476	San Gabriel Valley Employer Advisory Council	Employment law update	75.00	75.00	0.00	Posted
07/13/18	52477	San Gabriel Valley Newspaper	06/18 DBE Procurement Advertisement	3,614.50	3,614.50	0.00	Posted
07/13/18	52478	Sing Tao Daily	DBE Procurement Advertisement	300.00	300.00	0.00	Posted
07/13/18	52479	Socal Office Technologies	Xerox Copier Monthly usage	613.07	613.07	0.00	Posted
07/13/18	52480	South Coast AQMD	Annual Renewal Fees	1,220.37	1,220.37	0.00	Posted
07/13/18	52481	Southern California Edison Co.	5/18 Admin Bldg Electricity	12,356.54	12,356.54	0.00	Posted
07/13/18	52482	Stantec Architecure	On-Call A&E Services	16,965.91	16,965.91	0.00	Posted
07/13/18	52483	Staples Business Adv.-Dept. LA	Office Supplies	678.69	678.69	0.00	Posted
07/13/18	52484	Suburban Water Systems	6/18 Admin Bldg Water	1,000.06	1,000.06	0.00	Posted



Check Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry Status
07/13/18	52485	Thomas J. Koontz	Business Cards	78.84	78.84	0.00	Posted
07/13/18	52486	Thompson Coburn LLP	6/18 Operations RFPs and Contracts	31,255.08	31,255.08	0.00	Posted
07/13/18	52487	T-Mobile USA Inc.	Vericity cellular sim	545.69	545.69	0.00	Posted
07/13/18	52488	Tri - Signal Integration, Inc.	4/18 AITC Quarterly Sprinkler System Test	2,661.18	2,661.18	0.00	Posted
07/13/18	52489	U.S. Healthworks Medical Group. P.C.	Pre-Employment Physical Check - Quintana Jorge	110.00	110.00	0.00	Posted
07/13/18	52490	University of La Verne	Tuitions for Summer 2018	1,781.25	1,781.25	0.00	Posted
07/13/18	52491	Veritiv Operating Company	Hand Wash	802.72	802.72	0.00	Posted
07/13/18	52492	Verizon Business - 15043	MPLS POM, ARC, WC, Park & Ride, El Monte, Puente H	9,806.80	9,806.80	0.00	Posted
07/13/18	52493	Verizon Wireless	Cell Phone and avail cellular	25,240.42	25,240.42	0.00	Posted
07/13/18	52494	Vincent Saucedo	Reimbursable Expense - ENO Mid-Manager	210.08	210.08	0.00	Posted
07/13/18	52495	Vision Service Plan - (CA)	07/18 Vision insurance premium	1,109.54	1,109.54	0.00	Posted
07/13/18	52496	W.M. Klorman Construction Corp.	Covina Park & Ride Design-Build Phase 2	7,115.50	7,115.50	0.00	Posted
07/13/18	52497	Wright Express	Vehicle fueling	419.03	419.03	0.00	Posted
07/13/18	52498	Yoko Igawa	Reimbursed Expense Metro TAP	100.00	100.00	0.00	Posted
07/18/18	E00868	International City Management Assoc. Retirement Co	Payroll ending 7/14/18 retirement funds	40,334.23	0.00	0.00	Posted
07/18/18	E00869	Keolis Transit Services LLC	06/17/18 Pomona Special Service Hollywood Bowl	807.37	0.00	0.00	Posted
07/18/18	E00870	Keolis Transit Services LLC	06/24/18 Pomona Special Service Hollywood Bowl	462.79	0.00	0.00	Posted
07/18/18	E00871	Keolis Transit Services LLC	06/16/18 Pomona Special Service Hollywood Bowl	3,011.38	0.00	0.00	Posted
07/18/18	E00872	Keolis Transit Services LLC	05/18 Pomona PMI's	14,500.00	0.00	0.00	Posted
07/18/18	E00873	Keolis Transit Services LLC	04/18 Pomona PMI's	14,500.00	0.00	0.00	Posted
07/18/18	E00874	Keolis Transit Services LLC	06/1-15 Pomona Contractor Services	784,240.82	0.00	0.00	Posted
07/18/18	E00875	Keolis Transit Services LLC	03/18 Pomona PMI's	17,500.00	0.00	0.00	Posted
07/18/18	E00876	Transdev Services, Inc.	06/1-15 Pomona Contractor Services	1,028,085.37	0.00	0.00	Posted
07/18/18	E00877	Transdev Services, Inc.	Jan.-April 2018 Arcadia FY 2018 Incentive	35,500.00	0.00	0.00	Posted
07/20/18	52499	AFLAC	07/18 Voluntary insurance premium 7/18-7/19 Shortage on premium	1,523.10	1,523.10	0.00	Posted
07/20/18	52500	Alendale Ins. Agency	047500126699S00	1,105.20	1,105.20	0.00	Posted
07/20/18	52501	Ashlien Savage	Petty Cash Disbursements	614.05	614.05	0.00	Posted
07/20/18	52502	Athens Services- 54957	7/18 Admin Trash Service & Parking Lot Sweeping	1,302.53	1,302.53	0.00	Posted
07/20/18	52503	City of West Covina	Summer Concert Series Sponsorship 2018 west convin	3,000.00	3,000.00	0.00	Posted
07/20/18	52504	Cubic Transportation Systems, Inc	Driver Control Unit and GFI Farebox Upgrade	3,074,747.65	3,074,747.65	0.00	Posted
07/20/18	52505	Frontier	Fax Line	2,557.80	2,557.80	0.00	Posted
07/20/18	52506	Glendora Public Library Friends Foundation	Night on the Plaza	500.00	500.00	0.00	Posted
07/20/18	52507	Grand Car Wash	Vehicle washing	756.63	756.63	0.00	Posted
07/20/18	52508	Hurst Ranch Historical Foundation	Garden Gormet Class	500.00	500.00	0.00	Posted
07/20/18	52509	I and E Cabinets Inc	Fabriaction of Cabinets and Counter	2,800.00	2,800.00	0.00	Posted
07/20/18	52510	International City Management Assoc. Retirement Co	Asset Fee Allowance 04/30/18-06/30/18 307178	5,978.09	5,978.09	0.00	Posted
07/20/18	52511	Lazar and Associates	06/18 Translating services	294.35	294.35	0.00	Posted
07/20/18	52512	MailFinance Inc.	7/27-10/26/18 Postage Machine Leasing Charges	507.17	507.17	0.00	Posted
07/20/18	52513	Metrolink	06/18 Metrolink Passes	47,323.50	47,323.50	0.00	Posted
07/20/18	52514	Mobile Relay Associates Inc.	07/18 Mobile Radio / Portable Radio Analog Service	210.38	210.38	0.00	Posted
07/20/18	52515	PlanetBids, Inc.	PlanetBids	23,733.00	23,733.00	0.00	Posted
07/20/18	52516	Stantec Architecure	On-Call A&E Services	6,859.99	6,859.99	0.00	Posted
07/20/18	52517	State Compensation Insurance Fund	Additional Deposit & surcharges 7/1/18-7/1/19	6,951.51	6,951.51	0.00	Posted
07/20/18	52518	Thomas J. Koontz	Additional Run of Footnotes	2,992.00	2,992.00	0.00	Posted
07/20/18	52519	Verizon Business - 15043	Cellular VPN	2,941.12	2,941.12	0.00	Posted
07/20/18	52520	West Covina Lions Club	Donald -West Covina Lions Club 7/1/18-6/30/19	1,078.00	1,078.00	0.00	Posted

Check Date	Check No.	Vendor Name	Description	Amount	Printed Amount	Voided Amount	Entry Status
07/20/18	52521	Willie J. Brooks	07/18 Indoor Plant Care	213.00	213.00	0.00	Posted
07/20/18	52522	Zones Inc.	Lexmark printers	2,102.32	2,102.32	0.00	Posted
07/25/18	E00878	Keolis Transit Services LLC	06/30/18 Pomona Special Service Hollywood Bowl	2,178.31	0.00	0.00	Posted
07/25/18	E00879	Keolis Transit Services LLC	07/01/18 Pomona Special Service Hollywood Bowl	1,374.37	0.00	0.00	Posted
07/25/18	E00880	Keolis Transit Services LLC	07/02/18 Pomona Special Service Hollywood Bowl	1,365.00	0.00	0.00	Posted
07/25/18	E00881	State Board of Equalization -	2nd QTR Sales and Use Tax filing	1,217.00	0.00	0.00	Posted
07/25/18	E00882	Transdev Services, Inc.	Arcadia O&M Facility - AC Machine	7,112.03	0.00	0.00	Posted
07/25/18	E00883	Payment of Invoice PI023376	FY18 Incentive payment Transdev	35,000.00	0.00	0.00	Posted
07/26/18	52523	Adt Security Services, Inc.	07/29-10/28/2018 Pomona Station security services	149.97	149.97	0.00	Posted
07/26/18	52524	Amazon Web Services, Inc	06/18 Web Hosting	587.81	587.81	0.00	Posted
07/26/18	52525	Ardent Technologies, Inc	06/2018 Website Maintenance	1,955.00	1,955.00	0.00	Posted
07/26/18	52526	AT and T - 5025	07/18 El Monte general phone line	1,599.59	1,599.59	0.00	Posted
07/26/18	52527	Azusa Light & Water	05/30-06/25 Electricity and Water	2,521.32	2,521.32	0.00	Posted
07/26/18	52528	Charter Communications Inc.	07/18 Admin Bldg. Cable TV	350.20	350.20	0.00	Posted
07/26/18	52529	Clean Energy	06/18 Pomona CNG Takeover Not Alt Fuel	427,935.86	427,935.86	0.00	Posted
07/26/18	52530	Climatec Building Technologies LLC	7/1/18 -9/30/18 HVAC Software Maintenance	1,849.75	1,849.75	0.00	Posted
07/26/18	52531	Coalition for Clean Air	2018 Clean Air Day	5,000.00	5,000.00	0.00	Posted
07/26/18	52532	Darktrace Limited	support and maintenance	23,667.19	23,667.19	0.00	Posted
07/26/18	52533	Digium Inc.	07/18 Pomona Yard Phone	2,137.99	2,137.99	0.00	Posted
07/26/18	52534	GIRO Inc.	Hastus upgrade to ver. 2017	146,756.50	146,756.50	0.00	Posted
07/26/18	52535	Historical Society of West Covina	Summer Fest 2018	680.00	680.00	0.00	Posted
07/26/18	52536	John Xie	Reimbursable expenses	500.05	500.05	0.00	Posted
07/26/18	52537	Liberty Mutual Insurance Company	Auto and Commercial Ins Premium 7/1/18-6/30/19	52,630.00	52,630.00	0.00	Posted
07/26/18	52538	Mobile Relay Associates Inc.	07/18 Mobile Radio / Portable Radio Analog Service	21,025.65	21,025.65	0.00	Posted
07/26/18	52539	Neofunds by Neopost	6/18 Postage	571.76	571.76	0.00	Posted
07/26/18	52540	Newage PHM, LLC	TS2 Electricity usage	181.22	181.22	0.00	Posted
07/26/18	52541	PCAM, LLC	06/18 Dial A Ride Shuttle Service	53,144.29	53,144.29	0.00	Posted
07/26/18	52542	Richards Watson and Gershon	6/18 Legal Fees	1,385.07	1,385.07	0.00	Posted
07/26/18	52543	Socal Office Technologies	06/18 Xerox Copier Monthly usage	501.48	501.48	0.00	Posted
07/26/18	52544	Southern California Edison Co.	06/18 Pomona Transit Electricity usage	15,532.59	15,532.59	0.00	Posted
07/26/18	52545	Stantec Architecure	Covina PNR Task 7 E Service Period Ending 6/15/18	4,394.46	4,394.46	0.00	Posted
07/26/18	52546	SybaTek, Inc	RETAIN FROM KPO 18-041	46,119.07	46,119.07	0.00	Posted
07/26/18	52547	Top Cleaners LLC	Jump Suit cleaning	227.50	227.50	0.00	Posted
07/26/18	52548	Transit Information Products	Bus Book Artwork Revi. 6/24/2018	39,804.00	39,804.00	0.00	Posted
07/26/18	52549	Ultimate Maintenance Services, Inc	7/18 Janitorial Services	3,118.00	3,118.00	0.00	Posted
07/26/18	52550	Upper San Gabriel Valley Municipal Water District	Waterfest	500.00	500.00	0.00	Posted
<b>General Checking</b>				<b>11,458,399.65</b>	<b>5,535,082.58</b>	<b>0.00</b>	



August 24, 2018

To: Executive Board

Subject: **Fiscal Year 2017-2018 Performance Indicators Report**

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**Recommendation**

Receive and file the FY17-18 Performance Indicators Report.

**Analysis**

This report provides an analysis of Foothill Transit's performance indicators for FY17-18. 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.

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 FY17-18 was 12.5 million - which is an eight percent decline compared to last fiscal year.
- **Fare Revenue** - Total fare revenue for FY17-18 was \$16.3 million, resulting in an average fare of \$1.47 per boarding.
- **Operating Expenses** - Operating expenses incurred in FY17-18 totaled \$92.2 million, resulting in an average cost per vehicle service hour of \$106.87.
- **Accidents** - The system averaged 0.85 preventable accidents per 100,000 miles in FY17-18.
- **Customer Complaints** - Foothill Transit received 24 complaints per 100,000 boardings in FY17-18. This is 14 percent higher than 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 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.

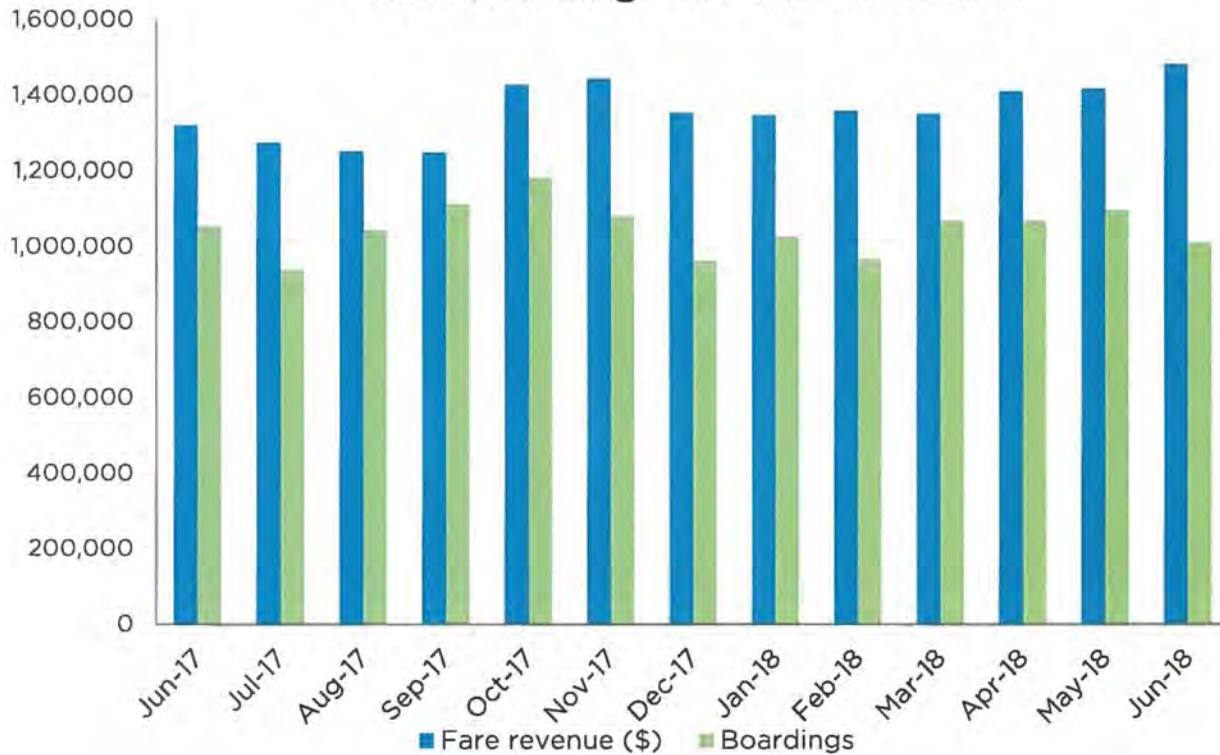
***Total Boardings and Total Fare Revenues***

In FY17-18, there were 12.5 million boardings on Foothill Transit buses. This is an eight percent reduction compared with the previous fiscal year. Ridership continues to be a critical challenge for Foothill Transit and throughout the nation. In a recent study by the Southern California Association of Governments (SCAG), between 2012 and 2016, California annual transit boardings fell by 72 million, which 62.2 million of the loss was contributed by the SCAG region. Losses in California are driven by losses from the largest operators in the SCAG region, and LA Metro accounts for 72 percent of the loss.

Total fare revenue recorded in FY17-18 was \$16.3 million, a two percent improvement over last fiscal year. This increase in fare revenue can be attributed to the fare restructuring that was implemented in October 2017.



**Total Boardings and Fare Revenues**



**Vehicle Service Hours and Operating Expenditure**

In FY17-18, Foothill Transit operated 862,975 service hours, which represents a one percent decrease compared to last fiscal year.

During FY17-18, Foothill Transit incurred \$92.2 million in operating expenses, which is seven percent higher than the previous fiscal year. Variance between years is related to increased costs associated with the Arcadia and Pomona operating contracts.

**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.

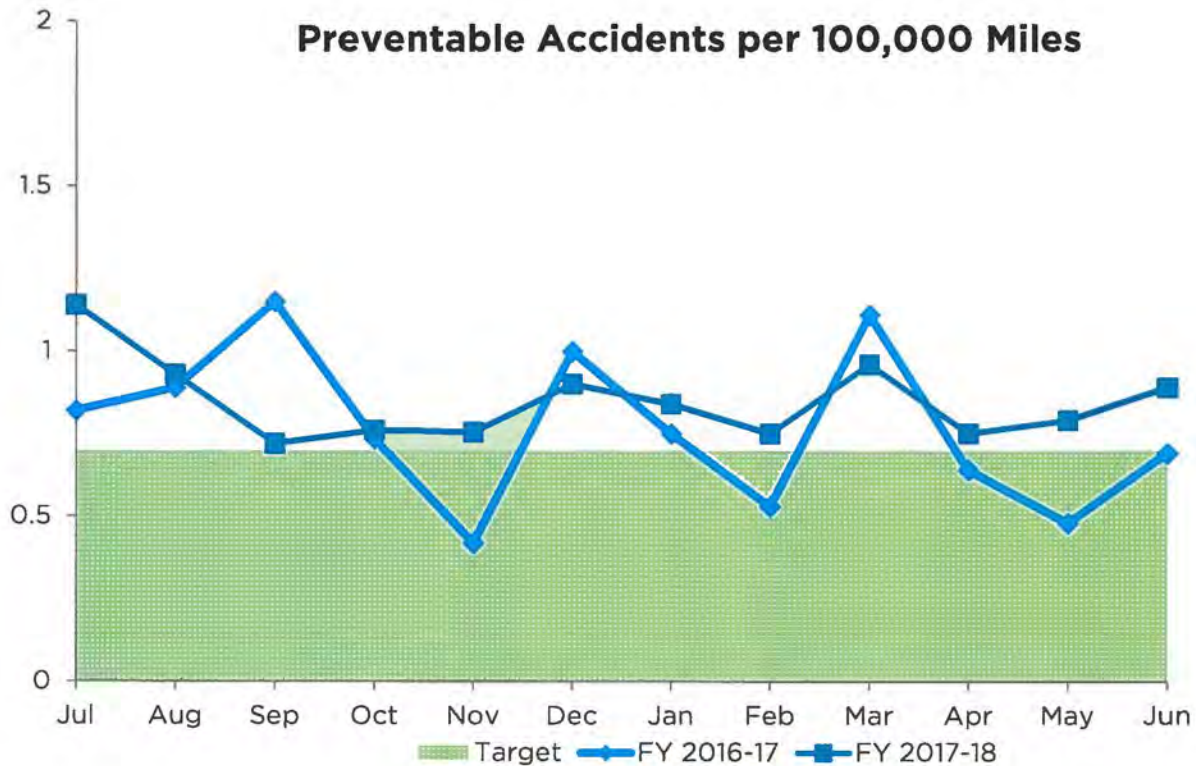
**Preventable Accidents per 100,000 Miles**

In FY17-18, Foothill Transit adopted the standard of 0.70 or fewer preventable accidents per 100,000 mile. There were 0.85 preventable accidents per 100,000 miles during the year. The majority of the preventable accidents in FY17-18 involved vehicles making contact with fixed objects as traffic has increased,



roadways have narrowed, and as roadway construction projects continue throughout the San Gabriel and Pomona Valleys.

Foothill Transit staff continue to work closely with the contractors at both of the operations and maintenance facilities to improve safety performance. Throughout this fiscal year, particular emphasis has been placed on reducing fixed object collisions, increasing pedestrian awareness, and identifying blind spots. Operators are being retrained to adapt to the narrowing roads, which bring coaches into closer proximity with parked vehicles. Staff have also been utilizing additional analytic tools to help identify trends and trouble areas, with the goal of reducing preventable accidents. Specifically, staff have conducted an analysis of preventable accidents by route and location, in order to better identify areas that require additional improvement. Additional Foothill Transit's operations and maintenance contractors are working with their international parent companies on increased technology and training to support these safety goals.





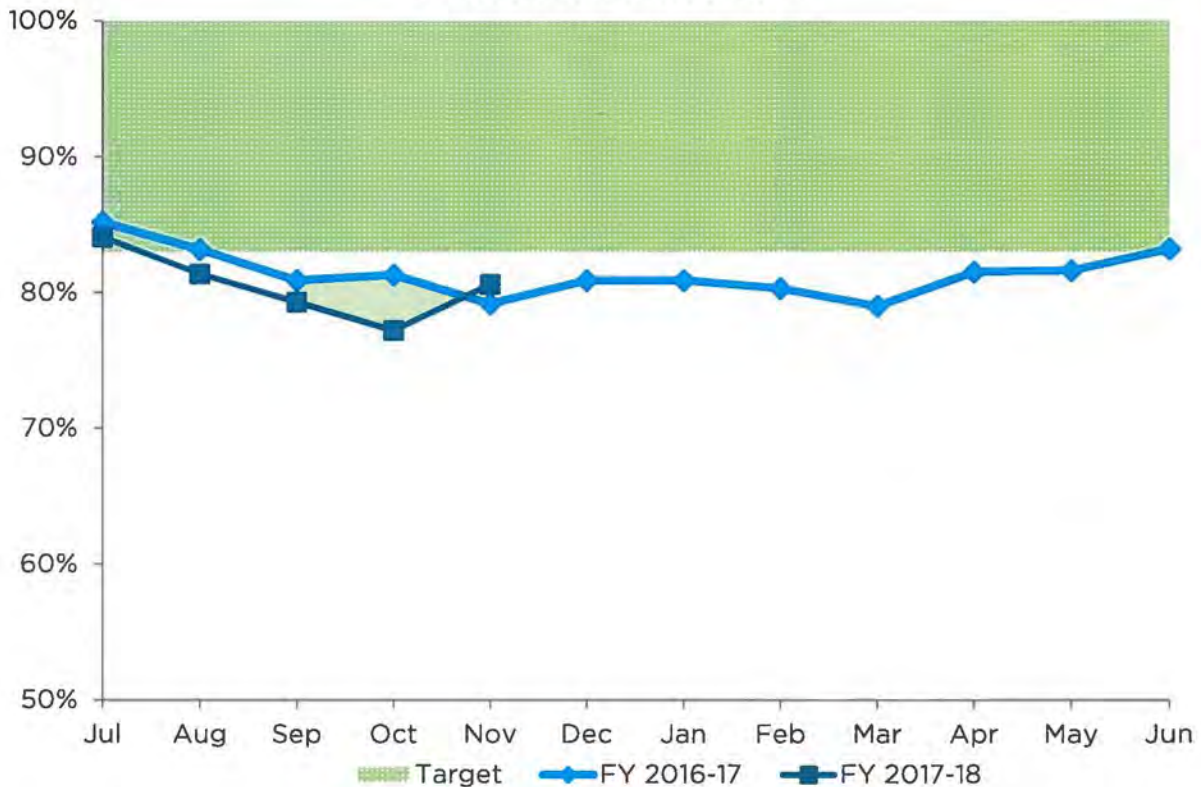
**Goal 2: Provide Outstanding Customer Service**

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 FY17-18, Foothill Transit achieved 80.5 percent OTP systemwide through November 2017 when the former Xerox CAD/AVL system was replaced by the current Avail CAD/AVL system. Since then, accurate OTP data has been unavailable as the Avail implementation team has been working to ensure that the new system properly reports OTP data and without the need for significant manual data cleansing. Accurate OTP data will be available and reported beginning with the July 2018 report.

