

BOARD OF DIRECTORS MEETING AGENDA
REDWOOD COAST TRANSIT AUTHORITY



DATE: Monday, September 11, 2023

Time: 4:15pm

PLACE: 981 H Street – Flynn Bldg, Zoom Option: <https://dnco.zoom.us/j/82869372937>

A link to view the meeting will be posted on <https://media.co.del-norte.ca.us/> .

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1. Call Meeting to Order. Roll Call. Pledge of Allegiance
 2. Public Comment
 3. Consent Calendar
 - 3A. Approve the Minutes of the June 12, 2023 RCTA Board Meeting
 - 3B. Adopt Resolution 2023-24-01 Approving RCTA 2023-24 Board Meeting Calendar
 - 3C. Approve RCTA DBE Race-Neutral/Race-Conscious Implementation Agreement
 - 3D. Approve Resolution 2023-24-02 Approving the Fiscal Year 2023-24 State of Good Repair Project List
 - 3E. Adopt Resolution 2023-24-03 Approving Service Animal Policy
 - 3F. Adopt Resolution 2023-24-04 Approving RCTA's Procurement Policy
 4. Adopt Resolution 2023-24-05 Approving RCTA's Conflict of Interest Code
 5. Adopt Resolution 2023-24-06 Authorizing Budget Transfer Request Moving Funds Between Line Items
 6. Approve Multi-Year Financial Audit Services Engagement with O'Conner CPAs
 7. Discussion and Approval of Extending RCTA LCTOP-Funded Free Rides Program
 8. Discussion and Approval of Reduced Fall/Winter/Spring Service Platform Effective October 1, 2023
 9. Discussion and Approval of CEC Airport Service Area Expansion Effective Immediately
 10. Medical Services Update – Route 20 Extension into Eureka, Call Center, South Oregon Medical Shuttle
 11. Management Report – First Transit Project Manager
 12. RCTA General Manager's Report
 13. Announcements
 14. Adjourn – Next RCTA Board Meeting will be on Monday, October 30th, 2023 at 4:15pm

Any member of the public may speak on any agenda item for a time period, not to exceed 3 minutes, prior to the Public Agency taking action on that agenda item.

MINUTES
REDWOOD COAST TRANSIT AUTHORITY
JUNE 12, 2023 AT 3:00 PM

ATTENDED: JOEY BORGES (CHAIRMAN), KELLY SCHLLONG, VIDETTE ROBERTS.

ABSENT: RAY ALTMAN, DARREN SHORT

ALSO PRESENT: JOSEPH RYE, DAN HERRON, MICHAEL CONNERAN, MARK SCHAFFER, FRANK HENRICK

1. CALL MEETING TO ORDER. ROLL CALL. PLEDGE OF ALLEGIANCE

Chairman Borges called meeting to order at 3:00 pm. Nicole Burshem led the Roll Call. Chairman Borges led the Pledge of Allegiance.

2. PUBLIC COMMENT

The following person(s) addressed the Board: None

3. CONSENT AGENDA

3A. APPROVE THE MINUTES OF APRIL 24, 2023 RCTA BOARD MEETING.

3B. APPROVE RESOLUTION 2022-23-12 AUTHORIZING SUBMITTAL OF FISCAL YEAR 2023-24 RCTA TDA CLAIM.

On a motion by Director Roberts, seconded by Director Schellong, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors approved the Consent Agenda items 3A-3B.

4. PRESENTATION ON MEDICAL SHUTTLE STUDY, APPROVE RECOMMENDATIONS INCLUDING IMPLEMENTATION OF A ONE-STOP CALL CENTER, A PILOT DEMAND-RESPONSE SERVICE TO SOUTH OREGON AND ROUTE 20 EXTENSION INTO EUREKA.

Mark Shaffer reported Phase One of the study looked to see if there was a market need not being met today for medical travel to Grants Pass and Medford in Southern Oregon. This presentation will draw on that data and propose possible new or altered services to meet the needs uncovered in Phase One. Phase One indicated quite a few patients getting referred to Southern Oregon for specialty medical services. About half of all out-of-town referrals for specialty medical go to Southern Oregon, and the other half go to Humboldt County. Phase Two looked at how Metro could improve existing Route 20 going to Humboldt County to meet this portion of the stated need. In discussions with Humboldt Transit Authority, it was determined that RCTA should extend services into Eureka and directly stop at the three major medical clusters in town, as well as meet HTA

regional services at the Eureka Transit Center. This was a relatively easy and low cost modification, and is supported by Caltrans, who has promised additional 5311(f) funding for RCTA to extend the route into Eureka and improve transfer connections with HTA.

For service to Grants Pass and Medford, Oregon, the study will recommend a door-to-door service running two days per week, with advanced reservations required. Fare would be \$10.00 each way to Grants Pass and \$12.00 each to Medford. These rides would be conducted mainly for medical needs, but other trips could be accommodated on a space-available basis to help with farebox revenue. Phase Two then goes on to recommend program rules and marketing elements to get the word out to the community, and in particular to local referring physicians offices.

The study also recommends that RCTA CTSA establish a special Call Center with a new phone number as a clearinghouse for transportation information. Mr. Shaffer has secured a new phone number and Transdev has upgraded their telephone system for RCTA in order to allow this Call Center concept to move forward. This is a very low cost solution, as RCTA dispatcher already fielded many calls from folks not knowing what transport options are available. This will formalize that information dissemination role and should increase call volume into RCTA dispatch from both the old main RCTA phone line, but also now from the Call Center number. An information binder will be kept in dispatch helping dispatchers to have quick access to information on other transportation services in Del Norte, as well as connecting transit systems in Curry, Josephine, and Humboldt Counties and Rogue Valley Transit in Medford, as well as Amtrak and Greyhound intercity services. Mr. Schaffer is nearly finished with the recommended low-budget marketing plan to get word out on these new services to the public. Director Schllong asked about projected revenues. Mr. Schaffer responded fares that have been predicted could recover 30% of the cost. Director Schellong asked if RCTA will need additional staff? Mr. Rye responded no, since RCTA dispatchers already answer calls and provide service information to the public, this will simply increase call volume. It is not expected that the Call Center will overwhelm RCTA resources. Chairman Borges asked regarding an advanced air filtration system that will put other passengers at ease of traveling with sick patients. Mr. Rye responded we already have UV-based anti-microbial air cleaner units in all the buses, installed during the pandemic.

On a motion by Director Schellong, seconded by Director Roberts, and unanimously carried on a polled vote, the Redwood Coast Transit Authority Board of Directors approved recommendations including implementation of a One-Stop call center, A pilot Demand-Response Service to South Oregon and Route 20 Extension into Eureka.

5. ADOPT RESOLUTION 2022-23-14 APPROVING AN AGREEMENT WITH GHD INC. FOR SITE PLANNING AND PRELIMINARY ENGINEERING ON THE RCTA WILLIAMS DRIVE ELECTRIC VEHICLE CHARGING INFRASTRUCTURE PROJECT.

Unanimous vote the RCTA Board of Directors moved Item 7 to Item 5. Mr. Rye presented and discussed the need to begin design of the charging stations and facility changes that will be required to adapt RCTA to an electric bus fleet. While RCTA has TIRCP grant funds coming next year, Mr. Rye is suggesting to the board to approve this small agreement with GHD today. This planning/preliminary engineering task will calculate the maximum electrical service capacity RCTA will need in the future to power a fleet of electric buses. After the max charging figure is calculated, RCTA will submit a service application to Pacific Power in order to get a start on what could be a critical path element of the project. RCTA cannot go far with this project without a commitment from Pacific Power to bring enough electricity to the 140 Williams Drive site to support the dozen or so charging units that will be required. After the maximum load calculations, this engagement with GHD will develop preliminary site plan options to see if RCTA can find room in its current leased land to fit all the charging infrastructure along with bus and employee parking, circulation, drainage, etc. Director Schellong asked if Mr. Rye could share the RFP so she can see the scope of the cost. Mr. Rye presented to Director Schellong the scope of cost. Director Borges asked what the projected time is to complete this project. Frank Penry of GHD responded October 31st.

On a motion by Director Schellong, seconded by Director Roberts, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors approved and adopted Resolution 2022-23-14 approved an agreement with GHD Inc. for site planning and preliminary engineering on the RCTA Williams Drive electric vehicle charging infrastructure project.

6. ITEM 5 APPROVE RESOLUTION 2022-23-13 AUTHORIZING BUDGET TRANSFER REQUEST MOVING FUNDS FROM BUS PURCHASE LINE ITEM TO VARIOUS OTHER LINE ITEMS.

Mr. Rye reported that several operational line items have went over budget in FY 2022-23 while the bus purchase line item didn't get drawn down much due to the industry supply chain crisis. RCTA budgeted for several new buses but only one minivan was received due to a huge backlog of buses in the cutaway bus industry. The County Auditor's Office adheres strictly to a line-by-line budget rule. What this means is that no line item can go over even slightly without amending the budget. In FY 2022-23 RCTA went over budget on several operational line items, including fuel (prices and full service all winter) and operations contract expenditures (full service all winter). Director Schellong asked if there was a mid-year budget review to know that was happening instead of being surprised at the end of the year. Mr. Rye responded yes; we knew about some of the line items well ahead of time. Director Schellong asked where is the \$123,000 coming from for the buses. Mr. Rye responded that higher than anticipated operating costs then reduce the amount of excess funding left over at the end of the year to add to reserves. While RCTA went over budget slightly in FY 2022-23, the adopted budget had more revenues than expenditure and a projected increase in reserves going into FY 2023-24. This budget adjustment will lower the amount of funds that can be used to build reserves.

On a motion by Director Roberts, seconded by Director Schellong, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors approved Resolution 2022-23-13 authorizing budget transfer request moving funds from Bus purchase line item to various other line items to ensure none are over budget.

7. Item 6 RECEIVE UPDATE ON FIAL RCTA PTMISEA EXPENDITURE PLAN.

Mr. Rye reported this is the final RCTA PTMISEA expenditure plan. RCTA has used these funds primarily for bus replacements and for facility improvements since they began to accrue in 2007. This update is to inform the Board of our final spending plan. RCTA has two PTMISEA “projects”: bus replacements and facility upgrades. The current PTMISEA balance has \$36,000 for the facility project, and \$375,000 for the bus replacements. In progress upgrades to the Williams Drive LED lighting and HVAC unit will draw these funds down to near \$18,000. The remaining funds are encumbered to pay for a portion of the installation labor for our large, integrated facility generator. The generator is on order but is backlogged a year or more. Our bus projects balance is \$375,000. Since December 31st four in progress projects have spent about \$150,000 of that \$375,000. We replaced engines in older buses and picked up (2) used paratransit vehicles. RCTA is working with Caltrans to allow the last \$222,000 to be spent on a recent minivan purchase and an in progress order (since 2021) for (2) low-floor cutaways.

8. APPROVE SUMMER 2023 SERVICE CHANGES.

Mr. Rye reported this item is for the Board to approve summer 2023 service changes. In essence, since the Board opted to maintain full service all last fall/winter/spring, that the 2023 Summer Service platform will be essentially the same as we have been running.

On a motion Director Schellong, seconded by Director Roberts, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors approved Summer 2023 Service Changes.

9. RECEIVE PRESENTATION ON AND APPROVE RESOLUTION 2022-23-15 AUTHORIZING RCTA GENERAL MANAGER TO SUBMIT RCTA’S 2023 CALIFORNIA AIR RESOURCES (CARB) INNOVATIVE CLEAN TRANSIT (ICT) ROLLOUT PLAN.

Mr. Rye presented and led the discussion regarding California Air Resources Board (CARB) Innovative Clean Transit Rollout Plan. Chairman Borges asked Mr. Rye to double check the Resolution numbers because they do not match. Mr. Rye responded Resolution 2022-23-15 is correct.

On a motion by Director Schellong, seconded by Director Roberts, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of directors

approved Resolution 2022-23-15 authorizing RCTA General Manager to submit RCTA's 2023 California Air Resources (CARB) and Innovative Clean Transit (ICT) Rollout Plan.

10. UPDATE ON FRONT STREET LIBRARY SITE TRANSIT HUB AND WILLIAMS DRIVE ELECTRIC BUS CHARGING PROJECTS – AWARD OF TIRCP GRANT AND ADJUSTED TIMELINE FOR PROJECT DEVELOPMENT.

Mr. Rye reported the TIRCP grant included funds for Humboldt Transit, the Yurok tribe, and RCTA all under a partnership grant. Each entity will execute its own funding agreement with Caltrans and CalSTA and be responsible for delivery of its own project. In discussions with HTA, who received TIRCP funding last year also, experience shows it will take about a year to fully execute agreements and be able to spend reimbursable funds. Mr. Rye went over how much each project received from this grant. We are also continuing to work with the City to continue planning for the Library Site Transit Hub during the reconstruction of Front Street. An Memorandum of Understanding (MOU) with the City will be crafted in the coming months for this Board to consider.

11. APPROVE RESOLUTION 2022-23-16 ADOPTING THE FISCAL YEAR 2023-24 RCTA BUDGET.

Mr. Rye reported on the draft Fiscal year 2023-24 RCTA Budget. The budget is similar to last year, but hopefully with better estimate of the cost for capital projects this year.

On a motion by Director Roberts, seconded by Director Schellong, and unanimously carried on a polled vote the Redwood Coast Transit Authority Board of Directors approved Resolution 2022-23-16 adopting the Fiscal year 2023-24 RCTA Budget.

12. MANAGEMENT REPORT – FIRST TRANSIT PROJECT MANAGER

Fernando Hernandez reported RCTA is on track for having enough drivers and we received good feedback on eureka shuttle.

13. RCTA GENERAL MANAGER'S REPORT

None

14. ANNOUNCEMENTS

The following Board Members addressed the following: None.

15. ADJOURN

Redwood Coast Transit Board of Directors adjourned the meeting at 4:36 P.M. The next regular scheduled meeting will be on Monday July 24th at 5:30 P.M.

Joseph Rye, Executive Director
Redwood Coast Transit Authority

September 11, 2023



MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Adopt Resolution 2023-24-01 Establishing Date and Time for Regular Board of Director Meetings

RECOMMENDATION:

Adopt Resolution 2023-24-01 establishing date and time for regular Board of Director meetings.

BACKGROUND:

Historically, the Redwood Coast Transit Authority Board of Directors met at the County’s Flynn Admin Building on a set day and time each month, cancelling when appropriate. RCTA averaged 6-9 meetings per year over the last few years, with meetings reserved for a set day each month, helping Board members and staff to attend meetings with minimal conflicts. The days and times have moved around to meet needs of the board members. From mid-2019 to today, RCTA has generally met on the fourth Monday at 5:15pm or 5:30pm.

