

REGULAR MEETING CALIFORNIA VANPOOL AUTHORITY

Board of Directors

1340 North Drive * Hanford, California 93230
(559) 852-2711

Meeting Date: January 10, 2013

Time: 10:00 AM

Place: Kings County Association of Governments
CalVans office at 1340 North Drive, Hanford, CA 93230

This Meeting may also be attended at one of the following locations:

- **Association of Monterey Bay Area Governments**
147 Fourth Street, Community Room, Gonzales, CA 93936
- **Fresno Council of Governments**
Huron City Hall, Council Chambers, 36311 Lassen Avenue, Huron, CA 93234
- **Kern Council of Governments**
1401 19th Street, Board Room, Bakersfield, CA 93301
Alternate location: Shafter City Hall, Finance Conf. Rm. 336 Pacific Avenue, Shafter, CA 93263
- **Madera County Transportation Commission**
Citizens Business Bank, Room 101, 2001 Howard Road, Madera, CA 93637
- **Napa County Transportation and Planning Agency**
707 Randolph Street, Suite 100, Napa, CA 94559
- **Sacramento Area Council of Governments**
Sutter Buttes Room, 1415 L Street, Suite 300, Sacramento, CA 95814
- **Santa Barbara County Association of Governments,**
4th Floor Board of Supervisors Conference Rm, 105 East Anapamu Street, Santa Barbara, CA 93101
- **Tulare County Association of Governments,**
Conference Room, 210 N Church St., Suite B, Visalia, CA 93291
- **Ventura County Transportation Commission**
Conference Room, 950 County Square Drive, Suite 108, Ventura, CA 93003

The call in number for this meeting is 1-866-244-8528, Password 574681

Please note that the Brown Act requires that Board members calling in do so from one of the above locations noted above. Please contact Ronald Hughes the Executive Director at least 72 hours before the meeting date and time if you plan on calling in from another location.

A person with a qualifying disability under the Americans with Disabilities Act of 1990 may request the Authority to provide a disability-related modification or accommodation in order to participate in any public meeting of the Authority. Such assistance includes appropriate alternative formats for the agendas and agenda packets used for any public meetings of the Authority. Requests for such assistance and for agendas and agenda packets shall be made in person, by telephone, facsimile, or written correspondence to Ron Hughes, at the office of the California Vanpool Authority, at least 48 hours before a public Authority meeting.

A G E N D A

<u>Item #</u>	<u>Description</u>	<u>Action</u>
1.	CALL TO ORDER	
	Roll Call – Clerk of the Board	
2.	PUBLIC COMMENT (Unscheduled Appearances)	
	<p>The public may address the Board of Directors on any item relevant to the Authority. To comment on an agenda item, speakers should notify the Board or Staff member at the meeting location, when the agenda item is announced. The Board or Staff member will indicate whether speakers are to make their comments before or after any staff comment or report. Public comment shall precede discussion of the item by the Board of Directors. Comments by individuals and entities will be limited to five minutes or as may be reasonable as determined by the conducting officer.</p>	
3.	Consent Items:	Approval
	<p>All items listed as consent items are considered routine and will be enacted by one motion. For any discussion of any consent item, it will be removed at the request of any Board member and made a part of the regular agenda.</p>	
	<ul style="list-style-type: none"> A. Minutes of October 11, 2012 meeting B. Approval of Agreement with Lemoore High School <li style="background-color: yellow;">C. Authorize Subrecipient Agreement with KCAPTA 	
4.	System Update	Information
	<ul style="list-style-type: none"> a. Reporting of FTA funds generated for other agencies b. Increase in number of Agricultural Vanpools being used c. Review of first quarter financials d. Submittal of Proposal to LA Metro e. Staff vacancy in Ventura/Santa Barbara office. f. Review Agency acceptance as a member of CalPERS g. Meetings and Presentations 	
5.	Review Insurance Renewal Options	Action
6.	Authorize award of bid to purchase up to 70 15-passenger Chevrolet vans	Action
7.	Authorize Submittal of JARC Applications	Action
8.	2012-13 Meeting Calendar	Information
9.	Adjournment	

Attachments:

<u>Item</u>	<u>Page</u>	<u>Description</u>
A-	12	Board Minutes of October 11, 2012
B-	18	<u>Unofficial Minutes of December 13, 2012 – For information only, there was no quorum at the meeting.</u>
C-	23	TAC Minutes of November 29, 2012
D-	31	Agreement with Lemoore High School
E-	33	Subrecipient Agreement
F-	59	Copy of first quarters financials
G-	65	CalPERS Letter
H-	68	Power-Point Slides from Philadelphia Insurance Company
I-	36	2012-2013 meeting calendar

STAFF REPORT

3. Consent Items:

- A Minutes of October 11, 2012 meeting.
- B. Approval of Agreement with Lemoore High School

The Lemoore High School provides vanpool parking for around 250 vehicles. The vehicles park in extra space that the School only uses on special occasions. The lot is used by residents coming from Fresno, Visalia, Hanford and Lemoore who are traveling on to one of three prisons located south of Lemoore.