**Schedule Adherence**



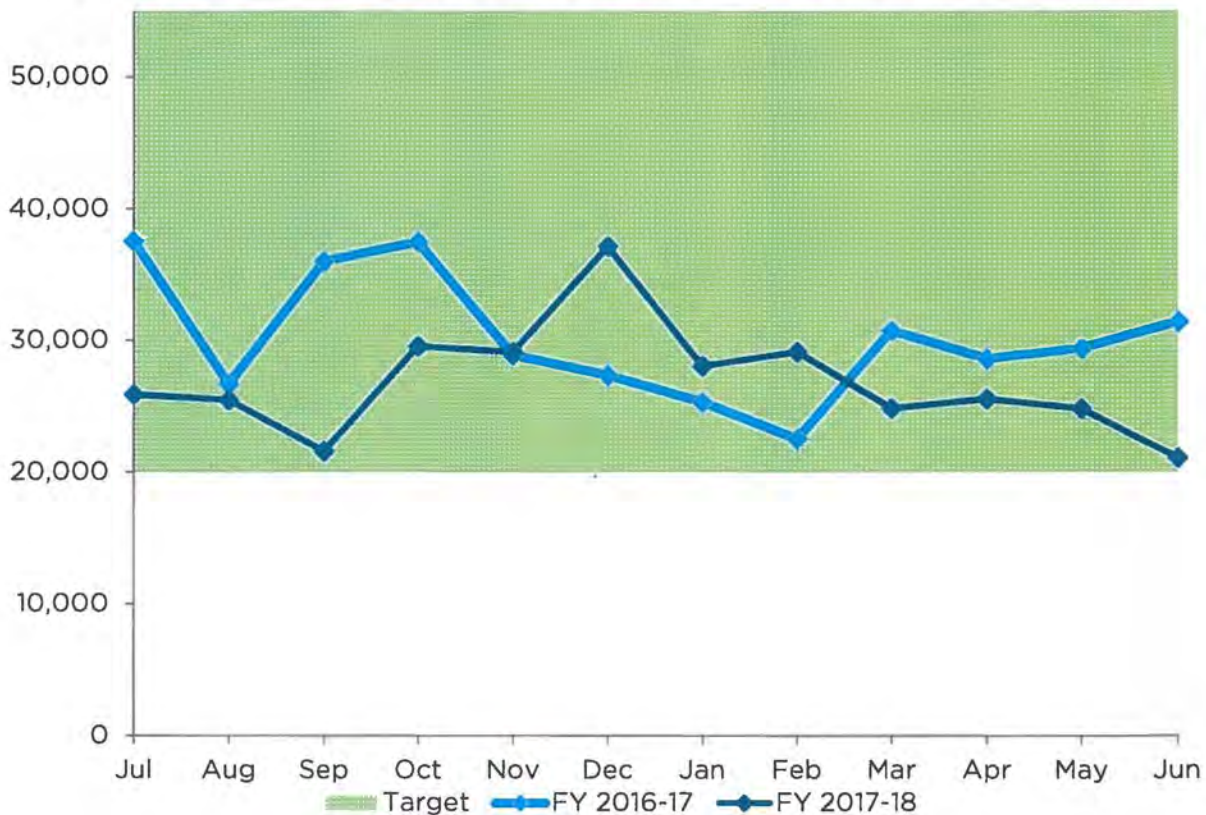


**Average Miles between Mechanical Service Interruptions**

Average miles between mechanical 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 FY17-18, Foothill Transit averaged 26,860 miles between mechanical 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 mechanical service interruptions, however the metric is 11 percent lower compared to last fiscal year as mechanical issues continue to be experienced on the older buses in the fleet that are scheduled for retirement in January 2019.

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.

**Average Miles between Mechanical Service Interruptions**





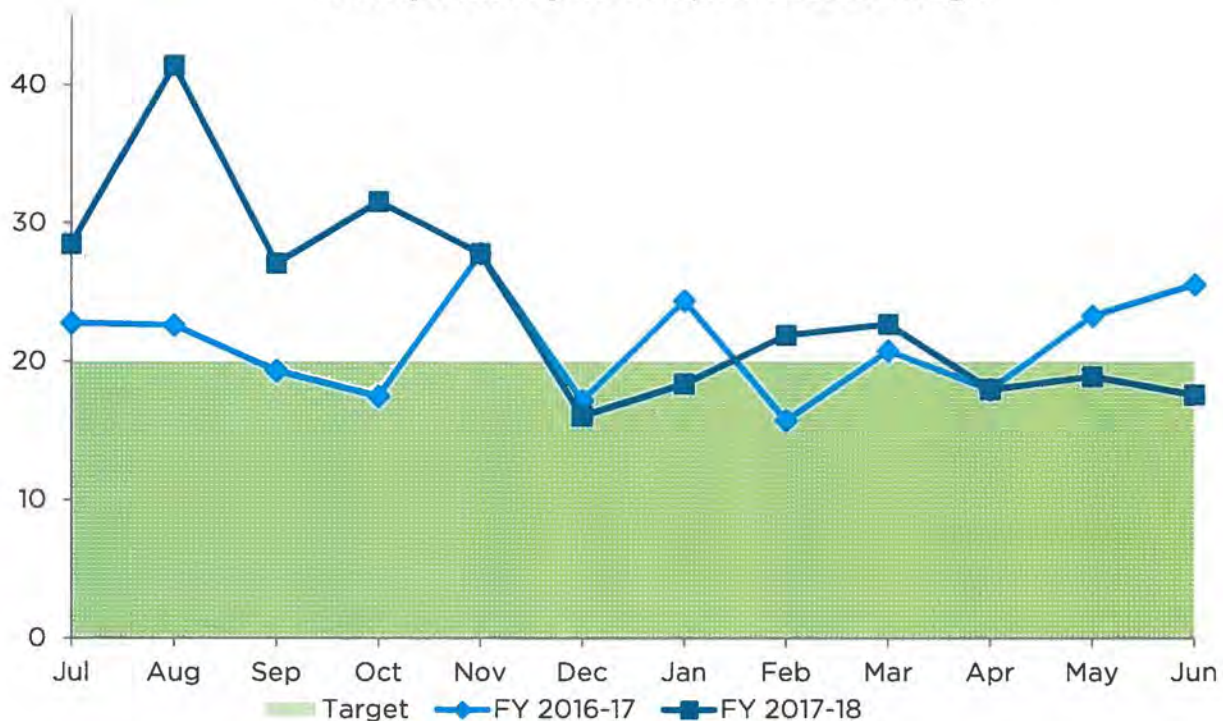


**Complaints per 100,000 Boardings**

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 that 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 FY17-18, Foothill Transit received 24 complaints per 100,000 boardings, which represented a 14 percent increase from the previous fiscal year. Customer complaints rose dramatically during the first five months of the fiscal year, with a large spike in August 2017 following the Pomona operations contract transition and a half-day work stoppage in July and the fare and service changes implemented in October. Since then, complaints have declined. The increase in complaints this year is also attributable to continued ramp closures and detours that negatively effect on-time service delivery. With the increasing popularity of social media and mobile technology, customers now have unprecedented access to different avenues of communicating with Foothill Transit. Complaints have increased as communication has become more streamlined.

**Complaints per 100,000 Boardings**





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

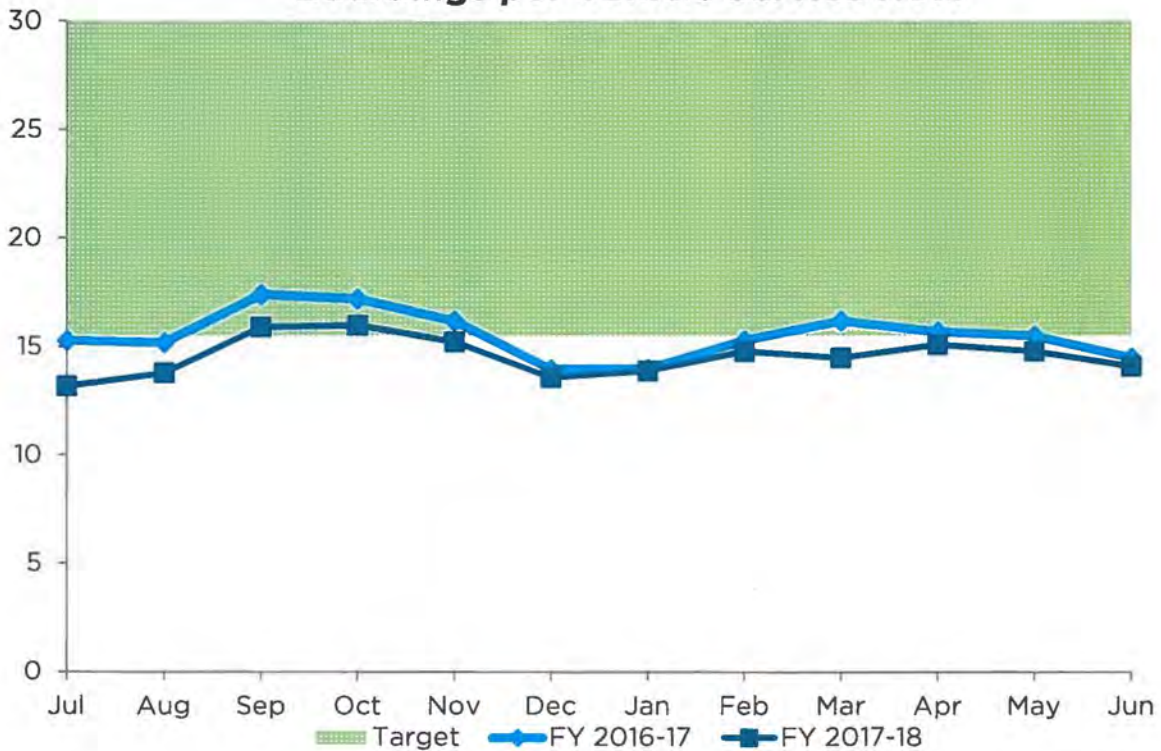
Foothill Transit measures service effectiveness by monitoring boardings per vehicle service hour and average weekday boardings.

**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 FY17-18, there were 14.5 boardings per vehicle service hour, which does not meet the performance target of 15.5 or more boardings per service hour. This is a seven percent decline compared to 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. Continued data analysis has allowed Foothill Transit staff to better understand travel demand throughout the service area, and the information gathered is used in planning route and schedule changes.

**Boardings per Vehicle Service Hour**

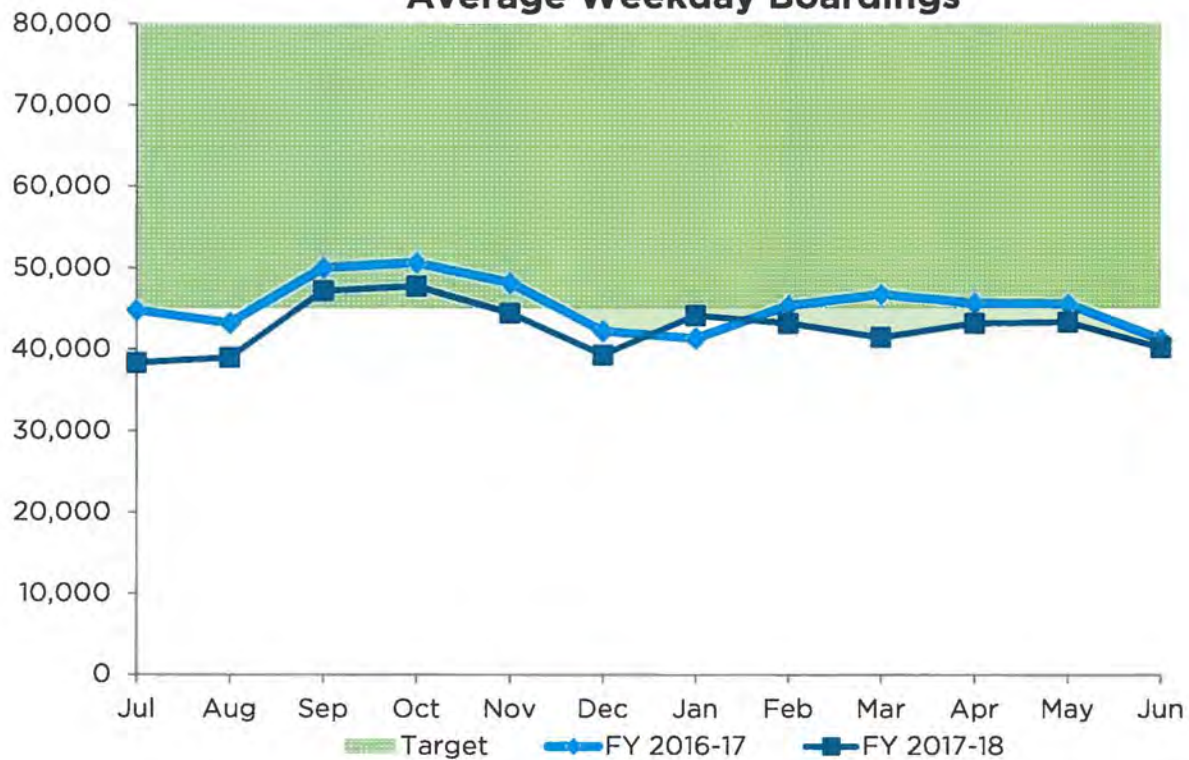




**Average Weekday Boardings**

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 FY17-18 performance target for average weekday boardings is to achieve at least 45,034 average weekday boardings. In FY17-18, there were 42,651 average weekday boardings, which is a seven percent decrease from the previous year and which does not meet the target. This fiscal year, staff have implemented various campaigns with the goal of attracting ridership to the system. This includes the Class Pass, Summer Destinations, Food and Dining Destinations, Summer Concert Series, National Night Out, and New Residents campaigns.

**Average Weekday Boardings**





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

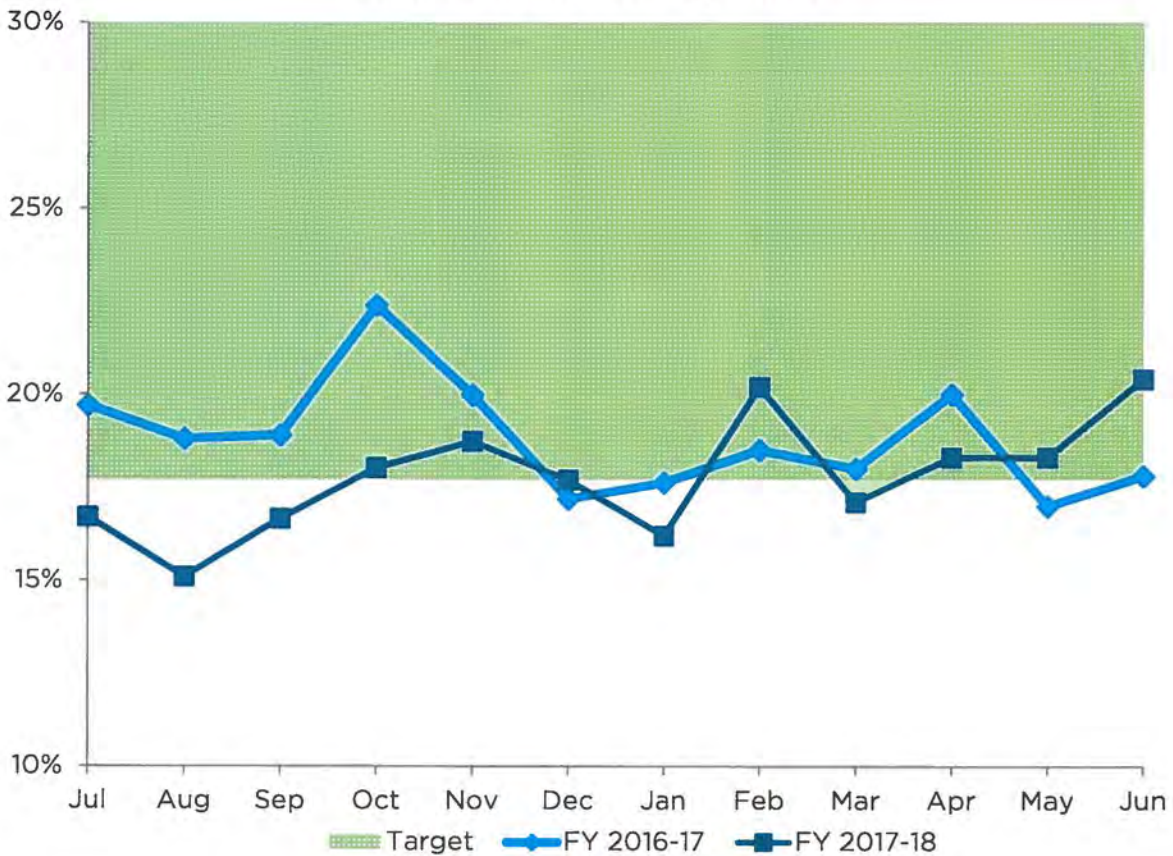
Foothill Transit measures its overall efficient use of available resources by monitoring the average cost per vehicle service hour and farebox recovery ratio.

**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 FY17-18, the Farebox Recovery Ratio was 17.72 percent, meeting the target of 17.7 percent.

Despite a continued decline in customer boardings, farebox recovery ratio has stabilized with the implementation of the October 2017 fare restructuring.

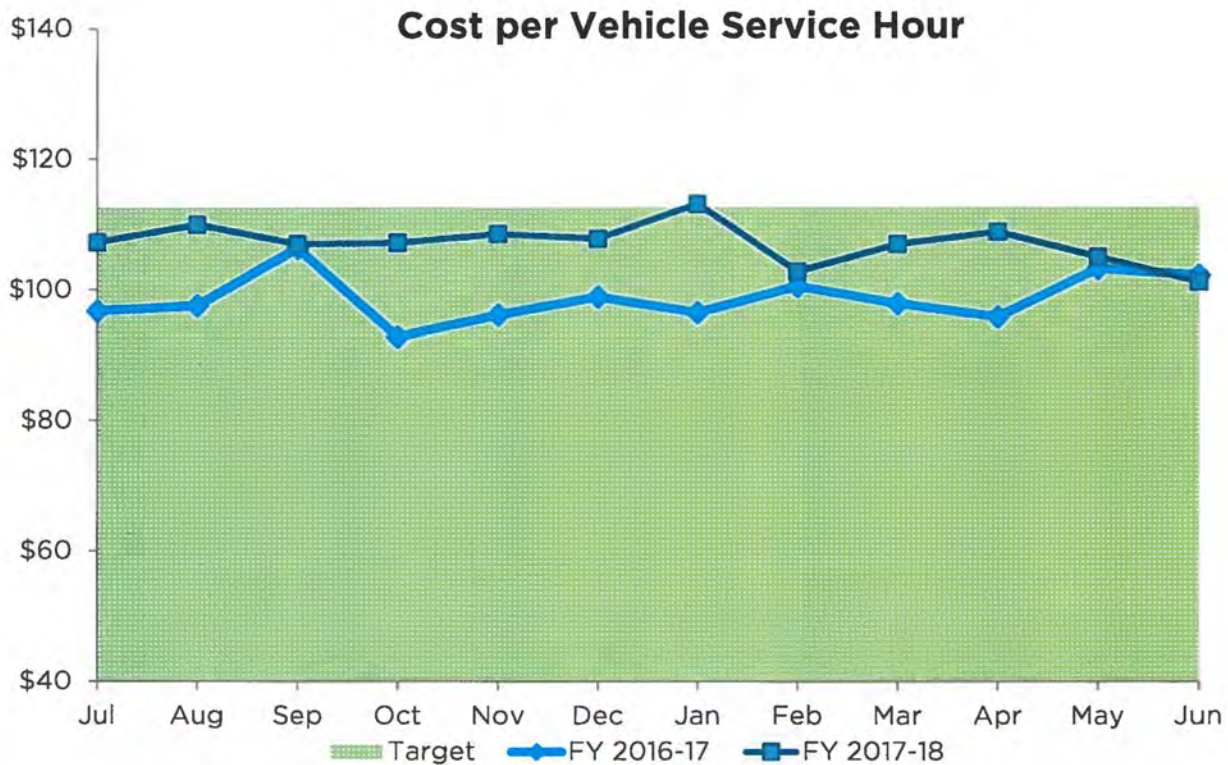
**Farebox Recovery Ratio**





**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 FY17-18 was \$106.87, which meets the fiscal year target of less than \$112.63, and is eight percent higher than the previous fiscal year. This variance is due to the increase in operating expenses associated with the Pomona and Arcadia operations and maintenance contracts.



Sincerely,

LaShawn King Gillespie  
Director of Customer Service and Operations

Doran J. Barnes  
Executive Director

**Foothill Transit**  
**Monthly Key Performance Indicators**  
**June 2018**

Goal	Performance Indicator	June FY 2018	Met KPI Target?	June FY 2017	% Improvement Over Same Month Last Year	FY 2017-2018 Year-End	Met KPI Target?	FY 2016-2017 Year-End	% Improvement	Performance Target
<b>Overall System Performance</b>	Total Boardings	<b>1,008,263</b>	-	<b>1,054,209</b>	(4%)	<b>12,543,650</b>	-	13,561,124	(8%)	
	Vehicle Service Hours	<b>71,417</b>	-	<b>72,554</b>	(2%)	<b>862,975</b>	-	870,572	(1%)	
	Total Fare Revenue	<b>\$1,478,096</b>	-	<b>\$1,319,531</b>	12%	<b>\$16,343,392</b>	-	\$16,082,347	2%	
	Total Operating Expense	<b>\$7,229,008</b>	-	<b>\$7,414,906</b>	3%	<b>\$92,223,224</b>	-	\$86,052,799	(7%)	
<b>Safety</b>	Preventable Accidents per 100,000 Miles	<b>0.89</b>	No	<b>0.69</b>	(29%)	<b>0.85</b>	No	0.74	(14%)	≤ 0.70
<b>Customer Service</b>	Schedule Adherence	-	-	<b>83.2%</b>	-	-	-	81.4%	-	≥ 83%
	Miles Between Mechanical Service Interruptions	<b>21,110</b>	Yes	<b>31,442</b>	(33%)	<b>26,860</b>	Yes	30,171	(11%)	≥ 20,000
	Complaints per 100,000 Boardings	<b>17.6</b>	Yes	<b>25.6</b>	31%	<b>24</b>	No	21	(14%)	≤ 20.00
<b>Effectiveness</b>	Boardings per Vehicle Service Hour	<b>14.1</b>	No	<b>14.5</b>	(3%)	<b>14.5</b>	No	16	(7%)	≥ 15.5
	Average Weekday Boardings	<b>40,212</b>	No	<b>41,222</b>	(2%)	<b>42,651</b>	No	45,620	(7%)	≥ 45,034
<b>Efficiency</b>	Farebox Recovery Ratio	<b>20.4%</b>	Yes	<b>17.80%</b>	15%	<b>17.72%</b>	Yes	18.69%	(5%)	≥ 17.70%
	Average Cost per Vehicle Service Hour	<b>\$101.22</b>	Yes	<b>\$102.20</b>	1%	<b>\$106.87</b>	Yes	\$98.85	(8%)	≤ \$112.63

**Foothill Transit  
Monthly Operations Report  
June 2018**

<b>Goal</b>	<b>Performance Indicator</b>	<b>June FY 2018</b>	<b>June FY 2017</b>	<b>% Improvement Over Same Month Last Year</b>	<b>FY 2017-2018 Year-End</b>	<b>FY 2016-2017 Year-End</b>	<b>% Improvement</b>
<b>Operations</b>	Average fare per boarding	<b>\$1.47</b>	\$1.25	17.1%	\$1.30	\$1.19	9.9%
	Average cost per boarding	<b>\$7.17</b>	\$7.03	2%	\$7.35	\$6.35	16%
	Average subsidy per boarding	<b>\$5.70</b>	\$5.78	(1%)	\$6.05	\$5.16	17%
	Total vehicle miles	<b>1,456,622</b>	1,446,322	1%	17,426,091	17,618,116	(1%)
	Vehicle service miles	<b>1,023,626</b>	1,042,859	(2%)	12,398,558	12,525,040	(1%)
	Total vehicle hours	<b>100,532</b>	92,766	8%	1,145,923	1,148,635	(0%)
	In-service speed (mph)	<b>14.33</b>	14.37	(0%)	14.37	14.39	(0%)
	Boardings per vehicle service mile	<b>0.98</b>	1.01	(3%)	1.01	1.08	(7%)



August 24, 2018

To: Executive Board

Subject: **August 2018 Legislative Summary**

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**Recommendation**

Receive and file the August 2018 Legislative Summary. Adopt an oppose position on Proposition 6.

