



Facilitating Access to Coordinated Transportation

Meeting Agenda and Notice
FACT Board of Directors Meeting
July 24, 2014, 9:00 am
Carnation Room, Encinitas City Hall
505 S. Vulcan Avenue, Encinitas, CA 92024

AGENDA

Meeting Call to Order 9:00am

1. Introductions
2. Approval of June 26 Board Meeting minutes p-2
ACTION
3. Public Comment
INFORMATION
4. Board Chair's Report
PRESENTATION
5. New Board and CAM appointments p-10
ACTION
6. FACT FY 2014-15 INTERIM Budget review, & p-12
ACTION
Finance Committee Report
7. Proposed revisions to FACT's Vehicle Lease Policy p-18
ACTION
8. FACT services updates p-21
POSSIBLE ACTION
 - New contracted service request, 2 contract extensions
 - Managing growth/demand
 - Report on Medical and Dialysis transportation
9. Monthly Financial reports, review of check processing
INFORMATION
10. Executive Director's report p-25
INFORMATION
11. Board member comments/proposed agenda items
INFORMATION
12. Software Demo by Ecolane
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

June 26, 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, Bob Campbell
TAC Members Attending	Kim Thorp-NCTD, Danielle Kochman-SANDAG
Board Members Absent	Norine Sigafoose
Staff Attending	Arun Prem, Meagan Schmidt, Budd Anderson, Oswaldo Perez
Public/Guests	See sign-in sheet
Introductions	Board Chair Dave Roberts called the meeting to order at 9:00 AM. Introductions were made. Dave welcomed Danielle Kochman and congratulated her on getting married. FACT provided a cake to celebrate.
Approval of May 29 Board Meeting minutes	Motion to approve the May 29, 2014 Board Meeting minutes made by Tony Kranz. Second by Bob Campbell. The motion passed unanimously.
Public Comment	None
Board Chair's Report	Dave provided an update on the new waterfront park at the San Diego County Administration Building.
FACT FY 2014-15 DRAFT Budget	Arun apologized for the short notice provided for Board review of the Budget draft. He said the contracted services projections were difficult to assess, Dennis Randall (FACT CPA) was on leave due to a family emergency, and he had difficulty contacting Caltrans regarding the implementation of an approved New Freedom (NF) grant. Due to these issues it was challenging to form reliable service projections, which slowed down the budget process. He said the Executive Committee reviewed a version of the budget, which included greater detail on personnel and contracted services expenses. He was reluctant to send the detailed budget with the agenda because of the personnel and contracts information. He said some feedback was received, but hoped that Board would provide any remaining feedback during the discussion.

A total budget of \$1,378,900 was proposed for FY 2014-15, which was a 43.55% increase over the 2013-14 budget amount. Arun said FY 2013-14 was the first time FACT's spending had approached the budgeted amount (4.6% below budget). He said he was surprised that FACT was under budget considering the amount of trips performed was almost double the amount projected. The primary drivers for the increase in the FY 2014-15 budget were Salaries and Benefits, and Total Operations Direct. The Total Operations Direct category included all purchased transportation, which accounted for the largest increase of 101.29% over the prior year. The percentage increase for Salary and Benefits was 14.44% due to the addition of a full time Mobility Coordinator and the transition of a Mobility Coordinator from part time to full time. As a result there were corresponding changes to benefit expenses. He said performance based salary adjustments were also incorporated.

Due to the uncertainty of the FT contract, John Aguilera asked if it would be cost effective to staff two part-time Mobility Coordinators in order to relieve FACT from paying benefits until it was determined that a full time person was needed. Arun clarified that the position was fulltime but temporary and was subject to the outcome of the FT contract. He explained that the Board approved benefits for all employees. Dave said the cost of employing Mobility Coordinators was being weighed against the cost of using 2-1-1's call center services. Arun discussed the productivity of FACT staff and indicated that over 150 trips were performed on Wednesday, June 25, 2014; 46 were performed for FT. This resulted in a heavy amount of phone traffic. He said the staff was handling the increased volume effectively with help from 2-1-1. Dave said he was impressed by the number of trips performed.

