



Meeting Agenda and Notice
FACT Board of Directors Retreat
March 28, 2013, 8:30 am
County Administration Center, 1600 Pacific Highway, Rm 302
San Diego, CA 92101

AGENDA

8:15 am continental breakfast

8:30 am call to order

PART 1 FOCUS on MISSION and OBJECTIVES

1. Welcoming remarks by Board Chair
INFORMATION
2. Approval of February 28, 2013 minutes p-2 ACTION
3. Rider and brokerage provider presentations
INFORMATION
4. MTS vehicle donations - committee recommendations P-9
ACTION
5. Review FACT Mission p-11 ACTION
6. Board member feedback INFORMATION

10 am - break

PART 2 SERVICES REVIEW

7. FACT services update and DRAFT 5-year service projections P-12
INFORMATION/ACTION
8. DRAFT RideFACT cost analysis P-14
INFORMATION/ACTION
9. DRAFT 5-year Mobility Mgt./CTSA expense & revenue projections P-16
INFORMATION/ACTION
10. Report and discussion on FY 2012-13 goals and FY 2013-14 goals p-18
ACTION
11. Board member feedback INFORMATION

11:30 am - break & working lunch

PART 3 ORGANIZATION ISSUES AND PRIORITIES

12. Governance, Board, TAC, CAM updates
INFORMATION/ACTION
13. FACT 2014-2019 Business Plan Update P-21 ACTION
14. Board member feedback
INFORMATION

12:30 adjourn

FACT's Mission is to assist seniors, persons with disabilities, veterans, and social service recipients in San Diego County to meet their transportation needs.

ITEM #2**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director and Budd Anderson,
Administrative Assistant****RE: Review of February 2013 Minutes**

Board Members Attending	Hon. Dave Roberts, Susan Hafner, Phil Monroe, Hon. John Aguilera, Alane Haynes, Norine Sigafoose, Milena Chakraverti-Wuerthwein - Ex officio
TAC Members Attending	Danielle Kochman-SANDAG, Kim Thorp-NCTD, Lois Knowlton-Friends of Adult Day Health Care, Floyd Willis - AIS
Board Members Absent	Bob Campbell, LaVonna Connelly, Hon. Teresa Arballo Barth
Staff Attending	Arun Prem, Oswaldo Perez, Meagan Schmidt, Budd Anderson
Public/Guests	None
Introductions	Vice Chair Dave Roberts called the meeting to order at 9:04 AM. Introductions were made.
Approval of January 2013 Board Meeting Minutes	Motion to approve the January 12, 2013 Board Meeting minutes made by Phil Monroe. Second by Susan Hafner. The motion passed with one abstention from John Aguilera.
Public Comment	NONE
Board Chair's Report	<p>Arun discussed SANDAG staff recommendations for FACT to receive grant awards for mobility management and RideFACT trips; subject to SANDAG Board approval.</p> <p>Phil said Bob Filner, Mayor of San Diego is now a member on the SANDAG Board. He said FACT should ensure that Mayor Filner's office is aware of FACT as well as ensure that existing representatives remain supportive. Dave said Mayor Filner has hired Dr. Rob Wilder as his public advocate for energy and climate change. He suggested meeting with Dr. Wilder and brief him on FACT services. He said Lisa Schaffer from Encinitas is on the SANDAG Board and should also be briefed on FACT services. Dave announced he was reappointed to the SANDAG Board.</p> <p>Dave thanked Susan Hafner for preparing to run the Board meeting in the absence of Chair Bob Campbell and himself.</p>