**Analysis**

A summary of state and federal legislation and corresponding status is attached. Board members should note that staff recommends an oppose position on Proposition 6.

***State Issues:***

The repeal of SB 1, last year's bill to increase the gas tax, has been assigned its proposition number by the Secretary of State. A minimum of 585,407 signatures were required to place the measure on the ballot and over 900,000 were submitted. The measure will appear as Proposition 6 on the November statewide ballot. Voters will now determine the fate of more than \$5 billion in annual funding to repair and upgrade the state's transportation infrastructure, including more than \$1 billion a year available to public transit systems.

There were four core elements to SB 1, to tackle a maintenance backlog of approximately \$130 billion for highways, roads, and bridges:

- Last November, the base excise tax on gasoline increased by 12 cents per gallon. Another price-based excise tax will reset in July 2019 to about half a cent more than what officials estimate it will be at that time, and then it will continue adjusting for inflation beginning the following year.
- The base excise tax for diesel fuel increased by 20 cents per gallon last November and will begin adjusting for inflation in July 2020. An additional 1.75 percent sales tax also more than tripled to 5.75 percent.
- In January, a new "transportation improvement fee" for car registrations took effect through the Department of Motor Vehicles. The DMV previously had a base registration of \$53, but it now ranges from \$25 to





\$175 depending on the value of the vehicle. Those fees will adjust for inflation beginning in 2020.

- In July 2020, a \$100 "road improvement fee" for zero-emission vehicles kicks in, with adjustments for inflation starting the following year.

These taxes and fees are expected to generate \$52 billion for California's transportation needs over the next decade. The majority of that will go toward road rehabilitation and maintenance, half for state highways and half for city and county streets. SB 1 sets an ambitious goal for repairs so that by 2027, at least 98 percent of state highway pavement is in good or fair condition. At the local level, the emphasis is on creating "complete streets," which are safer for pedestrians and bicyclists. About a quarter of the money is designated for other purposes, including upgrades for bus and light-rail systems, improving the movement of goods from the state's ports, and reducing traffic on some of the most heavily-congested travel corridors.

Under the first year of funding (FY18-19) from SB 1, it is estimated that Foothill Transit will receive an additional \$2,667,955 of State Transit Assistance (STA) funding and \$1,226,410 of State of Good Repair funding for a total of \$3,894,365. Determining future year amounts is difficult because of fluctuations in the overall gas tax and the need for each year's funding marks from Metro to give us specific numbers. The additional \$3.9 million in funding will be used for much needed capital and operating expenses.

The California Legislature returned from its summer recess on August 6. Committee and floor hearings will keep things very busy in Sacramento, as the Legislature hits the home stretch, with session ending on August 31. The last two weeks of the month will be busy ones with only Conference and Rules Committee meetings and likely long floor sessions conducted in each house.

***Federal Issues:***

On July 23, Chairman of the House Committee on Transportation and Infrastructure, Bill Shuster (R-Pa.), released a "draft discussion" bill on an infrastructure investment package. While Chairman Shuster did release this bill on his own, it is meant to spur bipartisan discussion on the underinvestment in America's aging infrastructure. It is hoped that this discussion will include congressional Republicans and Democrats, the Administration, and the transportation infrastructure industry. This plan does keep transit in the Highway Trust Fund (HTF), but it also proposes that all



HTF recipients, including certain public transportation bus and rail operating agencies, contribute to the trust fund as well.

The discussion draft, which Shuster said reflects input from lawmakers on both sides of the aisle and from infrastructure groups, would boost taxes on gasoline and diesel by 15 cents and 20 cents per gallon, respectively, phased in over three years and then indexed to inflation. The taxes would cease to exist after Fiscal Year 2027-2028, with the goal being to usher in a new revenue source to cover the costs of U.S. infrastructure projects. "By ensuring its short-term solvency, we can thoughtfully look at the future needs of the HTF and produce a solution that fully supports appropriate investment in our Nation's vital transportation infrastructure," Shuster said in a "vision statement" accompanying his discussion draft.

The proposal includes establishing a 15-person Highway Trust Fund Commission to develop a legislative proposal to ensure the fund's long-term solvency, but that recommendation cannot include levying a tax on fuels. The proposal would then go to Congress for an up-or-down vote. The draft also would create a voluntary pilot program to test the feasibility of a nationwide per-mile user fee to replace the gas tax. The federal government would provide different ways to track the mileage, from apps to in-car diagnostic systems to manual reporting by states and would have to maintain "equitable geographic distribution" among volunteers. The Treasury Secretary would have to calculate refunds for participants of the motor fuel taxes they already pay at the pump.

**Budget Impact**

Adopting an oppose position on Proposition 6 does not have a direct budget impact on Foothill Transit, however passage of Proposition 6 would mean the loss of approximately \$3.9 million in state operating and capital funds for Foothill Transit.

Sincerely,

David Reyno  
Director of Government Relations

Doran J. Barnes  
Executive Director

Attachment

## 2018 Legislation Summary

Current as of 8/9/2018

(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.	Passed by the Legislature. Vetoed by the Governor on 10/15/2017		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

## 2018 Legislation Summary

Current as of 8/9/2018

(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
		<p>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.</p>				
AB 327	Gipson	<p>For more than three years, the California Transit Industry has been engaged with the California Air Resources Board (CARB) on the development of the Innovative Clean Transit regulation. The ICT regulation, which is currently available as a draft summary, is expected to be adopted in September 2018 and will require transit agencies across the state, including in the jurisdiction of the SCAQMD, to begin to purchase zero-emission buses in the early 2020s. While there is still work to be done to finalize the framework of this statewide regulation, the potential for transit agencies to reach agreement with CARB could be jeopardized by the possibility of local regulatory action.</p> <p>AB 327 would authorize the South Coast Air Quality Management District (SCAQMD) to adopt rules and regulations that require operators of public and commercial fleet vehicles, including public transit agencies, to purchase the cleanest commercially available vehicles that will meet the operator's operational needs.</p>	<p>Foothill Transit has been actively involved in providing input to help craft the ICT regulation. The ICT will put clarity on what is required of us going forward with the purchase of our clean bus fleet. A separate local rule will complicate the process and make appropriate fleet purchase planning very difficult.</p>	<p>Committees on Environmental Quality and Transportation &amp; Housing</p>	<p>CTA - Oppose</p>	<p><b>Oppose Position Adopted 6/29/2018</b></p>

## 2018 Legislation Summary

Current as of 8/9/2018

(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
		We are concerned that additional regulatory action by the SCAQMD, because it is unspecified in AB 327, could be incompatible with the requirements ultimately established by CARB.				
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.	Signed by the Governor & Chaptered by the Secretary of State - 7/21/2017	CTA - Support	Support Position Adopted 3/24/2017
AB 1756	Brough	This bill would repeal SB 1 which is now known as the Road Repair and Accountability Act of 2017	This bill will mean a loss of additional state transit funding Foothill Transit would receive under the new law.	Assembly Committee on Transportation		Oppose Position Adopted 2/23/2018
AB 2304	Holden	This bill would require the Department of Transportation to submit a report to specified committees of the Legislature on or before January 1, 2022, on the status of transit pass programs statewide.	This bill would provide an assessment on statewide transit pass programs and highlight Foothill Transit's successful Class Pass, which could lead to state funding for these programs.	Senate Committee on Rules		Support Position Adopted 4/13/2018
AB 3201	Daly	This bill would require the California Air Resources Board (ARB) to create a five-year plan for developing, deploying, and investing in, cleaner heavy-duty truck and bus technologies, and incentive funding to be used to meet current and future regulatory compliance obligations, like the Innovative Clean Transit regulation.	This bill will assist Foothill Transit's electric bus program by clarifying the Legislature's support for a well-funded and stable transition to a zero-emission transit bus fleet by ensuring transit agencies retain access to vital incentive funding.	Assembly Committee on Appropriations	CTA - Support	Support Positions Adopted 4/13/2018

## 2018 Legislation Summary

Current as of 8/9/2018

(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
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 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.	This bill would protect Foothill Transit's dedicated state transportation funds from being diverted for other purposes.	Signed by the Governor & Chaptered by the Secretary of State - 4/17/2017	CTA - Support	Support Position Adopted 5/2/2017
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	Oppose Position Adopted 6/30/2017

## 2018 Legislation Summary

Current as of 8/9/2018

(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
SB 1434	Leyva	This bill would support and accelerate the deployment of battery-electric transit buses by requiring the California Public Utilities Commission (PUC) to initiate a ratemaking proceeding that addresses the high cost of electricity as a fuel with the goal of securing an electricity rate structure that supports widespread transit electrification.	This bill would be very important to Foothill Transit as we add more electric buses to our fleet by providing certainty to the electricity rate structure we are subject to, thus allowing us to plan and budget accordingly and lead to reduced operating costs.	<b>Assembly Committee on Appropriations</b>	CTA - Support	Support Positions Adopted 4/13/2018
Prop 69		ACA 5, last year's measure enabling voters to ensure revenues from SB 1 will be dedicated to transportation purposes, has been assigned its proposition number by the Secretary of State. The measure will appear as Proposition 69 on the June statewide ballot. Last year the Legislature acted to place the measure on the ballot this year, as part of the process of passing SB 1.	Intended to nullify concerns that SB 1 funds will be diverted away from their intended purposes. Prop 69 requires a simple majority approval by voters to be codified in the state constitution.	June 2018 State Ballot	CTA - Support	Support Position Adopted 2/23/2018
<b>Prop 6</b>		<b>The repeal of SB 1, last year's bill to increase the gas tax, has been assigned its proposition number by the Secretary of State. 585,407 signatures were required and over 900,000 were submitted. The measure will appear as Proposition 6 on the November statewide ballot. Voters will now determine the fate of more than \$5 billion in annual funding to repair and upgrade the state's transportation infrastructure, including more than \$1 billion a year available to public transit systems.</b>	<b>Under the first year of funding (FY19) from SB 1, it is estimated that Foothill Transit will receive an additional \$2,667,955 of State Transit Assistance (STA) funding and \$1,226,410 of State of Good Repair funding for a total of \$3,894,365. Determining future year amounts is difficult because of fluctuations in the overall gas tax and the need for each year's funding marks from Metro to give us specific numbers. This additional \$3.9 million in funding will be used for much needed operating expenses.</b>	<b>November 2018 State Ballot</b>	<b>CTA - Oppose</b>	<b>Oppose</b>



August 24, 2018

To: Executive Board

Subject: **Contract Award - Camera Surveillance System Installation at Covina Transit Center and Park & Ride**

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**Recommendation**

Authorize the Executive Director to negotiate final terms and conditions and execute an agreement with Leverage Information Systems, Inc. in the amount of \$181,556.55 to furnish and install a camera surveillance system at the Covina Transit Center and Park & Ride and maintain the system for a period of one year.

**Analysis**

In January 2016, the City of Covina, private developer MLC Holdings/Meritage Homes, and Foothill Transit began the process of developing a transit-oriented mixed-use development project. The project, also referred to as the Covina Forward Project, is comprised of a residential community, transit center, and city event and/or business innovation center. The Transit Center component will consist of a parking structure, retail building, bus bays, and provisions for an electric bus charging station.

After three study sessions with the Covina City Council and Planning Commission, in November 2016, the Covina City Council certified the CEQA Environmental Impact Report (EIR) and approved the General Plan Amendment, Covina Forward Specific Plan, Zone Change, Site Plan Review and other entitlements related to the Covina Forward Project. Under the City of Covina's Site Plan Review (SPR) 16-033 Conditions of Approval section (C)(1) approved by the Covina City Council, Foothill Transit is required to install a camera system at the transit center for 24/7 monitoring access by the Covina Police Department. The Covina Transit Center camera system will be integrated into the City's existing Citywide Camera System. Currently the City contracts with Leverage to supply, install, and maintain equipment pertaining to the City's Citywide Camera System.

To comply with the City's Conditions of Approval for the Covina Transit Center, a sole source procurement with Leverage, the same vendor the City of Covina is using to maintain the city's surveillance camera system, is recommended. Staff has met with Covina Police Department to review and approve the surveillance design concept at the Transit Center. As outlined in





SPR 16-033, Conditions of Approval, the required security cameras shall be installed to the satisfaction of the Police Chief and go live prior to release of occupancy for the three-level park & ride vehicular parking structure.

Description	Costs
Design, Hardware, Installation Material, Installation Labor, Bonding, and Tax	\$170,206.45
Maintenance & Warranty - Including Onsite Support 1 <sup>st</sup> year	\$11,350.10
<b>Grand Total</b>	<b>\$181,556.55</b>

Included in the supporting documents attached are the price proposal received from Leverage Information Systems, Inc, the Conditions of Approval and Site Plan Review approved by the City Council for the City of Covina in November 2016, and the draft agreement.

**Budget Impact**

The approved FY18-19 Business Plan includes funding for camera surveillance system at the Covina Transit Center and Park & Ride.

Sincerely,

  
Sharlane R. Bailey  
Director of Facilities

  
Doran J. Barnes  
Executive Director

  
Michelle Lopes Caldwell  
Director of Finance and Treasurer

  
Christopher Pieper  
Procurement Manager

Supporting Document: [Attachment](#)



August 24, 2018

To: Executive Board

Subject: **Contract Award - Data Storage Support and Maintenance**

---

### **Recommendation**

Authorize the Executive Director to finalize contract terms and conditions and execute a three-year agreement in the amount of \$193,163.94 with Converge One to upgrade and install the Pure Storage data storage solution at the Foothill Transit administrative office.

### **Analysis**

Foothill Transit's existing data storage equipment is approaching its sixth year of use and the end of its warranty period. The existing NetApp data storage annual support and maintenance cost has increased as warranties have begun to expire on older equipment.

The options for replacing this older equipment are to either:

1. Continue with the existing solution that has hardware that is reaching the end of life, and will no longer be supported;
2. Continue to use NetApp, but completely replace the existing hardware with new hardware; or
3. Replace the existing solution with the Pure Storage solution.

Pure Storage utilizes the latest technologies known as flash storage. Flash storage does not rely on the older technology of hard disk drives and instead utilizes solid state memory. Of the options available, entering into an agreement with Pure Storage is most advantageous because the Pure Storage solution has no moving parts and will have lower capital costs as well as lower ongoing maintenance costs.

The Pure Storage solution will result in better throughput and faster data access, which is very critical to the providing the best functionality of Foothill Transit's new CAD/AVL software. Pure Storage has also been vetted by Cisco Engineers for 100 percent compatibility with our Cisco infrastructure.

Request for Quotes (RFQ) No. 19-012 was issued directly to authorized Pure Storage resellers who have signed the California participating addendum to the firm's National Association of State Procurement Officials (NASPO)



ValuePoint cooperative purchasing agreement. Similar to Government Services Association (GSA), NASPO ValuePoint is a competitively priced schedule of goods that uses cooperative purchasing agreements with multiple governmental entities to drive down costs. Under the framework of the cooperative agreement, participating firms must match or price below the schedule pricing. This leveraged buying power resulted in an initial schedule pricing discount that is 38.6% (\$112,610.72) below list price.

A total of three quotes were received, with Converge One being the lowest priced responsive vendor. The firm's quote was an additional 2.8% (\$5,095.10) below the NASPO ValuePoint schedule price. Converge One is a Pure Storage authorized vendor who has successfully implemented this solution at a number of organizations, including AC Transit, and Spokane Transit Authority.

ConvergeOne	Enterprise Networking Solutions	SHI Intl
\$193,163.94	\$213,926.83	\$202,533.66

Included in the supporting documents attached are the original Request for Quotes solicitation, the quotes received in response to the solicitation, original schedule pricing sheets and the draft agreement incorporating agency terms and conditions along with the NASPO ValuePoint state and participating agreements.

The cost of the data storage solution is \$193,163.94, which includes delivery and installation of the equipment.


**Budget Impact**

The cost of the Pure Storage solution is included in the FY 2018-2019 Information Technology capital budget under Data Center Update and Replacement project

Sincerely,

  
Roy Eseyan  
Information Technology Manager

  
Doran J. Barnes  
Executive Director

  
Michelle Lopes Caldwell  
Director of Finance and Treasurer

  
Christopher Pieper  
Procurement Manager

Supporting Documents: [Attachment](#)



August 24, 2018

To: Executive Board

Subject: **Contract Award - Downtown Los Angeles Layover Improvements - 17<sup>th</sup> Street and Grand Avenue (Site 1)**

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### **Recommendation**

Authorize the Executive Director to finalize and enter into Agreement No. 18-053 with Palp, Inc. dba Excel Paving Co. in the amount of \$723,795 for construction repairs and improvements for the downtown Los Angeles mid-day layover site at the intersection of 17<sup>th</sup> Street and Grand Avenue (Site 1).

### **Analysis**

Foothill Transit has been in discussions with representatives of Caltrans, the L.A. Mayor's office, and the L.A. Department of Transportation (LADOT) since early 2017 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 midday layover location for Foothill Transit's commuter fleet. The project has evolved since that time. This board report will provide some history of the project and conclude with an analysis of bids received for construction improvements at the 17<sup>th</sup>/Grand location.

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. At the end of each westbound morning peak period, 65 buses return out of service (deadhead) to the Pomona Operations and Maintenance facility before these buses deadhead back to downtown Los Angeles to transport customers eastbound on their return trip home. The mid-day layover location will allow Foothill Transit commuter buses to layover in downtown Los Angeles near the last westbound drop-off location in the morning and the first eastbound pick-up location in the afternoon. The project would result in a reduction in miles traveled, fuel costs, and related vehicle maintenance costs.

### **June 2017**

A layover location was identified as a 3.28-acre lot owned by Caltrans and located at the intersection of 16<sup>th</sup> Street and Maple Avenue in downtown Los Angeles (Site 2, see Attachment A). To readily secure the property under lease, it was agreed that Foothill Transit would enter into a short-term lease



through December of 2018 and LADOT would then enter into a long-term lease beginning in January 2019. At the June 2017 Executive Board meeting, the Board authorized the Executive Director to enter into a lease agreement with Caltrans for the property located at the intersection of 16<sup>th</sup> Street and Maple Avenue in downtown Los Angeles.

### **August 2017**

A second Caltrans site became available (Site 1, see **Attachment A**). The 1.25-acre property is located at 17<sup>th</sup> Street and Grand Avenue. At the August 2017 Executive Board meeting, the Board authorized the Executive Director to enter into a lease agreement with Caltrans for the 1.25-acre property. Foothill Transit and LADOT would move forward with development of both locations, Sites 1 and 2.

### **February 2018**

At the February 2018 Strategic Planning Workshop meeting, the Board authorized the issuance of IFB No. 18-052 and 18-053 for construction repairs and improvements related to the downtown Los Angeles mid-day layover sites located at 17<sup>th</sup>/Grand (Site 1) and 16<sup>th</sup>/Maple (Site 2). Site 1 would move forward with design and construction first, due to the less complex nature of the site. Capital improvements for the site would be shared with Antelope Valley Transit Authority (AVTA) who expressed interest in sharing the site for mid-day bus layover. Partnering with AVTA on use of the Site 1 location would help to defray the costs, as AVTA would be responsible for a proportionate share of the overall operating and capital improvement costs for the site.

### **April 2018**

Subsequently, at the April 2018 Executive Board meeting, the Board authorized the Executive Director to enter into a Memorandum of Understanding (MOU) with the Los Angeles Department of Transportation (LADOT) and the Antelope Valley Transit Authority (AVTA) regarding shared use of the mid-day layover sites. The MOU stipulates that the capital and operating costs for the downtown layover location(s) will be shared proportionally according to the space occupied by each agency, and according to the daily hours that each agency will utilize the space. The MOU is currently being finalized with the three partnering agencies.

Staff also provided an update to the Board regarding estimated capital costs for both sites, Site 1 and 2. The engineer's estimate for the planned improvements to Site 1 lot is \$894,000 and the rough order of magnitude



cost of the planned improvements to Site 2 is \$3.1 million. The increased estimated amounts are a result of more substantial modifications and improvements required to accommodate bus access in and out of the layover sites, and changes to comply with the City of LA and Caltrans requirements. Given the increased estimated capital costs, the direction from the Board was to seek grant funding to assist with the capital improvements. If unsuccessful in obtaining a grant, the recommendation was to move forward with development of only the Site 1 location. Foothill Transit, along with LADOT and AVTA, submitted an application to the countywide Bus Operators Subcommittee (BOS) to fund 80 percent of the cost of the capital improvements needed to complete the downtown mid-day layover facility construction. The grant application to BOS was successful and Foothill Transit, LADOT and AVTA were awarded \$3.23 million to fund capital improvement costs for Site 1 and Site 2 midday layover sites in Downtown Los Angeles. With the award of the BOS grant, the project would move forward with both Sites 1 and 2.

**July/August 2018**

IFB 18-053 for construction repairs and improvements related to the downtown Los Angeles midday layover for Site 1 was issued on June 27, 2018. The solicitation was sent to 131 vendors using the agency's E-Procurement platform, PlanetBids. When registering, each vendor selects from a list of standardized commodity codes indicating what type of agency project they would like to receive solicitation notices for. An additional 250 vendors were contacted using the Bid Broadcast feature, which notifies vendors registered with other local agencies based on the commodity codes selected. The IFB solicitation notice was also published in the San Gabriel Valley Tribune and Inland Valley Daily Bulletin newspapers. In total, 40 firms downloaded the solicitation documents. On July 12, 2018 a site visit and pre-bid conference was conducted with 13 potential bidders attending.

Bids were due on August 8, 2018 and a public bid opening was held, where a total of two bids were received. Bids were received from Palp, Inc. dba Excel Paving Company and All American Asphalt. After bid clarifications and reference checks were completed, Staff determined the lowest responsive and responsible bidder to be Palp, Inc. dba Excel Paving Company.



<b>Vendor</b>	<b>Palp, Inc. dba Excel Paving Company</b>	<b>All American Asphalt</b>
<b>Total Contract Price</b>	<b>\$723,795.00</b>	<b>\$858,570.00</b>

Excel Paving, founded in 1978, is a general contractor based in the City of Long Beach with years of experience delivering projects that include road and freeway construction, rail yards, and airport facilities. Their clients include the City of Los Angeles, City of Ontario, City of Walnut, and the Bob Hope Burbank Airport.

The scope of work for Site 1 includes construction of new driveways, repaving, column protection, and striping of the lot, removal and relocation of trees, relocation of roadway and freeway access signage, etc. Site 1 will have space for approximately 45 buses and will be shared with Antelope Valley Transit Authority (AVTA).

Included in the supporting documents attached are the original Invitation for Bids solicitation, site drawings and specifications included in the solicitation, all addenda to the IFB, all bids received in response to the solicitation, responsibility determination form and the draft agreement.

When completed, the 17<sup>th</sup>/Grand mid-day layover site will help Foothill Transit and our partner agencies on this project in our goal to reduce operating costs, mileage accumulation on the fleet, and greenhouse gas emissions.

Execution of this contract will be contingent on final execution of the MOU between AVTA, LADOT, and Foothill Transit.



**Budget Impact**

Foothill Transit's share of the cost to make the improvements necessary for mid-day bus parking at the 17<sup>th</sup>/Grand site is \$41,582. AVTA and LADOT will contribute \$14,463 and \$124,746, respectively to cover the remainder of the 20 percent of the cost of the work on this site that is not funded by the BOS grant. Funding for this project is included in the Foothill Transit FY18-19 Business Plan and Budget, Capital Programs, DTLA Layover Parking Improvements.

