



Facilitating Access to Coordinated Transportation

Meeting Agenda and Notice
FACT Board of Directors Meeting
June 26, 2014, 9:00 am
Poinsettia Room, Encinitas City Hall
505 S. Vulcan Avenue, Encinitas, CA 92024

AGENDA

Meeting Call to Order 9:00am

1. Introductions
2. Approval of May 29 Board Meeting minutes p-2
ACTION
3. Public Comment
INFORMATION
4. Board Chair's Report
PRESENTATION
5. FACT FY 2014-15 DRAFT Budget p-11
ACTION
6. Proposed revision to FACT Vehicle Lease Policy p-17
ACTION
7. First Transit subcontract update p-19
INFORMATION
8. FACT services updates p-21
INFORMATION
 - Managing growth/demand
9. Update on WAZE software/mobile phone app p-24
INFORMATION
10. Monthly Financial Reports
INFORMATION
11. Executive Director's report p-25
INFORMATION
12. Board member comments/proposed agenda items
INFORMATION

ADJOURNMENT

FACT's Mission <i>Assist San Diego County residents with barriers to mobility to achieve independence through coordination of transportation services</i>

FACT Board of Directors' Meeting Minutes

May 29, 2014

Encinitas City Hall

505 S. Vulcan Avenue, Encinitas, CA 92024

Board Members Attending	Susan Hafner, Phil Monroe, Hon. John Aguilera, Hon. Tony Kranz, Hon. Dave Roberts, LaVonna Connelly
TAC Members Attending	Janelle Carey-MTS, Lois Knowlton-Friends of Adult Day Health Care
Board Members Absent	Norine Sigafoose, Bob Campbell
Staff Attending	Arun Prem, Meagan Schmidt, Budd Anderson, Oswaldo Perez
Public/Guests	(See sign-in sheet for details) Jack Barringer-Rider, John Lewis-First Transit
Introductions	Board Chair Dave Roberts called the meeting to order at 9:00 AM. Introductions were made.
Approval of April 24 Board Meeting minutes	<p>Arun Prem said that Kim Thorp of North County Transit District (NCTD) requested a revision to the April 24, 2014 Board Meeting minutes regarding a statement she made in the First Transit subcontract update section. The statement should read: <i>She said the new staff were being eased into the service and as they became more familiar their schedules would be tightened up. Additionally, she added that in fact the purchase and approval of vehicles was complete prior to the service start.</i> Dave said in the Board Chair's report section the County of San Diego Neighborhood Reinvestment Program was mislabeled as the County of San Diego Community Enhancement Grant. He said he would also like to highlight the wonderful comments made by Brian Lane of SANDAG regarding FACT in the ED performance appraisal section.</p> <p>Motion to approve the April 24, 2014 Board Meeting minutes with indicated revisions made by Phil Monroe. Second by Susan Hafner. The motion passed unanimously.</p>
Public Comment	Dave and Arun welcomed Jack Barringer, RideFACT rider. Jack said he was grateful for the RideFACT service. He thanked FACT staff for their great work and Arun for providing a fantastic response letter addressing his concerns. He said he understood that FACT could not be selective in assigning vendors, but his caretaker Francisco Tavia had refused to ride with CityLink because of their lack of safety practices and unqualified drivers. He noted that a CityLink secretary and maintenance person had driven him in the past. Francisco explained that the secretary had no

	<p>knowledge regarding how to secure Jack’s lap belt and had to call CityLink for instructions. Jack said Francisco had to show the driver how to secure the lap belt. He felt that CityLink’s conduct would tarnish FACT’s reputation. He acknowledged that Safety First had arrived early for his trip to the Board Meeting and a competent and safe driver was provided. Jack said he was willing to pay more to have a safe vehicle and an experienced driver.</p> <p>Dave thanked Jack for his feedback and recommendations. He said as a publicly sanctioned non-profit, FACT abided by the Brown Act, and was not allowed to engage in conversation and/or make any recommendations during the meeting. He explained that he would request the Executive Director to agendize the topic of safety to determine if changes were needed. Jack said he appreciated being at the meeting and thanked FACT for being a great asset. LaVonna Connelly asked Jack if his experience with CityLink had changed as a result of new management. Jack said he could not recall. He said Jesse at CityLink was very apologetic regarding his experience, but it did not resolve the problems. Phil requested an agenda item to discuss adding a discharge procedure to the FACT brokerage contract. Dave said this would include looking at quality standards and indicating what action FACT could take toward contractors who do not meet the standards. Phil said there should be immediate “screen outs” for certain acts that are “blackballed” since drivers have adequate training. Dave said Jack would be notified when the safety item was agendized so he could participate in the discussion.</p>
<p>Board Chair’s Report</p>	<p>Dave announced that he would be leaving the meeting early to attend a press conference. He said he had the opportunity to welcome the CalACT 2014 Spring Conference held at the San Diego Mission Bay Hilton. He mentioned FACT in his welcoming remarks and had the opportunity to meet some of Arun’s colleagues.</p> <p>Dave requested Arun to include an agenda item on potential Board candidates. He indicated that George Gastil, Lemon Grove City council member, was interested in serving on the FACT Board. He said he would follow up with Myrtle Cole, San Diego City Councilmember, who expressed interest in becoming a Board member. He felt it was important to have diversity on the Board as well as ensure that the elected official requirement was adequately covered. He requested feedback and recommendations from the Board. Susan recommended Angela Miller, Director of Programs at Cubic. She said Angela was an IT professional and would be a great asset to have on the Board. Dave said he was pleased that Angela was interested in serving and felt her IT background and corporate experience would bring a new perspective to the Board. Phil</p>

	<p>said he was impressed by her resume and felt she was a good fit considering FACT's technological needs.</p>
<p>FACT Business Plan update</p>	<p>Staff requested the Board to adopt the Business Plan Update 2015-20. Phil said he was pleased that the Business Plan was being kept as a living document.</p> <p>Motion to approve the FACT Business Plan Update 2015-20 made by Phil Monroe. Second by John Aguilera. The motion passed unanimously.</p>
<p>Cancellation of August Board Meeting</p>	<p>Staff recommended the Board cancel the August 28, 2014 Board meeting.</p> <p>Motion to cancel the August 28, 2014 Board of Directors meeting made by Tony Kranz. Second by Susan Hafner. The motion passed unanimously.</p> <p>Arun said the next Board meeting would be June 26, 2014 and the meeting following the canceled August meeting would be September 25, 2014.</p>
<p>Review of FACT's Vehicle Lease Policy</p>	<p>Arun said that in June 2013 the Board approved a formal process for determining recipients of vehicles leased by FACT. The policy was implemented in order to streamline the process and ensure consistency and equity. He said the policy did not anticipate current contract needs to place vehicles with specific vendors in order to support FACT's contracted services. He said the success of the First Transit (FT) contract depended on adequate capacity to perform trips as and when needed. He said he would like to assist FACT subcontractors, AAA Transport and Safety First, by leasing them available 5310 vehicles to increase capacity to support the FT contract. He said this could be accomplished by a waiver of the lease</p>

policy on an as-needed basis, or a change in the policy. Arun explained that in general if there was not a special need, the lease policy would be followed. He summarized the policy. Staff requested the Board to waive the policy in order to enhance the capacity for the FT contract. Dave added that the policy would remain in place, but the Board could waive the policy on a case-by-case basis if a need arose.