An agreement has been in place for several years that states the School will provide the parking lot in exchange for an annual payment of \$15,992 to offset the wear and tear on the parking lot. The amount was based on what it would cost to reseal every five years, that portion of the lot used for vanpooling. Staff is recommending that the Director be authorized to sign an agreement with Lemoore High School for use of the parking lot.

- C. Authorize Subrecipient Agreement with KCAPTA

On behalf of CalVans, KCAPTA (Kings County Area Public Transit Agency) received a Federal State of Good Repair grant of \$913,200 for the purchase of additional CNG (Compressed Natural Gas) vanpools for use in the vanpool fleet. The grant covers 80% of the cost; the remaining 20% will be coming from San Joaquin Air Control District funds that Staff has previously applied for.

KCAPTA is the designated recipient of the funds, responsible for drawing them down from the Federal Government. CalVans will therefore need to enter into a Subrecipient agreement with KCAPTA in order to use the funds to purchase vehicles. The agreement passes on those Federal requirements KCAPTA has to comply with to CalVans. Staff is familiar with these requirements and sees no problem in meeting them.

The funds will allow for the purchase of up to 30 additional vanpools that will be placed in service where filling up with compressed natural gas is not a problem. It is recommended that the Executive Director be authorized to sign the agreement with KCAPTA.

4. System Update

- a. Reporting of FTA funds generated by other agencies

A significant portion of the transit taxes collected by the Federal Government are distributed based on the amount of transit services provided by each city with a population of 50,000 or more. Transit services being reported include the number of passengers, how far they traveled and how long they spent traveling. This information is reported for all transit modes, including vanpools provided by a public transit agency. As a public transit agency, CalVans reports this information for 27 cities that its vanpools travel to or from.

The Federal Transit Administration has released the Federal apportionments by city based on the number of transit services reported into the NTD (National Transit Database) system. Staff has reviewed the apportionments for following the cities, breaking out the portion generated by the reporting of CalVans vanpool trips to each of the cities.

<u>Agency</u>	<u>FY 12-13</u>	<u>FY 11-12</u>	<u>FY 10-11</u>
Fresno Area Express	\$903,637	\$557,000	0
Visalia City Coach	407,604	0	0
Bakersfield GET	80,138	0	0
Kings Area Rural Transit	868,560	593,046	604,000
Madera Transit	347,424	0	0
Porterville Transit	<u>173,712</u>	<u>395,364</u>	<u>0</u>
Total	\$2,781,075	\$1,545,410	\$604,000

This year's apportionment came close to doubling last year's apportionment which doubled the portion before. This growth in funds will continue as the number of vans and cities eligible for vanpool revenue increase.

Staff's goal would be to use some of the funds generated for the replacement of older vanpools. This has been done in the past with funds generated for KCAPTA, Kings County's transit system. Funds were used to replace vans of those Kings County residents that had been vanpooling the longest. This use of the funds keeps the participants cost down, and is one of the reasons Kings County has one of the highest per capita uses of vanpools.

Staff reviewed this item with the Technical Advisory Committee, who recommended meeting with each of the transit agencies to discuss use of the funds. Staff will be doing this over the next several months.

b. Increase in number of Agricultural Vanpools being used

Normally at this time of year the number of agricultural vanpools starts to drop off as the winter season arrives. This has not been the case this year as an increasing number of growers in the Salinas Valley encourage their workers to use vanpools for their winter operations in Yuma and Imperial. Over the next several weeks 854 workers for 7 growers will be using over 61 vanpools to travel to and from work. All of the riders will be using vouchers provided by their employers that will cover their cost of transportation.

The vouchers now being provided by a number of growers are a tremendous benefit to the workers. With the average vanpool traveling 65 miles a day, 6 days a week, each rider pays the equivalent of \$27 per week in vouchers. This amounts to a savings for the rider of \$585 for the 5 month season. The total savings for all riders shown below equals \$109,428 per month or \$590,000 thousand for the season.