<p>Review of Caltrans and County grant proposals.</p>	<p>FACT has prepared a Caltrans New Freedom application and Section 5310 grants and FY 2013/14 Community Enhancement Grant application. Draft proposals are due for SANDAG review in early March 2013 and County proposals March 1, 2013.</p> <p>Based on the probability of success and the level of competition FACT staff decided to apply for NF 5317; \$200,000 a year for 3 years for mobility management funds. This funding helps address FACT's sustainability issues, which is more of a concern than obtaining funds for RideFACT trips. FACT will apply for FTA 5310 funds for Capital Procurement; funds will be used to purchase vehicles up to \$500,000 and leased to brokerage contractors. Arun said a different process will be implemented in order to ensure competitiveness. He said FACT will apply for the vehicles and if awarded would request bids from providers. Only providers who are willing to join the FACT Brokerage will be eligible to receive vehicles. FACT will also apply for Community Enhancement Grant; funding will promote and generate tourism and/or economic development within San Diego County.</p> <p>Staff Seeks Board approval to submit grant applications and accompanying resolutions for: Caltrans New Freedom and Section 5310 as well as FY 2013/14 Community Enhancement Grant; approval acknowledges the Board understanding that the grant amount may be altered as projects change to increase chances of award success.</p> <p>Dave asked for specifics on how FACT was planning to use Community Enhancement funding. Oswaldo Perez reviewed the activities proposed for the grant as follows: 1) mobility management support (San Diego Travel Connection) - provide travelers free transportation information and referrals, as well as book general purpose trips for eligible recipients 2) A Travel Connections Information event to be held in District 3 3) Marketing postcards in English and other languages 4) Veterans mobility training program for staff to become veterans mobility specialist 5) 2-1-1 collaboration/coordination to provide overflow call assistance, extended phone line operation (24-7), telephony upgrades, and training.</p> <p>John Aguilera asked where the funding was generated from for the toll credits FACT would be utilizing as a resource. Arun said to his knowledge the funding comes from unexpected state revenues received from the Toll Roads; he said he did not know the details of how this was funneled into the program, but for the past two years the funding has been offered to offset the match portion of capital and operating grants. He said these are 100% funded grants requiring no contribution from FACT.</p>
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	<p>Alane Haynes expressed her concern with the grant proposals not including more funding for RideFACT trips. She said from what she has reviewed most of the funding will be used to promote services and provide information. She wanted to ensure that money is available to fund the services promoted. Arun said it is always a challenge to align resources due to all the components involved in grant cycles and the application processes. He said FACT has been cautious not to over promote FACT services. Arun referenced vehicle donations and leases as a source of future transportation. He also said local transportation providers will be utilized in rural areas in order to use funding as cost effective as possible; Ramona was referenced.</p> <p>Motion to approve staff to submit grant applications for: 1) Caltrans New Freedom and Section 5310 grants 2) FY 2013/14 Community Enhancement Grant; including accompanying Board resolutions made by Alane Haynes. Second by John Aguilera. The motion passed with one abstention from Dave Roberts.</p> <p>Danielle said this would be the last call for projects from Caltrans under SAFETEA-LU. Additional funding beyond the amount listed for the current call for projects may be available as old contracts close out. If FACT is unsuccessful in obtaining funding for this round of projects, funding may become available in years to come.</p> <p>Dave indicated that \$65,000 is a large amount to request from a Community Enhancement Grant. He recommended that FACT reach out to Supervisor Bill Horn and Supervisor Dianne Jacob in order to educate them on why the project is important to their districts.</p>
<p>FACT 2014 -2019 Business Plan Update</p>	<p>Arun reviewed the FACT 2014 - 2019 Business Plan update. FACT’s contract with SANDAG requires an annual update of the Business Plan. The last 2013-18 update was approved in January 2012. Arun said this item highlights the differences in the 2013-18 and the 2014 - 19 Plans as a result of new initiatives and proposals recommended by Board. The updated plan includes a list of completed/closed projects as well as a list of new projects, requested by Board members in January 2013. Arun reviewed updates including projects implemented during FY 2012-13, new projects included in DRAFT, short term service proposals - planned/funding approved, and project concluded or proposed for elimination in further detail.</p> <p>Arun gave an overview of past Business Plan updates. Staff recommended the Board review the proposed 2014-2019 Business Plan updates and provide feedback; a final draft will be presented for approval in March 2013. Floyd Willis, AIS expressed concern with the selection process regarding</p>

the lease arrangement with SOL for the first set of vehicles. Arun explained how there was little interest from vendors besides SOL to commit to an agreement that included perceived risks associated to contract obligations. He said comments and feedback from the public regarding the vehicle award process will be considered for the next round of vehicles in order to ensure a more formal selection process; a documented bid process will be implemented after receiving grant approval and decisions will be based on per trip cost and provider resources.

Floyd asked for further clarification on how SOL was selected and approved as the recipient and whether this process would hold up to scrutiny. Arun explained that SOL was awarded the first round of vehicles because they were the only agency that responded to the original email announcement sent to contractors and transportation stakeholders. Later on in the process FACT received two (2) Caltrans vans that were awarded to SOL and another vendor through a selection process based on agencies capability to maintain and accurately utilized the vehicles. Floyd felt that a formal RFP request should be issued and that a sole email announcement does not meet the "headline test".

Dave said the discussion item was regarding the Business Plan and not the procurement selection process in question. He suggested discussing the issue at the next Executive Committee meeting and invited Floyd to join the discussion. Susan requested she be present at the meeting as well. Dave said the RFP and selection process will be reviewed at the Executive Committee meeting and brought to the Board for further discussion and action if needed.

Alane asked about the process for selecting Judith Norman as the Grants Compliance Consultant. She was not aware of any Board notification, announcement, or formal posting for the position. Arun said the consultant opportunity was advertised on the FACT website and an email announcement was sent to all transportation stakeholders and known consultants; this included an attached scope of work. He said Judith Norman was the only consultant who expressed interest in the contract. He said the contract amount was for approximately \$25,000. Contracts under \$25,000 do not require Board approval. Dave suggested including this discussion as a line item for the Executive Committee agenda. He felt the process for posting FACT business and job opportunities should be documented and consistent.