Sincerely,

  
Vincent Saucedo  
Construction Project Manager

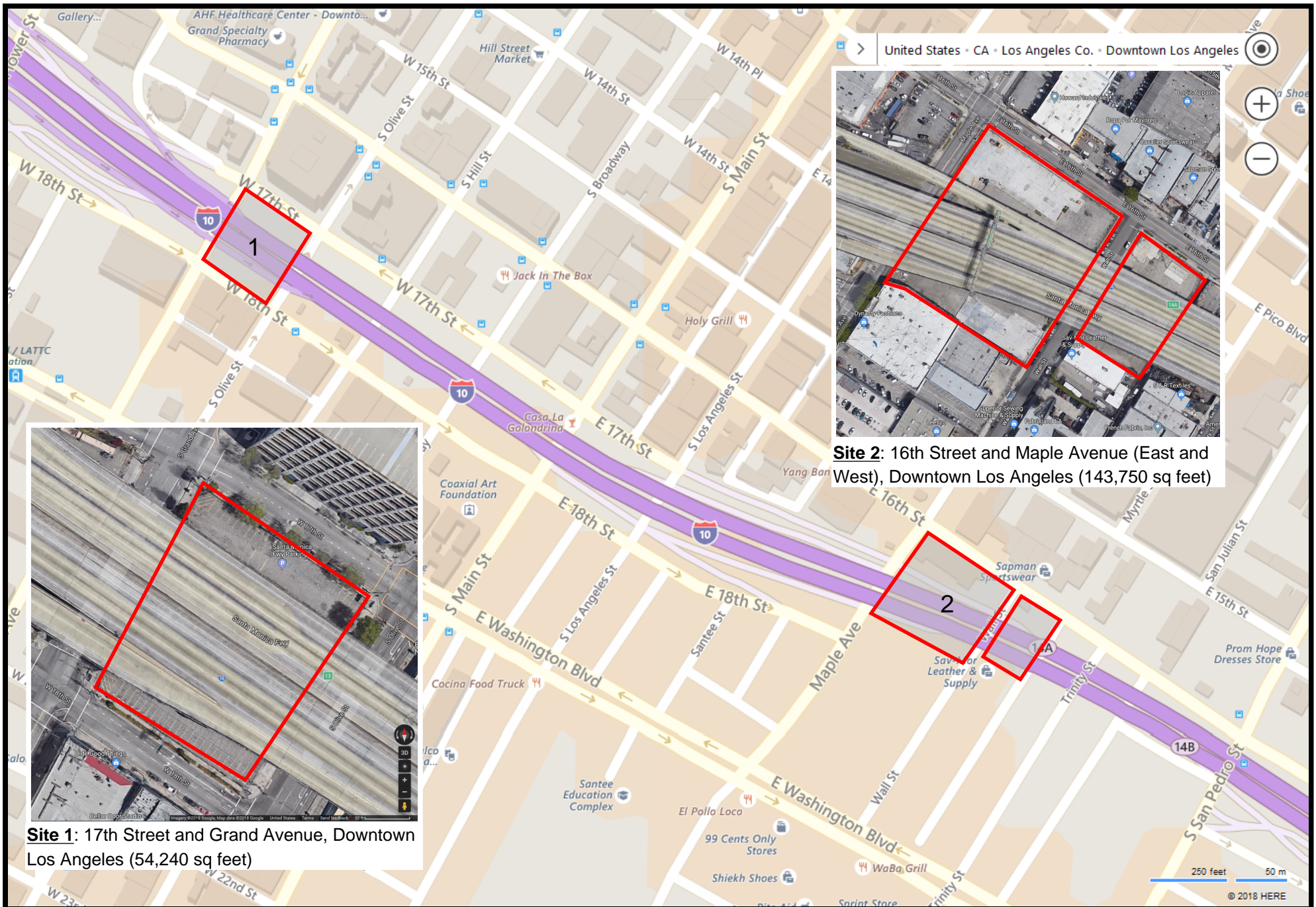
  
Doran J. Barnes  
Executive Director

  
Michelle Lopes Caldwell  
Director of Finance and Treasurer

  
Christopher Pieper  
Procurement Manager

Supporting Documents: [Attachment](#)





## ATTACHMENT A: Tri-Agency Layover Site Map

Location: Downtown Los Angeles - Site 1 (17th St/Grand Ave) and Site 2 (16th St/Maple Ave)



August 24, 2018

To: Executive Board

Subject: **Bus Stop Enhancement Program (BSEP) Update**

---

### **Recommendation**

Receive and file the Bus Stop Enhancement Program (BSEP) Update.

### **Analysis**

At the February 2018 Governing Board Meeting, the Board received an update on Foothill Transit's Bus Stop Enhancement Program. There are 3,631 bus stops in Foothill Transit's service area, of which Foothill Transit owns two - the stops at the Azusa Intermodal Transit Center, the Industry Park and Ride, and leases one - the Puente Hills Mall Transit Center. The remaining stops are either city, county, or state owned.

The bus stops are the gateway to Foothill Transit's service, and the BSEP was created to financially assist member cities' enhancement of existing Foothill Transit bus stops in their jurisdiction. Eligible uses of BSEP funds include customer amenities such as shelters, lighting, accessibility improvements, trash receptacles, and technological enhancements such as real time arrival signage, or USB ports. The maximum award is \$40,000 per application and the funding must be used at the Foothill Transit bus stop.

The application period for the FY18-19 BSEP opened on May 1, 2018 and the deadline for submission of application is October 1, 2018. The program application and guidelines were sent on April 13, 2018 to all the City Managers in Foothill Transit's service area along with a listing of their city's top ten Foothill Transit bus stops based on annual boardings. The program was also presented at the Foothill Transit Regional Transit Provider's Workshop held in the Foothill Transit Administrative Offices on June 6, 2018.

Many cities have shown interest in the program and to-date we have received applications from the cities of Irwindale, Glendora, El Monte, and Baldwin Park. Immediately after the closing deadline, applications will be reviewed and each applying jurisdiction will be notified of their grant award decision by December 2018.



Special Executive Board Meeting - 8/24/18  
Bus Stop Enhancement Program (BSEP) Update  
Page 2

**Fiscal Impact**

The funding for the Bus Stop Enhancement Program is programmed in the FY18-19 budget.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Joseph Raquel'.

Joseph Raquel  
Planning Director

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

Doran J. Barnes  
Executive Director



August 24, 2018

To: Executive Board

Subject: **Silver Streak Realignment Analysis**

**Recommendation**

Receive and file this report and provide direction to staff regarding the Silver Streak realignment options.

**Analysis**

During the June 2018 Governing Board Meeting, the Board directed staff to investigate a possible realignment of the Silver Streak by relocating the Pomona stop from the Pomona Transit Center to another stop in closer proximity to the freeway. The goal of the re-alignment would be to speed up overall travel time. The analysis was undertaken and during the process staff looked at ridership, travel time, potential routing realignments and connectivity to the other routes in the system.

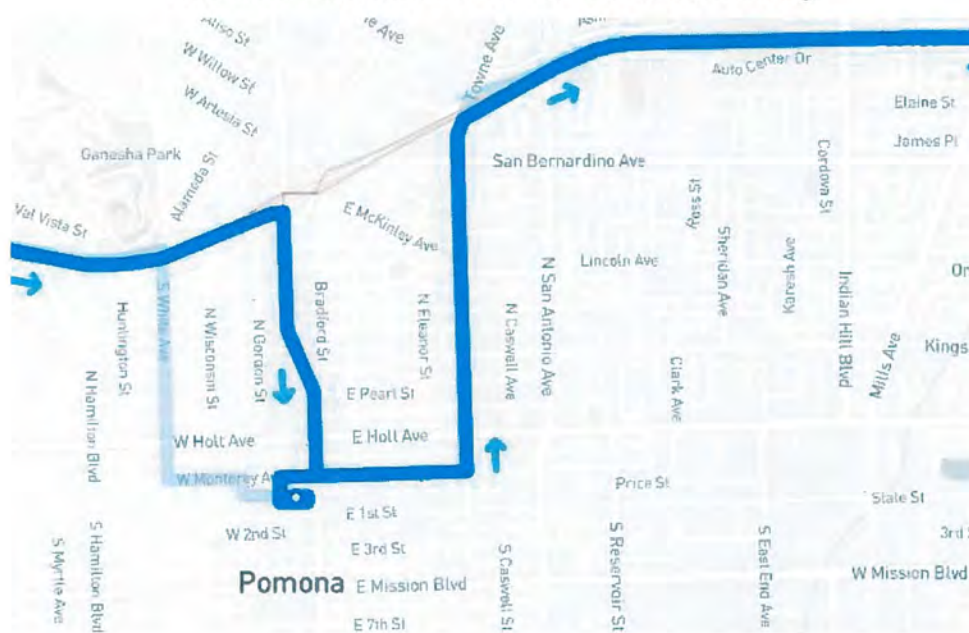
Silver Streak service was launched in 2007, and since then the line’s routing has not changed much, the only change being an extension of the western terminus in Downtown L.A. from Staples Center to the L.A. Metro Blue Line Station. The route travels between downtown L.A. and Montclair, with the majority of the stops located throughout Downtown L.A. East of El Monte Station, there are five stops; three in West Covina, one at the Pomona Transit Center, and one at the Montclair Transit Center. There are also two freeway stops along this segment, but they are both currently closed due to freeway construction.



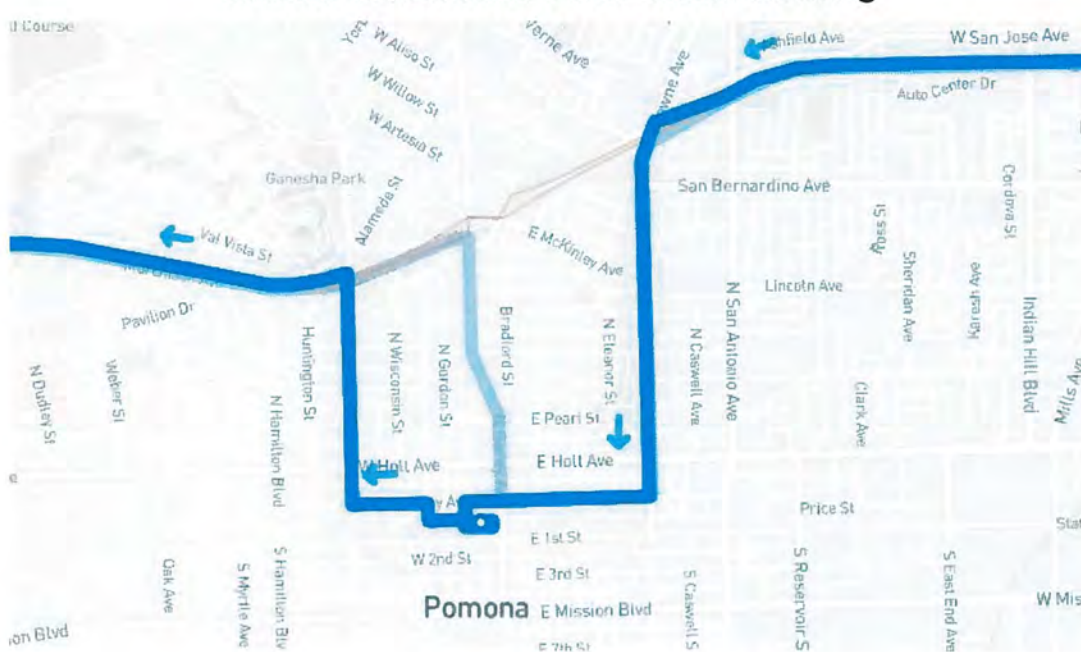


This analysis of the Silver Streak focuses specifically on the route segment in the City of Pomona. The graphics below show the current routing through Pomona:

Current Eastbound Silver Streak Routing



Current Westbound Silver Streak Routing





In this analysis, the options considered would revise the route such that the Silver Streak route would not serve Pomona Transit Center but instead serve a stop adjacent to the 10 Freeway to reduce the overall running time of the route. Staff surveyed the area and identified two options. Option 1 involves exiting the freeway at Garey Avenue and Option 2 involves exiting the freeway at Fairplex Drive.

Other exits along the 10 Freeway such as White and Towne Avenue were investigated, but neither freeway exit provided an efficient path on and off the freeway and both exits lacked transfer opportunities to other routes. The Garey Avenue and Fairplex Drive exits provide an easy path on and off the freeway for both the eastbound and westbound Silver Streak routes, and both provide a transfer opportunity to an existing Foothill Transit line. The Garey Avenue exit allows connection to Line 291 and the Fairplex Drive exit allows connection to Line 197. Both lines serve the Pomona Transit Center, which is one of the largest ridership generators on Silver Streak service.

#### **Silver Streak Option 1 - Garey Avenue Exit**

Eastbound trips using the Option 1 revised routing would exit the 10 Freeway at Garey Avenue, make a left turn to travel north on Garey, make a right at McKinley, service the new stop, then continue along McKinley to the eastbound 10 freeway on-ramp. The left turn from the freeway exit to northbound Garey Avenue will be quite challenging, however, as this is a non-signalized intersection.

Staff looked into the possibility of making a right turn onto Garey Avenue from the freeway off-ramp, making a quick left onto North Orange Grove Avenue. The challenge with this routing is that there is no convenient area for placement of a bus stop. If a stop were placed on Orange Grove, the bus would be blocking a heavily traveled traffic lane to serve customers.

The revised westbound route would have buses use the Orange Grove/Garey off-ramp, make a left at the exit to travel south on Orange Grove, turn right onto McKinley, service the stop, then proceed to the westbound 10 Freeway on-ramp.



Option 1 Garey Exit- Eastbound Routing



Option 1 Garey Exit- Westbound Routing

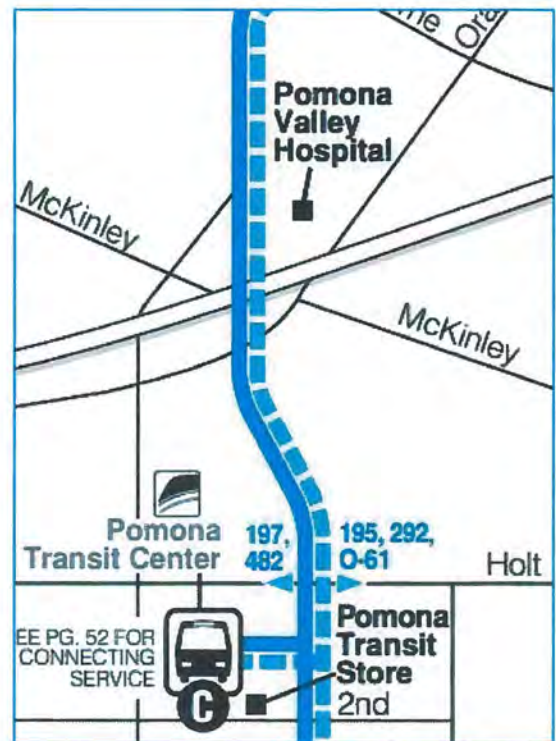
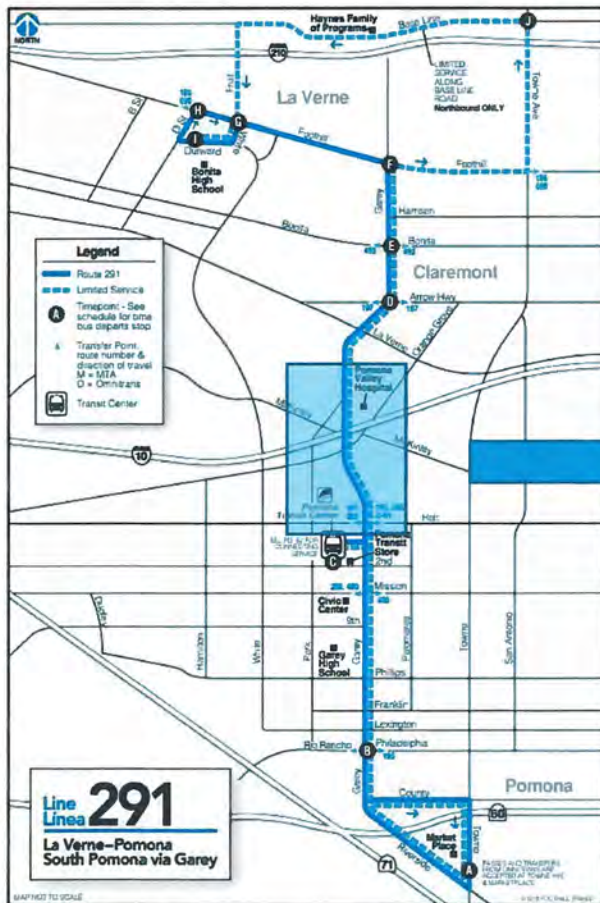




Option 1 - Transfer to/from Line 291 Stop

Customers who currently access the Silver Streak at the Pomona Transit Center will need to transfer from Line 291. Line 291 is Foothill Transit's first all-electric line that services the cities of Pomona and La Verne. Currently Line 291 has a 15 to 30 minute headway throughout the day. Since this will be the main feeder of the revised Silver Streak, the line may require more frequency to accommodate the additional customer loads as well as expanding hours of service to ensure effective connections. Customers will need to walk a tenth of a mile to get from the new Silver Streak stops to the Line 291 stops on Garey Avenue. At current levels, the annual cost to operate Line 291 based on only the contract rates is about \$2 million, if service levels are doubled, so will the operating costs.

Line 291 Route Map and Transfer Area to Silver Streak Option 1







Walking Distance from Line 291 Stop to Silver Streak Stop (Option 1)



**Option 1 - Recommended Street Improvements**

In order to avoid running time delays, it is recommended that a signal be installed at the intersection of Garey Avenue and the freeway exit at the eastbound 10 Freeway. It is also recommended that streetlights be installed at the new stops to enhance security and customer safety in the area. This is particularly important as the Silver Street operates 24 hours a day, seven days a week.



Intersection Requiring Traffic Signal (Option 1)



Eastbound Stop Location (Option 1)





Westbound Stop Option 1 - Along Orange Grove Avenue (Option 1)



Westbound Stop Option 2 - Along McKinley Avenue (Option 1)





**Shorter Travel Time and Cost Savings (Option 1)**

The Option 1 reroute of the Silver Streak away from Pomona Transit Center saves about three miles and about 12 minutes of travel time for each trip (projections based on Remix Planning software). The total annual savings would be approximately \$263,000 in revenue mile cost and \$445,600 in revenue hours cost, totaling around \$708,600 based on the FY18-19 contract rates for the Silver Streak. Some of these savings may need to be reinvested into Line 291 to provide a more streamlined connection to the realigned Silver Streak.

**Silver Streak Option 2 - Fairplex Drive Exit**

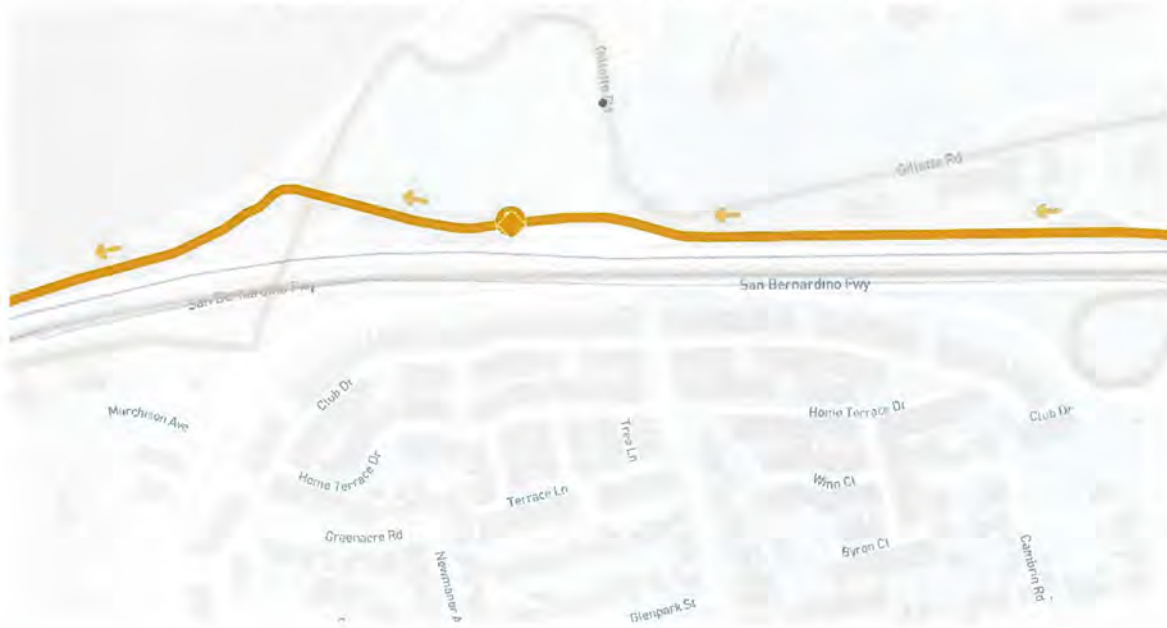
This option involves moving the Silver Streak stop to the Fairplex Park & Ride. The Silver Streak would use the same stops as Line 699 at the park & ride. The westbound Silver Streak would take the Fairplex Avenue exit, serve the westbound stop and continue toward the freeway on-ramp. The eastbound routing would mimic the current Line 699 movement, exiting the 10 freeway at Fairplex Avenue, turning north on Fairplex Avenue, turning right on Gillette Road, servicing the stop, continuing on Gillette to southbound Dudley Avenue, then using the eastbound 10 freeway on-ramp. See routing in diagram below.

Option 2 Fairplex Exit - Eastbound Routing





Option 2 Fairplex Exit - Westbound Routing

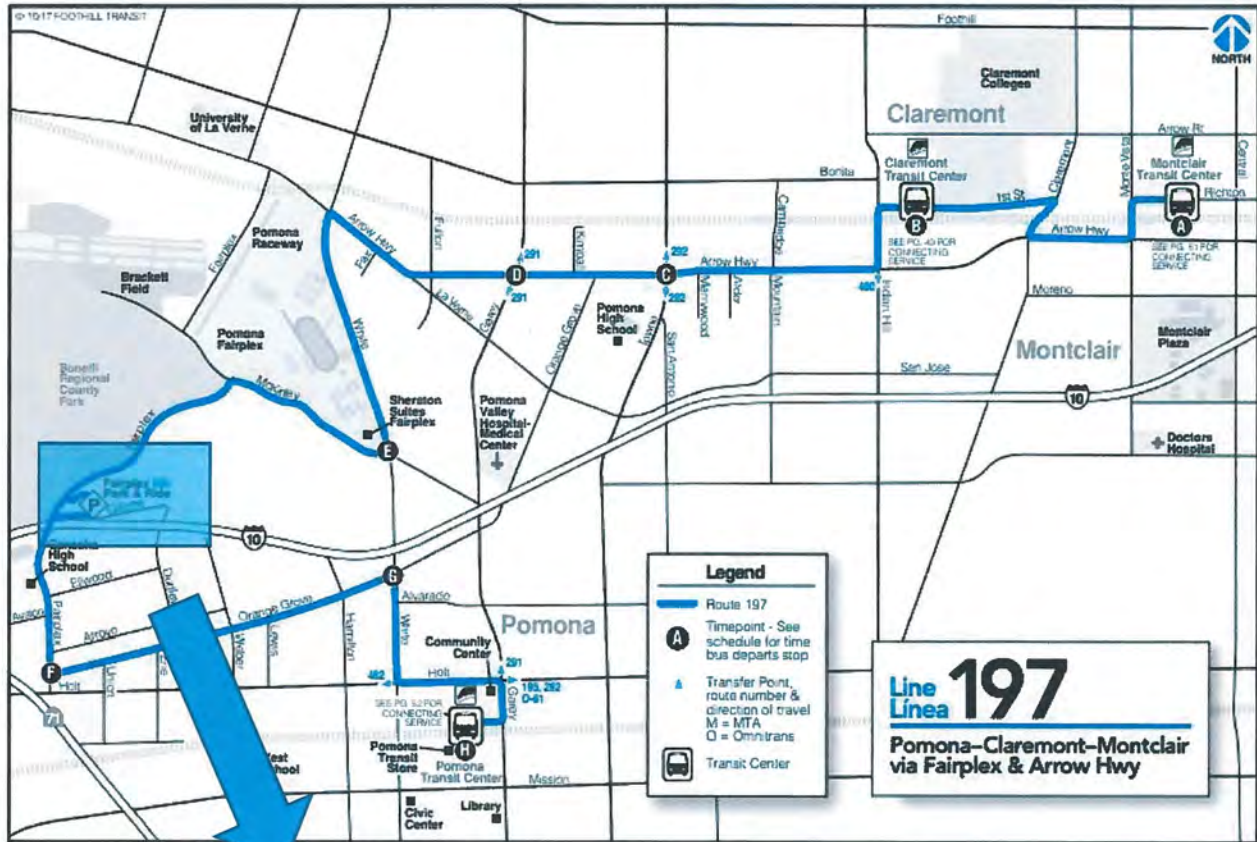


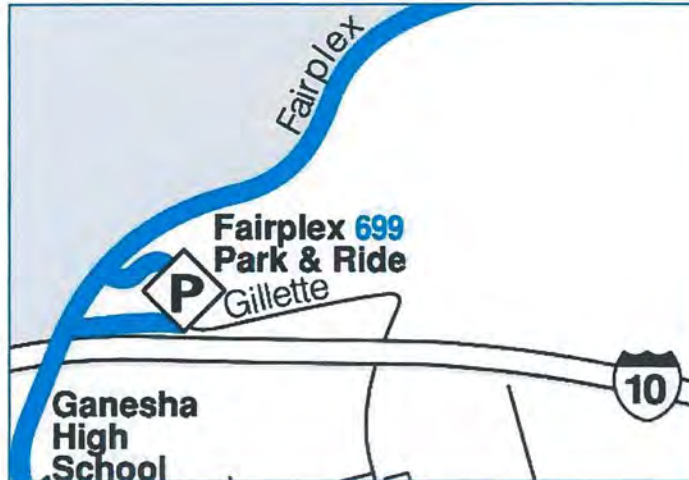
**Option 2 - Transfer from Line 197 Stop**

Customers who currently board the Silver Streak at the Pomona Transit Center would need to take Line 197 to connect with the Option 2 alignment of the Silver Streak. Line 197 provides service from Montclair to the Pomona Transit Center. Line 197 already services the Fairplex Park & Ride at the stop on Gillette Road. Currently, Line 197 provides 30-minute service, so the schedule would need to be adjusted to provide at least 15-minute frequency with expanded hours of service to meet demand, or a new route could be created to provide service between the Pomona Transit Center and the Fairplex Park & Ride. Fairplex is the only significant ridership generator in the vicinity of this location. At current levels, the operating costs of Line 197 is around \$870,000, so doubling current service levels would bring that cost up to \$1.7 million. Additional lighting may be required to enhance the safety of the stop to accommodate the 24-hour operating profile of the Silver Streak.