John asked if there were restrictions on the use of the 5310 vehicles. Arun said the program gave the recipient discretion on how and to whom the vehicles would be leased. He said the only restriction pertained to the use of the vehicles, which included using the majority of the capacity to assist persons with disabilities and seniors; and requiring 20 hours a week of use per vehicle. John asked if the FT contract would meet those requirements. Arun said the contract would meet the requirements, but if not the subcontractors had the ability to use the vehicles for trips outside the FT contract. LaVonna asked if the discussion was referring to vehicles already assigned to vendors or vehicles to be procured in the future. Arun said the discussion referred to additional vehicles FACT was expecting to receive from Caltrans. Phil asked if the vehicles were going to be ready within the next month or further down the line. Arun explained that the two Caltrans vehicles were subject to recall within a month and were offered to FACT.

Phil said he was not in favor of waiving the policy and instead proposed changing the policy. He noted that equity was a preference and not a requirement. He felt a revised policy should be brought to the Board in June, but indicated that he would not object if the Board decided to waive the policy. Dave said he liked the policy because it took time to develop, provided structure, and allowed equal opportunities for vendors; but felt the Board should have the ability to waive the policy on a case-by-case basis. LaVonna felt that some kind of criteria should be established to determine when the policy could be waived. She said the lease policy was established mainly because of perceptions of favoritism in the selection process. She cautioned that waiving the policy could lead to similar perceptions. Dave said circumstances have suggested that the Board should have the flexibility to waive the policy based on the Executive Directors case-by-case justification. Phil requested updating the policy to include exceptions to the policy. Dave clarified that the policy should remain the same, but a bullet point should be added to explain when the policy could be waived by the Board based on extenuating circumstances or business needs. Phil suggested including examples in the policy when it could be waived. Susan said from regulatory compliance perspective the policy should include a list of reasons for when the policy could be waived.

Dave requested that Arun incorporate the Board's suggestions and bring

	<p>the updated policy to the June meeting for review. Arun said this could be accommodated and if the allocation of the vehicles became urgent, then the Executive Committee could be consulted for a decision. Phil suggested that if the vehicles became available within the next month then the policy could be waived for those vehicles only because of the urgency. Tony wondered if a scoring system could be implemented in order to specify circumstances that require the policy to be waived; he reference SANDAG's scoring system for grant allocations. He felt that a measurable objective should be established in order to be as fair as possible.</p> <p>Lois Knowlton said lack of access to transportation services could be an extenuating circumstance. She said the State Department of Aging wants to see that agencies are doing whatever they can to enhance access to transportation.</p> <p>Motion to approve a waiver of the vehicle lease policy if the two re-awarded 5310 vehicles became available before the updated policy was approved; and have staff draft an updated lease policy to include extenuating circumstances for when the policy could be waived by the Board which would be provided in June for Board approval made by Phil Monroe. Second by LaVonna Connelly. The motion passed unanimously.</p>
Title VI and Compliance Plan, Board Resolution	<p>Arun said the Compliance Plan was a compilation of compliance pieces that have been submitted with prior grant applications. He said the plan was prioritized because Caltrans requested approval and resolution on the Title VI program portion of the plan. As a recipient of federal grants, FACT is subject to Federal Transit Administration (FTA) Title VI requirements. In addition, Caltrans requires all federal grant recipients to submit a Board approved Title VI plan no later than June 30, 2014.</p> <p>Arun requested the Board to approve the Compliance Plan. He said the Title VI portion needed to be submitted immediately, but if more time was needed to review the entire Compliance Program, then overall plan approval could be postponed.</p> <p>Motion to approve the Compliance Plan and Board Resolution made by Phil Monroe. Second by Tony Kranz. The motion passed unanimously.</p>
First Transit sub-contract update	<p>Arun introduced John Lewis, District Manager at First Transit (FT). Susan said it was her pleasure to connect Arun and John and share the Board's discussion regarding the contract. She said FT was responsive to FACT's concerns and she appreciated John attending the meeting. She said John</p>

and Arun were working on a resolution to the contract issues.

Arun said in the first full month of service, April 2014, FACT provided 819 one-way trips for FT. FT was billed \$41,000 for the trips performed in April. He said Safety First and AAA Transport were predominantly involved in performing the trips. He said feedback from FT and NCTD staff indicated that the service quality was good. He said John Lewis indicated that FACT was 6% higher in price than Sol Transportation if FACT were to perform all the subcontracted trips. He said this may be a result of FACT charging a higher fee for client no-shows. He suggested that the trip and cost data be collected for May 2014 before determining whether or not FACT was more expensive. Arun said he informed John that he was willing to re-look at the proposal. Arun said from discussions with Eric Estell and John, it appeared that once the transition period settled down and the price issue was resolved, FACT would begin receiving all the subcontracted trips.

Phil said that in April Arun reported that he felt there was a commitment by FT that was not being upheld and there was a change to the projected number of trips FACT anticipated due to FT subcontracting with another provider. LaVonna asked if the quotes submitted by subcontractors were based on trip projections and if so would their rates change as a result of lower demand. Arun said vendors did provide quotes based on the understanding that 40 to 50 trips per day would be procured by FACT. He said he had not heard complaints regarding the level of trips or the rates from subcontractors. He said it was not inconceivable that subcontractors may raise their rates to justify adding additional staff and vehicles to accommodate the contract projections. He felt that the subcontractors appreciate the new business and would most likely not increase their rates.