Dave asked Arun to explain the projects concluded or proposed for eliminations section. Arun said these were programs that were proposed, but have been accommodated already by other agencies or other FACT services; or the needs of the program exceed the core mission or resources of FACT; or are not feasible as a near future project.

Dave requested that the section numbering be consistent when items are removed or reorganized. Arun said section 4.3.6 Homeless Transportation Program was inaccurately listed and will remain in the plan as a future project. Dave recommended that Section 5.3.3 Highway 5 Mitigation Measures remain in the Business Plan. He felt it is important for FACT to

	<p>remain as a potential mitigation measure until the project is approved. Dave said this was six (6) year plan that should include proposals that are potentially plausible in the future. He suggested keeping the projects proposed for elimination in the Business Plan. Phil said the Business Plan should remain a living document that only includes projects that are reasonable for FACT to complete. He said amendments and updates can be added at any time with Board approval and is not necessary to include project ideas that have no real plan for implementation. He said if these projects remain in the plan there should be some written indication regarding when and how they will be implemented. If a plan cannot be established for a project then it should be eliminated from the Business Plan. Dave felt leaving the items in the plan conveys FACT's interest to the public and SANDAG regarding issues that are not fully addressed in the community. Dave agreed with Phil that paragraphs should be added to indicate the status of the proposed projects.</p> <p>Arun reminded Board members that action was not required for this item and discussion could be concluded at the Board Retreat. Arun felt the items could remain in the document as long as there is no expectation for immediate action; items should include wording that indicates where the project is in the process and will be updated when things unfold. Action was deferred by the Board.</p> <p>Arun stressed the importance of the Quality of Life Initiative measures for FACT stability; he spoke of meeting with Danielle Kochman and Muggs Stoll, SANDAG to relay the importance of the initiative to FACT.</p>
RideFACT Updates	<p>Arun reviewed RideFACT and referral statistics for January 2013.</p> <p>He said there were a record number of calls as well as trip reservations handled in January 2013. There was a 72% increase in the number of RideFACT trips compared to January 2012. The average trip length increased from 11.6 in December 2012 to 12.6 miles in January 2013, but the average trip cost decreased from \$24.87 to \$19.77 (25% less than Dec.). The average amount of trips provided per day for the month of January was 26.8.</p> <p>Susan Hafner asked if there was a reason why the trip cost decreased even though the average trip length increased. Arun said part of the reason was related to staff utilizing vendors outside the brokerage process to accommodate certain trips at a lower rate; he mentioned yellow cab as one of these vendors. The brokerage process has been used until the brokerage provider rates exceed taxi cab service rates. He said the taxi services used are not part of the brokerage, but meet the safety and insurance requirements. It was difficult to find providers willing to perform trips in the Ramona area due to the rural location. New vendors with potentially lower rates than taxi services have expressed interest in the joining the brokerage.</p>

	<p>Floyd pointed out that some of the figures on the Statistics Sheet do not match the figures on the PowerPoint slide. Arun said the Statistics Sheet has the official numbers. He said he would double check the numbers and send a revised copy.</p> <p>Arun said the referral statistics are now being reported in two (2) different groups as follows: RideFACT Referrals (includes trips: performed, pending, no shows, cancelations, and provider not available) and Outside Referrals. Arun explained that past reporting led to confusion because RideFACT referrals were being included in the total referral number reported; RideFACT referrals were counted for each one way trip which is not comparable to outside referrals where trip parameters are unknown. The RideFACT trip statistic reports all trips performed By FACT.</p> <p>Phil offered his assistance to help train FACT staff on statistics reporting and review the Theory of Variation. He discussed a control chart as a tool to assist with statistic tracking. He said this would be helpful in identifying a service trend when a longer history of statistics is available. Susan endorsed Phil’s recommendation and felt the training will be useful.</p> <p>Arun asked if further discussion was needed regarding Patty Pauletto’s resignation at FACT. The Board decided no discussion was needed.</p> <p>Arun said Halsey King Associates began inspecting vehicles as well as driver and vehicle records for safety and compliance the week of January 21. All vehicles and records at Sol and Transit Van Shuttle were reviewed to date. The next providers scheduled for inspection were Care4UMobility and Alpha Project. The only recommendation from Halsey King Associates was directed to Sol transportation to conduct timely routine maintenance on their vehicles; the vehicles are in good condition, but a schedule should be implemented for routine inspections to preempt issues. He mentioned that Transit Van Shuttle is no longer willing to remain in the brokerage.</p> <p>Arun said the CSUSM Senior Experience Team drafted a survey and began testing it by calling a short list of FACT riders. If the survey test is successful it will be implemented on a larger scale.</p>
<p>Update on collaboration proposals.</p>	<p>Arun said there were no new updates on the overflow calls handling pilot with 2-1-1 or the Poway senior transportation recurring trips.</p> <p>Floyd discussed Aging and Independent Services (AIS) putting together a team (AIS, SANDAG, 211, FACT) for a Partners for livable Communities project. San Diego was selected as one of 10 cities to receive some funding and technical assistance from a MetLife foundation grant which supports the Cities Institute Workshop, to which San Diego has been</p>