Route map of Line 197 and Transfer Area for Silver Streak Option 2





**Shorter Travel Time and Cost Savings (Option 2)**

Like Option 1, removing the Silver Streak from Pomona Transit Center saves about three miles and about seven minutes of travel time for each trip (projections based on Remix Planning software). The total savings would be about \$263,000 in revenue mile cost and \$267,400 in revenue hour cost totaling around \$530,400 based on the FY18-19 rates for the Silver Streak. These savings may need to be reinvested into Line 197 to feed the realigned Silver Street.



Option 2 - Westbound Stop



Option 2 - Eastbound Stop



### **Ridership**

The Silver Streak was Foothill Transit’s highest ridership line in FY17-18, producing 1,088,136 trips and accounting for nine percent of the agency’s overall ridership for the year. Staff looked at automatic passenger counter (APC) data to determine where customers were boarding and exiting the bus. The stops were grouped into areas. The chart below shows the grouping and the percentage of riders who board and exit at each stop.

As expected, Downtown Los Angeles has the highest overall boardings and alightings because it is the main destination of the Silver Streak. Outside of Downtown Los Angeles, the Pomona Transit Center has the most boardings and alightings for a single stop, accounting for 15 percent of overall boardings and 14 percent of overall alightings. The next highest ridership stop outside of Los Angeles is located at West Covina Parkway and California Avenue. This stop accounts for almost 10 percent of the Silver Streak’s boardings. The Montclair Transit Center accounts for six percent of total boardings and nine percent of total alightings. The table below summarizes these statistics, and ridership details are shown in **Attachment 1**.





**Top Ten Foothill Transit Lines for FY 2017-2018 based on ridership.  
(Based on farebox)**

Line	FY18/19 Ridership	% Overall Ridership
Silver Streak	1,088,136	9%
Line 486	1,040,631	8%
Line 187	875,959	7%
Line 280	820,024	7%
Line 178	723,897	6%
Line 492	718,091	6%
Line 190	698,222	6%
Line 194	681,115	5%
Line 480	582,812	5%
Line 482	563,320	4%

**Silver Streak Ridership by Region (Based on APC data)**

Region	# Stops	FY15/16	FY16/17	FY17/18*	Total	% of Overall
Montclair	1	89,653	90,729	82,234	262,616	6%
Pomona	1	257,178	231,079	171,991	660,248	15%
West Covina	3	257,684	262,147	215,704	735,535	16%
El Monte Busway	3	309,505	254,969	176,761	741,235	16%
Downtown Los Angeles	10	832,986	717,918	594,116	2,145,020	47%
<b>TOTAL</b>		<b>1,747,006</b>	<b>1,556,842</b>	<b>1,240,806</b>	<b>4,544,654</b>	

\*Note: During FY17/18, CAD/AVL transition was taking place and there were a few months when there was no APC data collection.

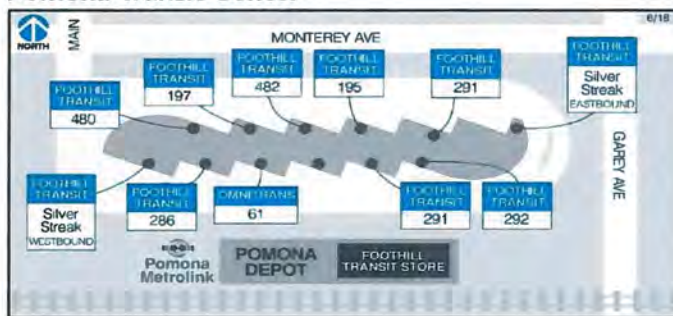
**Transfer Opportunities and Fare Policy**

The Pomona Transit Center is a main transfer hub for Foothill Transit. Currently there are eight Foothill Transit lines and one OmniTrans line that serve the Transit Center. The Silver Streak is Foothill Transit's only line at the Pomona Transit Center that provides direct access to Downtown Los Angeles, so removing the Silver Streak from the center will force those customers traveling to and from Los Angeles to transfer.



Foothill Transit's current fare structure does not include intra-agency transfers, so cash customers who transfer between Foothill Transit lines have to pay full fare for both boardings. The Silver Streak fare is \$2.50 using TAP cash purse or \$2.75 using cash. The Local Adult fare is \$1.25 using TAP cash purse or \$1.50 using cash. Customers could also purchase a one-day or a 31-day pass. The additional payment will likely be a significant consideration for current or potential customers in their decision to use Silver Streak service.

Pomona Transit Center



SILVER STREAK CONNECTIONS

<b>EL MONTE STATION</b> FOOTHILL TRANSIT Lines 178, 150, 104, 233, 270, 282, 488, 489, 492 MTA Lines 70, 76, 247, 258, 497, 517, 770 Silver Line EL MONTE TROLLEY NORWALK TRANSIT LINE 7 POMEREAUX EXPLORER	<b>WEST COVINA STATION</b> FOOTHILL TRANSIT Lines 178, 165, 272, 301, 483, 498 <b>WEST COVINA SHUTTLE</b> OMBTRANS Line 51 METROLINK	<b>WEST GARDEN STATION</b> FOOTHILL TRANSIT Lines 105, 187, 286, 291, 307, 463, 462 <b>OMTRANS</b> Line 51 METROLINK	<b>MONTEVIZO STATION</b> FOOTHILL TRANSIT Lines 186, 197, 480, 482, 685, 499 <b>OMTRANS</b> Lines 44, 83, 84, 250 RIVERSIDE TRANSIT Line 204 METROLINK
<b>WEST GARDEN STATION</b> FOOTHILL TRANSIT Lines 483, 426, 497, 498, 499, 639	<b>STATION AT ARTS</b> FOOTHILL TRANSIT Lines 481, 480, 497, 498, 499, 499, 639	<b>STATION AT ARTS</b> FOOTHILL TRANSIT Lines 428, 426, 427, 427, 428, 429, 429	<b>STATION AT ARTS</b> FOOTHILL TRANSIT Lines 428, 426, 427, 427, 428, 429, 429

### Evolution of the Silver Streak

When the Silver Streak first launched in 2007 it was marketed as service that "...operated like a rail line on rubber tires." The service was similar to bus rapid transit (BRT) in that it offered off-board fare payment, all-door boarding, distinct bus stop signage, and almost exclusive right of way on the El Monte Busway. The Silver Streak was also the first service to offer free on-board Wi-Fi service in Southern California. The service was the merging and realignment of six Foothill Transit lines, Lines 480, 482, 486, 488, 492, and 494. The service was well received and well utilized. At the time, the line connected most of Foothill Transit's major hubs - Montclair, El Monte, West Covina, and Downtown Los Angeles.

Though the Silver Streak's routing may not have changed, the service has evolved. In 2009, L.A. Metro introduced their Silver Line, which closely mirrored the Silver Streak's western segment between El Monte Station and Downtown Los Angeles. In 2012, the El Monte Busway became part of the ExpressLanes, opening the lanes up to all vehicles equipped with a transponder. Both events had an impact on the service. The Silver Line opening affected ridership and the ExpressLanes implementation slowed the speed of the service. The Silver Streak has become more of a high capacity limited-stop service connecting our major transit centers to Downtown Los Angeles.



Customers who board the Silver Streak at the Montclair Transit center and who want a faster ride into Downtown Los Angeles have options such as the express Line 699, which is currently Foothill Transit's most frequent and highest ridership express line and the Metrolink San Bernardino Line. That line, however, currently operates only in the peak direction and only during peak hours.

### **Staff Recommendation**

Based on the analysis herein, staff recommends that the Silver Streak keep its current alignment and continue to serve the Pomona Transit Center because:

- The Pomona Transit Center, the only Silver Streak stop in the city of Pomona, generates the most ridership for the line with the greatest overall ridership in the system.
- The stop produces more than double the ridership of the next and final eastbound stop at the Montclair Transit Center.
- Removing the stop will force 15 percent of the line's customers to transfer.
- Despite the cost savings, Foothill Transit is likely to lose both customers and fare revenue because of the need to transfer and the associated added travel time for those customers.

Another factor to be considered is Extension 2B of the Gold Line - Azusa to Montclair. As occurred with the opening of Extension 2A of the Gold Line, Foothill Transit will likely experience a significant decline in ridership in cities with Gold Line stations. Since the Gold Line will provide service to and from Downtown Los Angeles like the Silver Streak, Silver Streak customers traveling from Claremont and Montclair will likely use the Gold Line instead of the Silver Streak to travel into and out of Downtown Los Angeles. While some lost ridership is anticipated in Pomona, a majority of the customers who board the line at Pomona Transit Center will likely continue using Silver Streak because of the line's convenience and its connections to and from other Foothill Transit lines serving Pomona Transit Center. Keeping the stop at the Pomona Transit Center will likely lessen the ridership loss when Extension 2B of the Gold Line opens.

### **Fiscal Impact**

The operation of the Silver Streak in its current alignment has been budgeted in the FY18-19 budget. Realignment of the line will produce some initial cost



savings, some of which will need to be reinvested in other lines to maintain connectivity and subsidy funding.

Sincerely,

Joseph Raquel  
Planning Director

Doran J. Barnes  
Executive Director

Attachment 1: Detailed Boardings and Alightings for Silver Streak FY 16, FY 17, and FY 18

Area	Route	Direction	Stop Name	No.	Stop ID	Boardings						Alightings					
						FY16	FY17	FY18	Total	Stop Percent	Area Percent	FY16	FY17	FY18	Total	Stop Percent	Area Percent
Montclair	707	West East	Montclair Transit Center	1	2028	89,653	90,729	82,234	262,616	6%	6%	161,726	146,924	90,869	399,519	9%	9%
Pomona	707	West East	Pomona Transit Center	2	2158	257,178	231,079	171,991	660,248	15%	15%	256,512	223,337	179,225	659,074	14%	14%
West Covina Area	707	West East	Vincent Ave and Plaza Dr S Vincent Ave and Lakes Dr N	3	2647 2646	20,143	32,749	31,837	84,729	2%	16%	14,910	17,223	11,832	43,965	1%	3%
	707	West East	West Covina Pkwy and California Ave W Vincent Ave and Lakes Dr N	4	2924 2656	187,991	153,276	117,304	458,571	10%		28,166	25,479	21,600	75,245	2%	
	707	West East	West Covina Pkwy and Toluca Ave W West Covina Pkwy and Toluca Ave E	5	2925 2665	49,550	76,122	66,563	192,235	4%		8,830	8,431	5,757	23,018	0%	
Busway Area	707	West East	El Monte Station W	6	1171 1172	137,682	118,511	64,740	320,933	7%	16%	95,700	85,751	51,066	232,517	5%	9%
	707	West East	Cal State LA W	7	897 896	121,118	98,166	78,254	297,538	7%		41,625	37,189	31,054	109,868	2%	
	707	West East	USC Medical Center W	8	2594 2593	50,705	38,292	33,767	122,764	3%		30,725	28,229	22,160	81,114	2%	
Downtown Los Angeles	707	West East	Arcadia St and Alameda St Union Station (Busway Entrance) E	9	2818 2591	19,180	18,402	16,749	54,331	1%	47%	114,321	94,123	79,081	287,525	6%	65%
	707	West East	Arcadia and Los Angeles St W Aliso St and Los Angeles St E	10	618 549	167,269	132,726	110,716	410,711	9%		20,355	17,577	14,550	52,482	1%	
	707	West East	Spring St and 1st St W	11	2475 2474	53,308	40,554	32,143	126,005	3%		57,342	53,282	40,362	150,986	3%	
	707	West East	1st St and Broadway W 1st St and Hill St E	12	501 3048	66,038	54,067	41,404	161,509	4%		26,264	61,885	19,963	108,112	2%	
	707	West East	Grand Ave and 2nd St W Olive Ave and 1st St E	13	1596 2093	125,428	100,046	87,781	313,255	7%		203,717	159,722	144,957	508,396	11%	
	707	West East	Grand Ave and 5th St Olive Ave and 5th St E	14	3051 2094	8,739	6,659	8,805	24,203	1%		77,584	68,101	45,985	191,670	4%	
	707	West East	Grand Ave and 8th St W Olive Ave and 8th St E	15	1600 2095	34,167	30,197	28,059	92,423	2%		205,792	165,610	154,154	525,556	11%	
	707	West East	Grand Ave and 9th St W Olive Ave and Olympic E	16	1602 2106	12,026	13,459	14,234	39,719	1%		37,954	41,658	44,029	123,641	3%	
	707	West East	Flower St and 11 St W Olympic Blvd and Flower St (temp stop Fig/11th)	17	2994 3624	257,178	231,079	171,991	660,248	15%		256,512	223,337	179,225	659,074	14%	
	707	West East	Flower St and Pico Blvd (LA Convention Center) Pico Blvd and Flower St (LA Convention Center)	18	3622 3623	89,653	90,729	82,234	262,616	6%	161,726	146,924	90,869	399,519	9%		
<b>Total</b>						<b>1,747,006</b>	<b>1,556,842</b>	<b>1,240,806</b>	<b>4,544,654</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1,799,761</b>	<b>1,604,782</b>	<b>1,226,738</b>	<b>4,631,281</b>	<b>100.00%</b>	<b>100.00%</b>



August 24, 2018

To: Executive Board

Subject: **Line 497 - Public Outreach Results**

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### **Recommendation**

Receive and file the results of the public outreach conducted related to Line 497, and maintain the current route alignment on Line 497 while eliminating a select few westbound trips to improve overall efficiency on the line.

### **Analysis**

Line 497 is a Foothill Transit express line that operates during peak service hours between the Chino Park & Ride and Downtown Los Angeles on weekdays. Line 497 provides 13 inbound trips in the morning and 13 outbound trips in the afternoon/evening. In addition to the starting location in Chino, the line has one service stop at the Industry City Hall Park & Ride before continuing into Downtown L.A. A common concern for customers who park in Chino is a lack of parking that results in them having to park across the street without access to a designated crosswalk.

Line 497 utilizes State Route 71, State Route 60, and Valley Boulevard on the way to City of Industry, and this all occurs during high traffic times. Buses then travel north on the Interstate 605 and finally along Interstate 10 Westbound into Los Angeles. The multiple merging operations onto four freeways in peak traffic direction each day has resulted in numerous complaints from customers.

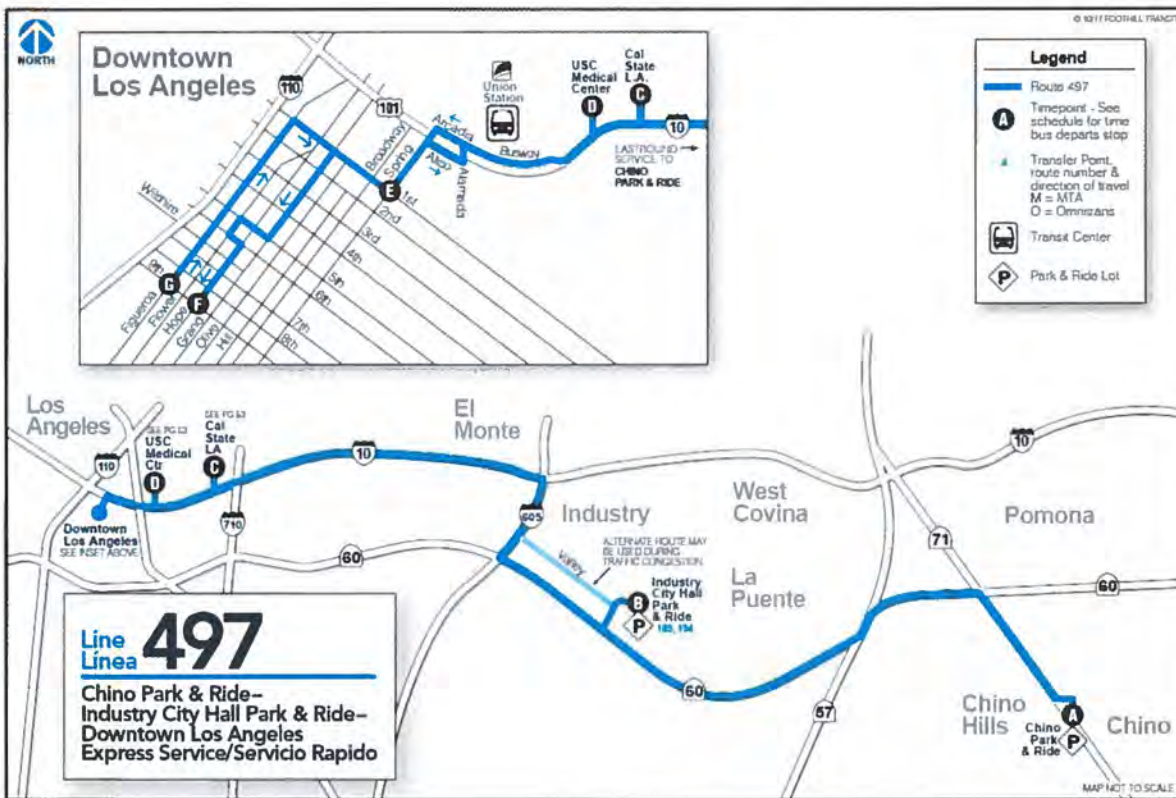
Parking challenges at the Chino Park and Ride have resulted in numerous complaints related to safety as the parking lot quickly fills up with carpool and vanpool vehicles in the early morning. Due to the lack of space in the secure parking lot, customers are forced to park across the street in a residential neighborhood as they then illegally cross four lanes of traffic without the protection of a crosswalk. Speeding cars along Chino Avenue creates an unsafe environment for customers utilizing Line 497.

Additionally, the introduction of Line 495 in 2014 provides one-stop direct service to Downtown LA from the City of Industry Park & Ride where there is ample customer parking.



Overall ridership continues to be lower than other express lines within Foothill Transit and the subsidy per boarding is the highest. These concerning metrics led Foothill Transit Planning staff to search for alternatives to improve Line 497.

Map of Current Line 497



The performance metric used to analyze the efficiency of the Line is boardings per vehicle service hour (BVSH). The table below shows that the BVSH for Line 497 is between eight and nine passengers per hour. This Line has the lowest BVSH compared with other express lines throughout Foothill Transit’s service area. The lower ridership, along with increased travel time due to traffic to and from Downtown LA, creates a consistent challenge for schedule adherence as well as unpredictable travel times.



Month	Line 497 Ridership	Line 497 Boardings per VSH
Sep. 2017	8,283	9.1
Oct. 2017	8,513	8.5
Nov. 2017	7,831	8.2
Dec. 2017	7,345	8.1
Jan. 2018	8,433	8.4
Feb. 2018	7,449	8.6
Mar. 2018	8,441	8.4
Apr. 2018	8,163	8.5
May 2018	8,607	8.6
June 2018	8,477	8.9
July 2018	7,976	8.3

An additional metric to look at when analyzing the performance of a line is the subsidy per boarding. As seen in the table below, the higher operating expenses for Line 497 with lower fare revenue result in a higher subsidy per customer.

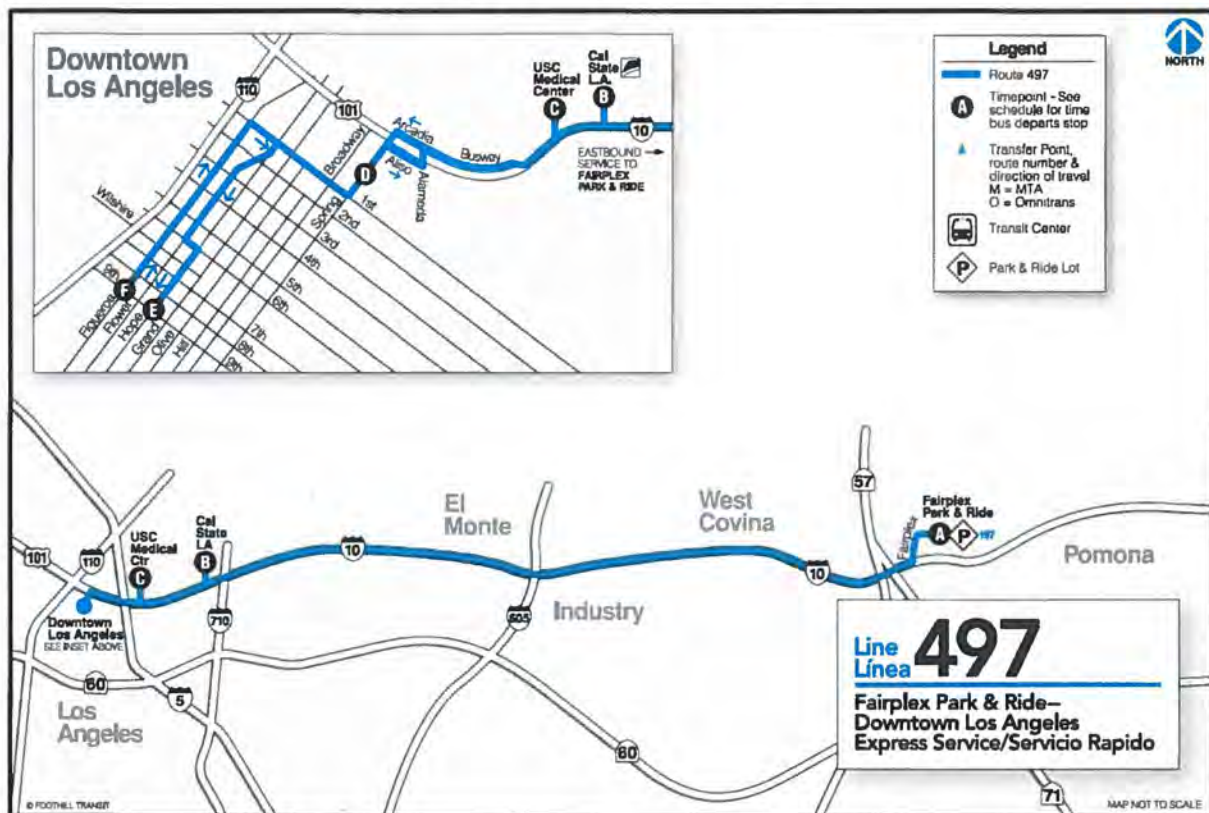
Line	Operating Expense	Total Fare Revenue	Recovery Ratio	Subsidy Per Boarding
<b>493</b>	\$1,657,541	\$686,593	41.4%	\$6.37
<b>495</b>	\$1,216,741	\$390,237	32.1%	\$9.70
<b>497</b>	\$1,993,547	\$443,454	22.2%	\$16.01
<b>498</b>	\$2,002,405	\$865,193	43.2%	\$6.14
<b>499</b>	\$1,834,516	\$599,142	32.6%	\$9.64
<b>699</b>	\$3,915,860	\$1,239,778	31.6%	\$9.89





Foothill Transit staff reviewed the current Line 497 and identified an alternate route alignment based on customer feedback. Customers expressed a desire to have a route that went directly into Downtown LA after departing from a single pickup location, increased frequency to allow more flexibility based on their schedules, reduced travel time on the bus, and adequate parking to address concerns of limited parking at the Chino Park & Ride. The map of the proposal accomplishes these outlined suggestions with the shifting of the starting point from Chino Park & Ride to the Fairplex Park & Ride adjacent to the 10 Freeway in Pomona. Furthermore, the shifting of resources to this new starting location would have a proposed cost savings that could then be used to increase frequency of other Foothill Transit Lines while allowing for additional buses to account for the closure of the bus stop at the Industry City Hall Park & Ride for the customers who currently take Line 497 from that stop.