John Lewis thanked the Board for taking the time to discuss the contract. He provided a summary on FT, the LIFT contract, and the startup issues related to the new service. He said as a contractor, FT had the responsibility to ensure delivery of the most cost effective approach for NCTD. He said NCTD was in the process of purchasing additional vehicles and once the vehicles were operational it was anticipated that subcontracted trips would decrease. He said subcontracted trips have already begun to dwindle and no trips were being outsourced on weekends. He said 40 to 45 trips per day on average were subcontracted between FACT and Sol. He explained that a cost analysis for the first month of service indicated that FACT was 6% higher than Sol. He agreed with Arun that the first month's data was not an accurate benchmark and the numbers would be reviewed after the second month of service. He said FT was committed to ensuring the partnership with FACT continued

and was successful.

Phil asked how many vehicles and drivers FT utilized for the contract. John said FT drivers operated NCTD vehicles. He said 54 vehicles were operated for the LIFT and Flex services. Phil said one of “wrinkles” in the service included FT subcontracting directly with Sol when Sol was a subcontractor to FACT. He asked if all the subcontracted trips would begin to flow through FACT. John said FT had to provide the most cost effective approach for NCTD and it was not apparent that FACT was the lowest cost option. Phil said he was hearing two different perspectives from Arun and John. Arun clarified that once the second month’s data was reviewed, it may turn out that FACT was less expensive, which would help with FT’s decision to transition all the trips to FACT. If it turned out that FACT was not cheaper, then FACT would try to renegotiate a lower price. He felt that FACT could cover the 6% difference in price. Phil asked if Sol charged FT a lower rate than FACT. Arun said Sol chose to bid on the contract independently even though they could have secured the same price by subcontracting through FACT. Phil asked if the difference between FACT’s rate and Sol’s rate was related to overhead costs added to the rates submitted by subcontractors. Arun said the subcontractors quoted rates per trip and FACT quoted FT a rate which included a markup. He said the situation was complicated because Sol operated FACT owned 5310 vehicles which do not require payment by FACT for trips performed up to 20 trips per day.

Susan said one aspect of the discussion related to the way transit agencies bid on contracts including per mile, per hour, and per trip. She said the situation was overly complicated because Sol was using vehicles provided by FACT to perform a portion of the service. She said the way vehicles were leased may need to be revisited. She reminded the group that due to FACT’s existence and access to government funded vehicles, it was saving operators and the community money. She said Arun and John had good communication and would work on a solution. Phil said based on John’s comments FACT would not be receiving weekend trips. He said FACT staffed on weekends due to the contract demand and wondered how this would affect staffing. Arun said schedule adjustments have been made as the service progressed. He said there was no longer a need to schedule staff on Saturdays, but staff was scheduled on Sunday evenings to dispatch trips for Monday. Arun added that the FACT brokerage had other vendors who were prepared to provide the additional trips including accessible trips at a competitive rate.

Brain Lane asked what the difference was between the trips FT performed and the subcontracted trips. John Lewis said FT tried to subcontract the

	<p>lengthier trips and the trips that occur during peak hours. He said mainly they subcontracted trips that were not cost effective for FT. The Board thanked John for attending the meeting.</p> <p>Board Chair Dave Roberts left the meeting. Board Secretary LaVonna Connelly headed the remainder of the meeting in the absence of the Board Chair and Vice Chair.</p> <p>Tony said as an NCTD Board Member he was conflicted on the issue. He said the transition to a new vendor for the LIFT contract was a challenge and was handled adequately by FT and NCTD staff. He felt the commitment to FACT was strong and it was important to reserve judgment during the transition period. He said he looked forward to reviewing the service after a year or so to assess the state of the contract. LaVonna emphasized that FACT was grateful for the partnership and thanked John Lewis for attending the meeting.</p>
<p>FACT Services Update</p>	<p>Arun said FACT had completed 25,000 one-way trips since July 2012; the number included all contracted services and RideFACT. Meagan Schmidt said there were 1,683 one-way trips performed on RideFACT during March 2014. The average trip length was 12.2 miles and the average trip cost was \$19.52. She provided an update on the San Diego County Office Of Education (SDCOE) Foster Youth service. She said 196 trips have been provided and the total invoice amount was \$10,172.52. SDCOE was interested in extending the contract in September 2014. Phil pointed out that FACT was receiving around \$50 per trip. Arun Indicated that the trips were longer and one SDCOE rider traveled 50+ miles each way daily. Arun said FACT had only secured one vendor located in South County to provide the service throughout the entire County which resulted in excessive deadhead miles. He indicated that the North County provider that was originally interested withdrew based on service parameters. He indicated that SDCOE was happy with service. Meagan provided an update on the Poway Adult Day Health Care (PADHC) service and the Oceanside Van service.</p> <p>Meagan and Arun reviewed the results of a survey conducted by the City of Oceanside on the Oceanside Van Service. Arun said he was pleased with the positive feedback. Phil asked if Arun knew what the issue was regarding the 2% (1 person) who indicated that the pickup time and arrival time was poor. Arun said he did not have the specifics or the opportunity to discuss the survey with the City of Oceanside staff. He said he would look into the issue. Brian Lane asked if similar surveys were conducted for FACT's other services. He said the CSUSM Senior Experience Team conducted a onetime survey on RideFACT riders, but FACT needed</p>

	<p>determine how to implement regular surveys for each services.</p> <p>Arun mentioned that Jack Barringer’s feedback was helpful because he provided a detailed list of specific issues. The only problem was his request to blacklist CityLink. Susan asked if it was appropriate to discuss the issue at the meeting. Arun felt that as long as the discussion was not responding directly to the public comment it should be okay. John said given that decisions were not being made regarding the public comment, the conversation should be fine. Arun indicated that all of Jack’s issues were addressed. He said CityLink had not been dispatched for Jack’s trips since his experience, but because of the provider selection process FACT could not continue to accommodate this. Arun explained that CityLink had performed transportation for the Regional Center and schools. He said not to discredit Jack’s comments, but as an agency CityLink had a sound reputation and qualified staff. He said CityLink was responsive and addressed Jack’s concerns immediately. Phil said that Jack needed to be briefed on FACT’s dispatch policy and informed that his issues were corrected. LaVonna said once the issues were addressed it was up to the rider to determine whether to accept a ride based on the provider. Phil recommended Arun accompany Jack on his first ride back with CityLink.</p>
<p>Monthly Financial Reports</p>	<p>Arun said the monthly financials was a standing item and he could answer any questions related to the statements.</p>
<p>Executive Director’s Report</p>	<p>Meagan and Arun attended American Public Transportation Association’s (APTA) Bus and Paratransit Conference in Kansas City. FACT participated in workshops on mobility management and one call-one click call centers. A few days before the presentation Arun participated in an APTA webinar that focused on the challenges of providing dialysis transportation. He said the National Center for Mobility Management, an FTA funded project, wanted to include a profile on FACT for their website. He said he spoke with the Executive Director of Easter Seals at the conference who reminded him that FACT was established after receiving at grant from Easter Seals.</p> <p>Arun said he did not know when the Caltrans vehicles would be available, but he spoke with the Program Manager who confirmed that they were waiting for a 30 day notice period to end. Arun said FACT had arranged parking for the vehicles during recipient selection process.</p> <p>He said the Rancho Santa Fe Foundation was interested in funding a grant to transport 100 to 150 seniors to and from senior lunch locations. The idea of the program was to motivate seniors to get out of their homes. He said this may involve travel or motivational training in addition to the</p>