	<p>invited. Floyd is coordinating the project and acting as liaison with the funding agency. Members include Floyd, FACT Board member LaVonna Connelly, Bill York, 2-1-1 and a representative from San Diego City Councilwoman Lori Zapf office. The team will travel to DC in early March to participate in the workshop.</p>
<p>CAM Recommendations</p>	<p>Arun reviewed CAM’s recommendation to support a CAM member to participate at regional conferences/training. Floyd, Alane, and Arun presented the subcommittee recommendation. Alane said FACT will not subsidize the expenses but support the effort by identifying grants and/or scholarship opportunities to cover expenses.</p> <p>Floyd felt the wording “FACT will not subsidize the expense” should be removed from the proposed recommendation because FACT may want to fund this in the future. Phil agreed that the wording regarding FACT subsidizing the expense should be removed because FACT could include education expenses in grant applications to cover these training events and conferences. Alane said the attendee selected should not be limited to the CAM chair.</p> <p>Motion to approve FACT to support the effort to identify new grants and/or scholarships to cover the expenses of a CAM representative to attend regional conferences and training opportunities made by Dave Roberts. Second By Phil Monroe. The motion passed unanimously.</p>
<p>Review of Financial Statements</p>	<p>John asked for clarification on why the FACT Meeting Expenses were over Budget. Arun said the expenses are not excessively over budget, but based on the year to date review they appear high. He explained that the majority of the overage was related to the marketing for FACT meetings and events. This included designing, printing, and mailing fees associated with marketing material. He said this item was under budgeted and the item will need to be revised for next year’s budget to more accurately reflect anticipated meeting expenses. John also asked for clarification on why Mobility Coordinator Expenses were over budget year to date. Arun said a part-time Mobility Coordinator was hired, but he was under the impression that the budget item was not over budget; he said he will double check on the number provided and report any discrepancies.</p>
<p>Executive Director’s Report</p>	<p>Arun reviewed important meetings and events attended by FACT staff and himself since the January Board Meeting. He spoke of discussion with Art Leahy, CEO of La Metro at the Transit CEO’s Seminar in Palm Springs regarding attending a FACT Board Meeting or event; Art agreed and was interested in participating in FACT discussions. Arun also spoke with Michael Melaniphy, President of APTA at the seminar and invited him to</p>

	<p>visit FACT and participate in a FACT meeting; Michael expressed interest but no tentative schedule was established.</p> <p>He briefly reviewed the 2-1-1 Connection Luncheon attended by FACT staff on February 22, 2013.</p> <p>Arun recommended scheduling a Financial Committee Meeting prior to the Board Retreat on March 28, 2013. Susan said she would be out of town during the Board Retreat. Arun said this would be scheduled after the retreat.</p>
Board Member Comments	<p>Dave reminded the Board and guests about the FACT Board Retreat on March 28, 2013 from 8:30am - 1:00pm at the County Administration Center.</p> <p>Dave thanked guests and the Board for attending.</p>
Adjournment	Meeting was adjourned at 11:00 AM

ITEM #4**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director and Noah Minner,
Mobility Coordinator****RE: MTS Vehicle Donations - Committee Recommendations****ISSUE:**

Staff seeks board input on vehicle donation committee recommendations:

Recommended recipient	Number of vehicles
Alpha Project for the Homeless	2
City Link Foundation	2
Home of Guiding Hands	2
Renewing Life	1
St. Madeleine Sophie's Center	2
YMCA of San Diego County	1

BACKGROUND:

In January MTS and FACT boards approved the collaboration between MTS and FACT to donate 10 retired vehicles from MTS's Access fleet. The vehicles are 2006 El Dorado National Type B, gasoline powered and run on the Ford E450 chassis. They seat up to 16 passengers and accommodate up to 4 passengers in wheelchairs. MTS plans to replace the vehicles with new ones.

MTS would like to donate the vehicles to agencies in their service area for transporting ADA-eligible clients. FACT will assess applications to identify the potential service for ADA eligible clients and help prioritize the requests. MTS and FACT staff worked on a draft agreement, application form and a timeline and process for donations.