<u>COMPANY</u>	<u>VANPOOLS</u>	<u>Riders</u>	<u>Number of trips</u>	<u>Weekly Miles Traveled</u>	<u>Value of Vouchers</u>
Elkhorn Packing	6	84	168	2,340	\$ 2,106
Dominguez Farms	3	42	84	1,170	1,053
Sonora Packing	1	14	28	390	351
Reyes Brothers	14	196	392	5,460	4,914
Del Real Packing	4	56	112	1,560	1,404
Guerrero Packing	5	70	140	1,950	1,755
GTO Packing	28	392	784	10,920	9,828
Joseph Phelps Winery	1	14	28	390	351
V. Sattui Winery	1	14	28	390	351
Oseguera Farms	1	14	28	390	351
Reiter Farms	<u>8</u>	<u>112</u>	<u>224</u>	<u>3,120</u>	<u>2,808</u>
Total per week	72	1,008	2,016	28,080	25,272
per Month			8,729	121,586	\$ 109,428

Average weekly benefit per van = \$ 351

Average weekly benefit per rider = 27

Monthly = 117

Yearly = \$ 1,403

It is Staff's opinion that the use of vouchers to encourage workers to vanpool together will become the norm going forward. At the present time all agriculture vanpools are being used. Staff now maintains a waiting list should a van be turned in. Growth going forward will require adding additional vehicles to the program. Staff will outline ways to secure additional vehicles at a future meeting.

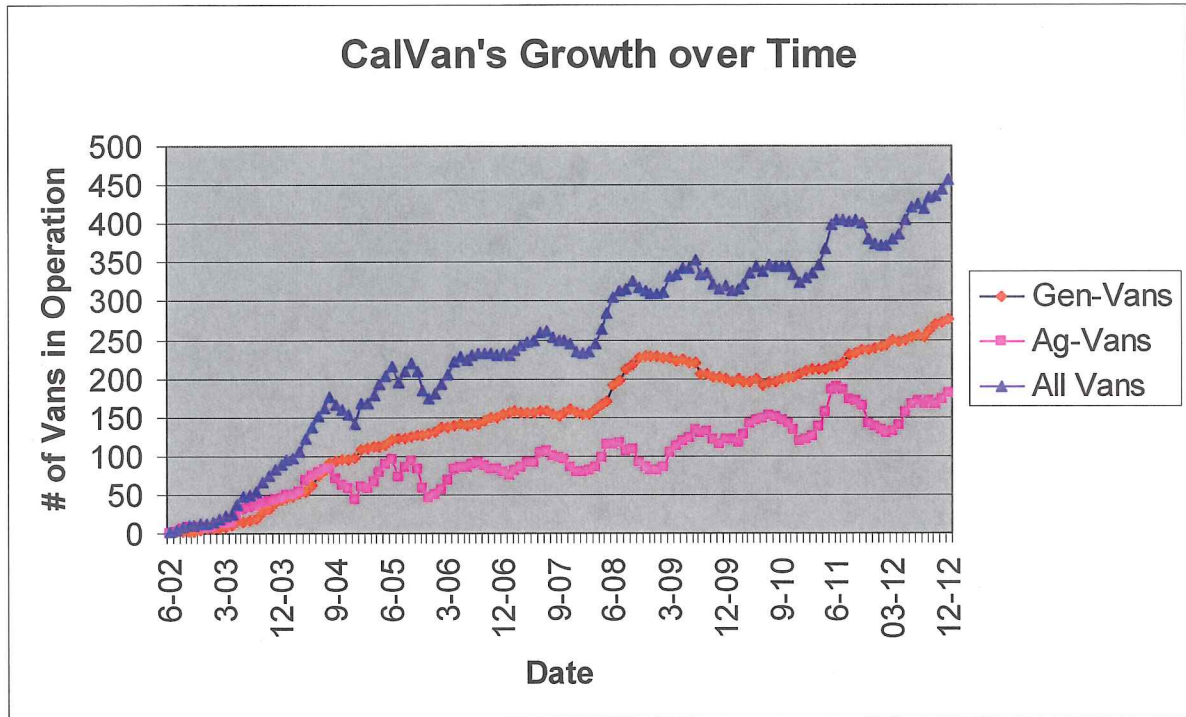
c. Review of first quarter financials

The approved budget recognized a surplus of \$224,593 that was allocated to future capital needs. The budget reflected an operational loss in the agricultural vanpool portion of the budget, offset by revenue generated by the general vanpools.

This being CalVans first full years budget, Staff has worked hard to keep expenses down while trying to maximize revenues generated by those that use the system. Based on the first quarter, the increase use of the agricultural vanpools will result in sufficient revenue to cover all costs related to the agricultural vanpools. If things remain constant, we should see a surplus of \$735,756 for the year. This excess revenue can be added to reserves for capital purchases to match any Federal funds.