transportation. He thanked NCTD staff for referring the foundation to FACT. He said he spoke with one of the foundation Board members and provided some background and cost information on FACT. Arun said she invited him to speak before their Board. Arun requested that the Executive Committee assist with the presentation.

He discussed FTA's Mobility Services for All Americans (MSAA) grant. He said the grant amount was approximately \$800,000 and if awarded FACT would use the funds to purchase technology enhancements; specifically tablets to be used as MDT's for vehicle tracking and ETA purposes.

Arun said he was waiting for confirmation from Metropolitan Transit System (MTS) regarding donation of vehicles. He said according to MTS's analysis the first round of vehicle donations saved MTS approximately \$40,000 on trips they would have performed if the vehicles were not donated.

Arun said in addition to MTS, FACT was the host agency for the 2014 Spring CalACT Conference and was awarded a plaque for its support. He said Dave and Paul Jablonski, CEO of MTS made opening remarks at the conference.

Arun has been in discussion with Bob Campbell regarding office space planning. Arun said the current FACT office was at capacity. He spoke with the landlord regarding securing the office space next door for the same price. He said FACT was not ready to commit to leasing the space because a growth spurt was not anticipated in the near future. Arun said Bob requested the topic be brought to the Board's attention in order to begin the discussion.

Arun requested a Finance/Budget Committee meeting to review the draft budget to be adopted in June. He proposed a meeting during the third week of June and would follow up with a meeting request.

Phil asked for clarification on the 5310 vehicles because it appeared that the request to waive the lease policy seemed to contradict the FT discussion that indicated that less trips would be subcontracted out. Arun explained that one of the subcontractors, AAA Transport, did not have accessible vehicles, limiting the amount of trips they could perform. He said the other reason was that all the subcontracted trips may begin to funnel through FACT which would increase the amount to around 40 or 50 trips per day; double the amount currently received. Phil asked John Lewis if he anticipated 40 to 50 trips going to FACT. John said First Transit could not guarantee a certain level of trips. He indicated that around 40 to 50 trips were currently being subcontracted, but anticipated the number to

	<p>decrease. Arun said part of this disconnect was related to recent information that indicated that NCTD proposed that 6% of the trips be outsource when originally they proposed 6.8%. He said due to the fluctuation in the trip volume, he felt FACT should have redundancy.</p>
Board Member Comments &	<p>Tony requested an agenda item to discuss a service called WAZE, a community-based traffic and navigation app. He wondered if there was a way to use the service to enhance FACT's service capabilities. He said surveys have indicated that the rider's perceived wait time increases when they are unaware of the drivers ETA. The service allows rider's to check on the ETA of their ride and can provide alternative routes for drivers based on traffic conditions. He realized that the riders would require the technology to access the service, but felt it might be beneficial. Susan mentioned that APTA's Emerging Technology Committee was exploring similar applications and felt it would be great to offer this feature. She mentioned that Angela Miller was on the committee and could offer valuable insight.</p> <p>Phil said the letter responding to Jack Barringer's issues was superb and addressed all of his concerns. In light of growing interest from a number of Board candidates, he asked about Norine Sigafoose's absences and wondered if it was time to contact her per the bylaw absence policy. Arun said there were 11 Board seats and currently 8 Board members. He said Dave had been in contact with Norine and she indicated that her absences were based on a private matter. Phil felt that as long as Norine was in contact with the Board her absences were not an issue.</p> <p>Meagan said FACT responded to a request on May 16th to evacuate three non-ambulatory seniors from the Elite Manner Residential Care Home in Fallbrook due to the fires. FACT responded within two hours and safely transported the seniors. FACT also offered its call center services to 2-1-1 to help with the fire disaster response. LaVonna said it was wonderful that FACT could help with disaster response.</p>
Adjournment	The meeting adjourned at 10:45 AM

ITEM #5

TO: BOARD OF DIRECTORS

**FROM: Board Finance Committee (Hon. John Aguilera, Susan Hafner, Phil Monroe)
Arun Prem, Executive Director**

RE: Finance Committee Recommendation - review of DRAFT FY 2014-15 Budget

ISSUE:

The Fiscal Year 2014-15 begins July 1, 2014. The Executive Committee of the Board and the Finance Committee reviewed the DRAFT 2014-15 Budget and provided some input, which was incorporated in this version of the DRAFT.

The proposed budget (attached) is balanced, and identifies all revenues and expenses for FY 14-15. Total budgeted expenses and revenues equal \$1,378,900.00 a 43.55% % increase over year 2013-14 budget amount.

Board approval is needed in order to implement the Budget for the FY 2014-15 fiscal year.

BACKGROUND:

Rationale for DRAFT Proposal:

During March 2014 draft 5-year projections of FACT's revenues and expenses (not including transportation revenues and expenses) was presented to the Board. The report was received and filed. The projections showed the agency's needs for funding all of its current services except purchased transportation. The purpose of the projections was to demonstrate the growth in expenses over the next 5-year period and present a baseline level for planning. On the revenue side the projections showed all funding/grants that were approved for funding (except funds for purchased transportation). The projections were shared with SANDAG.

Updated expenses for current fiscal year through April 2014 and projections through June 2014 were used to project next year's expenses. The baseline expense projections were updated and incorporated in the proposed DRAFT Budget where applicable.