Map of Proposed Line 497





**Public Outreach**

After the Governing Board authorized the Executive Director to seek public input and conduct a public hearing following the June 6, 2018 Governing Board meeting, Foothill Transit staff began the outreach process to speak to customers. Rider alerts were sent out to customers, and bus stop notices were posted at both stops along Line 497 to notify customers about the proposal. Customers were able to email, call, fax, visit a Transit Store, or give their opinion at one of six public meetings (held at bus stops in Chino and City of Industry) or the public hearing. The multiple avenues to collect feedback resulted in over 130 comments being received so far. A Public Hearing is scheduled at 10:00 AM on August 18, 2018 at the Foothill Transit administrative offices and any comments received at that meeting will be documented and included in the presentation to the Board on August 24, 2018. The below table outlines the number of comments received to-date and whether their comment was in favor or against the proposed change to Line 497.

	<b>Number of Comments</b>
In Favor of Proposal	6
Against Proposal	127
<b>Total</b>	<b>133</b>

Customers cited several reasons for opposing the new Line 497 with the overwhelming amount being against the additional drive time for them to reach Fairplex. Customers felt this added time was a greater inconvenience than the benefits of the new line to their commute. Additionally, customers at the Industry City Hall stop expressed concern over parking in West Covina and the proximity to the bus stop boarding as well as their additional drive time in a personal car to get to the other bus stops. For both stops, there were customers who walk to the stop and are dropped off by someone, therefore restricting their ability to access the proposed alternatives.

Furthermore, the Mayors from the City of Chino and Chino Hills mailed letters in opposition to this proposal. The Mayors outlined the proposed elimination of the stop in Chino could cause an inconvenience to their communities as they relied on Line 497 to get to and from Downtown Los Angeles. Foothill Transit Planning staff reached out to the City Manager of Chino to actively



engage the concerns over parking safety at the stop and will continue to work closely with the cities to search for ways to improve. Copies of the letters are attached to this agenda item as **Attachment A and B**.

Due to the large number of customers who are opposed to this proposal, the original proposal to shift the starting point from Chino Park & Ride to the Fairplex Park & Ride has been modified. Instead, staff will review the current level of service to determine if a select few trips can be removed to reduce the overall service hours without negatively impacting the number of customers utilizing the service. This shift in service hours will improve the BVSH and those savings can be allocated to other lines within Foothill Transit service area in need of additional service. Additionally, staff will closely monitor Line 497 over the next year and determine if a new proposal is in order to improve travel times along this corridor once construction is complete along the 10 Freeway.

**Budget Impact**

The newly projected annual cost savings associated with the removal of select morning trips for Line 497 would have a projected annual cost savings \$178,000. These savings can be reinvested in other Foothill Transit lines to ensure there is no reduction in revenue miles during the year. Potential targets for reinvestment are increased frequency on Lines 289 or 492 starting in January of 2019.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joshua Landis".

Joshua Landis  
Planning Manager

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

Doran J. Barnes  
Executive Director

EUNICE M. ULLOA  
Mayor

TOM HAUGHEY  
Mayor Pro Tem



**CITY of CHINO**

EARL C. ELROD  
GARY GEORGE  
PAUL A. RODRIGUEZ, Ed.D.  
Council Members

MATTHEW C. BALLANTYNE  
City Manager

August 13, 2018

Foothill Transit – Executive Board  
100 S. Vincent Avenue, Suite 200  
West Covina, CA 91790

Honorable Chairman and Board Members:

The City of Chino has been made aware that Foothill Transit is proposing to eliminate route 497. It is one of the only public transit routes that provide Chino residents access to downtown Los Angeles. As you are aware, this location is within our jurisdiction and not only services Chino residents, but the residents of Chino Hills, Pomona, Diamond Bar, and Corona. To eliminate this route would impose significant hardships on many commuters that rely on this convenient transportation daily and further add unnecessary congestion.

As such, it is on the behalf of the City of Chino that I submit this letter of opposition to this proposed route elimination and ask that you please consider the impacts this would create on our constituents and those in surrounding communities.

Sincerely,

Eunice M. Ulloa

Mayor  
City of Chino





# City of Chino Hills

August 6, 2018

14000 City Center Drive  
Chino Hills, CA 91709  
(909) 364-2600  
[www.chinohills.org](http://www.chinohills.org)

Foothill Transit – Governing Board  
100 S. Vincent Avenue, Suite 200  
West Covina, CA 91790

Greetings:

It has come to our attention that Foothill Transit is considering the elimination of route-line #497 which provides express transportation from the Chino Park & Ride (Chino Avenue/Rt. 71) to downtown Los Angeles. This location is within the City of Chino; however, it abuts the City of Chino Hills. Residents of Chino Hills, along with residents of neighboring communities including Chino, Pomona, Diamond Bar, Corona and Eastvale, all rely primarily on this route for transportation to work and school locations in the downtown area of Los Angeles.

On behalf of the City of Chino Hills and our citizenry, we strongly oppose this route's elimination and appeal to Foothill Transit's governing board to reverse this decision. Elimination of route-line #497 not only will notably inconvenience a multitude of riders from the region, but it will further exacerbate traffic on the roadways and pollution in this valley.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter J. Rogers", with a stylized flourish at the end.

PETER J. ROGERS  
MAYOR

PJR:NM:dk

cc: Cynthia Moran, Vice Mayor  
Art Bennett, Council Member  
Brian Johnz, Council Member  
Ray Marquez, Council Member  
Konradt Bartlam, City Manager  
Nadeem Majaj, P.E., Public Works Director



August 24, 2018

To: Executive Board

Subject: **Free Ride Coupon Policy**

---

### **Recommendation**

Provide direction to staff on Free Ride Coupon Program policy and scope.

### **Background**

Foothill Transit's Free Ride Coupon Program has a nearly 20-year history at the agency and has evolved from an employer-focused ridership incentive program into the region-wide social services benefit that it is today. Requests by local agencies and police departments have noticeably increased in 2018, prompting a detailed staff review of the program, its history, its purpose, costs, and regional impact. The program's recent growth and increased visibility calls for policy-driven parameters to guide the agency as the needs of our communities shift.

### **Employer Ridership Incentives**

Beginning in 1997, free ride coupons were originally distributed to employee transportation coordinators (ETCs) at qualifying businesses in the form of Metrocards – paper magstripe cards introduced by LA Metro in 1996 with pre-programmed cash value that was deducted from the card at each boarding. ETCs were required to track the ridesharing and transit use of employees and the Metrocard provided a simple, cashless method for measuring their outreach success. Employees were required to fill out forms tracking their frequency of transit use in exchange for the free Metrocards.

This ETC program was intended to encourage single car commuters to try transit a few times a week and eventually convert them into full time customers. Foothill Transit was able to successfully encourage ridership growth in its commuter express service into Downtown Los Angeles. We also were able to develop strong relationships with large employers who were required by law to mitigate the single-car use of their employee populations. Those relationships continue today as we leverage those contacts for targeted advertising and outreach.



### **School Service**

In early 2000, at the request of local middle and high school teachers and counselors, the program was expanded to include schools with Foothill Transit service nearby, specifically to provide free transportation options to financially eligible students. Financial eligibility was determined by school counselors and requests were processed by Foothill Transit on an as needed basis. Like the ETC program, the student outreach program used Metrocards for free fare distribution.

The school program was initially intended to assist individual students with their mobility needs to and from school. It eventually expanded to include teacher-led field trips and student workability programs to help teach life skills and improve mobility options for students with disabilities, both of which help introduce young people to public transportation.

### **Expansion into Social Services**

At the request of participating school counselors to facilitate distribution and improve reach, the program was expanded to include local family service organizations in 2002. Organizations wishing to participate in the program submitted their requests on organization letterhead to Foothill Transit. Approval was contingent upon verifying that the request came from a legitimate and established social service organization, that the primary population they served was within Foothill Transit's service area, and that distribution of Metrocards was monitored and secure.

The social services program was created to increase access to community centers, employment opportunities, health care, senior centers, and family services that might otherwise be out of reach.

### **Metrocard Transition**

With the launch of the new regional TAP farecard, LA Metro planned to phase out the magstripe Metrocard in 2006, prompting the creation of the current free ride coupon so that the program could continue. In order to continue the program, another form of secure fare media needed to be created. The new free ride coupon was created to include a Foothill Transit message postcard with two tear-off ride coupons each worth one free ride on Foothill Transit service, providing the user with one round trip.



Figure 1: The original design of the Metrocard



The coupons were well received by the organizations as they allowed for more a more secure and need-based distribution - one round trip with no cash value and an expiration date vs. a Metrocard with cash value programmed onto it, no expiration, and a high failure rate due to the age of the programming equipment used to add stored value to the cards.

### **Coupon Eligibility**

Approved organizations were granted an initial coupon allotment of 25 per month for the first year. Each year organizations are required to verify secure distribution of coupons to prevent theft and fraud and may request an additional 25 coupons per month with a final cap of 100 coupons per month after four years of verified program participation. Each organization must reverify their distribution protocols every year. Failure to do so results in removal from the program.

### **Foothill Transit Free Ride Coupon Guidelines**

Every year each participating organization must agree via signature to the following participation guidelines:

- To notify Foothill Transit of any changes to primary contact information immediately.
- That the agency they represent is valid and legitimate and can verify their status by producing legal documents as proof if necessary.
- To agree that Foothill Transit Free Ride Coupons are solely for the purpose of helping individuals who need temporary transportation assistance and may not be sold, traded or bartered for anything of value for agency or personal gain.
- To agree to hand out coupons as delivered and to not alter them in any way, including extending the expiration date that is pre-printed or stamped by Foothill Transit.
- To agree that any remaining and expired coupons will be destroyed via paper shredder before disposing of them in any waste receptacle.
- To agree to keep the coupons in locked storage in order to discourage theft.

Failure to sign off on these terms results in the removal from the program. Foothill Transit staff also conduct random reviews of participating organizations.





**Coupon Production and Fraud Prevention**

Foothill Transit follows a few basic security measures when producing free ride coupons in order to deter fraud and prevent counterfeit coupon production:

- Coupons are completely redesigned every two years.
- Color gradients, which are difficult to copy, are included in the front design.
- The back of the coupons are printed with a faded logo watermark that turns black when copied.
- Each coupon has an individual serial number to track coupons back to their distributing organization and to make duplication difficult.
- Each coupon is distributed with a one-month expiration date.



Figure 2: The current design of the Free Ride Coupon. Serial numbers are printed on the right of each tear-off coupon, expiration dates are stamped or printed on the bottom.

**Current Use and Statistics**

As of 2018, Foothill Transit is distributing 4,800 coupons per month to 90 organizations throughout Foothill Transit’s service area. Some of the types of organizations that participate can be categorized as follows:

- Homeless services organizations
- Schools and school districts



- Hospitals and health services organizations
- Religious organizations
- Family and foster care service organizations

**Attachment A** is a listing of all the participants in the program.

Of the 4,800 coupons distributed each month, approximately 20 percent expire unused in our system. This number varies from month to month, with higher use rates in mid-summer and mid-winter.

### **Budget Impact**

The costs associated with the Free Ride Coupon Program can be broken down into two primary categories – potential farebox revenue loss and coupon production and distribution.

Each coupon represents two rides for one round trip on Foothill Transit service. At an average fare of \$0.71 with 20 percent of distributed coupons going unused (3,840 coupons used), and assuming that all coupon-users would pay the full fare in the absence of the coupon, total revenue loss could be approximately \$5,452.80 each month.

Print production of full color, double-sided, serial-numbered, and perforated coupons costs \$397.64 per month. Distribution and postage add \$270.01.

### **Regional Transit Agencies**

No other regional transportation agency provides free ride coupons to local organizations or schools.

LA Metro provides discount passes to income eligible individuals who apply (LIFE program <https://www.metro.net/projects/life/> ). They also offer another program - Immediate Needs Transportation Program (INTP) which provides subsidized taxi service and/or transit subsidy for Los Angeles County residents with limited resources who have a transportation need and no other resources to meet that need ([https://www.metro.net/projects/immediate\\_needs\\_transport\\_pgm/](https://www.metro.net/projects/immediate_needs_transport_pgm/) ).

LA Metro is currently investigating the termination of the LIFE program in favor of expanding the scope of the INTP.



OCTA allows social service organizations to purchase passes at a discount for their clients.

Long Beach Transit is currently in the process of evaluating the free fare they provide for wheelchair users and legally blind customers (started in 1994).



Figure 3: LA Metro promotes the LIFE program on their and Foothill Transit's service via interior bus cards.

**Community Benefit**

Ultimately, the reason Foothill Transit provides this program is because there is a demonstrated need. Foothill Transit was created to be responsive and responsible, and to provide assistance to our community partners to address the mobility needs of the region. The program's expansion over the past 20 years is directly correlated to regional population growth and economic health, as well as increased awareness of the services Foothill Transit provides through our robust community engagement program.

Any adjustments, limitations, or the possible termination of the program could have a significant impact on Foothill Transit's community partnerships. The uniqueness of the program is a direct result of the mission of Foothill Transit, which is one of the reasons why this agency has a high positive perception in the region.

**Regional Changes**

Participation growth has been tempered with firm guidelines and limited coupon distribution; however, a cap on how many organizations can participate has never been implemented. In the past year, Foothill Transit has



been receiving a large number of participation requests from new organizations, particularly to serve the homeless population in the area. In addition, Foothill Transit received its first request for participation from a police department specifically to transport homeless residents.

This increase in participation requests and the targeted population for those requests prompted this policy review to determine if changes to the program needed to be considered including expanded program participation limits or possible program termination.

**Policy Options**

In light of the history of the program and the increased number of requests to participate, policy guidance is required. Options the board might consider include discontinuing the program, limiting the program only to current participants, or allowing the program to continue adding new organizations that request to participate under the current guidelines. In addition, changes could be made to the criteria for participation as directed by the executive board. Staff is seeking guidance as to how to proceed.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Friesema'.

Felicia Friesema  
Director of Marketing and Communications

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

Doran J. Barnes  
Executive Director

		City	Cluster	Monthly
<b>Claremont</b>				
Foothill Aids Project	233 W Harrison Ave.	Claremont	1	50
<b>La Verne</b>				
<b>Pomona</b>				
Emerson Village	755 N. Palomares St.	Pomona	1	25
Family Service of Pomona	436 W. 4th St. #215	Pomona	1	25
Family Support & Resource Center	605 N. Park Ave.	Pomona	1	25
Pomona Valley Reentry Coalition	810 S. White Ave.	Pomona	1	25
Prototypes Mental Health	831 E. Arrow Hwy.	Pomona	1	25
Purpose Church	586 N. Main St.	Pomona	1	25
Rosemary Children Services Wraparound	801 Corporate Center Dr	Pomona	1	25
St. Pauls Episcopal Church	242 E. Alvarado St.	Pomona	1	25
Volunteers of America - Pomona Winter Shelter	2040 N. Garey Ave.	Pomona	1	25
EVCHC - Pomona	1555 S. Garey Ave.	Pomona	1	50
EDD - Veteran Employment Support	264 E. Monterey Ave.	Pomona	1	50
New Start Outreach	252 E. 4th St. #5	Pomona	1	50
Pomona Community Health Center	1450 E. Holt Ave.	Pomona	1	50
Pomona Valley Hospital	1798 N. Garey Ave.	Pomona	1	50
Prototypes - Black infant Program	831 E. Arrow Hwy.	Pomona	1	50
Prototypes - Residential	845 E. Arrow Hwy.	Pomona	1	50
Salvation Army	490 E. La Verne Ave.	Pomona	1	50
San Antonio ROP	1515 W. Mission Blvd.	Pomona	1	50
Village Academy High School	1444 E. Holt Ave.	Pomona	1	50
Angels Who Care Inc.	675 S. White Ave.	Pomona	1	75
Volunteers of America	2040 N. Garey Ave.	Pomona	1	75
Inland Valley Hope Partners	1753 N. Park Ave.	Pomona	1	100
Kennedy Austin Foundation	2501 N. Garey Ave.	Pomona	1	100
The School of Arts and Enterprise	295 N. Garey Ave.	Pomona	1	100
Options for Youth	695 E. Foothill Blvd.	Pomona	1	150
Pomona Transit Store			1	100
Pomona Bus Yard			1	100
<b>San Dimas</b>				
<b>Walnut</b>				
Walnut Valley USD	20222 E. Vejar Rd.	Walnut	1	50
Mt. Sac Adult Basic Education	1100 N. Grand Ave.	Walnut	1	100
Mt. SAC - SACBook Rack	1100 N. Grand Ave.	Walnut	1	25
Mt. Sac EOPS/CARE	1100 N. Grand Ave.	Walnut	1	25
Mt. SAC ESL Dept.	11000 N. Grand Ave	Walnut	1	25
<b>Azusa</b>				
AUSD - Family Resource Center	546 S. Citrus Ave	Azusa	2	50
Our Neighborhood Homework House	P.O. Box 993	Azusa	2	25
Peregrinos Homeless Shelter	447 N. Soldano Ave.	Azusa	2	50
<b>Baldwin Park</b>				
Kaiser	1011 Baldwin Park Blvd.	Baldwin Park	2	50
Christ Extended Hand	13212 Francisquito Ave.	Baldwin Park	2	75

		City	Cluster	Monthly
<b>Covina</b>				
EVCHC - Covina	276 West College St.	Covina	2	25
YWCA- Choose Health LA	943 N. Grand Ave.	Covina	2	25
Aurora Behavioral Health Center	1161 E. Covina Blvd	Covina	2	50
Options Early Headstart	885 S. Village Oaks Drive	Covina	2	25
San Gabriel Childrens Center	4740 N. Grand Ave.	Covina	2	50
Love Inc.	18821 E. Arrow Hwy.	Covina	2	100
YWCA - Wings	943 N. Grand Ave.	Covina	2	100
<b>Glendora</b>				
Azusa Adult School	1134 S. Barranca Ave.	Glendora	2	25
Nurses for Christ	P.O. Box 1028	Glendora	2	25
Shepard's Pantry	657 E. Arrow Hwy., Unit J	Glendora	2	25
Glendora Welfare Association	P.O. Box 1143	Glendora	2	50
Cal-SAFE / Teen Mom Program	1134 S. Barranca Ave.	Glendora	2	75
Sierra High School 9th Grade Academy	1134 S. Barranca Ave.	Glendora	2	100
<b>Irwindale</b>				
Options for Youth - Irwindale Location	16023 E. Arrow Hwy	Irwindale	2	50
<b>West Covina</b>				
EVCHC - WC Medical Homeless Case Manager	420 S. Glendora Ave.	West Covina	2	25
Maverick House	216 S. Citrus Ave.	West Covina	2	25
Coronado High School	1500 E. Francisquito Rd.	West Covina	2	50
EVCHC - West Covina	420 S. Glendora Ave.	West Covina	2	50
EDD - Veterans Representative	933 S. Glendora Ave.	West Covina	2	50
Pacific Clinics	1517 W. Garey Ave.	North West Covina	2	50
Volunteers of America (HVRP)	1760 W. Cameron St.	West Covina	2	50
Welcome Baby Program	1115 S. Sunset Ave.	West Covina	2	75
Faith Community Church	1211 E. Badillo St.	West Covina	2	100
Westview Services	1515 W. Cameron Ave.	West Covina	2	100
West Covina Transit Store			2	100
<b>Arcadia</b>				
Arcadia Bus Yard			3	100
<b>Bradbury</b>				
				-
<b>Duarte</b>				
				-
<b>Monrovia</b>				
Monrovia USD	325 E. Huntington Dr.	Monrovia	3	50
Foothill Unity Center	415 W. Chestnut Ave.	Monrovia	3	75
LAC - Department of Mental Health	2620 California Ave.	Monrovia	3	100
<b>Pasadena</b>				
EDD - Foothill Employment & Training	1207 E. Green St.	Pasadena	3	50
Friends Outside LAC	261 E. Colorado Blvd. Suite 217	Pasadena	3	50
Social Model Recovery Systems, Inc.	1245 E. Walnut St. Suite 117	Pasadena	3	50
<b>Temple City</b>				
				-
<b>Diamond Bar</b>				
				-

		City	Cluster	Monthly
<b>El Monte</b>				
Asher Family Center	11204 Asher St.	El Monte	4	25
City of El Monte	11333 Valley Blvd.	El Monte	4	25
El Monte Family Center	11429 Valley Blvd.	El Monte	4	25
Mid Valley Outpatient	3131 Santa Anita Ave. Suite 112B	El Monte	4	25
Mountain View School District - Sept-June	3320 Gilman Rd.	El Monte	4	25
Volunteers of America - El Monte Outreach	4501 Santa Anita Ave.	El Monte	4	25
EDD - State of California	11635 Valley Blvd. Suite G	El Monte	4	50
Pathways Domestic Violence Program	11046 Valley Mall	El Monte	4	50
Volunteers of America	4501 Santa Anita Ave.	El Monte	4	100
El Monte Transit Store			4	100
<b>Industry</b>				
ESGV Coalition for the Homeless	P.O. Box 93256	City of Industry	4	25
ESGV Coalition for the Homeless (Winter)	P.O. Box 93256	City of Industry	4	25
Hacienda La Puente USD	15959 E. Gale Ave.	Industry	4	50
Puente Hills Transit Store			4	100
<b>La Puente</b>				
Bassett USD	904 N. Willow Ave.	La Puente	4	25
Cal-SAFE / Accept Program	341 S. LA Ceda Rd	La Puente	4	50
Hacienda La Puente USD (Headstart)	455 N. Glendora Ave.	La Puente	4	50
EVCHC - Villacorta	17840 Villacorta St.	La Puente	4	25
RUSD Family Resource Center	17800 E. Renault St.	La Puente	4	75
S. El Monte				
<b>Los Angeles County</b>				
				-
<b>TOTAL COUPON DISTRBUTION</b>				<b>4,800</b>
<b>TOTAL NUMBER OF ORGANIZATIONS</b>				<b>90</b>



August 24, 2018

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 August 2017. 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 resultant of changes in the public records policy, 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. Update Revenue Contracts Policy

Allows Foothill Transit to enter into revenue contracts for all agency real property.





2. Update Public Records Policy

Allows Foothill Transit to release materials and documents, including proposals, for Request for Proposals (RFP) Invitation for Bids (IFB) and Request for Qualifications (RFQ) solicitations over \$100,000.00, at such time as the Notice of Intent to Award is issued by Foothill Transit.

3. Update Conflict of Interest Policy

Update to incorporate Foothill Transit's Governing Board into the existing Conflict of Interest language; which is consistent with the agency's adopted Conflict of Interest Code.

4. Updates to Procurement Procedures

Updates to the Procurement Procedures to comply with changes in procurement procedures resultant from updates to the public records policy and contract awards to solicitations above the Executive Director authority threshold.

5. Update Vendor Protest Procedures

Updates to the Vendor Protest Procedures to comply with changes in procurement procedures resultant from updates to the public records policy and contract awards to solicitations above the Executive Director authority threshold.