The additional revenue is a result of the increased usage of CalVans vehicles. The graph below shows the cyclic nature of the Agricultural vanpools as their use peaks in the summer and drops off in the winter. As discussed above, this year we have more vans out in December than we had in July. In addition, the number of general vanpools going out has continued to grow, even as gas prices have dropped. The general vanpool growth is being driven by work schedule changes at the prisons and the increased funding from Fresno's Measure C program. Work schedule changes will cause a vanpool group to split as half of the vanpool may have a new work schedule. Instead of turning in the vans, the two groups work to refill the existing vans, while starting a new vanpool to service the new schedule.

A financial update reflecting the first two quarters will be presented at the next meeting.



d. Proposal to LA Metro

Staff responded to an RFP from LA Metro asking for submittals from vanpool operators wishing to take advantage of the \$400 per month LA Metro offers to vanpool groups traveling to or from the LA area. Susan Haverland of the Ventura office prepared a proposal that is now being reviewed by LA Metro Staff.

If successful, CalVans will be able to offer Ventura and Santa Barbara residents traveling to or from LA a \$400 monthly reduction on their vanpool cost. LA Metro's incentive to do this is the fact that they get a return of around \$5 for every \$1 they provide to vanpool groups. This comes about through the reporting of passenger information into LA Metro's transit systems jurisdiction.

e. Staff vacancy in Ventura/Santa Barbara office

Susan Haverland, Transit Coordinator for the Ventura and Santa Barbara offices has resigned to take a position in another agency. Replacement has started, and will take 30 to 45 days to complete. In the mean time, Gus Banda out of our Hanford office is filling the position. A list of possible contacts or locations is being prepared so that the job announcement can get out once HR has it ready. Please send us any contact information you might have or come across.

f. Review Agency acceptance as a member of CalPERS

Prior to separating from KCAPTA, (Kings County Area Public Transit Agency) Staff submitted documentation applying for CalVans membership in CalPERS. Staff was directed to continue placing CalVans employee's contributions in KCAPTA until CalVans was set up in CalPERS. At that time the

employee's contribution would be rolled into CalVans as it was anticipated that the process would take less than 6 months.

A year has passed and the review is still underway. It has slowed down when the CalPERS Staff member assigned to review the file went on extended leave. It was further complicated by the recent legislative changes affecting CalPERS members. There seems to be an uncertainty on how to proceed. The attached letter was sent asking for a resolution.

Staff followed up with a request for a meeting on the 4th of this month. The meeting was pushed back because the Supervisor now handling the case was off that week. In talking to CalPERS Staff on the 3rd they indicated that CalPERS is looking at going back to the prior method of approving new members, this was the method used prior to the recent legislation. It was indicated that this should hasten the review and approval. Staff has requested time during the week of the 14th to meet with CalPERS Staff to review where we are and the progress being made.

The lack of decision on the part of CalPERS means a special account will need to be established to track employee benefits and contributions under the new CalPERS rules effective this year. There is really no way to push new employees into KCAPTA for reporting purposes given the new retirement rules.

g. Meetings and Presentations

Staff spoke at an H-2A Employer Roundtable Meeting in Somerton Arizona explaining how the CalVans program works. Department of Labor representative was promoting the program as a way to insure safe transportation. The facilitator formed a committee from those in attendance with the goal of establishing a vanpool program like CalVans in the Yuma area on a year around basis.

A meeting was held with representatives of several northern San Joaquin counties. The representative for Merced County Association of Governments indicated that they were going to recommend submitting a request to join CalVans. This will take place this month and be followed by an application to join CalVans at the next Board meeting.

5. Review Insurance Renewal Options

The cost of insurance for the vanpool program has dropped dramatically over the 11 years the program has existed. Originally at \$4,200 per unit for 2 million of coverage; it is now \$1,600 per unit for 10 million in coverage. The largest drop was in the early years of the program, over the past 4 years the rate has remained fairly constant.

Staff has worked with the agencies insurance broker to develop several options to the traditional insurance package the agency normally secures. The options look to take advantage of the agencies historically low accident rate. This rate is a result of the controls and oversight made possible by the Staff's ability to monitor each driver's motor vehicle record, track who is driving each vehicle and monitor how fast they are traveling.

The options to the customary insurance package involve raising the deductible on each accident to either \$25,000 or \$50,000. By raising the deductible and assuming more risk the insurance premium drops by either \$156,466 or \$209,768, depending on the option chosen. Using the information from the graph below, the savings of under option 2 would amount to \$156,466. This savings would be reduced to \$85,000, being reduced by estimated expenses of \$70,000. The \$70,000 represents three claims averaging \$15,000 each and one over \$25,000. Staff is not recommending Option 3, as the additional savings is not worth the added exposure.