Discussion

RCTA is required by its authorizing Joint Powers Authority bylaws to adopt a meeting date calendar annually. Since the onset of the pandemic, RCTA has utilized zoom video conferencing technology to increase inclusion of interested members of the public, as well as increasing access for RCTA’s and Transdev’s remote managerial team. Even after returning to in-person Board meetings RCTA has retained a “hybrid” zoom element with Board Members attending in person and some of the public attending remotely. RCTA meets in the County Supervisors Hearing Room at the County Flynn Administration Building, which is equipped with a video conferencing system that easily integrates zoom participants.

RCTA moved its start time from 5:15pm to 5:30pm in 2022 to accommodate a board member who could not attend before 5:30pm. That person is no longer on the RCTA Board. A comment was made recently amongst the Board about returning to an earlier starting time, in the range of 4:15-5pm. This works for staff also.

The FY 2023-24 RCTA Board calendar will include the following, with cancellations when feasible:

~~September 25, 2023~~ October 30, 2023 November 27, 2023(will move) January 22, 2024

February 26, 2024 March 25, 2024 April 22, 2024 May 27, 2024 (will move) June 24, 2024

Recommendation

Staff recommends the Board retain the 4th Monday of each month at 5pm as the regular board meeting day/time. Provide staff with start time preference. Meetings will be cancelled or adjusted as necessary.

Attachment: Resolution 2023-24-01

RESOLUTION NO. 2023-24-01

**REDWOOD COAST TRANSIT AUTHORITY RESOLUTION
ESTABLISHING THE DATE AND TIME FOR
REGULAR MEETINGS OF THE BOARD OF DIRECTORS**

WHEREAS, on June 1, 2004, the County of Del Norte and City of Crescent City entered into a Joint Exercise of Powers Agreement ("Agreement") creating the Redwood Coast Transit Authority ("RCTA"); and

WHEREAS, the Agreement provides that RCTA will establish the date and time of the RCTA regular meetings of its Board of Directors.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Redwood Coast Transit Authority as follows:

1. The regular meetings of RCTA will be held on the fourth Monday of each month beginning at 5:00pm or earlier if necessary.
2. The General Manager and Chair of the Board may cancel or reschedule meetings as needed by posting notices on RCTA's website in compliance with the Brown Act, Government Code 54950 et seq.

PASSED AND ADOPTED this 11th day of September, 2023, by the following vote:

AYES:

NOES:

ABSENT:

Joey Borges, Chair
Redwood Coast Transit Authority

ATTEST:

Joseph Rye, Executive Director
Redwood Coast Transit Authority

CALIFORNIA DEPARTMENT OF TRANSPORTATION

DIVISION OF RAIL AND MASS TRANSPORTATION

DISADVANTAGED BUSINESS ENTERPRISE
COMBINATION RACE-NEUTRAL/RACE-CONSCIOUS
IMPLEMENTATION AGREEMENT

FOR

FEDERAL TRANSIT GRANT
ADMINISTRATION SUBRECIPIENTS

2023

DISADVANTAGED BUSINESS ENTERPRISE COMBINATION RACE-NEUTRAL/RACE CONSCIOUS IMPLEMENTATION AGREEMENT for Redwood Coast Transit Authority, hereinafter referred to as “SUBRECIPIENT”.

I Definition of Terms

The terms used in this agreement have the meanings defined in 49 CFR § 26.5.

II Objective/Policy Statement (§26/1. 26/23)

The SUBRECIPIENT intends to receive federal financial assistance from the U. S. Department of Transportation (DOT) through the California Department of Transportation (Caltrans), and as a condition of receiving this assistance, the SUBRECIPIENT will sign the California Department of Transportation’s Disadvantaged Business Enterprise Implementation Agreement (hereinafter referred to as Agreement). The SUBRECIPIENT agrees to implement the *State of California, Department of Transportation Disadvantaged Business Enterprise (DBE) Program Plan* (hereinafter referred to as the DBE Program Plan) as it pertains to local agencies. The DBE Program Plan is based on U.S. Department of Transportation (DOT), 49 CFR, Part 26 requirements.

The SUBRECIPIENT must implement a policy to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also their policy:

- To ensure nondiscrimination in the award and administration of DOT-assisted procurement and contracts of products and services contracts.
- To create a level playing field on which DBE’s can compete fairly for DOT-assisted procurement and contracts of products and services contracts.
- To ensure that their annual overall DBE participation percentage is narrowly tailored, in accordance with applicable law.
- To ensure that only firms that fully meet 49 CFR, Part 26 eligibility standards are permitted to participate as DBEs.
- To help remove barriers to the participation of DBEs in DOT-assisted procurement and contracts of products and services contracts.
- To assist the development of firms that can compete successfully in the market place outside the DBE Program.

III Nondiscrimination (§26.7)

SUBRECIPIENT will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR, Part 26 on the basis of race, color, sex, or national origin. In administering the local agency components of the DBE Program Plan, the SUBRECIPIENT will not, directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program Plan with respect to individuals of a particular race, color, sex, or national origin.

IV Race-Neutral Means of Meeting the Annual DBE Goal (§26.51)

SUBRECIPIENT will assist Caltrans to achieve its Overall Statewide DBE Goal by a combination race-neutral/race-conscious means of facilitating DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does not carry a DBE goal, or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g., a prime contractor that uses a strict low-bid system to award subcontracts).

Race-neutral means include, but are not limited to, the following:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses, participation (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
2. Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs, and other small businesses, obtain bonding and financing);
3. Providing technical assistance and other services;
4. Carrying out information and communication programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists of bidders; ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors; provision of information in languages other than English, where appropriate);
5. Implementing a supportive services program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other small businesses;
6. Providing services to help DBEs, and other small businesses, improve long-term development, increase opportunities to participate in a variety of kinds of work, handle increasingly significant projects, and achieve eventual self-sufficiency;
7. Establishing a program to assist new, start-up firms, particularly in fields in which DBE participation has been historically low;
8. Ensuring distribution of your DBE directory, through print and electronic means, to the widest feasible universe of potential prime contractors; and
9. Assisting DBEs, and other small businesses, to develop their capability to utilize emerging technology and conduct business through electronic media.

V Race Conscious Means of Meeting the Overall Statewide Annual DBE Goal (§26.51(d))

SUBRECIPIENT must establish contract goals for Disadvantaged Business Enterprises to meet any portion of your annual anticipated DBE participation level you do not project being able to

meet using race neutral means. DBEs are limited to these certified DBEs that are owned and controlled by African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and non-minority women.

VI Quotas (§26.43)

SUBRECIPIENT will not use quotas or set-asides in any way in the administration of the local agency component of the DBE Program Plan.

VII DBE Liaison Officer (DBELO) (§26.25)

SUBRECIPIENT must designate a DBE Liaison Officer. The DBELO is responsible for implementing the DBE Program Plan, as it pertains to the SUBRECIPIENT and Verifies that the SUBRECIPIENT is fully and properly advised concerning DBE Program Plan matters.

The name, address, telephone number, electronic mail address, and an organization chart displaying the DBELO's position in the organization are found in Attachment 1 to this agreement.

The DBELO is responsible for developing, implementing, and monitoring the SUBRECIPIENT's requirements of the DBE Program Plan in coordination with other appropriate officials. Duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to determine projected annual anticipated DBE participation level.
4. Verifies that bid notices and requests for proposals are made available to DBEs in a timely manner.
5. Analyzes DBE participation and identifies ways to encourage participation through race-neutral means.
6. Participates in pre-bid meetings.
7. Advises the CEO/governing body on DBE matters and DBE race-neutral issues.
8. Provides DBEs with information and recommends sources to assist in preparing bids, obtaining bonding and insurance.
9. Plans and participates in DBE training seminars.
10. Provides outreach to DBEs and community organizations to fully advise them of contracting opportunities.

VIII Federal Financial Assistance Agreement Assurance (§26.13)

The SUBRECIPIENT will sign the following assurance, applicable to and to be included in all DOT-assisted procurement and contracts of products and services contracts and their administration, as part of the program supplement agreement for each project.

The recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT-assisted contract, or in the administration of its DBE

Program, or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR, Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. The recipient's DBE Program, as required by 49 CFR, Part 26 as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved program, the Department may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.). [Note – this language is to be used verbatim, as it is stated in §26.13(a).]

IX DBE Financial Institutions (§26.27)

It is the policy of the SUBRECIPIENT to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions.

Information on the availability of such institutions can be obtained from the Caltrans' Disadvantaged Business Enterprise Program DBELO.

X Directory (§26.31)

SUBRECIPIENT will refer interested persons to the Unified Certification Program DBE directory available from the Caltrans Disadvantaged Business Enterprise Program's website at www.dot.ca.gov/hq/bep.

XI Required Contract Clauses (§§26.13, 26.29)

SUBRECIPIENT will include in each DOT-assisted prime contract and subcontracts the following contract assurance and prompt payment and return of retainage clauses:

DBE Contract 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 or SUBCONTRACTOR shall carry out applicable requirement of 49 CFR Part 26 in the award and administration of [Federal] DOT-assisted contracts. Failure by the CONTRACTOR or SUBCONTRACTOR to carry out these requirements is a material breach of this contract, which may result in the termination of the Standard Agreement between the STATE and the Awarding Agency, the termination of this contract by the Awarding Agency, or such other remedy the STATE or Awarding Agency deems appropriate, which may include, but is not limited to:

- (1) Withholding monthly progress payments;
- (2) Assessing sanctions;
- (3) Liquidated damages; and/or
- (4) Disqualifying the CONTRACTOR from future bidding as non-responsive.

Awarding Agency shall notify the DBELO in the event the Awarding Agency finds the CONTRACTOR

or SUBCONTRACTOR is in violation of 49 CFR Part 26 within five (5) business days the finding is made.

DBE Participation Goal

This contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. The contract goal for participation of Disadvantaged Business Enterprises (DBE) for this contract is **XX%**.

Offerors are required to document sufficient DBE participation to meet the contract goals or, alternatively, document adequate good faith efforts to do so, as provided for in 49 CFR 26.53 (3)(i)(A). Award of this contract is conditioned on submission of the following:

1. If the offer meets the DBE contract goal the offeror must include with the offer a completed ADM-0227F form.
2. If the offer cannot meet the DBE contract goal the offeror must include with the offer a completed ADM-0312F form that documents the offeror's good faith efforts (GFE) and ADM-0227F form.

The CONTRACTOR shall not terminate the DBE subcontractors listed on ADM-0227F without the Awarding Agency's prior written consent and concurrence from the DBELO. The Awarding Agency may provide such written consent only if the CONTRACTOR has good cause to terminate the DBE firm. Before transmitting a request to terminate, the CONTRACTOR shall give notice in writing to the DBE SUBCONTRACTOR of its intent to terminate and the reason for the request. The CONTRACTOR shall give the DBE five (5) days to respond to the notice and advise of the reasons why it objects to the proposed termination. When a DBE subcontractor is terminated or fails to complete its work on the contract for any reason, the CONTRACTOR shall make good faith efforts (GFE) to find another DBE subcontractor to substitute for the original DBE and immediately notify the Awarding Agency in writing of its efforts to replace the original DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the Contract as the DBE that was terminated, to the extent needed to meet the Contract goal established for this procurement.

Continued Compliance

The Awarding Agency shall monitor the CONTRACTOR'S DBE compliance during the life of this contract and submit to the STATE a completed ADM-0369 form in each their request for reimbursement (RFR) packet.

Prompt Payment and Return of Retainage

- A. The Awarding Agency shall comply with 49 CFR Part 26.29 and ensure the CONTRACTOR pay its subcontractors performing work satisfactorily completed related to this contract no later than thirty (30) days after the CONTRACTOR's receipt of payment for that work from the Awarding Agency.
- B. Unless the approved project is for Construction, the CONTRACTOR shall not hold retainage (withhold retention) from any subcontractor. The STATE shall not hold retainage (i.e. withhold retention) from any CONTRACTOR.
- C. If a dispute arises regarding Construction projects only, the CONTRACTOR may exercise its rights under California Public Contract Code (PCC) Sections 10262 and 10262.5 or California Business and Professions Code (BPC) Section 7108.5, as applicable.
- D. The CONTRACTOR is required to pay its subcontractors for satisfactory performance of work related to this Agreement no later than 30 days after the CONTRACTOR's receipt of payment for that work from the STATE. In addition, the CONTRACTOR is required to return any retainage (retention) payment to any subcontractor within 30 days after the subcontractor's work related to

this Agreement is satisfactorily completed.

XII Good Faith Effort (§§26.53)

The SUBRECIPIENT must provide proof of Good Faith Effort if the contract DBE Goal is not met as outlined in [Appendix A to Part 26](#).

XIII FTA Transit Vehicle Manufacturer (TVM) Program (§§26.49)

Pre-award

The SUBRECIPIENT will follow DBE requirements for rollingstock procurements including requiring each transit vehicle manufacture, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, certify that it has complied with the requirements of Section 26.49. The STATE, as part of its oversight responsibilities, will verify certification prior to expenditure authorization.

Post-award

SUBRECIPIENT is required to submit a copy of the final purchase order to the DRMT grant program liaison within fifteen (15) days of issuance. The DRMT grant program liaison will report to the FTA the award for rollingstock in the manner prescribed by the FTA grant agreement with DRMT. If this requirement is not met, the rollingstock reimbursement request may be denied.

XIII Bidders List (§26.11)

The SUBRECIPIENT will create and maintain a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on its DOT-assisted procurement and contracts of products and services contracts. The bidders list will include the name, address, DBE/non-DBE status, age, and annual gross receipts of the firms.

XIV Reporting

SUBRECIPIENT will report bidder DBE information to the Division of Rail and Mass Transportation Procurement Management office prior to execution of contract award.

SUBRECIPIENT will submit the Disadvantaged Business Enterprise Awards-Commitments and Actual Payments form twice yearly to the District Transit Representative; Report due **April 10** of each year for the period of October 1st to March 31st and Report due **October 10** of each year for the period of April 1st to September 30th. Instructions and forms can be found on the DRMT DBE Program Website (<http://www.dot.ca.gov/drmt/feddbbe.html>)

XV Certification (§26.83(a))

SUBRECIPIENT Verifies that only DBE firms currently certified by the California Unified Certification Program will participate as DBEs on DOT-assisted procurement and contracts of products and services contracts.

XV Confidentiality

SUBRECIPIENT will safeguard from disclosure to third parties, information that may reasonably be regarded as confidential business information consistent with federal, state, and local laws.