The largest expense items were RideFACT transportation - \$240,000, and Contracted services - \$320,000 Contracted service were included as new expense line item and revenue sources. Most contracted services were implemented recently therefore the conservative projections were based on early data. The number of trips provided under contract is stable in case of Oceanside and Poway contracts; the First Transit contract and the SDCOE contracts do not specify minimum service levels and the actual demand tends to be volatile.

The expense categories from the prior year's budget were maintained in this proposal.

Spending during the current year FY 2013-14 is estimated to be under budget by \$44,651.78 (-4.6%).

Exec Committee and Finance Committee Review:

The Board Executive Committee members (Honorable Dave Roberts - Board Chair, and Bob Campbell Vice Chair) and the Board appointed Finance Committee - Hon. John Aguilera, Phil Monroe, and Susan Hafner were provided with the DRAFT Budget on June 19. Due to delay in updates on some grant timelines and revisions in some contracted service projections the DRAFT was finalized less than a week prior to the Board meeting. The committee members did not have the opportunity to review the agenda as a group.

The DRAFT was reviewed with Chair Dave Roberts during the June agenda-planning meeting. The two main drivers of expenses are the number of trips being provided by RideFACT, and through contracted services, as well as increase in staffing to support the expansion. Dave asked if the growth in staffing was necessary and whether 211's would be able to handle the call center functions more effectively. The recommendation was to follow up with 211 over time to assess the comparative costs and benefits of handling calls through 211. The 211 back-up arrangement for First Transit trips would eventually provide FACT with the information to make an accurate assessment of the personnel expenses and relative benefit of mobility coordinator services being performed by FACT or 211. There was also concern about the growth in ridership and a lack of funding to continue the services into the following fiscal year 2015-16.

The committee noted the increase in the level of RideFACT services provided; the demand for RideFACT service exceeded service projections. Although RideFACT trips were more cost effective than anticipated at the time the service projections were developed, there is need to review demand and plan for demand management in order provide services equitably to riders while staying within budget.

The revenue sources were identified and anticipated revenues from approved grants were included. A new list of revenue sources was added to represent the contracted revenue services (Poway, Oceanside, SDCOE and First Transit). This is the first budget to include new revenue sources to support FACT operations.

While unrestricted funds that can be utilized as reserve funds for FACT have been growing recently, in the near future these funds are expected to be depleted due to lack of dedicated grant revenues after 2014-15.

Review of FY 2014-15 Budget performance:

During FY 2013-14 spending was \$915,948.22, which is 4.6% below the budgeted amount - \$960,100.00, based on projections for the months of May and June 2014.

June 2014 year-end budget versus expense statements will be available during the July 2014 meeting.

REVIEW OF MAJOR FY 2014-15 EXPENSES AND VARIANCES COMPARED TO PRIOR YEAR’S BUDGET:

The proposed budget totals \$1,378,900. It represents an increase of 43.55% over the previous year’s budget. The growth in the budgeted expenses is primarily attributable to growth in transportation and to a smaller extent to the corresponding growth in staffing and related expenditures in benefits etc. During FY 2013-14 FACT provided more than 25,000 trips including RideFACT and contracted service trips (ridership for June 2014 was estimated). During FY 2014-15 approx. 39,930 trips (RideFACT plus contracted services plus 5310 vehicles) are projected as per the Business Plan.

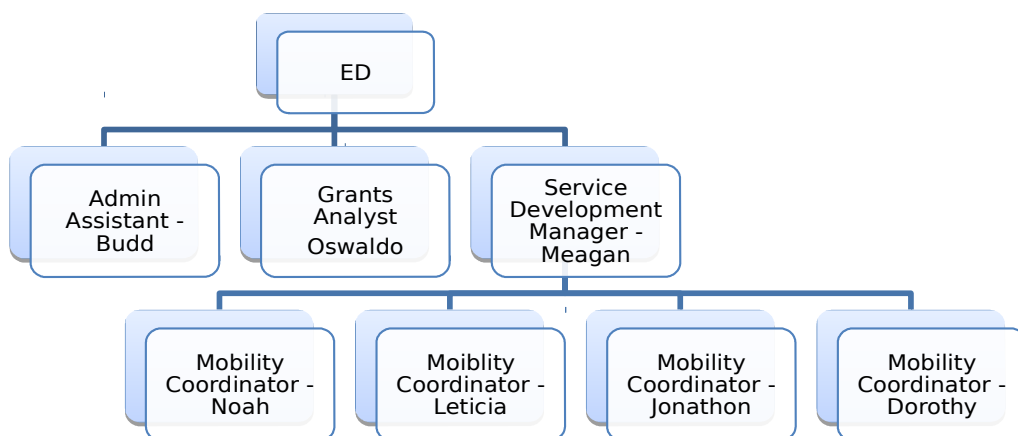
A SALARIES and BENEFITS:

The total proposed expense is \$481,958.00, an increase of \$60,828.00 or 14.44%. One FULL TIME Mobility Coordinator position was added to manage the First Transit workload a part time Mobility Coordinator position was converted to full time to handle additional RideFACT and contracted services in the prior fiscal year (FY 2013-14). The increase in projected expenses factors in additional staffing and benefits and performance based salary adjustments.

Under Performance adjustment pool/OT expenses, \$5,500 is proposed for unanticipated overtime hours as well as any staff salary adjustments during the year. This amount is the same as in the prior year.

The proposed expense for health benefits is \$15,000.00 a 56.25% increase from \$9,600.00 budgeted last year due to increase in staffing during the current year.

FACT staff organization:



B OPERATIONS DIRECT:

This section includes consultant services as well as purchased transportation services. Proposed expenses are \$725,000, a 101.29% increase over the prior year. The increased spending is due to an increase in the number of RideFACT trips provided as well as contracted services.

Accounting and Financial Reporting services provided by Dennis Randall, that include monthly financial reports, bookkeeping, audit related assistance and payroll preparation. Due to increased staffing last year, a significant number of new grant awards and increased in-house payroll processing, these expenses are projected at \$15,000.00, 20% less than the prior budget. The expenses were overestimated last year.

Safety Inspections/compliance - A comprehensive vehicle audit for safety compliance was completed last year. Therefore a reduced amount is proposed for 2014-15, \$8,000, a 60% decrease.

Mobility/Rural Services Planning - The expense was reduced to \$8,000.00 from \$22,000.00 (-63.64%) due to the uncertainty regarding the Caltrans grant funding the expense. The anticipated Caltrans revenue was not included on the revenue side pending confirmation.

Community Outreach - \$12,500 is budgeted for information materials pertaining to RideFACT and other services (same as prior year's budget).