	2012	2011	2010	Average
Total Number of Claims	8	3	6	6
Number of Claims Above 5,000	4	3	2	3
Number of Claims Above 25,000	2	0	1	1
Total Incurred Claim Costs	\$117,409	\$26,575	\$62,673	\$68,886
	Option 1	Option 2	Option 3	

Description	Option 1 No Liability Deductible	Option 2 \$25,000 Deductible per Claim	Option 3 \$50,000 Deductible per Claim
Auto Premium	\$727,545	\$622,036	\$580,464
Umbrella Premium	\$155,126	\$104,169	\$92,439
Approximate Cost per Van	\$1,688	\$1,388	\$1,287

Total Premium	\$882,671	\$726,205	\$672,903
Reduction in Premium		\$156,466	\$209,768

Staff has also attached a presentation provided by Philadelphia showing the loss history for the past three years. Staff is recommending Option 2 which will require a letter of credit for \$25,000, to be accessible by the insurance company for payment of claims. The fund would be replenished as funds were used to pay claims.

Staff is recommending authorizing Option 2 and authorizing the Director to establish a letter of credit for deposit of the initial \$25,000.

6. Authorize award of bid to purchase up to 70 15-passenger Chevrolet vans

Staff went out to bid for 10, with the option to buy 60 additional 15-passenger vans. The bid documents were distributed locally as well as being mailed to the following firms outside the area. Staff called several of the firms asking why they did not respond. The responses were that they were busy, they questioned the additional documents they had to sign and the uncertainty in locking in a price that they would be held to should we buy additional units in the future.

Company	Address	City
William L. Morris Chevrolet	1024 Ventura St	Fillmore, CA 93015
Stowasser Buick GMC	600 E Betteravia Road	Santa Maria, CA 93454
Hughes Automobile Company	400 Hitchcock Way	Santa Barbara, CA 93105
Dow Lewis Motors	2913 Colusa Highway	Yuba City, CA 95993
Thompsons Buick GMC	55 Placerville Drive	Placerville, CA 95667
Reliable Buick GMC Cadillac	400 Automall Drive	Roseville, CA 95661
Folsom Buick GMC	12640 Auto Mall Circle	Folsom, CA 95630
Kuni Buick GMC Cadillac	2341 Fulton Ave	Sacramento, CA 95825
Elk Grove Buick GMC	8450 Laguna Grove Drive	Elk Grove, CA 95757
Woodland Motors	1680 East Main St	Woodland, CA 95776

Keller's Motors did submit a bid, agreeing to provide the additional vans should we choose to purchase additional units. Their price per unit was \$25,334.00 plus taxes. For comparison purposes Staff compared their bid for a 2012 model received a year ago. The price last year was \$23,735.67, or \$1,598.33 less than the price they are submitting for the 2013 model.

Staff is recommending that the bid for additional 15-passenger vans be awarded to Keller's Motors for up to 70 units. 15 will be lease purchased immediately to replace the units now being used as spares. The older spares will be offered as used VP's for those vanpool drivers who want a lower monthly rate.

7. Authorize Submittal of JARC Applications

Caltrans has issued a Call for Projects using remaining 2012 JARC (Job Access and Reverse Commute) funds. Staff is proposing to resubmit earlier 5316 applications for areas that were not funded in the first round.

The following notes those areas that were both funded and not funded:

	<u>County</u>	<u>Amount</u>
<u>Funded:</u>	Madera	\$ 50,000
	Santa Barbara	\$ 101,206
	Sutter	\$ 50,000
	Ventura	\$ 50,000
<u>Not Funded:</u>	Kern	\$ 50,000
	Kings	\$ 50,000
	Napa	\$ 50,000
	Tulare	\$ 50,000
	Ventura	\$ 50,000
	Yolo	\$ 50,000
	Yuba	\$ 50,000

Applications were not submitted for the counties of Monterey, San Benito, and Santa Cruz as it was deemed these might negatively affect application submitted by Monterey-Salinas Transit for the same funding source.

The JARC funds are used to provide vouchers to new riders who join our vanpool program. New riders can receive up to 50% of their monthly vanpool cost, not exceeding \$75 per month. The vouchers are good for a one year period. After the vouchers run out the rider is responsible for the entire monthly payment. Most riders elect to continue vanpooling once the JARC vouchers run out.

Staff is recommending the resubmittal of the JARC Grants in the amount of \$50,000 each.

8. 2012-13 Meeting Calendar

Please review the attached calendar for any conflicts.