[Signature of Agency’s Chief Executive Officer]

Date: _____

Joseph Rye, General Manager, RCTA
[Print Name of Agency’s Chief Executive Officer]

Phone Number: (707)236-3078

Attachment 1 – RCTA DBELO DESIGNATION

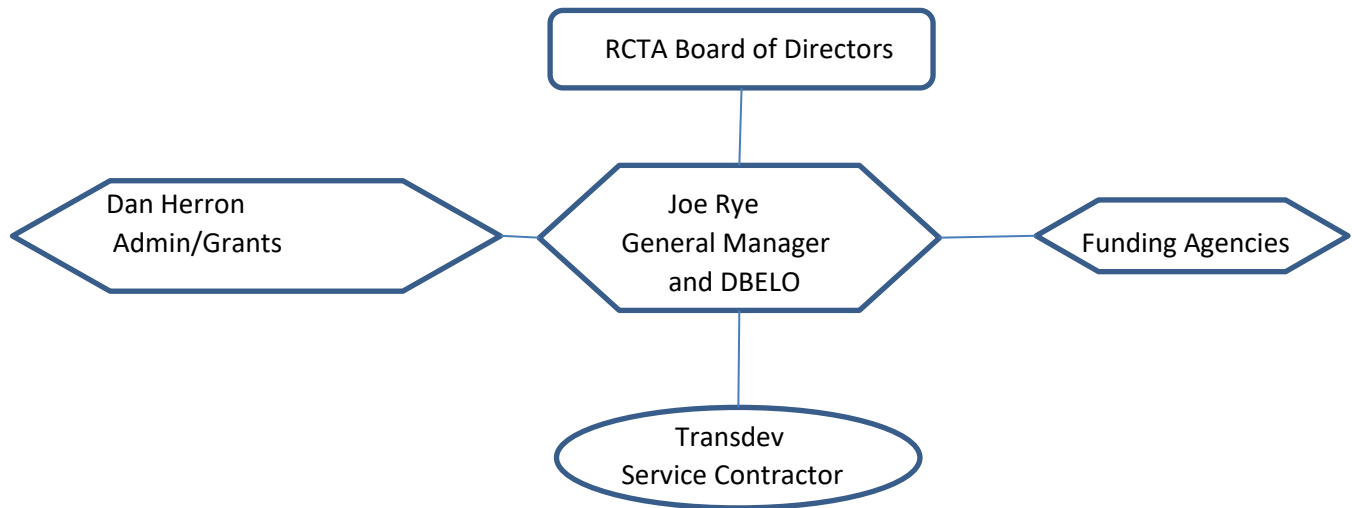
11-Aug-23

Name: Joseph Rye

Address: 900 Northcrest, #134
Crescent City, CA 95531
Telephone Number: 707-235-3078

[E-mail Address: tmtpc consulting@gmail.com](mailto:tmtpc consulting@gmail.com)

REDWOOD COAST TRANSIT AUTHORITY
Organizational Chart
August 11,2023



September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director



SUBJECT: Resolution 2023-24-02 Approving the Fiscal Year 2023-24 Project List for Senate Bill 1 State of Good Repair Funding – Bus Replacements

RECOMMENDATION:

That the RCTA Board approve Resolution 2023-24-02 approving RCTA’s Fiscal Year 2023-24 project list for \$45,882 in Senate Bill 1 State of Good Repair Funding for bus replacements.

BACKGROUND:

The Road Repair and Accountability Act of 2017, Senate Bill (SB) 1 (Chapter 5, Statutes of 2017), signed by the Governor on April 28, 2017, includes a program referred to as the State of Good Repair (SGR) program. This program provides approximately \$105 million annually to the State Transit Assistance (STA) Account for transit capital improvements.

The State Controller estimates that for Fiscal Year 2023-24 RCTA will receive a total of \$45,882 in SGR funds. SGR is limited to capital projects. The RCTA Board initially identified Bus Stop Improvements as the SGR-funded project from FY 2018-19 to FY 2021-22, transitioning to Bus Replacements as the new ongoing annual project starting in FY 2022-23. This annual allocation of SGR funding will not completely make up for the lack of PTMISEA funds (finally fully expended) but will be enough to provide local match for at least one bus purchase per year.

Previous allocations of SGR have built a balance in RCTA’s initial SGR Project, “Bus Stop Improvements” of approximately \$99,942. As recommended in the 2019 Short Range Transit Plan (and 2022 SRTP Mini Update), RCTA can no longer dedicate this SGR funding to bus stops, as replacing buses takes a higher priority for this extremely limited (non-TDA) funding. This FY 2023-24 Project List will continue a second year of SGR “Bus Replacements” as an ongoing project, and RCTA plans to add future year’s SGR funds to this project. The FY 2023-24 allocation should bring the “Bus Replacements” fund balance \$90,081. The dedication of each annual SGR allocation will NOT be enough to cover RCTA’s bus replacement local match needs, but it will help, with the remaining match coming from RCTA’s TDA operating funds.

Caltrans requires the submittal of a Board-approved SGR Project List each year. The DNLTC (Del Norte Local Transportation Commission) will approve the Fiscal Year 2023-24 Del Norte SGR Project List at a meeting later this fall.

Attachments

1. Resolution 2023-24-02

REDWOOD COAST TRANSIT AUTHORITY RESOLUTION NO. 2023-24-02

**RESOLUTION APPROVING THE DEL NORTE COUNTY FISCAL YEAR 2023-24 SB-1
STATE OF GOOD REPAIR FUNDING PROJECT LIST**

WHEREAS, the Redwood Coast Transit Authority is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

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

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

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

WHEREAS, the Department requires each County and transit agency to submit a SGR Project List each fiscal year identifying that fiscal year's SGR project list, and for Fiscal Year 2023-24 RCTA is submitting a project list of \$45,882 in SGR projects for Bus Replacements; and

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

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

PASSED AND ADOPTED by the Redwood Coast Transit Authority of the County of Del Norte, State of California, at a regular meeting of said Commission or Board Meeting held on Sept 11, 2023 by the following vote:

AYES:

NOES:

ABSENT:

WHEREUPON, THE CHAIR DECLARED THE RESOLUTION ADOPTED, AND SO ORDERED.

Joey Borges, Chair, RCTA

Joseph Rye, Secretary

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Adopt Resolution 2023-24-03 Adopting RCTA Animals on Transit Vehicles Policy



RECOMMENDATION:

That the Board approve Resolution 2023-24-03 adopting RCTA Animals on Transit Vehicles Policy.

BACKGROUND:

When performing transit operations for RCTA, Transdev often runs into conflicts with riders attempting to bring various animals onto the buses. Adopting this Animals on Buses Transit Vehicles Policy will provide clear direction from RCTA for Transdev’s Crescent City operations team on how to handle this sensitive issue.

This issue has been brewing for years, as riders push the envelope in order to board the bus with their favorite animal. Many riders learned long ago to call every animal a “service animal,” and this policy will not prevent all service animal fraud, as ultimately FTA has limited what transit agencies can do in the face of the claim of a “service animal.”. Operators are permitted to ask (1) is the dog/animal a service animal required because of a disability? and (2) what work or task has the dog/animal been trained to perform?

However, having this policy in place will provide the operators with clear direction on what which animals are allowed on the bus. Allowed animals include actual service animals, service animals in training, or pets and comfort or emotional support animals. The latter two categories require the animal to ride in an approved carrier with the rider.

ATTACHMENTS

1. Resolution 2023-24-03 Adopting Animals on Transit Vehicles Policy September 2023
2. Draft RCTA Animals on Transit Vehicles Policy – August 2023

RESOLUTION NO. 2023-24-03

**REDWOOD COAST TRANSIT AUTHORITY RESOLUTION
ADOPTING AN ANIMALS ON TRANSIT VEHICLES POLICY**

WHEREAS, on June 1, 2004, the County of Del Norte and City of Crescent City entered into a Joint Exercise of Powers Agreement ("Agreement") creating the Redwood Coast Transit Authority ("RCTA") to provide transit service throughout the geographic areas of the parties;

WHEREAS, from time to time passengers bring animals on RCTA's buses; and

WHEREAS, RCTA wishes to adopt a policy to provide clear direction to riders and operators regarding animals on transit vehicles.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Redwood Coast Transit Authority hereby:

1. Approves RCTA's Animals on Transit Vehicles Policy, a copy of which is attached and incorporated herein as Exhibit A.
2. Authorizes the General Manager or his designees to take further actions as may be necessary to give effect to this Resolution.

APPROVED AND PASSED, this 11th day of September, 2023, by the following vote:

AYES:

NOES:

ABSENT:

Joey Borges, Chair
Redwood Coast Transit Authority

ATTEST:

Joseph Rye, Executive Director
Redwood Coast Transit Authority

ANIMALS ON TRANSIT VEHICLES POLICY
REDWOOD COAST TRANSIT AUTHORITY
Adopted: September 11, 2023

Animals are prohibited on buses, with the following exceptions: (1) service animals (as defined in the U.S. Department of Transportation regulations implementing the Americans with Disabilities Act of 1990 at 49 CFR Parts 37, and 38 and 39), including but not limited to guide dogs, signal dogs and service dogs (as defined in Section 54.1 of the California Civil Code); (2) animals that are hand-carried in an enclosed container; (3) working dogs for law enforcement agencies; (4) dogs and other animals that are being trained as service animals and are accompanying persons with disabilities; (5) dogs and other animals that are being trained as service animals by a trainer. All service animals and animals being trained as service animals must be leashed or harnessed except when performing tasks where tethering interferes with the animals' abilities to perform, must remain under the control of the animal's owner or trainer, and may not present a direct threat to the safety of other passengers.

In accordance with U.S. Department of Transportation regulations, animals whose only function is to provide comfort or emotional support are not considered service animals.

RCTA personnel have the right to refuse admission to or remove any passenger accompanied by an animal, including a service animal, which in the opinion of RCTA personnel or authorized RCTA representatives, poses a direct threat to the safety of other passengers.

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Adopt Resolution 2023-24-04 Adopting a RCTA Procurement Policy



RECOMMENDATION:

That the Board approve Resolution 2023-24-04 adopting a RCTA Procurement Policy.

BACKGROUND:

RCTA's new general counsel, Hanson Bridgett LLC has a wealth of experience representing and advising various larger transit agencies in California, including SamTrans and LAVTA in the Bay Area. One of the first areas of focus for RCTA upon start of work with Hanson Bridgett is to have the legal team conduct an evaluation of existing RCTA government and policies and procedures, then to compare to industry best practices and what their other clients have adopted. This task involves prioritization finding the most critical missing policies in the first year, then bringing these to the RCTA Board for adoption over the next couple years. This will help RCTA provide a safer and more standard riding experience to all patrons, as well as improving RCTA FTA compliance and to better protect the agency from potential claims.

Staff currently complies with the City of Crescent City's procurement rules as is required by the Joint Powers Agreement. Now, consistent with best practices, staff and legal counsel recommend adopting a Procurement Policy to memorialize and standardize RCTA's procurement practices. The missing Procurement Policy is one of the highest priority of "missing" formal policies uncovered so far in Hanson Bridgett's Governance and Policies and Procedures Audit. RCTA has relied upon its contract admin team over the nearly 20 years of agency operation to use their familiarity with FTA procurement policies in order to ensure RCTA remains FTA compliant. This is critical to obtaining as much federal funding support as possible, stretching RCTA's funding dollars.

Adopting this Procurement Policy will provide clear direction for RCTA contract administrative staff as well as for Transdev, RCTA's Operations and Maintenance Contractor, on the proper type of procurement method based on the goods or services being purchased and dollar threshold.

ATTACHMENTS

1. Resolution 2023-24-04 Adopting Procurement Policy - September 2023
2. Draft RCTA Procurement Policy – September 2023

RESOLUTION 2023-24-04
REDWOOD COAST TRANSIT AUTHORITY RESOLUTION
ESTABLISHING A PROCUREMENT POLICY

WHEREAS, on June 1, 2004, the County of Del Norte and City of Crescent City entered into a Joint Exercise of Powers Agreement ("Agreement") creating the Redwood Coast Transit Authority ("RCTA") to provide transit service throughout the geographic areas of the parties;

WHEREAS, RCTA is authorized to acquire such property, facilities, equipment, materials, supplies and services as may be deemed necessary to carry out its duties;

WHEREAS, RCTA has an obligation to the population it serves to establish a procurement process that protects the public investment and is consistent, fair and equitable with all vendors and, with regard to the expenditure of federal funds, compliance with applicable federal regulations and grant requirements; and

WHEREAS, RCTA wishes to adopt a Procurement Policy to promote the greatest economy and efficiency to RCTA, and to maintain appropriate safeguards to preserve fairness and accountability in all of RCTA's procurement activities.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the RCTA hereby:

1. Approves RCTA's Procurement Policy, a copy is attached and incorporated herein as Exhibit A.
2. Authorizes the Executive Director to take all necessary and proper measures in emergency conditions to safeguard life, health, property or the loss of essential public services, including the authority to enter into emergency contracts in accordance with the provisions of RCTA's Procurement Policy.
3. Authorizes the Executive Director or designees to take actions to give effect to this Resolution, including issuing and maintaining an updated Procurement Manual to reflect procurement procedures consistent with the Procurement Policy, current law, and best procurement practices.

APPROVED AND PASSED, this 11th day of September, 2023, by the following vote:

AYES:

NOES:

ABSENT:

Joey Borges, Chair
Redwood Coast Transit Authority

ATTEST:

Joseph Rye, Executive Director

PROCUREMENT POLICY
REDWOOD COAST TRANSIT AUTHORITY
Adopted: September 11, 2023

The Redwood Coast Transit Authority (“RCTA”) is organized pursuant to the Government Code Section 6500, *et seq.* and comprised of two member agencies, the City Crescent City ("City") and the County of Del Norte (“County”). On June 1, 2004, the City and County entered into a Joint Exercise of Powers Agreement ("Agreement") to create the RCTA, and the Agreement authorizes RCTA to acquire such property, facilities, equipment, materials and supplies as may be deemed necessary to carry out its duties.

A. Introduction

This document sets forth policies and procedures ("Procurement Policy" or "Policy") governing RCTA procurements which derive from state and federal law and regulations. By accepting state and federal funding, RCTA is obligated to comply with certain regulations in its procurement of goods and services. More specifically, certain standards, regulations, and other requirements for grants to local governments issued by the United States Department of Transportation and Federal Transit Administration (FTA) apply to RCTA in connection with contracts financed in whole or in part with federal funds, including FTA Circular 4220.1F, “Third Party Contracting Requirements.” In the event of a conflict between RCTA’s Procurement Policy and local, state or federal law, the applicable provisions of such local, state or federal law shall supersede this Procurement Policy.

This Procurement Policy provides a broad overview of the standards and methods which will guide RCTA in obtaining goods and services.

B. Goals

The RCTA Procurement Policy is guided by six basic goals:

1. Foster maximum open and free competition in the expenditure of public funds.
2. Promote the greatest economy and efficiency for RCTA;
3. Ensure adherence to proper standards of conduct by RCTA board members, officers, employees and contractors;
4. Maintain procurement policies and procedures that guarantee compliance with applicable state and federal laws and regulations;
5. Instill public confidence in the procurement process of RCTA;
6. Ensure fair and equitable treatment for all vendors who seek to deal with RCTA, including Disadvantaged Business Enterprises (DBEs);

Based on these goals and general principles of public sector procurement, the following set of procurement and contracting policies have been developed.