A review committee was formed to assist with the selection of recipients - Floyd Willis (AIS), Lisa Madsen (MTS) and Brian Lane (SANDAG). FACT issued a press release on February 20th and issued the applications via email notification on March 1, 2013. Several agencies contacted FACT to express interest in the vehicles.

The completed applications were received on March 15, 2013. Fourteen (14) agencies submitted applications, a total of 24 vehicles were requested. The review committee met on the morning of March 21st and prioritized the requests. Of the 14 applicants, 10 provide services within MTS's service region. 4 of those 10 eligible applicants did not mention persons with disabilities in the client profile.

The committee decided to prioritize those agencies that currently offered services to persons with disabilities. Agencies that were larger and had proven capability of operating large vehicles and vehicle fleets were awarded two vehicles each.

The applicant agencies proposed providing 16 to 1,320 trips a month using the donated vehicle(s). Recipients will sign agreements to keep donated vehicles in service for two years and provided statistics on usage to FACT at the end of each calendar quarter. AT MTS's request FACT will ensure that donated vehicle are repainted prior to being redeployed.

FACT will forward the recommended recipient list and the information to MTS for the actual transfer of vehicles.

RECOMMENDATION:

Staff requests the Board to approve the award recommendations made by the review committee.

ITEM #5

TO: BOARD OF DIRECTORS
FROM: Arun Prem, Executive Director
RE: Review of FACT Mission
ISSUE:

Review FACT’s mission with respect to definition of social service recipients.

“Assist seniors, persons with disabilities, veterans, and social service recipients in San Diego County to meet their transportation needs.

BACKGROUND:

In October 2012 FACT’s mission was discussed during the Board meeting.

In response to FTA’s award of the Veterans mobility grant to FACT/211/SANDAG FACT’s mission was reviewed and updated to include Veterans.

During the discussion several Board members suggested revisiting the Mission in order to clarify whether low-income individuals should be referred to as social service recipients. Since it is possible that an individual may have low income and may not apply for social services, board members felt it was important to note that such an individual would qualify for FACT services.

During previous discussions on the Mission during 2012, the terms “low income” and “social service recipients” were sometimes used interchangeably.

It was also noted that the term social service recipient was not used in the SANDAG coordinated plan; it was suggested that terminology in the Mission stay consistent with the coordinated plan.

RECOMMENDATIONS:

Staff requests the Board to provide recommendations/feedback regarding possible updates to FACT’s Mission statement.

ITEM #7**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director, Meagan Schmidt, Service Planner, and Oswaldo Perez, Grants Analyst****RE: Services update and 5-year service projections****ISSUE:**

This item presents a services update and DRAFT 5-year service projections for the Board's review. Upon approval the projections will be included in the Business Plan.

BACKGROUND:

February 2013 was the 8th full month of operation for RideFACT. A brief service update/report follows.

RideFACT Service statistics - July 2012 - February 2013:

From January to June 2012 while the call volume steadily increased, the number of brokered trips provided remained small. There was a major spike in call volume immediately following the expansion of RideFACT in June 2012, due to coverage in the media and word of mouth outreach.

RideFACT	One way trip requests	Referrals-external	Referrals to RideFACT	RideFACT Trips One way	Cancelled rides	No shows	Pending rides	Av. trip cost	Av trip Length (miles)
Jul 2012	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 2013	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

TOTAL		1,520	6,175	4,101					
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OVERALL SERVICE PROJECTIONS FY 2014-2019 (RideFACT trips, telephone and website referrals):

The following projections reflect the current funding commitments based on approved grants, for various services. Over the next 2-3 years FACT has access to SMG funds to purchase trips through the brokerage. Additional trips will be provided through the capital grant funded vehicles that FACT will purchase with FTA Section 5310 and New Freedom funds.

Referrals and website hits are paid for by mobility management grants funded by New Freedom and matching grants.

The projections represent the number of units of transportation or referrals that FACT can afford given the level of funding available.

This item does not present demand projections, which are not feasible at this time due to limited data on seniors' and other populations' unmet mobility needs.