(Business Plan Update - This line item was deleted as planned due to the work being done by staff)

Training Workshops - For FY 2015, \$10,500.00 is budgeted, down from \$15,670, due to lack of demand for workshops, and funding constraints.

Contracted Transportation During FY 2014-15 FACT plans to spend \$240,000 on RideFACT transportation, a 4% reduction. Contracted services expenses are projected at \$320,000.00 Contracted service were included as new expense line item and revenue sources. Most contracted services were implemented recently therefore the conservative projections were based on early data. The number of trips provided under contract is stable in case of Oceanside and Poway contracts; the First Transit contract and the SDCOE contracts do not specify minimum service levels and the actual demand tends to be volatile. (GROSS revenues from contracted services are projected at \$495,543.00).

C OPERATIONS INDIRECT

Brokerage System Software Based on the procurement efforts in the current fiscal year, it appears that the appropriate budget amount for a software package meeting the needs of FACT's brokerage would approximate an upfront \$45,000.00-50,000.00. We are negotiating with 211 to include the expense in the scope of work of the Veterans mobility (FTA - VTCLI) grant. The budgeted amount \$45,000 is 10% lower than the prior year budget.

Office Computer Support was budget at \$5,000.00 an increase over the prior budget of \$3,500.00 (+42%) due to increased staffing.

Conference/Travel budget was proposed at \$10,000.00 a 5.26% increase over prior year budget \$9,500.00 due to increasing travel related expenses and increase in staff eligible for travel. It is anticipated spending at the end of FY 130-14 will be below budget by approx. 10%.

D OPERATIONS OVERHEADS:

Website Maintenance - The budget was increased from \$1,000.00 to \$2,000.00 (100%) due to the need for possible updates to website.

FACT Meeting Expenses - based on the actual spending during the last year, the budgeted amount \$3,000.00 is 50% lower than the \$6,000.00 budgeted last year.

Insurance The insurance budget was increased by \$500, to \$5,500.00. This reflects the projected increase in premium.

Payroll Services The budget was overestimated last year. In view of the actual expenses, the proposed budget was reduced from \$2,800.00 to \$2,000 (-28.57%).

Local Mileage and Parking the budget was overestimated last year. In view of the actual expenses, the budget was reduced from \$6,000.00 to \$4,500.00 (-25%).

Legal services were budgeted 20% lower than last year amount as the current year, \$4,000.00 which was considered adequate in view of the 2014 expenses and the upcoming needs.

Security the budget was overestimated last year. In view of the actual expenses, the proposed budget was reduced from \$1,000 to \$491.06 (-40%)

REVIEW of FY 2014-15 REVENUES:

The total revenue is \$1,378,900.00.

It comprises \$525,357.00 in **Mobility Management** (revenues available for administration, salaries, overheads) revenues from a combination of Federal New Freedom and Veterans (VTCLI) grants, Caltrans New Freedom, County Senior Mini Grants and State TDA 4.5 funds.

Operating Grants (revenues available for purchasing transportation) were funded by Federal New Freedom and County Senior Mini Grants - \$358,000.00.

Contracted Services are expected to generate an estimated \$495,543.00 in gross revenues.

The FY 2014-15 revenues will be derived from the following sources:

Federal (Federal Transit Administration, an agency within USDOT) New Freedom grants. These grants are administered by SANDAG. New Freedom grants fund administration/mobility management expenses and are used to match County SMG grants. NF grants are award through a competitive process.

County Senior Mini Grant (SMG) is the main source of revenue for RideFACT trips. This funding may be used for administration and mobility management when specified. FACT also uses SMG funds as match against NF grants. SMG grants are award through a competitive process.

STATE

Transportation Development Act (TDA) Article 4.5 funds for Consolidated Transportation Services Agency (CTSA) contract. These funds are assigned to FACT based on a formula (2% of Senior Transportation funds awarded to County) and vary annually based on sales tax receipts. TDA funds are flexible in nature compared to other revenues. They can be used as match or for administrative/mobility management expenses. Surplus TDA funds contribute towards reserve funds.

Caltrans Grants

FACT was approved for \$200,000 for rural services planning for FY 2014-15. The award date for the grant is not yet available. This grant was NOT factored in the revenue projections at this time.

FACT “Unrestricted” funds

This revenue is derived from unspent CTSA funds received under the SANDAG contract. In recent years this category was augmented by sales of some retired vehicles. Reserve funds were NOT factored in revenue projections at this time, but represent a reserve in case the projected funding was jeopardized or was insufficient.

New Contracted Services

The new contracted services (Poway, First Transit, SDCOE and Oceanside Senior Shuttle) are fee for service contracts that generate net revenue for FACT.

RECOMMENDATION:

Staff requests the Board to review and approve the recommendation of the Executive Committee and Budget Committee to adopt the proposed FY 2014-15 Budget.

ITEM #6

TO: BOARD OF DIRECTORS

**FROM: Arun Prem, Executive Director and Oswaldo Perez,
Grants Analyst**

RE: Proposed Revision to FACT's Vehicle Lease Policy

ISSUE:

Staff seeks Board approval for a revision to the vehicle lease policy that allows for a determination to temporarily waive the policy in extenuating circumstances.

BACKGROUND:

In July 2013 the Board approved the Method of Solicitation/Outreach Plan and Vendor Selection Process, collectively known as the Vehicle Lease Policy, to promote the availability of vehicles to transportation stakeholders and select vendors who would lease grant funded vehicles from FACT. The Method of Solicitation/Outreach Plan for vendors is summarized as follows: (1) Announce the opportunity at preceding Council on Access and Mobility (CAM), SANDAG Social Services Transportation Advisory Council (SSTAC), and Alliance for Regional Solutions (ARS) meetings; (2) Post notice of solicitation electronically through the FACT website and other websites of allied entities (CalACT, etc.), and (3) email solicitation through the FACT mailing list of 181 contacts. The Vendor Selection Process allowed for vendors who were in the brokerage to apply for vehicles. Vendors who were not in the brokerage would be allowed sufficient time to become eligible. An evaluation committee would review and score proposals based on the following criteria: Proposer's Qualifications & Information; Technical Experience & Service Capabilities; and Cost & Best Value. The committee would select the successful applicant(s) and make a recommendation to the Board.

The above policy was implemented in order to streamline the process and ensure consistency, transparency, and fairness when dealing with a diverse set of potential vendors including for profit companies, nonprofits and social service agencies.