C. Code of Conduct/Conflicts of Interest

1. No director, officer, employee or agent of RCTA shall participate in any procedure, task, or decision relative to the initiation, evaluation, award, or administration of a contract if a conflict of interest, real or apparent, exists. No employee, officer, or agent of RCTA shall participate in the selection or in the award of administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when:
 - The director, employee, officer, or agent,
 - Any member of his immediate family
 - His or her partner or business associate, or
 - An organization that employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
2. RCTA officers, employees, or agents will neither solicit nor accept gratuities, favors, or anything worth a monetary value of \$50 or more from contractors, potential vendors/contractors, or parties to sub-agreements.

This prohibition shall not be applicable to:

- An occasional non-pecuniary gift of insignificant value such as accepting food or refreshment of nominal value on infrequent occasions in the ordinary course of a luncheon or dinner business meeting or other meeting; or
- Unsolicited advertising or promotional material such as pens, pencils, note pads, calendars, or other business related items of nominal intrinsic value; or
- A gift, gratuity, favor, entertainment, loan, or other thing of value when the circumstances make it clear that an obvious long-standing social or family relationship rather than the business of the persons concerned is the motivating factor.

In addition to the above, the following special constraints will be used to guide employees and agents directly involved in procurement through sensitive situations:

- Invitations received from vendors/contractors involved in a pending procurement for business lunches or dinners or parties should be politely refused. It is RCTA's policy to avoid any situation that might give the appearance of improper influence.
- Any offer of gratuities should be tactfully refused.

Employees/agents should ask themselves the following questions if confronted with an ethical dilemma:

- Is my action legal? Ethical?
- Does my action comply with RCTA Policy?
- Does my action appear inappropriate?

- Would I be embarrassed or compromised if my action became known publicly?

Specific standards governing conflicts of interest under state law are set forth in Sections 1090, 1091, and 1091.5 of the California Government Code and the California Political Reform Act (Cal. Gov't. Code §§81000 *et seq.*).

D. Methods of Procurement

1. All purchases and contracts, shall be made on a competitive basis to the greatest extent practicable, whether by informal bidding, formal bidding or competitive proposals.
2. The method of procurement, such as small purchases, informal bids or proposals, formal competitive bidding, requests for proposals, etc., shall be appropriate for the type of project or procurement and shall conform to applicable state or federal law and regulations and shall be in the best interest of RCTA.
3. Formal competitive bidding must be used for construction, repair, maintenance, alteration, and similar work whenever the estimated expenditure for such work exceeds \$200,000 or the current threshold set forth in California Public Contract Code section 22032(c), whichever is greater. Alternative methods of procurement, such as a design build approach, may be utilized if authorized by state law and in full compliance with all applicable requirements.

Federally funded procurements will comply with all applicable federal requirements.

Informal competitive procedures set forth in California Public Contract Code section 22032 *et. seq.*, may be used for construction, repair, maintenance, alteration and similar work whenever the estimated expenditure is more than \$60,000 (or the current threshold set forth in California Public Contract Code section 22032(a), whichever is greater) and up to \$200,000 (or the current threshold set forth in California Public Contract Code section 22032(b), whichever is greater). Award will be made to the lowest responsible bidder. (Public Contract Code § 22038). For construction, repair, maintenance, alteration and similar work where the estimated expenditure is \$60,000 (or the current threshold set forth in California Public Contract Code section 22032(a), whichever is greater) or less, RCTA may use a negotiated contract or a purchase order.

4. Formal competitive bidding should be used when purchasing materials, supplies, equipment and services purchases over \$60,000, but a "best value" approach may be used in circumstances where it is determined to be in the best interest of RCTA. "Best value" means a process in which the overall combination of quality, price, and other elements such as reliability, standardization, vendor qualifications, warranty, life cycle costs, and sustainability issues are considered

together to determine which proposal provides the greatest overall benefit to RCTA. On a case by case basis, and in particular when a procurement involves a combination of goods and services, the Executive Director, in consultation with the department issuing the solicitation, shall make the determination of whether a “best value” approach is in the best interest of RCTA. In such circumstances, the determination will be documented in writing and a formal competitive proposal process will be utilized.

5. An informal procurement method may be utilized for the purchase of materials, equipment, services or supplies when the estimated expenditure is less than \$60,000. To the extent practicable, such a method shall involve obtaining a minimum of three quotations, either written or oral, that permit prices and other terms to be compared. RCTA will undertake adequate outreach to ensure open and free competition, and that small businesses, including Disadvantaged Business Enterprises are afforded opportunities to submit quotations. To the extent practicable, RCTA will strive to obtain at least one of the minimum of three quotations from a small business. RCTA will utilize interested vendors based upon a review of trade sources, lists of certified DBEs and small businesses that have registered with the State, and vendors that have registered with RCTA to receive notice of contract opportunities. When appropriate to ensure satisfaction of the Fundamental Principles set forth in this Policy, such solicitations shall be advertised by RCTA. RCTA's informal bidding procedures using a lowest responsible bidder standard for bid comparison will serve as the typical standard on which to base the purchase of materials, equipment, or supplies, unless it is determined in writing that it is in RCTA's best interest to apply a “best value” approach, in which event, qualitative factors such as those set forth in paragraph D.4. above, in addition to price may be considered in making an award.
6. Formal competitive proposals, which consider and evaluate factors in addition to price, will be used to retain professional and non-professional services or specialized equipment over \$60,000.
7. Specialized State and federal laws apply to the procurement of architectural and engineering services as defined by applicable laws and regulations, regardless of the estimated expenditure. Qualification-based competitive proposals will be used for architectural and engineering services. Pursuant to California Government Code §4525 et seq., RCTA shall use qualifications-based competitive proposal procedures for the procurement of architectural, landscape architectural, engineering, environmental, land surveying or construction project management services. Under this method, the technical proposals shall not contain a cost proposal and shall be evaluated based upon qualifications and demonstrated competence. After the consultants are ranked in accordance with the selection criteria set forth in the solicitation documents, the Executive Director, or his designee, shall open the cost proposal of the highest-ranked most qualified proposer and commence negotiations. If the parties are unable to negotiate fair and reasonable contract terms, including compensation, then the negotiations will be closed and the Executive Director, or his designee, will

commence negotiations with the second most qualified Proposer. This process will be followed until an Agreement is reached or the determination is made to recommend rejection of all Proposals.

8. The use of appropriate intergovernmental and cooperative agreements is encouraged in order to reduce duplicative effort and to achieve cost economies.

E. Procurement Documentation and Consideration of Bids and Proposals

1. Formal competitive bidding requires preparation of bid documents that clearly set forth all requirements, which must be fulfilled in order for the bid to be responsive, and advertisement in accordance with legal requirements. An award, if made, will be to the lowest responsive and responsible bidder.
2. The solicitation of formal competitive proposals requires issuance of Requests for Proposals, which clearly set forth all the requirements, and state the qualitative factors, in addition to price, which will be used to evaluate and rank the Proposals. An award, if made, will be to the proposer receiving the highest consensus ranking, subject to successful negotiations with RCTA. Where required by law, the initial selection of certain professionals will be based on factors other than cost.
3. Any and all bids or proposals may be rejected by RCTA if it is in RCTA's best interest to do so.
4. RCTA seeks to contract with contractors who are trustworthy and are qualified and possess the ability to perform successfully under the terms and conditions of the proposed procurement.

F. Approval and Execution of Contract Documents

1. All RCTA contracts and amendments will be in writing and executed prior to the initiation of performance under the contract.
2. The Executive Director may execute all contracts on behalf of RCTA that are duly approved within the Executive Director's authority. The Chair of the Board of Directors will sign contracts and leases that require approval by the Board, unless authority is otherwise delegated to the Executive Director.
3. Legal Counsel must approve as to form all contracts over \$60,000 and all contracts that are formally bid, regardless of estimated value.

G. Disadvantaged Business Enterprise Program

It is the policy of RCTA to ensure nondiscrimination on the basis of race, color, sex or national origin in the award and administration of U.S. Department of Transportation-assisted RCTA contracts. It is the intention of RCTA to create a level playing field on which DBEs can compete

fairly for contracts and subcontracts relating to RCTA's construction, procurement and services activities.

H. Executive Director's Procurement Authority

1. The Executive Director is authorized to purchase supplies, equipment, materials and services or to arrange for work in a manner consistent with this Procurement Policy and written procedures as may be developed from time to time. Provided sufficient funds are available within RCTA's approved annual budget for such expenditures, the Executive Director is authorized to execute agreements and expend funds for procurements and activities as follows: (a) up to \$60,000 for supplies, equipment, materials, and services, (b) up to \$200,000 or the current threshold set forth in California Public Contract Code section 22032(b), whichever is greater for construction, repair, maintenance, alteration and similar work, (c) up to \$60,000 for revenue-generation agreements, and (d) up to \$60,000 annual rent for leases and licenses of real or personal property in which RCTA is a lessee or licensee, in which the term does not exceed three years. The Board of Directors will approve all contracts over \$60,000 or that otherwise exceed these limits.
2. The Executive Director is authorized to administer all contracts on behalf of RCTA. Provided sufficient funds are available in RCTA's approved annual budget, the Executive Director is authorized to approve the following: (a) for contracts up to \$60,000, contract change orders or amendments, cumulatively not to exceed \$25,000 and (b) contracts over \$60,000, contract change orders or amendments, cumulatively not to exceed ten percent (10%) of the original contract, and not to exceed \$50,000 for any single change order. The Board of Directors will approve all other change orders.
3. The Executive Director is authorized to delegate the responsibility and authority to approve purchases within the Executive Director's procurement authority, which delegation must be in writing, include defined monetary limits; be consistent with this Procurement Policy; and be subject to the rules and procedures in the Procurement Manual.
4. The Executive Director will provide informational reports to the Board of Directors summarizing any contracts from \$10,000 to \$60,000 awarded within the Executive Director's procurement authority.
5. The Executive Director is authorized to issue and maintain a Procurement Manual that sets forth implementing guidelines and procedures consistent with this Procurement Policy, current law, and best procurement practices. All RCTA staff with responsibility for procurement activities shall be trained in, and adhere to, this Procurement Policy and the Procurement Manual.

I. Price and Cost Analysis

A price or cost analysis is required for every procurement. The applicability and extent of analysis is dictated by the circumstances of the individual procurement. The goal is for the project manager to conclude that the contract dollar award amount, or cost components of it, is fair and reasonable.

1. Price Analysis

A price analysis includes the examination and evaluation of readily available prices or rate information. The information needs to be adequate to make a determination of price reasonableness.

The employee/agent need not obtain additional information from a bidder or supplier for price evaluation purposes if:

- a. Adequate price competition exists, as when multiple quotes or bids (two or more responsible, responsive offers) are received;
- b. Prices are for commercial products or services sold at catalog or market prices in substantial quantities to the general public;
- c. Prices are for commercial products or services whose prices are set by law or regulation; or
- d. A waiver is granted by the Executive Director in exceptional cases.

2. Cost Analysis

A cost analysis is a detailed compilation, review and evaluation of the separate cost elements that comprise the proposed price and is required in cases where reasonableness of price cannot be ascertained through a price analysis as described above. A cost analysis is also required when a bidder or proposer is required to submit the elements of its estimated cost, such as may be the case in architectural, engineering, or other professional services contracts. A cost analysis involves the following steps:

- a. Verification of the accuracy of cost data;
- b. Evaluation of specific cost elements; including direct, indirect, general and administrative, and fee or profit.
- c. Comparison of historical cost data to proposed costs.

Additionally, a determination shall be made that the contractor's accounting structure and level of resources can support accurate cost data that is being furnished for analysis. After analysis and settlement of costs with the contractor, the procurement record shall indicate a finding that based on the analysis, the proposed or settled price is fair and reasonable.

J. Protest Procedures

Bidders may protest contracts that are let through formal competitive bidding or competitive negotiations. The Executive Director is authorized to review and determine protests concerning

contracts awarded within the Executive Director's procurement authority. Bid protests for all other contracts not within the Executive Director's procurement authority will be reviewed and determined by the Board of Directors upon recommendation by the Executive Director and Legal Counsel. All protests will be handled in accordance with procedures adopted by RCTA.

K. Contract Administration

RCTA shall administer all contracts to ensure that contractors conform with the terms, conditions, and specifications of all contracts and to ensure all purchases are received in a timely manner. Each contract file shall contain documentation concerning the contract administration, including, but not limited to, monitoring of the contract budget, change orders and final disposition. Undocumented actions on all contracts must be committed to written memoranda and promptly included in the contract file.

L. Emergency Contracts

In the case of an emergency that requires the immediate expenditure of public money to safeguard life, health, property, or the loss of essential public services as in the case of any great public calamity, such as extraordinary fire, flood, storm, epidemic, earthquake, acts of terrorism or other natural or civil disaster, the Executive Director is authorized to take all necessary and proper measures, including the authority to enter into emergency contracts consistent with the provisions of Public Contract Code Section 22050. The Executive Director may repair or replace a public facility, take any directly related and immediate action required by the emergency, and procure necessary equipment, services and supplies for those purposes, without giving notice for bids to let contracts upon the following conditions:

1. The Executive Director will make a finding based on substantial evidence that the emergency will not permit delay resulting from a competitive bid and the action is necessary to respond to the emergency.
2. The Executive Director will contact the Chair of the Board of Directors, if possible, for concurrence with the proposed emergency action.
3. The Executive Director will report the emergency action and the findings supporting the action for review and ratification by the Board of Directors at a regular meeting of the Board of Directors held within fourteen (14) days of the action, or if no regular meeting is scheduled, within seven (7) days of the action at a special meeting of the Board of Directors. The Board will review the action at every regularly scheduled meeting thereafter until the action is terminated.
4. The Executive Director will terminate any emergency contracting action that did not follow the Procurement Policy as soon as possible, and to the extent practicable, complete any remaining actions to respond to the emergency in accordance with the Procurement Policy.

M. Sole and Single Source (Non-Competitive) Procurements

On occasion, RCTA may waive competitive bidding requirements for a procurement in which no competitive advantage can be gained through competitive bidding. Examples of a non-

competitive advantage are when there is only one technically approved source of supply, there are compatibility requirements with existing products or equipment, warranty conditions may be voided, the procurement is for testing purposes only, or an emergency procurement is necessary. Such procurements often arise where the specifications and requirements for the items or services to be procured are so unusual or distinct as to dictate one source. This may be the case, for example, with replacement parts for brand name machinery, equipment, or vehicles.

A sole source procurement is an exception to the competitive bidding process available where there exists only one source of supply. The sole source must be the only known source of supply with the capability of meeting the specification requirements or satisfy one of the other verification criteria in subsection 2, below. A sole source decision is not permitted merely upon the grounds that such approach is the most convenient or that the subject product: a) demonstrates technical or administrative superiority; b) is preferred by staff; or c) shows superior performance potential at lowest cost.

A single source procurement is different from a sole source procurement in that, while other sources of supply are available, other factors, including financial, schedule, or performance requirements, make the use of competitive procurements procedures unavailing. In such cases, an award to a different contractor may result in a waste of resources, resulting from a substantial increase in related costs, a substantial schedule delay not due to poor planning on the part of RCTA, or other factors that would make the use of competitive process not be beneficial for RCTA. Single source procurements will be processed in the same way as sole source procurements, using the procedures stated below.