6. General Clarifications to Procurement Policies and Procedures

Align administrative procedures in the manual with current practice and utilization of Foothill Transit's electronic procurement and vendor management systems. Provide general clarifications to unclear language in the manual, adjust department title and roles to match current organizational chart, align previously adopted authority thresholds, as well as correct minor spelling and grammatical errors that currently exist in the manual.



**Foothill Transit**

## **Executive Board Meeting**

Special Executive Board Meeting - 08/24/18  
Proposed Procurement Policies and Procedures Manual  
Revisions  
Page 3

### **Budget Impact**

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

Sincerely,

A handwritten signature in blue ink that reads "Chris Pieper".

Christopher Pieper  
Procurement Manager

A handwritten signature in blue ink that reads "Doran J. Barnes".  
Doran J. Barnes  
Executive Director



**Foothill Transit**  
Going Good Places

**Procurement  
Policies and Procedures  
Manual**

**August ~~2017~~2018**

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## **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, the primary purpose of which is to either generate revenues in connection with a transit-related activity or to create business opportunities utilizing 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**

Every procurement requires two determinations at the outset:

- (1) The **method of procurement** applicable to the procurement at issue; and
- (2) The **level of approval** required for (a) issuance of the solicitation document and (b) contract award.

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 agreement (such as the California Multiple Award Schedule (CMAS)) or on a pre-approved non-competitive basis (such as through the sole source 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.

The following approval levels apply to the foregoing determinations:

### **A. Goods and Services**

Procurement of services, supplies, or other property, **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>
Less than <del>\$</del> \$7,500*	Micro Purchase	Department Directors
\$7,500-\$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 \$3,500 when Federal Funds are used.		
**\$3,500 - \$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 \$ <del>10,000</del> <u>20,000</u>	RFQ	Director of Facilities
\$ <del>10,000</del> <u>20,000</u> - \$100,000	RFQ	Executive Director
Greater than \$100,000	RFQ	Executive Board

**C. Public Works/Construction Projects**

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, which requires that any public works project over \$6,500 be done by contract after competitive bidding. Public work projects include construction of any building or facility 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**

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	Sole Source	Department Directors

\$20,000-\$100,000	Sole Source	Executive Director
Greater than \$100,000	Sole Source	Executive Board

**E. Change Orders and Amendments**

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~~20,000 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~~20,000, the amendment or change order responsible for exceeding the ~~\$10,000~~20,000 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~~an Executive Board approved value of over ~~Five Million Dollars (\$5,000,000)~~\$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 Board-approved contract value. When the cumulative value of all change orders for such contracts exceeds five percent (5%) of the Board-approved contract value, 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 ~~Policy and Strategic Sourcing~~Procurement.

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

## 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 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 ~~Policy and Strategic Sourcing~~Procurement 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~~Governing Board Member or employee of Foothill Transit shall participate in the selection, award, or administration of 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 ~~an Executive~~a Governing Board Member, Foothill Transit employee, an immediate family member or partner of ~~an Executive~~a Governing 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, 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 such an interest, either direct or indirect, there is a responsibility to report in writing such interest to the Executive Board. If anyone fails to report such interest, he or she will be subject to any disciplinary proceeding deemed appropriate by the Executive Board, including possible dismissal.

**Executive Governing** 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 Governing** Board member or employee of Foothill Transit shall solicit, demand, or accept from any person, contractor, potential contractor, or potential 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 Governing** 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

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. 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. 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. 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, 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 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

Foothill Transit shall require contractors working on a capital project funded using Federal assistance 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 other appropriate public or private cooperative procurement agency.

5. Open Competition Required

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

- a. Unreasonable requirements placed on firms in order for them to qualify to do business.
- b. Unnecessary experience and excessive bonding requirements.
- c. Noncompetitive pricing practices between firms or between affiliated companies.
- d. Noncompetitive award to any person or firm on retainer contracts.
- e. The specification of only a brand name product without listing its salient characteristics and not allowing an equal product to be offered.
- f. Exclusionary or discriminatory specifications.
- g. Any arbitrary action in the procurement process.

The Director of ~~Policy and Strategic Sourcing~~**Procurement** 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 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 ~~Policy and Strategic Sourcing~~**Procurement** will review all proposed procurements to ensure 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 ~~Policy and Strategic Sourcing~~**Procurement** 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 **and Brown Act**

Ownership of Records – All Proposals, Bids, or Offers received in response to 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 vendors not selected for contract award by Foothill Transit within thirty (30) days after the earlier of approval of award to the successful vendor by Foothill Transit's Executive Board or contract award, if Executive Board approval is not required.

Marking of Documents -- Vendors shall clearly designate and mark information deemed confidential, proprietary, or trade secret consistent with ~~applicable~~ California ~~law~~ Government Code § 6254.7(d). Proposals, Bids, or Offers that indiscriminately identify all or most of the proposal, bid, or offer as exempt from disclosure without justification (a) will not be sufficient and shall not bind Foothill Transit in any way whatsoever and (b) may be eliminated from competition for the procurement.

Public Records ~~—At such time as a contract is awarded by Foothill Transit, all—~~

a. All Proposals, Bids, or Offers submitted in response to 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, 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.~~ 99154, at the earlier of the time a recommendation for contract award is made to the Executive Board or a contract is awarded by Foothill Transit.

b. Foothill Transit will not disclose information in a Proposal, Bid, or Offer 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.

c. If a contract award requires Executive Board approval, all Proposals, Bids, or Offers submitted in response to the procurement will be provided to the Executive Board as part of the meeting agenda packet in the manner described in section 7.a. above. If the Executive Director determines that information marked as trade secret, confidential, or proprietary should be considered by the Executive Board, the Executive Director shall recommend that the Executive Board hold a closed session to consider and discuss the information. If any of the Executive Board Members deem it necessary to consider confidential, proprietary, or trade secret information not included in the public version of the documents, the Executive Board Member shall seek a closed session for all members to consider the information

8. Term Limitations—Rolling Stock Procurements

The Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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 real property 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 payment within four working days from the day the funds are requested, with the obligation to compensate all related parties to the transaction for actual costs incurred if payment 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 ~~Policy and Strategic Sourcing~~Procurement will ensure that it is included in the official procurement file. The Project Manager will complete a Procurement Initiation Form 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, Request for Qualifications, and Sole Source procurements. 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 ~~Policy and Strategic Sourcing~~Procurement. A written justification for the procurement type selected will be developed including a completed "Method of Procurement Matrix" 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 ~~Policy and Strategic Sourcing~~Procurement and Counsel, and will be recorded by the Director of ~~Policy and Strategic Sourcing~~Procurement.



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 ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement will ensure that a cost or price analysis is completed as required under Chapter III, Subchapter O. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that 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 ~~\$\$~~\$7,500 or less (\$3,500 or less when Federal Funds are used). Purchases below ~~\$\$~~\$7,500 (\$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 Department Director will document how this determination was derived.

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~~ Procurement 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 ~~\$\$~~\$7,500 and \$75,000 (\$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. The responsibility for soliciting quotations rests with the Procurement Department ~~of Policy and Strategic Sourcing~~. Appropriate documentation, including a list of the vendors contacted, the quotes received, and a determination by the Procurement Department ~~of Policy and Strategic Sourcing~~ that the price is fair and reasonable (supported by a cost or price analysis) will be included in the Procurement File. If the lowest priced vendor is not chosen, the documentation will include a technical justification for the selection of other than the lowest 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 ~~Policy and Strategic Sourcing~~Procurement.

### B. Use

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

1. 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.
2. Two or more responsible suppliers are willing and able to compete effectively for the contract.
3. 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 procurement documents, factors such as transportation costs and life cycle costs affect the determination of the lowest bid. Payment discounts are used to determine the low bid only when prior experience indicates that such discounts are typically taken.
4. 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.
5. 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 ~~Policy and Strategic Sourcing~~Procurement with the scope of work and specifications for each solicitation. The following general rules apply to scopes of work and specifications:

1. 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.
2. Specifications and scopes of work should not call for features or quality levels which are not necessary to meet the bid requirements.
3. All optional items should be identified by the Project Manager, and the procurement documents should set forth the expected needs and the manner in which the related bid prices will be considered.
4. 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.
5. 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**

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. The Board Report may include a draft of the IFB existing at the time of the preparation of the Board Report. All IFBs will be prepared by the Procurement Department ~~of Policy and Strategic Sourcing~~ and will be advertised on Foothill Transit's 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:

1. A general description of the services or goods to be purchased.
2. Where to obtain a copy of the IFB.
3. The location, day, and time of the Pre-Bid Conference (if one is scheduled).

4. The location, last day, and hour bids will be accepted (deadline).
5. The Bid Acceptance Period.
6. Whether Federal funds are being used for the procurement.

**E. IFB Packet**

The Director of ~~Policy and Strategic Sourcing~~**Procurement** 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~~**completed** by the bidder and submitted with the bid.
3. Exhibits (and Scope of Work) - These can be documents 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 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 IFB. Unless otherwise specified in the IFB documents, attendance by potential bidders is not mandatory. The list of attendees will be issued to prospective bidders.

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

1. Discussion on basic requirements such as instructions to the bidders, funding, contract type, and specific points that should be addressed in each bid response.
2. Discussion on the participation requirements for disadvantaged business enterprises (DBE), if applicable.
3. Discussion on the scope of work. The Project Manager should be available to answer technical questions.
4. 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. 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**

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 IFB would be of such magnitude that a new invitation is desirable). When an 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 IFBs were issued.

The notice of cancellation shall identify the IFBs; briefly explain the reason the 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 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 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 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 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 a bidder in preparing its bid confers no right of withdrawal of the bid after such bid has been opened. Following bid opening, no bid may be withdrawn for the time period specifically set forth in each IFB.

**L. Bid Opening**



Upon receiving the bids, it is the Director of ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement.

Unidentified bids may be opened solely for the purpose of identification and then only by the Director of ~~Policy and Strategic Sourcing~~Procurement. If a sealed bid is opened by mistake or for purposes of identification, the Director of ~~Policy and Strategic Sourcing~~Procurement shall immediately write on the envelope an explanation of the opening, the date and time opened, and the IFB number. 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 ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement 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 Procurement 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 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.7 of Chapter 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 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 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 ~~Policy and Strategic Sourcing~~**Procurement** 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 shall show the distribution that was made and the date thereof. The names and addresses of prospective bidders requesting the 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 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**

1. General. Technicalities or minor irregularities in bids are waived if the Director of ~~Policy and Strategic Sourcing~~**Procurement** determines that waiver is in Foothill Transit's best interest. The Director of ~~Policy and Strategic Sourcing~~**Procurement** 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.
2. 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.
3. 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 for bid opening.

4. Confirmation of Bid. If the Director of ~~Policy and Strategic Sourcing~~Procurement 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:
  - a. 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.
  - b. A bidder will be permitted to withdraw a low bid if:
    - i. A mistake is clearly evident on the face of the bid document but the intended correct bid is not similarly evident; or
    - ii. The bidder submits proof of evidential value, which clearly and convincingly demonstrates that a mistake was made.
  - c. Determination Required. When a bid is corrected or withdrawn, or correction or withdrawal is denied, the Director of ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement 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 requested in the solicitation, 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 ~~Policy and Strategic Sourcing~~ **Procurement** 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 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 IFB. Bids may be rejected in cases, including but not limited to those in which the bidder:
  - a. 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.
  - b. Fails to state a price and in lieu thereof states that price shall be “price in effect at time of delivery.”
  - c. States a price but qualifies such price as being subject to “price in effect at time of delivery.”
  - d. Where not authorized by the IFB, conditions or qualifies the bid by stipulating that the bid is to be considered only if, prior to date of award, bidder receives (or does not receive) award under a separate procurement.
  - e. Limits rights of Foothill Transit under any contract clause.
  - f. Fails to comply with all of the requirements of the IFB.
  - g. Fails to furnish a bid bond in accordance with the requirement of the 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.**

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.

1. 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 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.
- 2. 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 Federal, 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 ~~Policy and Strategic Sourcing~~**Procurement** 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 ~~Policy and Strategic Sourcing~~**Procurement** will ensure that no contract is recommended for award nor executed until the contractor has been determined to be responsible.
  - 5. The Director of ~~Policy and Strategic Sourcing~~**Procurement** will ensure that ~~the a pre-approved~~ form ~~set forth in Appendix C~~ is utilized and completed by the Procurement Department for each procurement action undertaken by Foothill Transit. The Director of ~~Policy and Strategic Sourcing~~**Procurement** will also ensure that the completed form is included in the procurement file.

**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 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 IFB should not be canceled and re-advertised due solely to increased requirements for the items being procured. Award should be made on the IFB and the additional quantity should be treated as a new procurement.
5. IFBs may be canceled after opening but prior to award, and all bids rejected, where such action is consistent with Federal and State procurement regulations. A written determination must be included in the IFB file stating that cancellation is in the best interest of Foothill Transit for reasons such as the following:
  - a. Inadequate, ambiguous, or otherwise deficient specifications were cited in the IFB.
  - b. The supplies or services are no longer required.
  - c. The IFB did not provide for consideration of all factors of cost to Foothill Transit.
  - d. 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.
  - e. All otherwise acceptable bids received are at unreasonable prices.
  - f. 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 Counsel.
  - g. The bids received did not provide competition 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 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 that modify requirements of the IFB. For example, bids may be rejected in which the bidder:
  - a. 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.
  - b. Fails to state a price and in lieu thereof states that price shall be "price in effect at time of delivery."
  - c. States a price but qualifies such price as being subject to "price in effect at time of delivery."
  - d. Where not authorized by the IFB, conditions or qualifies the bid by stipulating that the bid is to be considered only if, prior to date of award, bidder receives (or does not receive) award under a separate procurement.
  - e. Limits rights of Foothill Transit under any contract clause.
  - f. Fails to comply with all of the requirements of the IFB.
3. Bids received from any person or firm debarred or ineligible shall be rejected if the period of debarment or ineligibility has not expired.
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.
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.
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.
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~~If Executive Board approval is not required, 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~~ If Executive Board approval is not required, and required, Foothill Transit will notify the recommended successful bidder and the unsuccessful bidders of the recommendation at the same time as the publication of the Board agenda ~~if Board approval is required~~.

Notification to successful and unsuccessful bidders will be made by over-night delivery, email, or facsimile. Bid ~~bonds~~security of an unsuccessful bidder will be returned ~~to unsuccessful bidders~~or otherwise made available for return in a reasonable period of time, but in no event shall that security be held by 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 award, the Project Manager shall prepare the board report, in consultation with the Director of ~~Policy and Strategic Sourcing~~Procurement. The report shall ~~identify all bidders responding to the IFB~~include links to or copies of all bids received, describe the procurement and bid evaluation process, and describe the services or goods being procured.

Executive Board approval of the award, if required, shall authorize the Executive Director to negotiate final terms and conditions and enter into an agreement with the successful bidder. The contract will be reviewed by Counsel who will ensure that the contract will not include any terms or conditions to be negotiated in the future. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that any contract addressing such terms and/or conditions will not be executed. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that the contract is executed at the approval level required in these procedures.

~~Two~~A minimum of one original signed ~~copies~~copy of each contract will be executed by Foothill Transit and the contractor. The Procurement Department will maintain ~~one~~an original of the contract for the procurement file and if

requested by the contractor, will distribute one original to the contractor. Copies will be distributed to Counsel, the procurement file, and the Project Manager and, if necessary, to the contractor.

**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 ~~Policy and Strategic Sourcing~~Procurement 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 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 ~~Policy and Strategic Sourcing~~[Procurement](#).

### **B. RFP Contents**

The RFP process is a competitive negotiated procurement process that requires evaluation of offerors' 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:

1. Project background.
2. Purpose of the engagement.
3. General firm qualifications desired.
4. Scope of work.
5. Project schedule.
6. Proposal requirements.
7. Criteria for selection.
8. Payment terms.

### **C. Issuance of RFP**

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. The Board Report may include a draft of the RFP existing at the time of the preparation of the Board Report. All RFPs will be prepared by the Procurement Department and will be advertised on Foothill Transit's website in sufficient time prior to the date set for proposal receipt. The Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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:

1. A general description of the services or goods to be purchased.
2. Where to obtain a copy of the RFP.
3. The location, day, and time of the Pre-Proposal Conference (if one is held).
4. The location, last day, and hour proposals will be accepted (deadline).
5. Whether Federal funds are being used for the procurement.

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

The Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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. Scope of Work - Each RFP will contain a statement or scope of work prepared by the Project Manager that provides a clear and accurate description of the technical requirements for the materials, products, or services being 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. 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 proposers. The control record profiles the following information:
  - a. 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. The list of attendees will be issued to all prospective proposers.

2. The pre-proposal conference shall be chaired by the Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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. The Project Manager should be available to answer technical questions.
  - d. Conclude by announcing when and where the proposals are due and by restating any specific limits on proposals (page length, etc.).

**G. Addenda to the RFP**

1. If after issuance of 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.
2. 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 or if the lack of such information would be prejudicial to uninformed proposers. No award shall be made on the 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.
3. 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.

4. Each addendum issued to an RFP shall:
  - a. Be serially numbered and dated.
  - b. Include the number, date, and a description of the RFP 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 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 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 a proposer in preparing its proposal confers no right of withdrawal of the proposal after such proposal has been



opened. 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 by the Evaluation Committee**

1. Each RFP will contain the Evaluation Criteria that will be used by Foothill Transit in evaluating proposals. These criteria 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. (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~~the Director of Procurement’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~~the Director of Procurement.
3. Proposals that “pass” the “pass/fail” test are evaluated using the procedures set forth in this section.
4. An evaluation committee for each RFP will be recommended by the Director of ~~Policy and Strategic Sourcing~~Procurement in consultation with the Project Manager and appointed by the Executive Director. In appointing individuals to the Evaluation Committee, the Executive Director will consider the nature of the procurement and the appropriate expertise of the individuals recommended for appointment.

5. A date and time for an evaluation meeting will be set.
6. Members of the Evaluation Committee shall be familiar with the content of the RFP. Any questions on the RFP or documentation furnished by a proposer shall be addressed to the Director of ~~Policy and Strategic Sourcing~~**Procurement** prior to initiation of evaluations.
7. The Evaluation Committee shall first perform a technical evaluation of each proposer's proposal using the evaluation score sheets provided by the Director of ~~Policy and Strategic Sourcing~~**Procurement**.
8. Upon compilation of the Evaluation Committee's initial scores, the Director of ~~Policy and Strategic Sourcing~~**Procurement** 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.
9. The competitive range shall be 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 proposer, discussions must be conducted with all proposers within the competitive range.
10. Discussions after receipt of initial proposals is not required in the following cases:
  - a. The Director of ~~Policy and Strategic Sourcing~~**Procurement** determines that evaluation and award may be made based on initial proposals alone;
  - b. Procurement is for supplies for which prices or rates are fixed by law or regulation;
  - c. Time for delivery will not permit discussions; or
  - d. 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**

1. The Evaluation Committee may conduct oral discussions with all responsible 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 ~~Policy and Strategic Sourcing~~Procurement.

2. The discussion process is governed by the following general guidelines.
  - a. Notify all proposers regarding their status and arrange a meeting with those proposers who have been determined to be within the competitive range.
  - b. Verbally at the meeting and in written form advise proposers of deficiencies in their proposals so that the proposers are given an opportunity to satisfy Foothill Transit's requirements.
  - c. Attempt to resolve any uncertainties concerning the proposer's technical proposal and other terms and conditions of the proposal.
  - d. Resolve any suspected mistakes by calling such mistakes to the proposer's attention as specifically as possible without disclosing information contained in other proposals or regarding the evaluation process.
  - e. Provide the proposer a reasonable opportunity to submit any cost or price, technical, or other revisions to its proposal that may result from the discussion.
3. During the discussion, the Evaluation Committee should not engage in:
  - a. Technical leveling, defined as helping 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 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:
    - i. Indicating to ~~ana~~ana proposer the cost or price that it must meet to obtain further consideration.
    - ii. Advising a proposer of its price standing relative to another proposer; however, it is permissible to inform proposer that its cost or price is considered by the Evaluation Committee to be too high or unrealistic.

- iii. Otherwise furnishing information about other 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 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 BAFOs shall be confirmed in writing.
2. BAFOs must be submitted in accordance with written procedures received from Foothill Transit advising proposers that:
  - a. Negotiations are being concluded.
  - b. Proposers are being asked for their "best and final" offer, not merely to confirm or reconfirm prior offers.
  - c. Any revision or modification of proposals must be submitted by the date specified.

**O. Recommendation for Contract Award**

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

**P. 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 Policy and Strategic Sourcing within a reasonable time. Debriefings shall be provided at the earliest time after a final determination is made recommending the award of the contract. The debriefing shall be conducted by the Director of Policy and Strategic Sourcing and may be either oral or written as the Director of Policy and Strategic Sourcing determines appropriate.~~

- ~~2. The debriefing shall:~~

- ~~a. Be limited to discussion of the unsuccessful proposer's proposal and must not include specific discussion of a competing proposer's proposal.~~
  - ~~b. Be factual and consistent with the evaluation of the unsuccessful proposer's proposal; and~~
  - ~~c. Provide information on areas in which the unsuccessful proposer's technical proposal was deemed weak or deficient.~~
- Q. Award of the Contract**

1. After evaluation of proposals in accordance with the criteria set forth in the RFP, the contract shall be awarded to 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~~2. If Executive Board approval is not required, 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~~ If Executive Board approval is not required, and required, Foothill Transit will notify the recommended successful proposer and the unsuccessful proposers of the recommendation at the same time as the publication of the Board agenda ~~if Board approval is required.~~

3. Notification to unsuccessful and successful 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.~~

**RQ. Final Award**

1. If Executive Board approval is required for ~~selection of the successful proposer;~~contract award the Project Manager, in consultation with the Director of ~~Policy and Strategic Sourcing~~Procurement, shall prepare the ~~board~~Board report. The ~~board~~Board report shall ~~identify all individuals or firms responding to the RFP;~~include links to or copies of all proposals received, describe the procurement and evaluation process, set forth the evaluation scores for each proposer, ~~and~~ describe the services or goods being procured, and contain the Executive Director's determination of the recommendation for contract award.

2. The Executive Board shall vote to accept or reject the Executive Director's determination of the recommendation for contract award. If the Executive Board rejects the Executive Director's

recommendation for contract award, the Executive Board shall state the reason(s) for rejecting the recommendation and take one of the following actions: (1) choose another proposer using the same criteria set forth in the RFP; or (2) direct re-solicitation of proposals.

3. If the Executive Board elects to choose another proposer, each Executive Board member shall become familiar with the content of the final RFP. Any questions regarding the RFP, the Proposals, or any documentation furnished by a proposer shall be addressed to the Director of Procurement prior to the Executive Board's initiation of evaluations. Each Executive Board Member shall perform a technical evaluation of each proposer's Proposal using evaluation score sheets substantially similar to those used by the Evaluation Committee, which will be provided by the Executive Board Chair, who may be assisted by the Director of Procurement. All Executive Board Members' evaluations shall be performed in accordance with these policies and procedures, the RFP, and applicable regulations and laws. The Executive Board Chair, with the assistance of the Director of Procurement, shall then review the scores and determine the successful proposer for contract award.

4. Executive Board approval of contract award shall authorize the Executive Director to negotiate final terms and conditions and enter into an agreement with the successful proposer. The contract will be reviewed by Counsel who will ensure that the contract will not include any terms or conditions to be negotiated in the future. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that any contract addressing such terms and/or conditions will not be executed. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that the contract is executed at the approval level required in these procedures.

~~Two~~5. A minimum of one original signed ~~copies~~copy of each contract will be executed by Foothill Transit and the contractor. The Procurement Department will maintain ~~one~~an original of the contract for the procurement file and if requested by the contractor, will distribute one original to the contractor. Copies will be distributed to Counsel, the procurement file, and the project manager and, if necessary, to the contractor.

## R. 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 within a reasonable time. Debriefings shall be provided at the earliest time after a final determination regarding the award of the contract is made. The debriefing shall be conducted by the Director of Procurement and may be

either oral or written as the Director of **Procurement** determines appropriate.