FY 2012-13 through FY 2019-20 SERVICE PROJECTIONS

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
OPERATING GRANTS ACTUAL							
Projected Funds	\$51,463	\$250,000	\$250,000	\$250,000	\$0	\$0	\$0
One-way pass trips	4,101	10,400	10,200	10,200	0	0	0
Average cost per trip ¹	\$20.80	\$24.04	\$24.64	\$24.51	\$0.00	\$0.00	\$0.00
CAPITAL GRANTS ACTUAL							
No. of vehicles ²	7	7	9	12	12	5	3
One-way pass trips	75	300	893	1,814	2,264	1,664	921
Average cost per trip	\$24.28	\$24.28	\$24.28	\$23.92	\$23.92	\$19.40	\$23.57
MOBILITY MANAGEMENT GRANTS ACTUAL							
Projected Funds	\$248,733	\$471,783	\$523,300	\$559,300	\$0	\$0	\$0
Referrals to other services	1,520	2,114	6,000	6,000	0	0	0
Referrals to RideFACT	6,175	18,800	22,400	24,600	0	0	0
Web hits	8,978	16,300	14,400	14,400	0	0	0
TOTAL ANNUAL one-way pass trips	4,176	10,700	11,093	12,014	2,264	1,664	921

¹ Average cost per trip in 2013 is based on MedRIDE proposed trips; In 2014, 2016-18 it assumes a 2.5% increase per year

² Number of procured vehicles projected to be in active service; each vehicle will be leased out to a third-party contractor for 4 years.

³ Average one-way trips per active vehicles

⁴ Service units include referrals to other services, referrals to RideFACT brokerage, web hits, and people trained.

Note: This service forecast is subject to change and is intended to serve as a guide only; it is not indicative of any future funding requests or awards.

RECOMMENDATION

Staff requests Board members to provide feedback and recommendations in order to finalize the projections and incorporate them in the Business Plan update.

ITEM #8**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director and Dennis Randall,
Consultant****RE: RideFACT trip cost analysis - September 2012-February 2013****ISSUE:**

Comprehensive analysis of fixed expenses involved in providing RideFACT transportation; information is presented in DRAFT form. Please refer to accompanying spreadsheet attachment (Reservation cost analysis).

BACKGROUND:

In October 2012 Board members requested information on the fixed costs involved in providing RideFACT transportation. The project was deferred in view of the recent implementation of RideFACT and lack of sufficient historical data. It was decided that a more reliable picture would emerge over a longer time frame.

This item presents trip cost information based on service statistics from the most recent 6-month period - including RideFACT data and FACT's financial statements from September 2102 to February 2013.

Since the fixed expenses involved in providing transportation are spread over the total number of trips performed, it is expected that on a per-trip basis the fixed expenses would continue to fall over the near term as trips provided continue to grow.

The preliminary numbers provide an opportunity to review the allocation of cost elements in detail with the Board and look at a snap shot of actual expenses to date.

The most significant portion of the fixed cost was personnel expenses - primarily Mobility Coordinator salaries; however all expenses that could be allocated to the cost of providing a trip were considered and applied to the calculation as per the allocation process agreed upon with Dennis Randall, accounting consultant.

According to this process, for the time period between **September 2012-March 2013:**

The average fully allocated fixed cost per one-way trip reservation \$41,078 /
5,495 = **\$7.47**
(YTD Fixed costs / trips provided, canceled, no showed or pending)

The average variable cost of purchasing a one-way trip \$75,584/
3,683 = **\$20.52**

(YTD contractor payments / number of trips and paid no-shows)

The average fully loaded cost of a one-way RideFACT trip **\$7.47 +**
\$20.52 = \$27.99

The 6 months average cost /trip compares favorably with those of similar services in the region. As RideFACT service grows the fixed costs (reservations) will be spread over a larger number of trips, thus reducing the average fixed cost further. Variable costs are expected to go down as well due to the entry of more reasonably priced providers in the brokerage. Staff will review updated information on a periodic basis.

Recommendation: None

ITEM #9

TO: BOARD OF DIRECTORS

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

**RE: 5-year Mobility Management/CTSA expense & revenue
projections**

ISSUE:

This item presents DRAFT 5-year projections for FACT's mobility management expenses (fixed costs) including salaries and overheads. The projections of fixed expenses compared against available revenues quantify FACT's sustainability status (pls. refer to enclosed attachment labeled 5-year expense projections).

Total fixed costs include salaries, facilities, consultant costs, equipment and all overhead expenses; the revenues include all grants/funds that are approved and presumably available during the next five years to pay for the fixed expenses. *The difference indicates deficits that will pose challenges in balancing the budget in future.*

These projections do not include revenues or expenses for capital projects or purchased transportation (variable expenses).

An early DRAFT of these projections was shared with SANDAG Executive staff in order to initiate a dialogue on sustaining FACT operations.

BACKGROUND:

Since 2010 FACT has continued to expanded operations in order to meet the project commitments made in the initial grant awards, NF 06, 07 and 08 as well as SMG. All of the grant funded projects involved hiring additional staff and increased levels of services. The services were implemented at an accelerated pace in the most recent 2-year period FY 2011 and 2012. During this time the total staffing increased from 2.2 FTEs to 6.2 ftes. Related expenses for leased office space, utilities, salaries and employee benefits etc. also increased.