1. Procedures

The department desiring to procure supplies, equipment, materials, or services through a non-competitive procurement shall first submit a completed "Request for Exception to Competitive Procurement" form to the Executive Director, which shall be signed by that department's supervisor.

2. Verification Criteria for Justification

Prior to any action on the procurement, the Executive Director, or authorized designee, shall verify in writing that the procurement meets the single or sole source definition set forth above and meets at least one of the verification criteria below:

- a. The item is available from only one source; or
- b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; or
- c. After solicitation of a number of sources, competition is determined inadequate; or
- d. No competitive advantage can be gained through competitive bidding.

However, if the item or service must be procured on an emergency basis or through an open market purchase, please refer to Sections K and O.I, respectively.

In cases of contracts in excess of \$60,000 or for federally funded non-competitive procurements, RCTA's Attorney should be consulted as to the applicability of the non-competitive procurement procedures. In such cases, the solicitation procedures shall not commence until the Attorney has confirmed that the procurement qualifies as a sole or single source and, if applicable, that any supplemental rules for federally funded contracts have been satisfied.

3. Price or Cost Analysis

The department requesting the procurement shall obtain a price for the proposed procurement from the contractor. Unless the reasonableness of the price can be established by some verifiable means, including but not limited to a catalog or market price for a similar commercial product sold in substantial quantities to the general public, or on the basis of prices set by law or regulation, a cost analysis shall be conducted. See Section I for a full discussion on cost and price analyses.

4. Issuance of Purchase Order or Contract, Procurements Under \$60,000

Upon approval of the Request for Exception to Competitive Procurement by the Executive Director and RCTA Attorney, a purchase order or contract shall be negotiated and issued by RCTA, and shall be signed by the Executive Director.

5. Procurements Exceeding \$60,000

In any case where the non-competitive procurement exceeds \$60,000, the approval of the Board of Directors shall be requested. Following Board approval, a contract containing all applicable terms and conditions of the procurement shall be negotiated and prepared for execution by the Executive Director.

N. Intergovernmental Agreements

Joint procurements, state cooperative purchasing programs, and assignment of existing contract rights ("piggyback" procurements) with other public agencies may be used when consistent with applicable state and federal statutory or grant requirements. The use of intergovernmental agreements is permitted by the Federal Transit Administration and the California Public Contract Code to achieve cost economies and to reduce duplicative effort.

O. Discretion to Waive the Competitive Process

The Board of Directors, or the Executive Director for procurements within the Executive Director's procurement authority, may waive the requirements for formal competitive bidding or other procedures set forth in this Procurement Policy when permissible under applicable law and when a determination is made that the best interests of RCTA will be served, as follows:

1. Open Market Transactions. If RCTA rejects bids received in connection with a procurement requiring formal competitive bidding, RCTA may proceed with an open market purchase after it determines that the supplies, equipment and materials may be purchased at a lower price in the open market.

In addition, if no bids are received in connection with a procurement requiring formal competitive bidding, RCTA may proceed with an open market purchase in certain circumstances if it is determined that the best interests of RCTA will be served by such an approach. These circumstances shall be evaluated on a case-by-case basis and shall include such factors as the reasons why no bids were received, the availability of the supplies, equipment, or materials on the open market, and a price or cost analysis.

2. Waiver of Competitive Negotiations. When services are needed on an expedited basis and circumstances do not permit an RFP process, RCTA may waive such procedures, provided there is adequate documentation of the need for such services. These circumstances shall be evaluated on a case-by-case basis, keeping in mind the fundamental principles of procurement set forth in this Procurement Policy.

P. Disposal of Surplus Property

1. The Executive Director shall determine the manner of disposition of surplus supplies, equipment and materials whose estimated value at the time of disposition does not exceed \$60,000. The Board of Directors shall approve the disposition of any item whose estimated value at the time of disposition is greater than \$60,000.
2. The method of sale or disposition of any surplus or scrap items shall depend upon the nature of the items. Such methods may include: (1) transfer or sale to other public agencies, (2) trade-in as part of a new procurement, (3) sale by auction, advertisement for sealed bids, or negotiation, or (4) where appropriate, proper recycling or disposal.

Q. Revenue Generating Contracts/Concessions

To the extent they are not otherwise governed by RCTA policies, concession agreements are contracts where RCTA grants permission to use RCTA facilities or property to vendors to sell products or services, for which RCTA receives a percentage of the proceeds and/or a flat rate of compensation. Generally, these arrangements are at no direct cost to RCTA.

Where it is determined that a number of potential vendors are available to provide similar products or services, a competitive negotiations procedure should be followed, and award made to the highest ranked proposer, taking into consideration the economic return to RCTA, quality of the product, service and experience of the vendor.

The Board of Directors shall approve revenue generating/concessions contracts that exceed \$60,000 in value.

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Adopt Resolution 2023-24-05 Approving RCTA Conflict of Interest Code



RECOMMENDATION:

That the Board adopt Resolution 2023-24-05 approving RCTA Conflict of Interest Code.

BACKGROUND:

RCTA's new general counsel, Hanson Bridgett LLC has a wealth of experience representing and advising various larger transit agencies in California, including SamTrans and LAVTA in the Bay Area. One of the first areas of focus for RCTA upon start of work with Hanson Bridgett is to have the legal team conduct an evaluation of existing RCTA government and policies and procedures, then to compare to industry best practices and what their other clients have adopted. This task involves prioritization finding the most critical missing policies in the first year, then bringing these to the RCTA Board for adoption over the next couple years.

As a California Joint Powers entity, RCTA officials are subject to reporting requirements of the Political Reform Act of 1974, Government Code Sections 81000 et seq., which requires certain public agency officials and employees to file economic disclosure forms ("Form 700") and abstain from making or participating in governmental decisions which have a reasonably foreseeable material effect on an economic interest

Adopting this Conflict of Interest Code will provide clear direction for RCTA Board of Directors and contract administrative staff, plus Transdev, RCTA's Operations and Maintenance Contractor, on areas where conflicts of interest could occur and the required forms to file and when.

ATTACHMENTS

1. Resolution 2023-24-05 Adopting RCTA Conflict of Interest Code September 2023
2. Draft RCTA Conflict of Interest Code – September 2023

**RESOLUTION 2023-24-05
REDWOOD COAST TRANSIT AUTHORITY RESOLUTION
ESTABLISHING A CONFLICT OF INTEREST CODE**

WHEREAS, the Political Reform Act of 1974, Government Code Sections 81000 et seq., requires certain public agency officials and employees to file economic disclosure forms ("Form 700") and abstain from making or participating in governmental decisions which have a reasonably foreseeable material effect on an economic interest;

WHEREAS, the Political Reform Act requires the Redwood Coast Transit Authority (RCTA) to adopt a local conflict of interest code that enumerates specific official and employee positions other than those specified in Government Code section 87200 which involve making or participating in making decisions which have a reasonably foreseeable material effect on an economic interest, and to designate for each position the types of investments, business positions, interests in real property and sources of income which are reportable based on the scope of the decision-making authority of the position; and

WHEREAS, staff and legal counsel recommend that the RCTA Board of Directors adopt the conflict of interest code.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Redwood Coast Transit Authority hereby:

1. Approves RCTA’s Conflict of Interest Code, a copy of which is attached and incorporated herein as Exhibit A.
2. Authorizes the Executive Director or designees to take actions to give effect to this Resolution.

APPROVED AND PASSED, this 11th day of September, 2023, by the following vote:

AYES:
NOES:
ABSENT:

Joey Borges, Chair
Redwood Coast Transit Authority

ATTEST:

Joseph Rye, Executive Director

CONFLICT OF INTEREST CODE
REDWOOD COAST TRANSIT AUTHORITY

Adopted on the 11th of September, 2023
by Resolution 2023-24-05

**CONFLICT-OF-INTEREST CODE
REDWOOD COAST TRANSIT AUTHORITY (RCTA)**

The Political Reform Act, (Government Code Sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict-of-interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act.

Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the Redwood Coast Transit Authority (RCTA).

Individuals holding designated positions shall file their statements of economic interests with RCTA, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) RCTA will retain a copy of each statement and forward the originals to the Del Norte County Board of Supervisors, which shall be the filing officer.

APPENDIX A: DESIGNATED POSITIONS

Designated Positions	Disclosure Categories
Attorney	1, 2
Consultants/New Positions*	

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitation:
The Executive Director may determine in writing that a particular consultant or new position, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director’s determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

The following positions are NOT covered by the conflict-of-interest code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

- Board of Directors
- Executive Director

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the determination whether a position is covered by Section 87200.

APPENDIX B: DISCLOSURE CATEGORIES

Category 1.

All investments, business positions, and sources of income (including loans, gifts, and travel payments) from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by RCTA.

Category 2.

All interests in real property located in whole or in part within the RCTA service area or within two miles of the RCTA service area.

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Approve Resolution 2023-24-06 Approving Amendment #2 to RCTA Fiscal Year 2022-23 Budget to Modify Revenues and Expenditures for Various Line Items



RECOMMENDATION:

That the Board approve Resolution 2023-24-06 approving Amendment #2 to RCTA’s Fiscal Year 2022-23 Budget to modify revenues and expenditures for various line items and capital projects.

BACKGROUND:

RCTA staff under-projected operating expenditures in the RCTA FY 2022-23 Budget. RCTA chose to run its full service all winter in FY 2022-23, and launched into two major capital building projects, with unanticipated consultant costs for planning and grant writing. Amendment #2 will adjust revenues and expenditures, taking funding from several lines, including bus purchases, and adding funds to the two main operations and maintenance cost lines.

This budget amendment moves \$1300 in expenditures from Fund 645 (RCTA) to Fund 691 (CTSA), borrows \$88,981 from the various underbilled line items (\$47k from bus purchase line, as several planned bus purchases have not materialized due to industry supply chain issues) and adds funds to RCTA’s two main operations labor cost lines as follows:

- \$50,188 to 645-20242 RCTA Operations & Maintenance – Local Routes & DAR
- \$36,927 to 645-20243 Smith River/Arcata Intercity Route

While other factors (see above) did not help, these two line overruns are primarily due to RCTA having to expend funds for multiple major component failures on its buses. Under the RCTA Operations and Maintenance Contract with Transdev, RCTA remains responsible for major component failures (engine & transmission replacements). This is industry best practice and avoids unnecessary cost increases (padding) in the Transdev bid, by transferring risk to RCTA. However, in this unprecedented global supply chain situation, RCTA has been forced to run its cutaway buses far beyond their designed useful lives, resulting in RCTA being “on the hook” for more major component failures than usual. RCTA has been unable to replace any of its larger cutaway buses since 2019, due to supply chain and merger crisis in the cutaway manufacturing industry. Ford cutaways, which RCTA runs, are acutely impacted, with orders delayed 2-3 years.

Attachment 1: Resolution 2023-24-06 Approving Amendment #2 to 2022-23 Budget

Attachment 2: RCTA Del Norte County Budget Transfer Forms – August 3rd, 2023

RESOLUTION NO. 2023-24-06

**REDWOOD COAST TRANSIT AUTHORITY RESOLUTION
APPROVING AMENDMENT #2 TO FISCAL YEAR 2022-23 REDWOOD COAST
TRANSIT AUTHORITY BUDGET**

WHEREAS, there is a need from time to time to amend an adopted budget to reflect changed conditions and dynamic project delivery schedules and revenue streams; and

WHEREAS, the transit services in Del Norte County are successful programs; and

WHEREAS, Redwood Coast Transit Authority provides public transportation services on a dial-a-ride and on a fixed-route basis to the citizens of Del Norte County; and

WHEREAS, the proposed expenditure of funds by the Redwood Coast Transit Authority is in accordance with the most recent Short Range Transit Plan and approved 2020 Del Norte Regional Transportation Plan; and

WHEREAS, the available funds include Local Transportation Fund estimate of \$955,212 and State Transit Assistance Fund estimate of \$265,609, plus various federal and other state funding; and

WHEREAS, RCTA staff and the Board have identified the optimal mix of operating projects and capital projects to be delivered in Fiscal Year 2022-23 based upon transit needs in the service area, available funds to the agency, and staff resources available to manage and deliver projects.

NOW, THEREFORE, BE IT RESOLVED THAT the RCTA Board of Directors hereby adopts the attached Amendment #2 to the Fiscal Year 2022-23 Budget and directs the General Manager to manage the transit system according to and in compliance with the funding allocated herein for use by the Redwood Coast Transit Authority for the purpose of funding the operation of dial-a-ride and fixed-route transit services during fiscal year 2022-23 and the delivery of various capital projects.

PASSED AND ADOPTED by the Redwood Coast Transit Authority on the 11th day of September, 2023 by the following polled vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Joey Borges, Chair
Redwood Coast Transit Authority

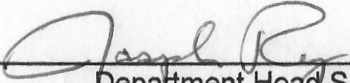
ATTEST:

Joseph Rye, Executive Director
Redwood Coast Transit Authority

Del Norte County Budget Transfer Request

Department Name	Fund	Dept.	Line Item	Description	Budget Transfer Amount(s)		
					Reduce Expenditures or Increase Revenue	Increase Expenditures or Reduce Revenue	
RCTA	645	245	20120	COMMUNICATIONS	\$ 64		
RCTA	645	245	20170	MAINT-BUS SHELTERS	\$ 586		
RCTA	645	245	70910	OP-TRANS OUT CTSA -691-018		\$ 650	
CTSA	691	18	91070	OP TRANS IN - RCTA	\$ 650		
CTSA	691	18	20244	ADVERTISING & PRINTING		\$ 586	
CTSA	619	18	20233	MANAGEMENT CONTRACT		\$ 64	
Department complete and send to Auitor's Office for transfer number before sending to CAO. Round amounts up to whole dollars.					Total Amounts	\$ 1,300	\$ 1,300

Department Justification - Include cover letter that addresses the following: 1) Reason for request; 2) Why sufficient balances exist to finance transfer; 3) Why request can't be delayed to next budget year.