The Vehicle Lease Policy did not anticipate the current need to place vehicles with specific vendors in order to support FACT's contracted services, most notably for the LIFT service contracted with First Transit and North County Transit District (NCTD). In addition, the policy did not anticipate the need for certain providers to expand their coverage in non-urban/rural areas where FACT desires to promote its services. FACT's success in these extenuating circumstances depends on: (1) expeditiously securing viable providers to lease vehicles that FACT expects to receive; and (2) providing adequate capacity to perform contracted service trips as needed.

FACT proposes a revision to the Vehicle Lease Policy with the addition of the following section:

DETERMINATION TO TEMPORARILY WAIVE POLICY

The Method of Solicitation/Outreach Plan and Vendor Selection Process may be temporarily waived in extenuating circumstances that necessitate more expeditious action(s) from FACT not otherwise feasible in the current timeframe and conditions set forth in the policy.

The FACT Executive Director, in consultation with the Executive Committee or FACT Board, can determine to waive the Vehicle Lease Policy if any of the following extenuating circumstances are presented to FACT:

- (1) Contracted services support - Subcontractors (providers) involved in any of FACT's contracted services that would require assistance to expand their capacity to perform trips as needed by the contractor.
- (2) Rural area support - A provider that has demonstrated viability to perform in non-urban/rural area(s) where FACT desires to promote and provide service. FACT will assess the viability of a provider using the existing criteria: Proposer's Qualifications & Information; Technical Experience & Service Capabilities; and Cost & Best Value.

The Executive Director will provide a detailed rationale for the extenuating circumstance(s) and determination to temporarily waive the policy as information to the Board.

RECOMMENDATION:

Staff requests the Board approve a revision to the vehicle lease policy that allows for a determination to temporarily waive the policy in extenuating circumstances.

ITEM #7

TO: BOARD OF DIRECTORS
FROM: Arun Prem, Executive Director
RE: First Transit sub-contract update

ISSUE:

Status update on implementation of sub contract with First Transit for LIFT service.

As of June 16 FACT began to receive all trip requests for taxicab trips, including same-day trips.

BACKGROUND:

Service:

In the first full month of service, April 2014, FACT provided 819 one-way trips. During May 728 trips were provided. The quality of service and documentation was reported to be good.

Payments, billing:

Payments were slowed due to some changes in payments processing system at FT. The first payment for April trips was received on June 18. We were informed that the timeline would improve for future payments.

Trip volume and brokering trips - ongoing discussions with FT:

During May FACT Board members and staff had separate discussions with NCTD staff as well as with various FT personnel. Many of the discussions were focused on the cost of trips being provided by FACT and how they compared to other services being procured. It was still early for FT to assess the cost data but it was being watched closely by NCTD as well as FT in order to determine which provider was best suited for the service. There were other decisions that NCTD was looking at that would affect FACT's future level of service under this agreement. NCTD and FT are reviewing the optimum fleet size in order to optimize productivity and expenses.

FACT was informed that our service and administrative support was good quality and met the standards and expectations. The response time on the phone was mentioned as a minor issue - however, NCTD was looking into technology solutions that would address the current issue with phone response time. FACT has also proposed an interim solution that would address the issue effectively, which was well received, and may be implemented shortly.

FCAT staff met with FT management and reviewed the commitments to route all purchased trips through FACT. FT confirmed that that was still their intent and as

long as the cost of trips were comparable, they would prefer to source ALL trips through the brokerage.

The initial cost data was not very clear on the cost advantage of FACT. FACT had requested FT to wait until another month's data (May 14) became available before making any decisions based on the cost of trips. FT agreed with the recommendation.

Resolution:

After reviewing May billing it appeared that FACT had a small disadvantage due to its rates being geared more towards shorter trips. Based on the initial understanding that FACT would be providing trips closer in length to the NCTD LIFT trip average of 8 miles for one-way trips, FACT had offered rates that were cheaper for short trips and comparatively higher for longer trips. The FT trips averaged over 19 miles, which caused FACT rates to appear non competitive. FACT offered a revised rate based in the profile of trips performed. The new rate was accepted and implemented as of June 16. As of June 16 FACT began to receive all trip requests for taxicab trips, including same-day trips.

RECOMMENDATION

None

ITEM #8

TO: BOARD OF DIRECTORS
FROM: Arun Prem, Executive Director
RE: FACT Services update
ISSUE:

This item presents a monthly RideFACT and contracted services update.

BACKGROUND:

City of Oceanside Senior Van Service:

In August 2013, FACT was awarded a contract to provide transportation for the City of Oceanside’s Senior Van Shuttle. The contract amount is \$ 66,150 for an 11-month contract ending June 30, 2014. This service is available to Oceanside residents for trips within the city and neighboring cities and some medical destinations. Approximately 1,000 clients are pre registered to use this service.

From September 2013 – May 2014, FACT has invoiced City of Oceanside for 2,006 trips for \$22,690.89. There are now approximately 1,400 registered users.

The feedback from the City of Oceanside staff has been positive. FACT staff recently met with Oceanside staff to review renewing the contract from July 1, 2014 – June 30, 2015.

SDCOE Foster Youth transportation contract

The San Diego County Office of Education (SDCOE) recently contracted with FACT to provide this new service. The SDCOE received a grant that funds efforts to enable foster youth to continue to attend the “home” school after they are relocated to foster homes. The agreement between SDCOE and FACT involves getting drivers qualified for the special requirements and proving trips from home to school and back.

This agreement was completed in December 2013 and service implemented in February 2013. Trips for this service are procured from two brokerage vendors – CityLink and ~~Care4U Mobility~~.

FACT proposed a flat per mile rate for transportation based on quotes received from vendors with an add-on for FACT’s administrative expenses and overheads.

The value of the contract is \$150,000 for a term ending in September 30, 2014. SDCOE has indicated that it is likely that the contract may be extended if more

funds become available. SDCOE recently indicated that the transportation service contract would be extended. FACT staff will meet with SDCOE staff in July.

From February - March 2014, FACT has invoiced SDCOE for 196 trips for \$10,172.52. (SDCOE has not finalized the amount billed from April yet).

Poway Adult Day Health Care Transportation Service Contract

In January 2013 FACT entered into an agreement with Poway ADHCC in order to provide transportation to approximately twenty four (24) of the Centers clients. The clients are all seniors who are unable to use other modes of public transportation due to varying degrees of physical and/or cognitive disabilities. The agreement involved transportation of clients from their homes to the Center in the morning and back home during the afternoon. Due to the large group of clients, FACT was able to work with a provider to group riders on a few buses in a cost effective manner.