The RideFACT service projections over the next 2 years require that staffing levels be maintained or increased to keep up with the demand for trips and referrals.

In view of the short-term nature of the grants that sustain FACT, it is not possible to plan for more than 1 to 2 years ahead for staffing and service delivery. In view of the Board's desire to make FACT more sustainable, the projections were developed in order to present a status update on FACT's sustainability.

The enclosed expense projections include all of FACT's expenses except capital grants and purchased transportation. The corresponding revenue projections also include revenues that are approved for fixed expenses only. The difference between the expenses and revenues increases as we move forward in the timeline due to the short-term nature of our grants. The projections predict budget deficits beginning possibly in year 2; the size of the deficits grows in out years.

Based on the history of FACT funding it is anticipated that the deficits may be met by future New Freedom grants. However there is growing uncertainty with respect to the mechanism of New Freedom grant implementation in future as well as availability of funds. Several changes in the disbursement process for the grants were made in the federal MAP-21 authorization; these changes are not clearly understood at this time and pose additional uncertainties for FACT and other agencies with similar profiles. Even if the uncertainty of the federal funding scenario were resolved, it is incumbent upon FACT to work towards a more reliable and predictable funding structure for the future.

As seniors and other vulnerable constituencies in San Diego become reliant on RideFACT and other FACT services it is important to work towards maintaining the service levels.

The projections present baseline funding levels that can be used to plan for FACT's budget needs. It is imperative that in addition to traditional sources, all available funding sourced be considered in this effort.

According to the projections (spreadsheet attached), FACT needs an average of approx. \$550,900.00 per year in the next 5 years to be able to maintain staffing and expenses. In order to make the CTSA operations effective and to plan for future services, an alternative, reliable funding mechanism is needed.

Recommendation:

Staff requests Board input regarding the projections and the options to mitigate the situation.

ITEM #10**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director****RE: Report and Discussion on FY 2012-2013 Goals and FY 2013-14 Goals****ISSUE:**

Review of current fiscal year FY 2012-13 performance, and priorities for next year, FY 2013-14; staff requests Board feedback on information and proposed set of priorities and goals for next year.

BACKGROUND:**PAST YEAR'S PRIORITIES and PERFORMANCE and DISCUSSION OF NEXT FISCAL YEAR PRIORITIES:**

In February 2012, the Board discussed FACT's priorities for the near term. A number of actions items were identified for follow up - Table 1. The priorities were incorporated into the agency's immediate goals (see ED goals, Table 2).

Sustainability was the most significant priority in view of the fact that there is a very limited dedicated revenue stream for FACT's fixed and variable expenses. The mobility management expenses (call center, facility and overhead expenses) are paid for by discretionary federal New Freedom grant funds and state Transportation Development Act (TDA Article 4.5) funds. The transportation was mainly paid for by local SMG grants and federal New Freedom and Section 5310 funds all of which are discretionary and competitive grants. The timing of the grant cycles as well as the outcomes of the competitive process present ongoing uncertainty regarding FACT's future staffing and services.

In FY 2013 FACT staff continued the dialogue with SANDAG officials to make a case for funding CTSA's fixed expenses on an ongoing basis. As CTSA, FACT supports the development and implementation of the SANDAG Coordination Plan. Over time the efforts have grown in scope yet the CTSA funding has remained constant at 2% of the senior transportation funding for San Diego County. While the 2% apportionment grows with increases with growth in local tax returns, it is adversely impacted during economic downturns.

(A 5-year DRAFT of fixed expense and revenue projections is included under Item #9)

Governance and timely financial reporting were other priorities that were successfully addressed during the past fiscal year.

Service development continues to be a priority; the next phase in RideFACT development is the expansion of services into nonurban areas through a combination of planning, outreach and deploying FACT owned vehicles and recruiting additional brokerage providers.

Staff recommendations for priorities and goals are presented in **Tables 2 and 2a.**

TABLE 1 - Board Retreat Discussion - Feb 2012

BOARD PRIORITIES FY 2012-13	PROGRESS
Sustainability	ONGOING; SANDAG discussions on 5- year expense projections; VTCLI; new grant awards; pilot contracted services.
Governance	New Board members; revised Mission and Business Plan
Services	Brokerage Implemented; RideFACT implemented; Ridership growth
Financial Management/Reporting	Regular and timely reporting; clean internal and TDA audits
Cachet !	22 of 25 CAM seats filled, more requests received, increasing requests for presentations and services

TABLE 1a - Agency Goals discussed during ED Review - April 2012

AGENCY GOALS FY 2012-13	PROGRESS
Implement MedRIDE and MedAccessRIDE	COMPLETED
Expand brokerage to urbanized San Diego	COMPLETED
Implement MOU with 211 for referrals	IN PROCESS
Implement new employee benefits July 1, 2012	COMPLETED