 Department Head Signature

 8/2/23
 Date

Auditor-Controller:
 (Under \$10,000 joint approval from Auditor's Office and CAO's Office)

Deputy Auditor-Controller _____ Date _____

TR No. _____ Budget Revision No. _____

_____ Includes Revenue Appropriation _____ Requires 4/5ths Vote

County Administrative Officer:
 (Under \$10,000 joint approval from Auditor's Office and CAO's Office)

Recommendation: Approve _____
 Deny _____
 Submit for Board approval _____

 County Administrative Officer Date

Passed by Board of Supervisors of Del Norte County on _____

Ayes:

Noes:

Absent:

Attest: Clerk of the Board

By: _____

 Chairperson
 Board of Supervisors

Del Norte County Budget Transfer Request

Department Name	Fund	Dept.	Line Item	Description	Budget Transfer Amount(s)	
					Reduce Expenditures or Increase Revenue	Increase Expenditures or Reduce Revenue
RCTA	645	245	20170	MAINT-BUS SHELTERS	\$ 6,000	
RCTA	645	245	20171	VEHICLE MAINT	\$ 6,000	
RCTA	645	245	20121	PRINTING	\$ 1,500	
RCTA	645	245	20233	TRANSIT MANAGER SRVCS	\$ 5,000	
RCTA	645	245	20236	LEGAL SERVICES	\$ 5,000	
RCTA	645	245	20280	SPECIAL DEPT EXPENSE	\$ 3,425	
RCTA	645	245	20297	FUELS & LUBRICANTS	\$ 3,500	
RCTA	645	245	30410	LEASE EXPENSE	\$ 10,000	
RCTA	645	245	40610-200	BUSES	\$ 47,910	
RCTA	645	245	20230	SVCS-CONTRACT PAYMENTS		\$ 720
RCTA	645	245	20237	PLANNING & MARKETING SRVCS		\$ 500
RCTA	645	245	20242	OPERATION & MAINTENANCE CONTRACT		\$ 50,188
RCTA	645	245	20243	O&M SMITH RIVER/ARCATA		\$ 36,927
Total Amounts					\$ 88,335	\$ 88,335

Department complete and send to Auditor's Office for transfer number before sending to CAO. Round amounts up to whole dollars.

Department Justification - Include cover letter that addresses the following: 1) Reason for request; 2) Why sufficient balances exist to finance transfer; 3) Why request can't be delayed to next budget year.

 _____
 Department Head/Signature

8/3/23 _____
 Date

Auditor-Controller:
 (Under \$10,000 joint approval from Auditor's Office and CAO's Office)

Recommendation: Approve
 Deny
 Submit for Board approval

Deputy Auditor-Controller _____ Date _____

TR No. _____ Budget Revision No. _____

_____ Includes Revenue Appropriation _____ Requires 4/5ths Vote _____
 _____ Date _____

Passed by Board of Supervisors of Del Norte County on _____

Ayes: _____
 Noes: _____
 Absent: _____

Attest: Clerk of the Board _____

By: _____
 Chairperson
 Board of Supervisors

September 11, 2023

MEMO TO: Board of Directors
FROM: Joe Rye, Executive Director
SUBJECT: Award of New Five-Year Contract to O'Connor CPAs for Audit Services



RECOMMENDATION:

That the RCTA Board award a new five-year contract to O'Connor CPAs, formerly R.J. Ricciardi CPAs, for annual financial audit services.

BACKGROUND:

RCTA conducted a comprehensive Request for Proposals (RFP) for its annual Audit Services needs back in 2020, resulting in the award of a three-year contract to R.J. Ricciardi CPAs. During FY 2022-23, the final year of the engagement, RJ Ricciardi retired and the firm name was changed to O'Connor CPAs. Key staff remained the same, and RCTA noticed no differences in the service or expertise of the firm, as Michael O'Connor had been the Principle and RCTA's main point of contact for RJ Ricciardi for several years.

Discussion

DNLTC (Del Norte Local Transportation Commission) approached RCTA a year ago seeking to conduct a shared procurement and to share a common financial audit firm, starting in FY 2023-24. RCTA was amenable to this approach, and notified O'Connor CPAs that RCTA would not be seeking to extend the current engagement (RCTA had two more option years remaining) but rather would be partnering with DNLTC on a procurement for a new engagement.

DNLTC led the procurement and RCTA provided supporting review of the RFP document and the proposal received. One proposal was received, from O'Connor CPAs. The proposal was reviewed by the selection committee and deemed responsive and reasonable. RCTA is pleased to be working again with O'Connor CPAs, due to the familiarity of O'Connor staff has developed with the unique accounts and intricacies of auditing of a transit agency. Transit agencies have a unique variety of funding sources and expenditure types with audit requirements (such as the annual State Controller's Report) different than other governmental entities.

Recommendation

That the RCTA Board approve a five-year contract with O'Connor CPAs for RCTA Fiscal Audit services for annual fiscal audits for Fiscal Years 2022-23 through 2026-27.

Attachment 1 – O'Connor CPAs Engagement Letter – June 26, 2023

June 26, 2023

Joe Rye, General Manager
Redwood Coast Transit Authority
TMTP Consulting, LLC
1275 Fourth Street, #733
Santa Rosa, CA 95404

Dear Mr. Rye:

We are pleased to confirm our understanding of the services we are to provide Redwood Coast Transit Authority for the year ended June 30, 2023.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities and the major fund, and the disclosures, which collectively comprise the basic financial statements, of Redwood Coast Transit Authority as of the year ended June 30, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Redwood Coast Transit Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Redwood Coast Transit Authority's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any reassurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Redwood Coast Transit Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also prepare the financial statements of Redwood Coast Transit Authority in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing. Further, we understand that your employees will prepare all information we request in our Client Participation List in the format requested and send it to us 30 days prior to scheduling the audit field work. If you have insufficient personnel or time to prepare these items we can assist you in this area and we will discuss with you the additional time required and estimated fee for these services.

The audit documentation for this engagement is the property of O'Connor & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the regulating entity or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of O'Connor & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. Those parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Michael O'Connor is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our estimated fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our estimated fee, including expenses will be \$9,000 for the audit, and \$2,000 for preparation of the State Controller's Reports.

Estimated fees for future years are as follows:

- 2024 - \$9,000 for the audit, and \$2,000 for preparation of the State Controller's Reports.
- 2025 - \$9,000 for the audit, and \$2,000 for preparation of the State Controller's Reports.
- 2026 - \$10,000 for the audit, and \$2,000 for preparation of the State Controller's Reports.
- 2027 - \$10,000 for the audit, and \$2,000 for preparation of the State Controller's Reports.

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

If additional time is needed for us to assist Redwood Coast Transit Authority in the resolution or investigation of accounting errors, discrepancies, or reconciliation issues, assistance in the preparation of schedules, or to reflect in our workpapers corrections to the Redwood Coast Transit Authority's accounting records made after the start of the engagement, we will perform such additional work at our standard hourly rates indicated below:

- Director \$200
- Audit Director/Audit Manager \$130-150
- Audit Supervisor \$120-150
- Senior Accountant \$100-120
- Staff Accountant \$75-95
- Administrator \$100

In addition to the estimated fees noted above, we reserve the right to invoice Redwood Coast Transit Authority at our standard hourly rates for time incurred providing information to successor auditors in compliance with AU Sec. 315. Our invoices and related fees for this service will be payable upon presentation.

Reporting

We will issue a written report upon completion of our audit of Redwood Coast Transit Authority's financial statements. Our report will be addressed to those charged with governance of Redwood Coast Transit Authority. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement.

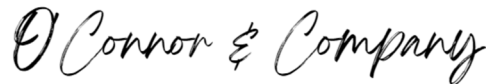
If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Redwood Coast Transit Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We reserve the right to suspend or terminate our work if you have failed to fulfill your responsibilities set forth in this engagement letter, and such failure materially interferes with our work. If our work is suspended or terminated because of your failure to fulfill your responsibilities set forth in this engagement letter, you agree that we will not be responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any damages (including consequential damages) incurred as a result of the suspension or termination of our work.

We appreciate the opportunity to be of service to Redwood Coast Transit Authority, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign a copy of this letter, and return it to us.

Very truly yours,



O'Connor & Company

RESPONSE:

This letter correctly sets forth the understanding of Redwood Coast Transit Authority:

Officer signature: _____

Title: _____

Date: _____

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Discussion and Approval to Continue LCTOP Free Ride Program



RECOMMENDATION:

That the Board Approve Option 1 or Option 1 plus 3 to continue the RCTA Free Ride Program.

BACKGROUND:

LCTOP is a cap-and-trade program initiated by the CA State Legislature in 2014. LCTOP is allocated to transit agencies based on population and the percentage of local transit fare revenues. While LCTOP is distributed based on formula funding, CalTrans and the Air Resources Board have jurisdiction over the scoring and funding of all projects, making it a somewhat competitive process. Applications are required and can be rejected should those two regulatory agencies not support a project. So, while LCTOP fund targets are formula based, all projects must be supported by Caltrans and CARB and are scored based on air quality benefits.

For 2022-23, the LCTOP allocation for Del Norte County totals \$70,264, up slightly over FY 2021-22. Of this amount, RCTA is directly eligible for \$3,454 that is allocated based on fare revenue and the remaining population-based funds are programmed through the Del Norte Local Transportation Commission (DNLTC). The DNLTC will program the remaining \$66,810 to RCTA as the only public transit agency in the county. RCTA will be responsible for program requirements and reporting.

History

RCTA first utilized LCTOP for the purchase of bus shelters in FY 15-16, then at Caltrans direction, switched the funding to support the student Free Bus farebox subsidy program (in FY 16-17, 17-18 and 18-19). Over three years \$150k+ in funding was received, which was greater than the growth rate of the Free Bus Program, allowing a project balance to develop. RCTA has continued the Free Bus Program through FY 2022-23 drawing down this balance. After FY 2022-23 a new source of funds will be required to sustain the Free Bus Program, or perhaps it can be delivered at a smaller scale until new funding materializes.

As noted above, prior to RCTA submitting its FY 2019-20 LCTOP application, Caltrans provided feedback to RCTA that it did not wish to fund a fourth year of the Free Bus Program. In general, Caltrans explained that it viewed LCTOP funds as startup funding for projects such as the Free Bus Program. Caltrans did not feel LCTOP should be used to permanently sustain a fare-subsidy project. Caltrans requested that RCTA submit a different project for FY 2019-20 LCTOP funding, and for the next four years (FY 2019-20, 2020-21, 2021-22, and this year FY22-23), RCTA's submitted LCTOP applications for its Fleet Electrification Project.

Free Bus Program Overview

Initially, two population groups were targeted for the Free Bus program, College of the Redwoods students and Humboldt University students. Two other groups were added to those eligible, High School/Middle School students and Veterans. The latter group, Veterans, were added through community comment on the need at a RCTA board meeting. The need expressed was very real, and veteran’s ridership became a truly robust segment of the services.

As the rider entered the bus, he/she proved eligibility by showing a college or school identity card. No fare was needed but the driver recorded all Free Riders and the route involved. First Transit, now Transdev, submitted detailed information monthly, which has been entered into a matrix for program analysis.

Fleet Electrification Project

The Fleet Electrification LCTOPY funds have been accumulating, to be used for infrastructure upgrades at 140 Williams. Eligible project spending can include upgrading power to the site, putting in trenches and stubs for EV Bus chargers and electrical equipment, backup generators, etc. LCTOP does not allow planning or engineering to be funded. The total amount has built up as they funds have accumulated:

TOTAL AVAILABLE LCTOP FUNDS FOR EV INFRASTRUCTURE	
FY 2019-20 --	\$52,066
FY 2020-21 --	29,552
FY 2021-22 --	69,084
FY 2022-23 --	<u>70,264</u> Requested Only
	\$220,966

Since planning and engineering are NOT allowable projects under LCTOP, RCTA has had to concurrently find other funding sources for these key phases of the project, while banking LCTOP for implementation. A contract was signed this June with GHD, Inc., and their consultants are currently working with the RCTA Management Team on the first planning and engineering phase.

The most significant change to the Fleet Electrification Project has been the recent successful TIRCP Grant application. Once TIRCP funds begin flowing in 2024, RCTA has been awarded \$3M for the Fleet Electrification (upgrade power at Williams Drive, install chargers, generators) making the addition of another \$70k in LCTOP funding somewhat redundant.

DISCUSSION

Caltrans staff interpretation of LCTOP legislative intent, disallowing projects after 3-4 years of LCTOP funding was very unpopular in the transit industry. Pressure from legislative leadership at the state level, as well as CalACT and the California Transit Association, led to legislative relief that can allow RCTA to re-apply for Free Bus Program funds from LCTOP in the future.

Signed by Governor Newsom on September 30, 2022, SB 942 features language that states:

“(m) A recipient transit agency using program moneys for the continuation of a free or reduced fare transit program shall not be subject to subdivision (l) and may continue to use program moneys for that purpose without any restriction to length of time.”

In effect, the three-year funding limit set by Caltrans LCTOP staff has now been lifted, and agencies like RCTA may continue the Free Transit Program if it wishes. Other transit agencies likely precipitated the legislation due to its popularity and effectiveness. RCTA has already submitted its FY 2022-23 LCTOP application for one final year of Fleet Electrification funds.

PROGRAM REPORT

While the Fleet Electrification Project has barely started, without expenditure of any LCTOP funds to date, RCTA has significant data on the Free Bus Program. This program has been warmly received by the community and its popularity has helped RCTA gain ridership. The Free Bus program has been very productive. Riders experience the ride as “Free”, but drivers tally each time an eligible rider boards the bus, and LCTOP is billed annually for the published fare. A series of charts and tables are included showing interesting patterns of Free Bus usage. Initially targeted to College of the Redwoods Students, the Free Bus Program was expanded to include all youth and Veterans in the 2018-2019 timeframe.

Altogether, since 2017 the Free Bus Program served 38,145 riders and accumulated \$94,664.50 of deferred fares. The program is revenue neutral to operations, as all of the \$94,664.50 will be fares charged against the grant rather than the riders. The Del Norte County financial records show \$98,853.25 programmed to the Free Ride Program, with most drawn down. The amount remaining as of June 30, 2023 is \$4,188.75. This will cover a month or so of FY 2023-24 fares.

The charts show that COVID deeply cut into program, as only Veterans chose to ride at nearly the same level pre and post-COVID. This indicates their true need for public transit for daily activities, including medical service trips, as there was a high proportion of trips to Arcata and outside Crescent City along US 101 and 199. While COVID reduced ridership, the Free Ride program is stimulating recovery, and is a key element of the marketing to students. An interruption of the program will damage momentum and setback ridership recovery.

Alternatives

Staff participated in the legislative relief through its role on the CalACT Legislative Committee and would like to switch future LCTOP revenues back to the Free Bus Program. Staff did submit for one more year of Fleet Electrification funding in its FY 2022-23 application, which has been reviewed and approved by Caltrans LCTOP staff. It may be difficult to change the project at this late hour for FY 2022-23 LCTOP funds, but certainly RCTA can plan to re-apply for Free Bus Funds starting in 2023-24.

Because of the popularity of the Free Ride program, staff feel that continuation of the project without interruption is best for rebuilding ridership and introducing new potential riders to use public transportation. Some modifications could occur, particularly in requesting new funding partnerships to become involved, such as colleges and universities assisting their students, or assistance with Veterans transportation. Corporate funding, foundation or casino grants may also be worth seeking. It should be noted that none of these options are readily available, and each would require staff time to reach out to third parties about potential funding partnerships.

Staff developed three options, two of which allow the Free Bus Program to continue:

Option 1—Use existing Transportation Development Act funds to continue the program through the completion of FY 2022-23. Expend the last \$4100 of LCTOP funding and then use TDA reserves to backfill Free Bus fares at the end of the fiscal year. RCTA is still receiving COVID relief funding which will be used to bolster reserves. This option is meant to rebuild ridership with only a minor negative impact on TDA reserves.