**2.** The debriefing shall:

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

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

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

**S. 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 ~~Policy and Strategic Sourcing~~**Procurement** 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”) 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. 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 can only be used in procurement of the above services. 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 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 ~~Policy and Strategic Sourcing~~ **Procurement** in consultation with the Project Manager and appointed by the Executive Director to review eligible firms and all responses to 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. Analysis of the firm’s current workload and capacity to accomplish the work in the required time; and
    - f. Overall performance record of the firm.
  - 3. The Evaluation Committee will hold discussions with the most highly qualified firms (“short list”).



4. The Evaluation 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. The final selection shall be made by the Executive Director from a list of the most highly qualified firms prepared by the Evaluation Committee. The Executive Director will list those firms in order of preference for negotiating a contract.
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. 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. 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. In determining the amount of compensation and the method of payment, consideration shall be given to:
  - a. Scope and complexity of designs, surveys, and other work and the skills necessary for these services.
  - b. Quality and quantity of data provided to the A/E by Foothill Transit.
  - c. Location of, and conditions under which, the services will be performed.
  - d. Date services are to begin and time allowed for performance.
10. Costs should be negotiated taking into consideration:
  - a. Direct Labor.
  - b. Overhead.
  - c. General and administrative expenses.

- d. Materials.
  - e. Other direct costs.
  - f. Profit, which is further influenced by:
    - i. Degree of A/E's risk.
    - ii. Level of effort.
    - iii. Level of talent or expertise the A/E must furnish.
    - iv. Amount of subcontracting.
    - v. Amount of top level A/E management involved.
    - vi. Subcontracts.
    - vii. Contractor's investment.
11. When the contract is negotiated and signed, the negotiations shall be documented and placed in the file.
12. The contract shall be monitored to ensure that expenditures and payments are commensurate with performance and 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 micro purchase threshold must be documented as to the reasons why only one supplier is acceptable. Purchases under ~~\$\$\$~~7,500 (\$3,500 when Federal funds are used) are considered micro purchases and are exempt from the requirement to obtain competitive quotes or process a sole source justification. The Director of ~~Policy and Strategic Sourcing~~**Procurement** will ensure that the ~~form set forth in Appendix C is utilized by the~~ Project Manager utilizes the Procurement Department's sole source form 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 ~~Policy and Strategic Sourcing~~**Procurement** will ensure that the justification is provided to the Executive Director or Executive Board for approval as appropriate. The Director of ~~Policy and Strategic Sourcing~~**Procurement** 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. 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:
    - a. 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.
  - b. 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. \_
  - c. FTA Approval. The Federal Transit Administration authorizes noncompetitive negotiations.
  - d. 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 ~~Policy and Strategic Sourcing~~Procurement will review the specifications and determine if they were unduly restrictive or 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 ~~Policy and Strategic Sourcing~~Procurement. The Director of ~~Policy and Strategic Sourcing~~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. The Director of ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement will also ensure that the completed template is included in the procurement file.

## **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 ~~Policy and Strategic Sourcing~~**Procurement** 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 ~~Policy and Strategic Sourcing~~**Procurement** will ensure that documentation reflecting the above process is included in the procurement file. Upon completion of the above process, the Director of ~~Policy and Strategic Sourcing~~**Procurement** 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 ~~Policy and Strategic Sourcing~~**Procurement** 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 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 ~~Policy and Strategic Sourcing~~**Procurement** has the authority to approve the purchase of all goods and services in emergency conditions. If the Director of ~~Policy and Strategic Sourcing~~**Procurement** 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 ~~Policy and Strategic Sourcing~~**Procurement** 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:

1. Publicize receipt of the unsolicited proposal.
2. 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.
3. Publicize Foothill Transit's interest in acquiring the property or services described in the proposal.
4. Provide an adequate opportunity for interested parties to comment or submit competing proposals.
5. 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~~ Bilateral Changes and Unilateral Change Orders**

- A. ~~An amendment is any~~ A 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. A contract may not be ~~amended~~ changed to include a larger scope, greater quantities, or options beyond Foothill Transit's reasonably anticipated needs.
- B. Foothill Transit shall have the right, based on a clause contained in each contract, to ~~issue~~ agree to a bilateral change ~~order to the contract~~ 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~~ changes must be within the scope of the original contract and ~~approved~~ agreed to 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, unilateral change order and negotiate cost and price for time and materials after the issuance of the change order.
- C. ~~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.
- D. All ~~amendments~~ proposed bilateral changes shall be submitted to the Director of ~~Policy and Strategic Sourcing~~ Procurement complete with explanations and back up information and, when applicable, a detailed breakdown of charges for review and/or recommendation of approval.
- E. Verification of ~~Amendments~~ Bilateral Changes
- The Director of ~~Policy and Strategic Sourcing~~ Procurement will verify all ~~amendments~~ bilateral changes under the following procedures:
1. The Project Manager and the Director of ~~Policy and Strategic Sourcing~~ Procurement will review the proposed contract amendment that will incorporate the change 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 ~~Policy and Strategic~~

~~Sourcing~~**Procurement** 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 ~~Policy and Strategic Sourcing~~**Procurement** 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~~**bilateral changes** for each individual contract shall be monitored by the Director of ~~Policy and Strategic Sourcing~~**Procurement**.

#### E. Issuance of Unilateral Change Orders

The Executive Director will issue unilateral change orders under the following procedures:

1. The Project Manager will draft the proposed change order.
2. The Director of Procurement will review the proposed change order and determine whether it is within the scope of work for the project of the original contract.
3. If the proposed change order 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.
4. The Executive Director shall review and issue the change order if he or she approves of the proposed change order.
5. After issuance of the proposed change order, the Project Manager shall commence negotiation of cost and price of the change order.

**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. An existing contract is not a State or local government purchasing schedule or purchasing contract. The use of “tag-ons” (the addition of work, supplies, equipment, or services) by Foothill Transit that 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.
  - 1. Foothill Transit may use contract options held by another with the following limitations:
    - a. 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.
    - b. 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
  - 1. 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.
  
  - 2. 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 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 ~~Policy and Strategic Sourcing~~**Procurement** 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~~**Procurement** 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 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~~**offer** 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 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 may jointly procure goods and services with other entities. When obtaining goods or services in this manner using Federal funds, the Director of ~~Policy and Strategic Sourcing~~**Procurement** 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 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 ~~Policy and Strategic Sourcing~~Procurement will ensure that the estimates are prepared prior to the issuance of an invitation for bids.

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.

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

Cost estimates for non-construction projects, goods, or services will be developed by the Project Manager as part of the development of 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 the individual preparing the estimate. The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that the estimates are prepared prior to the issuance of procurement documents.

### C. Use of Form

The Director of ~~Policy and Strategic Sourcing~~Procurement will ensure that ~~the form set forth in Appendix C is utilized and completed by~~ the Project Manager for each procurement action undertaken by Foothill Transit uses and completes a standard form approved by the Director of Finance. The Director of ~~Policy and Strategic Sourcing~~Procurement will also ensure that the completed form is included in the procurement file.



**Subchapter O – Price or Cost Analysis**

A. Foothill Transit shall conduct a price or cost analysis 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.

1. **Price 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.

2. **Cost 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. As compared to price analysis, cost analysis involves a more detailed review of the offeror's proposal and can be used where Foothill Transit has less assurance of a fair and reasonable price.

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.

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?
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~~Procurement. The Director of ~~Policy and Strategic Sourcing~~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.
- 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 ~~Policy and Strategic Sourcing~~Procurement will ensure that ~~the~~a pre-approved form ~~set forth in Appendix G~~ is utilized and completed by the Project Manager for each cost or price analysis. The Director of ~~Policy and Strategic Sourcing~~Procurement 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.

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<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.
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.

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. Purchase Order Process / Requirements**

1. Purchase Orders can be issued for the purchase of good 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, 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. Contract Purchase 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 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. 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. 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**

### **A. Purpose**

The purpose of 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.

### **B. 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 submitted by a party 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.

### **C. Definitions**

For purposes of these Bid Protest Procedures:

1. 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 submittal submitted by an offeror in response to a Request for Qualifications (RFQ).
2. The term "contract" means that document to be entered into between Foothill Transit and the successful bidder and offeror.
3. The term "days" refers to normal business days of Foothill Transit staff offices.
4. 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 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.

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

**D. 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.

**E. Contents of Protest**

1. A bid protest must be filed in writing and must include:
  - a. The name and address of the protestor.
  - b. The name and number of the procurement solicitation.
  - c. 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.
  - d. Any relevant supporting documentation the protesting party desires Foothill Transit to consider in making its decision.
  - e. The desired relief, action, or ruling sought by the protestor.

2. Protests must be filed with:

Director of ~~Policy and Strategic Sourcing~~Procurement  
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~~00~~30 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.

**F. 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:

1. Any bid protest alleging improprieties in a solicitation process or in 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.
2. 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 the earlier of five calendar days after ~~the protestor's receipt of Foothill Transit's written notice of its decision or intended decision to award a contract.;~~ (a) Foothill Transit's issuance of notice of intent to award the contract, if Board approval of the contract is not required; (b) Foothill Transit's publication of the Board agenda containing the Executive Director's recommendation for contract award, if Board approval of the contract is required; or (c) Board award of the contract, if the Board awards to a proposer other than the proposer recommended for award by the Executive Director. 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.~~

**G. Review of Protest by Foothill Transit**

1. Foothill Transit will notify the protestor within 3 days of timely receipt of a bid protest that the protest is being considered.
2. 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.
3. 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.
4. 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.

**H. Effect of Protest on Procurement Actions**

1. Upon receipt of a timely protest regarding either the solicitation process of the 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.
2. 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.
3. 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.

**I. 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.

**J. Protest Decisions**

- 1. After review of a bid protest by appropriate Foothill Transit staff and/or 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.

**K. Judicial Appeals**

A protestor adversely affected by a bid protest decision may appeal such decision to an appropriate court of the State of California.

**L. 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).

## CHAPTER VI - CONTRACT ADMINISTRATION

### A. Contract Administration Guidelines

1. A Notice to Proceed will be issued as necessary as determined by the Director of ~~Policy and Strategic Sourcing~~Procurement in consultation with 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~~20,000 or less.
3. A full contract agreement (with terms and conditions) will be entered into for all projects with a value in excess of \$~~10,000~~20,000.
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 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 in a timely manner so that timely payment 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. Federal Procurement Requirements**

1. Since Foothill Transit receives FTA capital assistance, Federal procurement requirements apply to all Federally-funded procurements. Some of these requirements are unique and pertain only to Federally-funded procurements. 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.
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, *even if Federal funds are not utilized.*
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.)

**D. Bonding Requirements**

1. Purpose

To ensure uniform and equitable application of bonding requirements in compliance with State and Federal regulations and protect the interests of Foothill Transit.

2. Responsibility

It shall be the responsibility of the Director of ~~Policy and Strategic Sourcing~~Procurement to ensure that these guidelines are followed and applied impartially.

3. Types of Bonds

- a. 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 is specifically manufactured for Foothill Transit. 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. Failure of bidders to comply with these requirements will result in a determination by the Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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 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. Bond amounts are set forth in the chart below.
- c. Payment: This is a bond executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract. Payment bonds shall be written by a corporate surety that is an admitted surety in the State of California. Foothill Transit will require a bond for public works/construction contract over \$25,000. 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 <i>*These bond amounts are mandatory</i>	10%	100%	100%
Materials and Equipment <i>*Bonds mandatory if procurement is for</i>	up to 5%	up to 20%	N/A

<i>equipment of a critical nature to the operations of Foothill Transit or if equipment is specifically manufactured for Foothill Transit</i>			
Services (except for personal or professional) <i>*Bonds mandatory if procurement is for services of a critical nature to the operations of Foothill Transit</i>	up to 5%	up to 100%	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.

**E. Insurance Requirements**

1. 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.
2. In assessing risk, Foothill Transit will consider the following project information:
  - a. Scope of work.
  - b. Contract amount.
  - c. Whether the project requires the contractor to operate on Foothill Transit property.
  - d. The ultimate use of the good or service provided by the contractor.
  - e. Previous experience associated with similar or related projects.
3. Once the insurance requirements are defined, they must be included in the procurement document.
4. The Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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.

5. The Director of ~~Policy and Strategic Sourcing~~**Procurement** shall not allow any contract to continue without proper insurance in effect after notification of the lapse of requisite insurance.

**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.

**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.

**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.

**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.

**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:

1. Vendor list.
2. Rationale for type of procurement used.
3. List of all vendors responding to the procurement.
4. 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.
5. Notice to proceed (if applicable).
6. Final contract.
7. Executive Board report, if required.
8. All correspondence.
9. Proof of insurance.
10. Bond documents.
11. Notice of Solicitation.
12. Legal advertisement (if applicable).
13. Original procurement document and all addenda.
14. Original responses to the procurement.
15. DBE information.
16. ~~Returned mail.~~

**K. Vendor Database**

1. The Vendor 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 will be 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.

**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 ~~Policy and Strategic Sourcing~~Procurement 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 ~~Policy and Strategic Sourcing~~Procurement 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 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, 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:

1. ~~6.~~—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.
2. ~~7.~~—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).
3. ~~8.~~—The term “Civil Judgment” means a judgment or finding of a civil offense by a court of competent jurisdiction.
4. ~~9.~~—The term “Contract” means the document entered into, or to be entered into, between Foothill Transit and a successful bidder.
5. ~~10.~~—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.



6. ~~11.~~ The term “Conviction” means a conviction of a criminal offense by a court of competent jurisdiction, whether entered upon a verdict or a plea.
7. ~~12.~~ The term “Days” refers to normal business days of Foothill Transit staff offices.
8. ~~13.~~ 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.
9. ~~14.~~ 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.
10. ~~15.~~ 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 Procurement Department ~~of Policy and Strategic Sourcing~~ are not permitted to sit on the Debarment Panel.
11. ~~16.~~ The term “Debarment Period” means the period of Debarment described in Section F hereof and set forth in the Debarment Determination.
12. ~~17.~~ The term “Debarment Recommendation” means the written recommendation made by the Debarment Panel to Foothill Transit’s Executive Director regarding a proposed Debarment action.
13. ~~18.~~ 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.
14. ~~19.~~ The term “Government Entity” means any Federal, State, or local department, agency, or authority.
15. ~~20.~~ 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.
16. ~~21.~~ 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**

- 1. ~~5.~~ The Debarment process under this Chapter will be initiated by Foothill Transit's Director of ~~Policy and Strategic Sourcing~~ **Procurement** 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.
- 2. ~~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.
- 3. ~~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~~ **Procurement** 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.

- 4.** ~~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~~ **Procurement**, 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.
- 5.** ~~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~~**Procurement** 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~~**Procurement** 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.
- ~~4.3.~~ 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~~**Procurement** 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.
- ~~5.4.~~ 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

<b>State Laws</b>	<b>Sections(s)</b>	<b>Subject</b>
Civil Code	3320 – 3321	Prompt Payment and Retention to Design Professionals
Civil Code	9000 - 9566	Provisions Applicable to Public Works of Improvement; Payment Bond Requirement for Construction Projects
Code of Civil Procedure	995.311	Verification of Admitted Surety Insurers on Bonds
Code of Regulations	8 C.C.R. 16000	Public Works and Prevailing Wage Cont.
Government Code	4525 et seq.	Contracts with Private Architects, Engineering, Land Surveying, and Construction Project Management Firms
Government Code	4529.10 - 4529.20	Architect & Engineering Services
Government Code	4420 - 4422	Surety Requirements on Public Building or Construction Contracts
Government Code	4215	Removal, Relocation or Protection of Existing Utilities
Government Code	4550 - 4554	Antitrust Claims; Assignment
Government Code	53064	Identical highest and lowest bids; selection by lot
Government Code	53068	Notice inviting bids
Government Code	53069.85	Contracts for public works; liquidated damages; bonus for completion prior to time specified
Government Code	53079	Local public entity; construction project, security deposit; interest



<b>State Laws</b>	<b>Sections(s)</b>	<b>Subject</b>
Government Code	6250 – 6270	California Public Records Act
Government Code	81000 et seq.	California Political Reform Act of 1974
Labor Code	1720, 1720.2, 1720.3, and 1771	Public Works and Prevailing Wage
Public Contract Code	7100 - 7200	Public Work Contract Clauses
Public Contract Code	4100 - 4114	Subcontracting
Public Contract Code	22160 - 22169	Design-Build
Public Contract Code	9201 - 9204	Claims and Disputes
Public Contract Code	20216 - 20217	Competitive Negotiation Process
Public Contract Code	1103	Responsible Bidder in Public Work Contracts
Public Contract Code	1104	Architectural & Engineering Plans and Specifications
Public Contract Code	3300	Contractor's License in Specifications for Bids
Public Contract Code	3400	Trade Name or Specific Names in Specifications for Bids
Public Contract Code	6109	Ineligible and Debarred Contractors and Subcontractors
Public Contract Code	6610	Contents of Notice Inviting Bids
Public Contract Code	5100 – 5107, 5110	Relief of Bidders
Public Contract Code	20100 - 20103.7	Local Agency Public Construction Act; Title
Public Contract Code	20104 - 20104.8	Resolution of Construction Claims
Public Contract Code	20103.8	Additive and deductive items
Public Contract Code	20104.5	Timely Progress Payments

<b>State Laws</b>	<b>Sections(s)</b>	<b>Subject</b>
Public Contract Code	20104.7	Damages Relating to Competitive Bidding
Public Contract Code	20120 - 20146	As applicable, Local Public Agency Construction Contract provisions specific to counties
Public Contract Code	20122	Work over \$6,500
Public Contract Code	20125	Advertisement for bids
Public Contract Code	20129	Bidder's security; performance bond

**Appendix B – Federal Requirements**

Federal Requirement	Notes	When Required						
		Rolling Stock	Operating	Construction	Consultant Services	Research	Goods	Prof'l Services
<b>Buy America</b>	(49 C.F.R. Part 661)	>\$150,000		>\$150,000				
<b>Cargo Preference</b>	(49 C.F.R. Part 381) <i>Where procurement involves equipment, materials, or commodities suitable for transport by ocean vessel</i>	X	X	X	X	X	X	X
<b>Fly America</b>	(49 U.S.C. 40118) <i>Required for international air transportation</i>	X	X	X	X	X	X	X
<b>Pre-Award and Post-Delivery Audits</b>	(49 C.F.R. Part 663)	X						
<b>Bus Testing</b>	(49 C.F.R. Part 665) <i>Bus procurements only</i>	X						
<b>Seismic Safety</b>	(49 C.F.R. Part 41) <i>New buildings or additions to existing buildings</i>			X				
<b>Davis-Bacon Act</b>	(40 U.S.C. 3141-48)			>\$2,000				
<b>Copeland Anti-Kickback Act</b>	(40 U.S.C. 3145)			>\$2,000				
<b>Contract Work Hours and Safety Standards Act</b>	(40 U.S.C. 3702 and 3704) <i>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</i>	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000
<b>Lobbying</b>	(31 U.S.C. 1352) <i>Require certification forms and, if appropriate, lobbying disclosure forms</i>	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000	>\$100,000

**Foothill Transit Procurement Policies and Procedures**

Federal Requirement	Notes	When Required						
		Rolling Stock	Operating	Construction	Consultant Services	Research	Goods	Prof'l Services
Energy Conservation	(42 U.S.C. 6321)	X	X	X	X	X	X	X
Clean Water	(33 U.S.C. 1251)	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Clean Air	(42 U.S.C. 7401)	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000	>\$150,000
Civil Rights	<i>Federally-funded construction contracts must include the full clause found at 41 C.F.R. 60-1.4(b)</i>	X	X	X	X	X	X	X
Disadvantage Business Enterprises	(49 C.F.R. Part 26)	X	X	X	X	X	X	X
Trafficking in Persons	(22 U.S.C. 7102)	X	X	X	X	X	X	X
Government-Wide Suspension and Debarment		>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000	>\$25,000
No Government Obligations to Third Parties		X	X	X	X	X	X	X
Patents and Rights in Data	(35 U.S.C. 200 and 37 C.F.R. Part 401)					X		
Program Fraud and False or Fraudulent Statements and Related Acts		X	X	X	X	X	X	X
Recycled Products	(42 U.S.C. 6962) <i>Applies where the value of an EPA designated item exceeds \$10,000</i>	X	X	X	X	X	X	X
Safe Operation of Motor Vehicles	(E.O. 13043, E.O. 13513, and U.S. DOT Order 3902.10)	X	X	X	X	X	X	X
Access to Records and Reports		X	X	X	X	X	X	X
Federal Changes		X	X	X	X	X	X	X
Substance Abuse Requirements	<i>Where contractor is performing safety-sensitive function</i>	X	X	X	X	X	X	X
Incorporation of Federal Transit Administration Terms		X	X	X	X	X	X	X
Intelligent Transportation	<i>ITS property and services</i>	X	X	X	X	X	X	X

**Foothill Transit Procurement Policies and Procedures**

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Federal Requirement	Notes	When Required						
		<i>Rolling Stock</i>	<i>Operating</i>	<i>Construction</i>	<i>Consultant Services</i>	<i>Research</i>	<i>Goods</i>	<i>Prof'l Services</i>
<b>Systems-National Architecture</b>								
<b>Charter Bus</b>	(49 U.S.C. 5323(d), (r) and 49 C.F.R. Part 604)		X					
<b>Public Transportation Employee Protective Arrangements</b>	(49 U.S.C. 5333(b) and 29 C.F.R. Part 215)		X					
<b>School Bus Operations</b>	(49 U.S.C. 5323(f) and 49 C.F.R. Part 605)		X					
<b>Veteran's Preference</b>	(49 U.S.C. 5325(k))			X				
<b>Americans with Disabilities Act</b>		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.~~

**Foothill Transit Procurement Policies and Procedures**

	<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 Affirmative Action and 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>	
<del>9. Financial and Technical Resources. Has, or can obtain, sufficient financial and technical resources to perform the contract.</del>	<del><input type="checkbox"/> Yes <input type="checkbox"/> No</del>	





**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).-~~

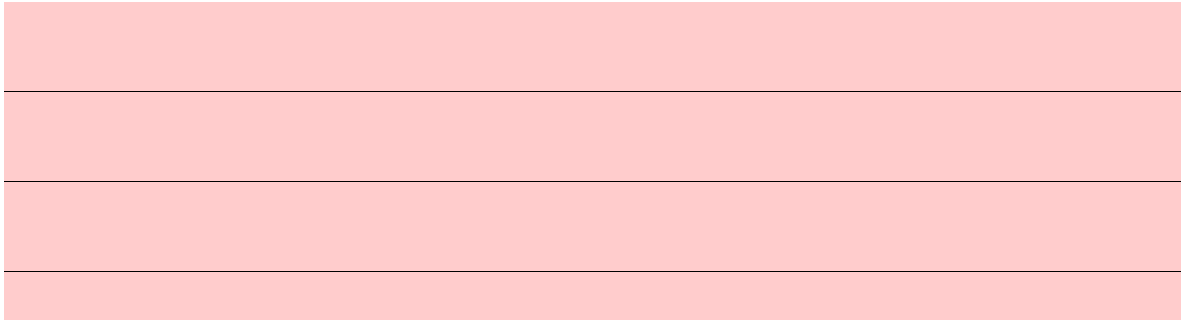
~~\_\_\_\_\_ After solicitation of a number of sources, competition is determined inadequate (record of source contacts is attached).-~~

~~\_\_\_\_\_ 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:

**Foothill Transit Procurement Policies and Procedures**

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**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.



***Signature of Preparer:***

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

~~\_\_\_\_\_~~

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







**Foothill Transit Procurement Policies and Procedures**

<i>TOTAL SPECIAL TOOLING/EQUIPMENT</i>			
B. TRAVEL			
(1) TRANSPORTATION			
(2) PER-DIEM OR SUBSISTENCE			
<i>TOTAL TRAVEL</i>			
<b>DETAIL DESCRIPTION OF COST ELEMENTS (continued)</b>	Vendor A (\$)	Vendor B (\$)	Independent Estimate
C. INDIVIDUAL CONSULTANT SERVICES			
<i>TOTAL INDIVIDUAL CONSULTANT SERVICES</i>			
D. OTHER			
<i>TOTAL OTHER</i>			
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.~~

~~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.~~

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

Document comparison by Workshare Compare on Wednesday, August 15, 2018  
3:25:08 PM

Input:	
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Document 2 ID	interwovenSite://SS-DMS/DMS/6795220/2
Description	#6795220v2<DMS> - Updated Procurement Policies and Procedures Manual - 2018 Updates (002)
Rendering set	MS Word Proof

Legend:	
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Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	248
Deletions	608
Moved from	17