New funding with successful SMG applications	COMPLETED
Implement Veterans mobility grant (with 211)	IN PROCESS
Complete software procurement for brokerage	IN PROCESS
Revise database of transportation provider	COMPLETED

TABLE 2 - proposed for Board Retreat Feb 2013

BOARD PRIORITIES FY 2013-14	NOTES
Sustainability	
Communications with Cities/Officials	
Increased Visibility	
Veteran's Mobility Services	
New Transportation contracts	

TABLE 2a - Proposed for FY 2013-14

STAFF GOALS FY 2013-14	NOTES
Expansion of RideFACT in nonurban areas	
Expand number of Brokerage vendors to 12	
Implement Veterans Mobility (initial phase)	
Implement pilot call-overflow project	

with 211	
Implement brokerage software	
Sustainable funding for RideFACT	
Outreach/communications with Cities & Officials	
Implement 3 new agency transportation service contracts	

RECOMMENDATION:

Staff requests the Board to review the priorities and goals for FY 2013-14 and provide feedback to assist with finalizing the recommendations.

ITEM #13

TO: BOARD OF DIRECTORS

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

RE: FACT 2014-2019 Business Plan Update

ISSUE:

FACT's CTSA contract with SANDAG requires an annual update of the Business Plan. The last (2013-18) Business Plan update was approved in January 2012.

This item provides an opportunity to review recent updates and an opportunity for Board and TAC input prior to finalizing update.

The updates were reviewed during January and February 2012 Board meetings; the following information summarizes the review and status.

BACKGROUND

FACT 2014-2019 Business Plan Update includes the following revisions to projects/status:

Projects Implemented - during FY 2012-13:

- Section 3.4 In-house transportation brokerage
- Section 3.5 Countywide RideFACT
- Section 4.1.1 Trip Management Software procurement*

New Projects included in DRAFT:

- Section 3.8 Safety Program
- Section 3.9 Compliance
- Section 4.1.10 Coordination with SANDAG and 211 on Veterans Mobility (VTCLI)
- Section 6 Service Projections

Short Term Service Proposals - Planned; funding approved:

- 4.1.3, 5 MedRIDE Service Implementation; integration with RideFACT
- 4.1.4, 5 MedAccessRIDE Service Implementation; integration with RideFACT
- 4.1.6 Expansion of RideFACT to nonurban areas
- 4.1.11 Leasing FACT owned vehicles to service providers
- 4.1.9 Technical Assistance workshops
- 4.1.13 Veterans' mobility initiatives - coordination with SANDAG and 2-1-1

FACT updates the Business Plan annually to maintain the plan as a current reference. This plan is the third update to the original Business Plan adopted in 2009.

The 2009 Business Plan was a comprehensive review of FACT's purpose, the business environment, the community and stakeholders. It identified potential services and collaborations that would contribute towards FACT's previous mission of meeting as many

unmet needs for specialized transportation as possible. Due to the timing, the project proposals introduced in the original plan were presented in concept, without identified budgets, resources and/or service parameters.

The 2012-2017 Business Plan Update was an “action plan” that focused on current transportation needs and current FACT projects and services. The plan included a plan to respond to the mobility needs based on priorities established by regional consensus and the availability of funds. The transportation needs described in the plan were derived from SANDAG’s 2010-2014 Coordinated Plan.

The plan prioritized projects by readiness. Projects were classified as “short term” or “long term” priorities or “potential new programs currently unfunded”. The 2012-2017 Plan also reviewed all FACT revenues and funding sources as well as made recommendations for changes to the way FACT is funded in order to provide more certainty in the future and the ability to plan for longer terms.

The 2013-2018 Business Plan Update included details on funding/revenues. The update also focused on transportation services including Ramona RideFACT and proposed services funded by SMG and planning for a transportation brokerage.

The 2014-19 updates includes several new elements – 5-year service projections, comprehensive funding update, 5 year expense and revenue projections, and new programs like Veterans Mobility.

In February 2012, the Board reviewed the possibility of eliminating some of the Business Plan programs:

Projects concluded or proposed for elimination:

Section 4.1.9	Mobility Management for Diverse Seniors
Section 4.3.3	Volunteer Driver Program Resource Allocation
Section 4.3.4	Older Driver Wellness Program
Section 4.3.5	DMV Guaranteed Ride Home Program
Section 5.3.3	Highway 5 Mitigation Measures

After the discussion it was decided to retain all of the above initiatives with the understanding that these are not funded and are not likely to be implemented in the near term.

RECOMMENDATION:

Staff recommends the Board review the proposed 2014-2019 Business Plan Updates and provide feedback.

(after the various DRAFT Business Plan elements are approved, staff will incorporate the final products in the Update and finalize the plan).