Option 2—End the program ASAP by notifying all affected riders that the program will be ending. Restarting the program could then occur once Caltrans approves next fiscal year's RCTA LCTOP application, perhaps in May 2024 at the earliest.

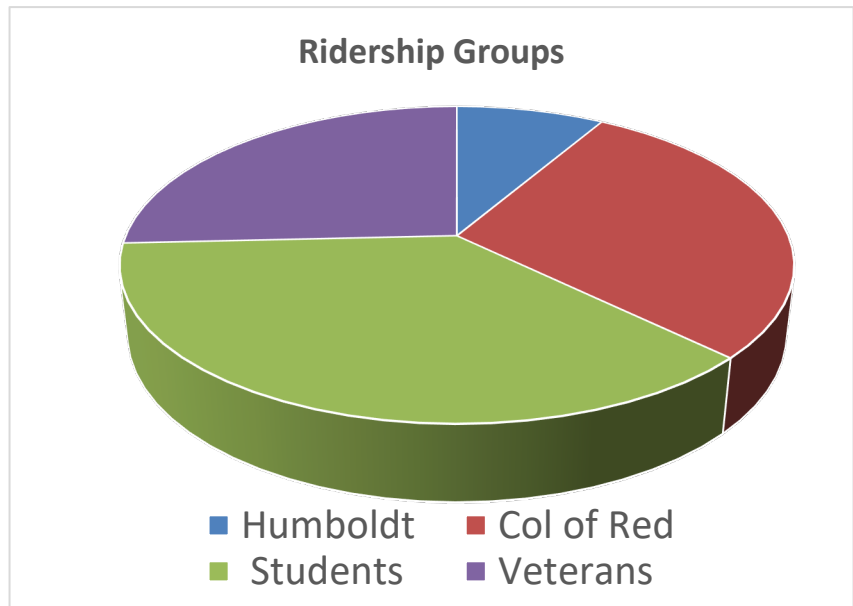
Option 3—Continue the program while requesting LCTOP staff to approve a Corrective Action Plan (CAP) form to transfer existing LCTOP Fleet Electrification infrastructure funds to support Free Ride purposes. This project to project transfer might be easier than asking to revise the 2022-23 Allocation Request that is pending. Either action would work to move some unneeded LCTOP funds from the Fleet Electrification Project to the Free Bus Project.

Staff is recommending Option 1 or a combination of 1 and 3. The Board is asked to provide staff guidance on the future of the Free Ride Program.

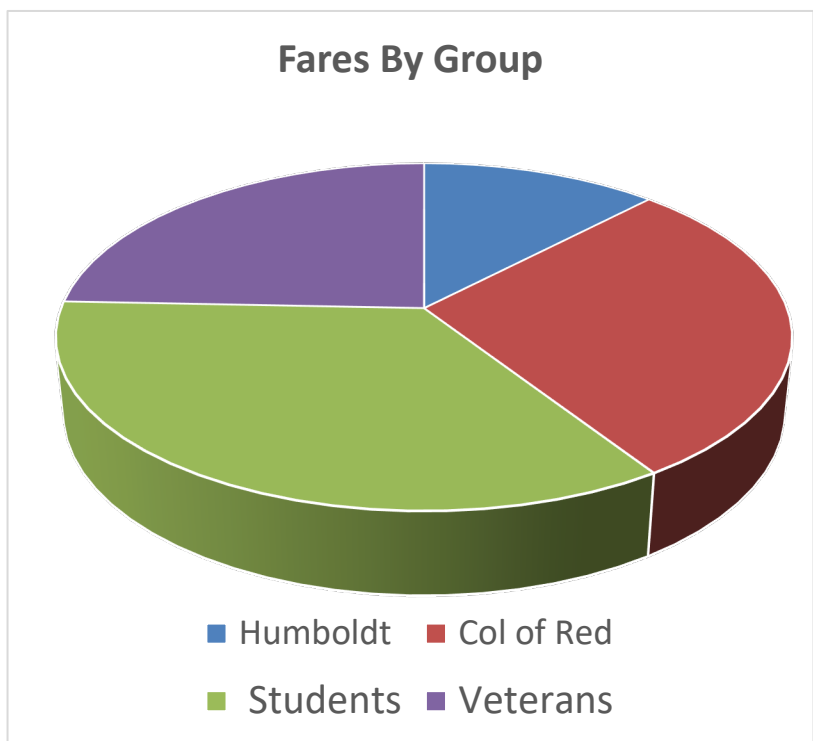
RCTA Free Bus Program Charts

July 2018 to June 2023

Group	Total Rides
Humboldt	3,229
Col of Red	10,979
Students	14,113
Veterans	9,824
	38,145

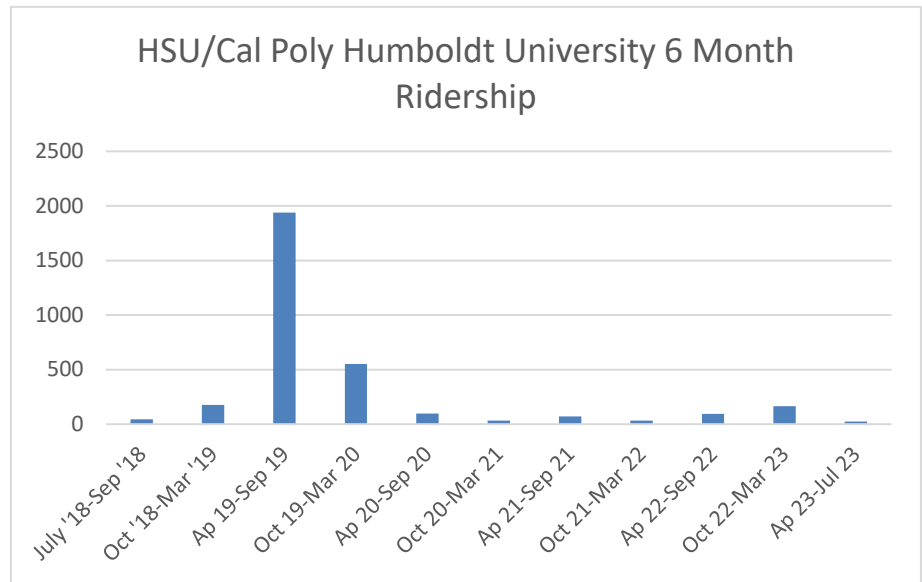


Group	Total Fare
Humboldt	11,543
Col of Red	27,124
Students	32,933
Veterans	23,065
	\$94,665



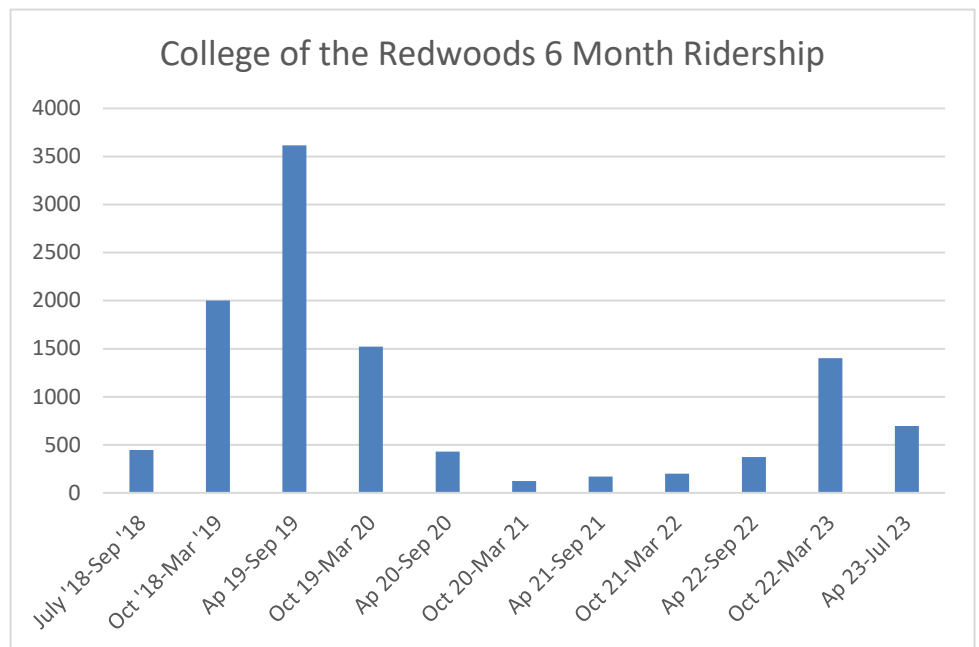
Humboldt	Riders
July '18-Sep '18	45
Oct '18-Mar '19	176
Ap 19-Sep 19	1940
Oct 19-Mar 20	552
Ap 20-Sep 20	98
Oct 20-Mar 21	34
Ap 21-Sep 21	70
Oct 21-Mar 22	32
Ap 22-Sep 22	94
Oct 22-Mar 23	164
Ap 23-Jul 23	24

3,229



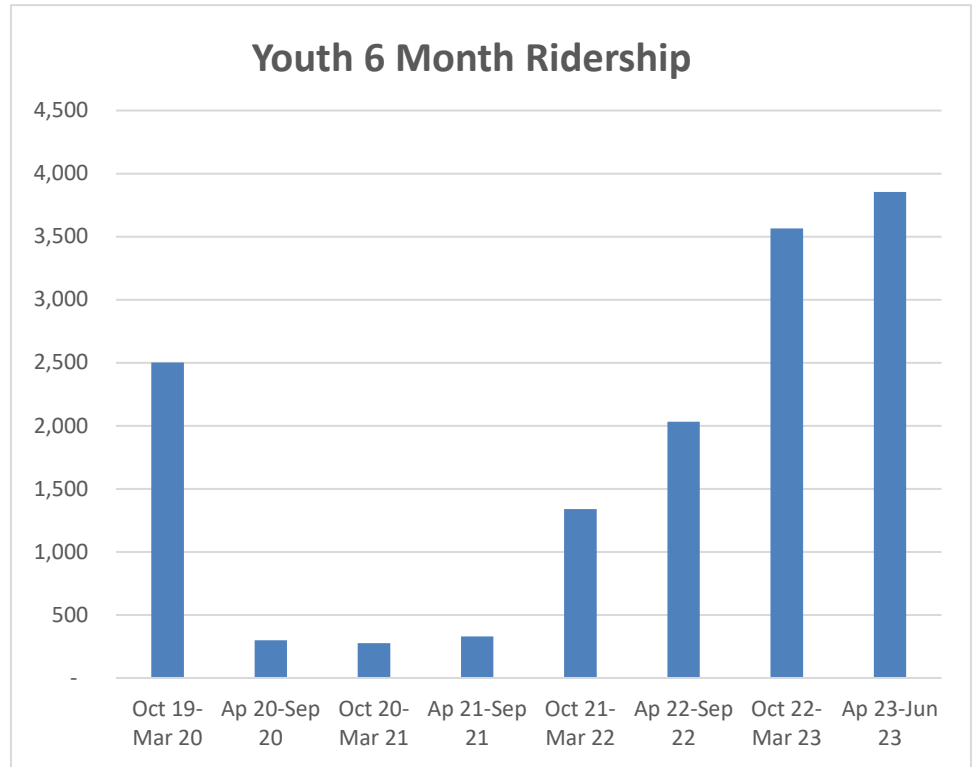
C of R	Riders
July '18-Sep '18	446
Oct '18-Mar '19	2001
Ap 19-Sep 19	3617
Oct 19-Mar 20	1523
Ap 20-Sep 20	429
Oct 20-Mar 21	122
Ap 21-Sep 21	171
Oct 21-Mar 22	200
Ap 22-Sep 22	372
Oct 22-Mar 23	1403
Ap 23-Jul 23	695

10,979



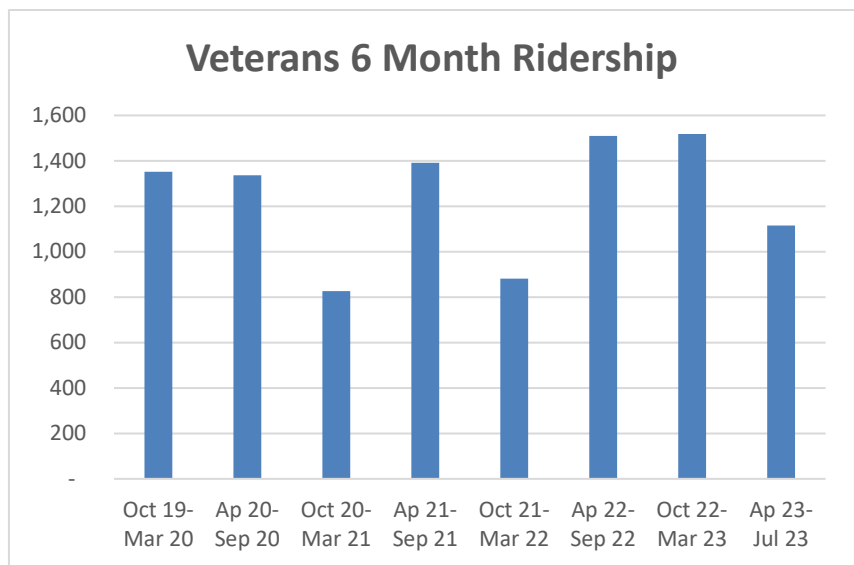
Youth
6 Month
Ridership

Oct 19-Mar 20	2,503
Ap 20-Sep 20	300
Oct 20-Mar 21	277
Ap 21-Sep 21	329
Oct 21-Mar 22	1,339
Ap 22-Sep 22	2,031
Oct 22-Mar 23	3,565
Ap 23-Jun 23	3,855
	14,113



Veterans
6 month

Oct 19-Mar 20	1,352
Ap 20-Sep 20	1,336
Oct 20-Mar 21	826
Ap 21-Sep 21	1,392
Oct 21-Mar 22	882
Ap 22-Sep 22	1,510
Oct 22-Mar 23	1,518
Ap 23-Jul 23	1,115
	9,824



September 11, 2023



MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Approval of Implementation of Fiscal Year 2023-24 Fall/Winter/Spring Service Platform

RECOMMENDATION:

Approve the staff recommended Fiscal Year 2023-24 Fall/Winter/Spring service platform – Alternative 1.