Poway ADHCC owns and operates several grant-funded vehicles for their remaining clients. The Center has added many new clients to the FACT service due to the relatively low cost of transportation compared to their own service.

The agreement was preceded by a one month pilot during which FACT ran the service in orders to review the feasibility. FACT provides the trips using Sol transportation as the sub contractor.

This contract generated approx. \$60,000.00 net revenue for FACT during the first completed year of service (calendar 2013). It is likely that the services provided under this contract will be extended to include new riders from Ramona. To date FACT has provided 5,851 trips and invoiced \$77,825.04.

RideFACT Service statistics ytd for current fiscal year July 2013 - April 2014:

RideFACT	One way trip requests	Referrals-external	Referrals to	RideFACT	Canceled	No shows	Pending	Av. trip cost	Av trip
			RideFACT	Trips	rides		rides		Length (miles)
FISCAL YEAR 2012-13									
Jul-12	416	203	213	142	17	2	0	\$24.86	13.8
Aug	642	226	416	368	47	3	0	\$21.53	12.43
Sep	653	169	484	403	45	6	30	\$18.94	10.89
Oct	1,073	203	870	684	87	16	83	\$21.93	10.92
Nov	1,184	179	1,005	535	133	8	329	\$21.30	10.6
Dec	1,004	138	856	467	98	12	274	\$26.35	11.6
Jan-13	1,444	226	1,218	831	134	22	212	\$19.77	12.6
Feb	1,289	176	1,113	671	108	35	272	\$18.77	13.2
Mar	1,426	196	1,230	885	124	27	163	\$16.70	12.6
Apr	1,753	162	1,591	955	178	23	392	\$18.25	12.6
May	1,758	224	1,534	1,055	108	15	346	\$14.89	12.2
June	1,899	140	1,759	1,132	169	13	428	\$11.25	11.9
SubTotal									
FISCAL YEAR 2013-14									
Jul-13	2,067	194	1,873	1,203	157	26	473	\$16.74	12.2
Aug	2,308	162	2,146	1,395	154	26	559	\$16.95	12.7
Sep	2,608	115	2,493	1,486	163	37	787	\$20.43	12.1
Oct	2,655	165	2,490	1,696	244	63	469	\$21.06	12
Nov	2,582	170	2,412	1,568	180	27	630	\$21.39	12.2
Dec	2,389	115	2,274	1,585	198	42	445	\$20.77	12.1
Jan-14	2,690	174	2,516	1,653	197	48	617	\$16.31*	11.7
Feb	2,570	140	2,430	1,577	180	41	628	\$19.45	11.7
Mar	2,725	120	2,605	1,683	181	26	682	\$19.52	12.2
Apr	2,711	151	2,560	1,633	238	32	644	\$18.97	12.1
SubTotal									
TOTAL									

*NOTES

As of January 2014 we are reporting the average per trip cost based only on trips that were purchased from the Brokerage at regular Brokerage rates; those trips comprise the majority of RideFACT trips. July '13 onwards numbers were updated to reflect the new process.

RECOMMENDATION: None

ITEM #9

TO: BOARD OF DIRECTORS

**FROM: Arun Prem, Executive Director and Oswaldo Perez,
Grants Analyst**

RE: Update on WAZE software/mobile phone app

ISSUE:

Update to the Board on Waze, a mobile app which provides real-time, community-based traffic and road information and navigation.

BACKGROUND:

Waze is a community-based traffic and GPS navigation app for smartphones which works on similar principles to traditional mapping services such as Google Maps, Mapquest, and Bing Maps. However, Waze is unique in that it also incorporates live feed information from millions of Waze users who continuously update the system regarding traffic density, road conditions, and other blockages. Users are able to update information to the app about certain routes from their own real-time experience. For instance, if a user encounters any road disturbances like prolonged signals, accidents, political rallies, other users can be instantly alerted not to use that route for travel. Waze also supports user reported warnings like sightings of traffic law enforcement and speed/red-light cameras.

While this app has been a great boon for people looking to find the most efficient routes for travel, it has also come with its share of controversy. Road safety advocates have expressed concern over its potential to distract drivers with an inundation of icons and notifications, putting drivers at greater risk of accidents. The app encourages users to actively contribute real-time eyewitness information on the roads, awarding “points” and ranking users based on their contributions. It is also known that many drivers who contribute information to the app do so while driving, although statistics on this issue are not yet available.

In June 2013, Google acquired Waze and has recently begun integrating Waze updates into its Google Maps mobile interface, providing a more unified navigation system. Several trip management software providers use Google Maps in their

functionality. FACT currently uses Google Maps when booking trips and calculating trip distance.

FACT staff will continue exploring the benefits and risks of the Waze mobile app as well as the progress made on integrating Waze travel information into Google Maps.

RECOMMENDATION:

None.

ITEM #11

TO: BOARD OF DIRECTORS

FROM: Arun Prem, Executive Director

RE: Meetings and Events 5/29/14 - 6/25/14

- 5/29 Mtg. w/ Chuck Mathews, HHS (cancelled)
- 6/5 City of Oceanside Contract Extension/Review Mtg.
- 6/9 Oswaldo attended the public hearing on Community Enhancement Program
- 6/9 Meeting with John Lewis, First Transit
- 6/10 Meagan and Oswaldo attended the VTCLI Meeting at 2-1-1
- 6/11 Ecolane Software Demo at FACT - the Software and Service Dev. Committee attended
- 6/11 Staff completed Sexual Harassment: A Common Sense Approach training
- 6/12 Leticia attended MTS Accessible Services Advisory Committee Meeting
- 6/13 Staff completed Harassment & Diversity: Respecting Differences training
- 6/14 APTA Board Meeting
- 6/16 Mtg. with Arthur Leahy, CEO, LA County Metropolitan Transportation Authority
- 6/18 CAM Meeting
- 6/19 ~~NCTD Board Mtg.~~
- 6/20 June Agenda Planning and Budget DRAFT review - Dennis, Arun, Bob, and Dave
- 6/23 Mtg. w/ Thyme Curtis, County Office of ADA Compliance and Accessibility (rescheduled)

Upcoming Meetings and Events:

- 6/18 CAM
- 7/4 Holiday (Independence Day)
- 7/24 Board Meeting

8/12 CAM and Travel Connections Event at Encinitas Senior
Center