BACKGROUND:

In recent years, RCTA has been dynamic, making service adjustments each year based upon changing dynamics such as funding fluctuations, challenges with route operations, low ridership, pandemics, fires, etc. In general, cuts were targeted for reduction due to low productivity (riders). Here is a history of recent service changes:

<u>Date</u>	<u>Nature of Service Change</u>	<u>Result</u>
July 2016	routes modified, stops moved on-time performance problems	OTP improved, driver breaks protected and built reserves
July 2017	cut route 10, reduced hours on locals, reduced Saturday locals	½ day trips now possible
July 2018	reallocated late night Arcata trip (Route 20) to mid-day	improved ridership
July 2018	re-routed regional routes (20, 199) to serve College/HS	improved ridership
August 2019	re-routed early AM service, added PM 300, to/from CR/HS	reduced service hours 33%
April 2020	cut all Saturday service, shortened PM service, cut regional trips	little ridership gains
Fall 2021	reinstated Route 300, added 300PM, reinstated Saturday service	improved ridership +28%
June 2022	reinstated most service lost in pandemic, new summer platform	improved ridership +xx%
Sept 2022	received reduced winter platform, chose to continue full summer	decent ridership gain xx%
June 2023	continued summer platform, reduced service due to wildfire event	

Discussion

For the second year in a row, this year in February, at the Annual Board Workshop, staff presented an overview of RCTA’s financial picture, and how certain operating costs (fuel and labor) have risen dramatically. Staff again walked the Board through the concept of a higher summer service level, and a slightly lower service level during the “off season” of Fall/Winter/Spring. This saves money and matches decreased travel needs. Staff proposed and the Board supported this new approach, where RCTA will provide its highest service levels in the Summer, as summer is the peak season for tourism and recreation in our region. Having a robust summer schedule also takes a conservative approach to ensure RCTA has sufficient funding to thrive in the future once its one-time FTA COVID-relief funds are expended.

RCTA essentially reinstated all services cut during the pandemic in June 2022, chose to run one more winter of this full service (to continue to build back ridership) into June 2023, and ran the 2023 Summer Service until the Smith River Complex wildfire event interrupted life in Del Norte in August 2023. RCTA returned to its normal Summer Schedule on Wednesday, September 6th and will be closely monitoring the fire activity.

In June 2022 the 2022 Summer Schedule was implemented, rolling out RCTA’s “full schedule”, and this platform was in place all the way until August 20, 2023, when RCTA reduced service in response to the Smith River Complex Wildfire. The reduced fire emergency service ran from mid-August through September 5th.

Route 300 service does not comply with the RCTA calendar, in that it starts and ends with the academic calendar of Del Norte Unified School District (DNUSD), and only runs on schooldays. Route 300 was scheduled to begin on August 28th, but postponed until September 5th due to the Smith River Fire Complex.

The framework of the reduced fall/winter/spring platform would kick in at the end of September and run until Memorial Day, followed by the expanded services running Memorial Day through end of September. This matches RCTA service with the lower travel demand in the wetter winter months, saving the agency money.

Some of the proposed reductions in service associated with the lower service level planned for the “off season” were a part of the emergency reductions driven by the Smith River Complex Wildfire. Specifically, RCTA suspended Route 199 and the midday trip on the south segment of Route 20 between Crescent City and Eureka.

Fall/Winter/Spring Service Change	Annual Reduction in Revenue Hours	Marginal Cost per Revenue Hour	Annual Savings Projected from Reduced fall/winter/spring schedule
Reduce Route 199 between CC and Gasquet from Three Daily Trips to Two and 6 days/week to 5 days	408 (12 hrs per week, 34 weeks/year)	\$50	\$20,400
Reduce Southern Segment of Route 20 from 3 daily trips to 2, dropping midday trip between CC and Eureka, 6 days/week	1428 (42 hours/week x 34 weeks per year)	\$50	\$71,400
Totals	-1836 rev hrs	\$50	-\$91,800

There is minor concern that establishing an “off-season” service platform that reduces hours *significantly* could contribute to some difficulty retaining bus operators, as hours will be reduced every fall and some operators may leave if they can no longer get full time hours. That said, current staffing features some part-time operators and this issue does not pose a critical threat. RCTA must balance staffing with fiscal health and agency sustainability.

Impacts on RCTA Budgets and TDA Reserves – One-Time COVID-Relief Funding

RCTA is fortunate to have been programmed \$1.7M in one-time pandemic assistance funds to offset financial damage caused to transit agencies by operating during the pandemic. Due to Caltrans interpretations of the pandemic funding, RCTA is limited to requesting \$300-400k in funds each year. At this pace, RCTA will be able to receive about \$300-400k each fiscal year through 2025-26 before these one-time funds are exhausted. These funds can be used to free up RCTA’s TDA funds for capital projects (of which RCTA has a great need) and to bolster operating reserves (the operating reserves is RCTA’s option of last resort for capital projects).

There is a risk to NOT drawing down the COVID funding quickly. A reduced schedule will draw down COVID funds slightly slower than an all-year full schedule. Threats have been made by various national political actors to revoke pandemic funding allocated to local governments and transit agencies that has not been spent so far. While the actual COVID-relief funding agreements allows agencies several years to expend the funds, opposition politicians have publicly threatened to revoke these vital funds from local governments like RCTA.

RCTA will continue to work through CalACT on legislative action to prevent this raid on its vital funding. In addition, RCTA will ask Caltrans to consider a change in methodology that it uses to calculate transit agency reimbursement rates. This could speed up the draw of COVID funding and reduce the risk of future revocation.

Alternative 1

Implements the proposed reduced Fall/Winter/Spring schedule effective September 30, 2023. This removes one trip daily from Route 199, eliminates Saturday Service on Route 199, and drops one daily trip from the southern segment of Route 20. The reduction of the midday trip between Crescent City and Eureka may negatively impact the new medical trip driven extension of Route 20 from Arcata to Eureka, but the continuation of the early morning and late afternoon trips will allow daily full-day medical trips to occur. This will save RCTA about 1836 annual revenue hours (over 8 non-summer months) and clearly establish a summer (peak) schedule.

Alternative 2

Staff offers up Alternative 2, essentially the same as Alternative #1, but rather than 2 daily trips of Route 199 Monday through Friday, RCTA would run three daily trips (equal to Summer Service level) but only run the 199 three days per week (M, W, Fri or T, W, Th). Analysis of recent trip level ridership on Route 199 shows little differentiation between trips. Ridership is about equally mediocre on all three trips, with the most productive trip being the midday run. Anecdotally this is because the “three trip daily” schedule affords two choices for half-day errands in Crescent City, either morning or afternoon. Should RCTA offer only two daily trips it must decide between a schedule that allows for half-day trips (morning or afternoon?) or full day only (if the midday trip were dropped). With ridership data about even, and no fresh outreach to existing riders to help decide, this is a tough call. Is flawed service every day of the week better than zero service four days per week?

Alternative 3

The Board could opt for Alternative 3, a redo of what RCTA did one year ago, running full service through another winter, keeping all the peak-season Summer Schedule running through September of 2024. This all-year level of service would cost more but technically can be paid for once again out of one-time pandemic funding. However, this option “kicks the can” on the issue of long-term agency financial capacity, and is likely to limit the amount RCTA can grow its TDA reserves in FY 2023-24.

Summary

Staff recommends implementation of Alternative 1, the reduced fall/winter/spring schedule platform, its best projected balance between service provision and long-term funding availability. The service change will occur on Monday, October 2nd and run through Monday, May 27th, 2024.

Recommendation

Staff recommends approval of Alternative 1 for the 2023-24 Fall/Winter/Spring service platform.

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Approve Expansion of RCTA's Airport Service Area



RECOMMENDATION:

RCTA has developed a demand-response service that provides residents and visitors pre-scheduled trips to and from the Del Norte County Airport (CEC). The new service is supported by the Border Coast Regional Airport Authority and has been in place since June 2023. RCTA initially used its existing Dial-a-Ride service area as the area of eligibility for the CEC demand response service. Staff feel that the DAR Service Area (Crescent City and some surrounding areas) is a bit too restrictive for this new service.

BACKGROUND:

DAR Service Area

When RCTA was created, staff and the Board adopted a DAR service area, inside which all trips must begin and end. Outside of the service area, the only services available were RCTA's innovative deviated fixed route regional services on Routes 20, and eventually 199, which will deviate up to $\frac{3}{4}$ mile off the main route upon request for ADA-eligible riders with advance reservations. The deviated fixed route services are of limited utility in serving CEC today, as most flights are early AM or later in the evening, neither of which work well with RCTA's schedules.

The current DAR service area includes:

- To the south, US 101 as far south as Humboldt Road, including the new casino
- To the east, City Limits to around Parkway Drive, Parkway Drive to EV X-roads at US 199
- To the west, Pacific Ocean up to and including the CEC Airport
- To the north, on either side of Northcrest/Lake Earl to Elk Valley Crossroad

Staff is considering the merits of expanding the CEC Airport Service area to include both the current DAR service area, plus new areas to the north, including populated areas along Lake Earl Drive through Fort Dick up to the Smith River, and possibly along US 197 between US 101 and US 199. This would apply only to CEC Airport Service, not impacting the DAR service area. Here are two options that staff feel would help add more households & destinations to the eligibility area for CEC Airport shuttle service:

Option 1

Option 1 builds on the base DAR service area by adding areas north of Elk Valley Crossroads, west of US 101 up to the Smith River, including Fort Dick.

Option 2

Option 2 builds further upon Option 1, by adding the area east of US 101 between Elk Valley Crossroads and the where Highway 197 intersects US 101 just north of the Smith River. This area, generally along US 197 would include the Del Norte Golf Course area.

Option 3 would add Smith River (proper, up to the Oregon border) and Klamath (including or excluding Klamath Glen) to the service area. While this is probably the highest ridership alternative, the sheer size of this service area could prove problematic. Should the service begin to become popular, a single vehicle would be unable to meet trip requests coming from opposite ends of the County at the same time, causing a second bus to be deployed, doubling operational costs and stressing staffing levels.

Summary

Staff feels that Option 2 is the best fit for expansion at this point. Adding areas north of Crescent City on both sides of US 101 will absorb two areas that seem to be ripe for travel usage of CEC. This option significantly expands the CEC Airport Shuttle service area but not to the extent that RCTA may likely have to deploy two buses at a time.

Option 1 would take a measured approach, and could be followed later by Option 2 or 2 and 3. Should the CEC Airport Shuttle service area become too large, demand and spatial distance can combine to drive up CEC Airport Shuttle costs and impact the transit agency. A more modest expansion would be Option 1, to simply expand the Lake Earl area from Elk Valley Crossroads up to and including Fort Dick and see how that additional catchment area impacts the system. Then, if the Shuttle can absorb this area without negative impacts, the US 197 corridor between US 101 and US 199 (Option 2) can be next.

Its still difficult to project how busy the RCTA CEC Airport Shuttle could become. For several years RCTA would provide general public DAR trips to CEC upon demand, but this service was never marketed, and thus only occasionally used. With reports of inconsistent or unavailable local private ground transportation, and the construction of the new CEC Passenger Terminal, it became more urgent to improve and market RCTA's CEC Airport Shuttle services. So far this summer, with modest increase in the marketing effort, the CEC Shuttle service ridership has grown slightly. RCTA should monitor the new service annually if not more often, adapt to flight schedule changes, and adjust service as necessary.

RECOMMENDATION:

Since the CEC Airport Shuttle service is off to a slow start this summer, staff recommend Option 2 which expands the service area to include both the Fort Dick and Golf Course areas, both of which appear to be good target markets for this service.

September 11, 2023

MEMO TO: Board of Directors

FROM: Joe Rye, Executive Director

SUBJECT: Update on Implementation of South Oregon Medical Shuttle Recommendations



RECOMMENDATION:

Receive update on implementation of South Oregon Medical Shuttle Study recommendations.

BACKGROUND:

RCTA was approached during the 2022 Del Norte Local Transportation Commission Unmet Transit Needs (UTN) process about the need to provide transportation to either Southern Oregon or Humboldt County to meet the needs of folks who must travel out of the area for specialty medical services. RCTA awarded the consultant contract to Mark Shaffer Consulting on October 22, 2022 and work began. The study indicated that most local physicians refer patients out-of-county for specialty treatments. The split is about equal to both Eureka and Medford areas.

The Final Study recommends the following be implemented on a pilot basis to most efficiently meet these emergent transportation needs:

Call Center – a one-stop location for information on all available transportation
Extend Route 20 into Eureka – this eliminates transfers and supports 101 corridor services
On-Demand South Oregon Medical Shuttle – meets emergent need to Grants Pass/Medford

Update: RCTA was able to implement the Call Center and the extension of Route 20 to the three major medical facilities in Eureka in June 2023. The launch of the South Oregon Medical Shuttle was scheduled for August 1, 2023. However, marketing materials trailed behind and not surprisingly, no reservations were requested in August before the Smith River Complex fires hit the area, closing US 199 at Gasquet.

South Oregon Demand-Response Medical Shuttle (SOMS) - The SOMS model is setup to require advance reservations, and operate twice per week, on Tuesdays and Thursdays, if demand warrants. At least two fares must be reserved in order for RCTA to make the trip. The SOMS vehicle will schedule morning pickups at riders' homes in the 7am hour targeting an 8am departure from Crescent City, to arrive in Medford (after any stops at Grants Pass medical facilities) by 11am.

Return trip pickups will begin in the 2pm hour, arriving back in Crescent City in the 5pm hour, dropping riders back off at their homes. The service area (eligibility area) for pickups on the South Oregon Medical Shuttle will be the RCTA Dial-A-Ride service area (City of Crescent City and surrounding developed areas) although if passengers can get a ride into the service area (and back home) they are welcome to use the service.

Fares are set to be about equal to RCTA Route 20 (going about the same distance in the other direction) with fares to be \$10 each way to Grants Pass, and \$12 to Medford. The Healthcare District intends on helping to subsidize fares for passengers with medical appointments, assuming funding is available. The DNHD has applied for a grant to support the first year(s) of this project, and is awaiting word on the grant award. The service as described is expected to cost in the range of \$67k total per year, including fuel and labor, but not including fares. The DNHD has pledged to pay for half of the service, approximately \$33,500 per year, with or without the pending grant. This will help make the service sustainable, as RCTA will cover the remaining \$33,500, using its CTSA budget. RCTA CTSA receives in the range of \$45,000 per year and will have enough remaining funds to sustain its ADA Eligibility and Travel Training programs.

Update: The SOMS service has gotten off to a very slow start. Marketing materials arrived a bit late (early August, a few days after the scheduled launch) and were distributed to various medical offices in town only days before the fires hit. To date, no trips have been requested, hence no ridership and zero costs. Staff made a second round of visits to local medical facilities in early September to bring more program information and answer any questions local medical staff may have. It is hoped that once referring physicians begin informing patients about the new SOMS service, that reservations will begin to flow. More marketing is clearly needed, and will be mixed in with RCTA's current radio spots to raise general community awareness.

Extension of Route 20 from Arcata Transit Center into Eureka – This project was also supported by transit officials in Humboldt and Caltrans. A new loop was designed that brings riders directly to the three major medical facility clusters in Eureka, while also serving the growing Eureka Transit Center in Old Town. This change was able to be implemented quickly with the June Summer Service Changes, and has been running all summer. Anecdotal data shows that the extension is appreciated, ridership has grown somewhat, and again, with more awareness in the local medical community and general population, this service is expected to be successful.

RECOMMENDATION

Discussion only.