Arun said a brokerage driver was attacked and injured by a passenger who slammed a vehicle door on the driver. He said FACT also had its first Civil Rights complaint in which a rider accused FACT of discrimination based on the person's race. Arun said the complaint was being investigated and FACT would respond according to the Non-Discrimination policy.

Arun said in most of the remaining expense categories projections decreased over the prior year's expenses. He said FACT expected to spend \$428,000 to purchase transportation to accommodate all services. Corresponding revenues for each service were listed on the revenue side of the budget. Due to the fluctuation in trips, assumptions were made based on actual and projected trips. He said there were 26 FT trips on last Friday, 46 FT trips on Monday, and 12 FT trips on Tuesday. He said operationally it was difficult for subcontractors to plan for the day-to-day variation in volume. He said fortunately subcontractors have been flexible

and resilient. Unrestricted funds and Caltrans Rural Mobility Management grants were not factored into the budget. In FY 2014-15 FACT will have access to \$187,000 in unrestricted funds. He said all current grants were fully funded and do not require a match. Due to the higher level of trips performed this year, there will be less funding available for transportation in FY 2015-16. A \$105,000 deficit in FY 2015-16 was projected, which could be met with reserves or an increase in FT trips. He said it was time to discuss limiting RideFACT trips because the trip volume was not sustainable.

Phil said imposing trip limitations should be discussed soon or SANDAG should be approached for additional funding as a result of FACT's success. Arun said SANDAG had been approached in the past with the same rationale, but no commitment was forthcoming to fund the deficit or sustain FACT at a particular level. LaVonna asked if there was still a significant amount of repeat dialysis trips. She wondered if it was time to discuss the impact dialysis trips have on the service with dialysis centers to work on a solution. Arun said he participated on an APTA panel which discussed the effects of dialysis transportation. The panel discussion indicated that there was no commitment at the local level, but at the industry level there appeared to be effort to make the connection between dialysis treatment and transportation. The panel felt that APTA and local agencies should approach the dialysis industry and suggest allocation of grant funding directly to transportation agencies. Dave suggested that FACT meet with Herb Schultz, Region IX Director of Centers for Medicare & Medicaid Services, to discuss dialysis transportation. He recalled that transportation was part of the Obamacare discussion related to preventative care. Bob added that the additionally insured through Obamacare would also increase the need for transportation. Arun indicated that Cap and Trade Legislation had recognized that part of the funding should be awarded to congestion mitigation and healthy living measures. Dave said under Management of Care, private providers receive funding to promote health and felt transportation was part of the care. Arun felt that discussion with local hospitals may be a faster avenue to the funding. He indicated that local hospitals have funding to purchase transportation for their clients. He said hospitals usually pay full taxi cab prices and could benefit from using FACT's brokerage. Bob said the Tri City Medical Center had a \$500,000 budget to provide client transportation. John asked how many rides were being provided by FACT for dialysis patients. Meagan said about 25% of RideFACT trips were provided for dialysis patients. LaVonna suggested speaking with the CEO of Palmar Health. Tony requested a formal presentation on the number of medical and dialysis trips performed so the Board can assess how to approach the

issue and assist staff with outreach. Dave proposed meeting with the San Diego Medical Society and San Diego Hospital Association.

Phil felt that the trip limitation discussion should take place during one of the next two Board meetings. He said he felt more comfortable setting trip limitations now as opposed to cutting services later.

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

Motion to approve the FY 2014-15 Budget made by Bob Campbell. Second by John Aguilera. Susan said she could not vote on the budget because it was not presented to the Finance Committee and she received it with little time for review. She felt the Finance Committee should have met to review the Budget before voting for approval. Arun agreed that the Budget was sent with only a weeks' notice, but extenuating circumstances prevented the Budget from being available sooner. Phil said the budget was not "set in concrete" and was changeable living document. He indicated that the Finance Committee had not met in over a year. He felt the budget was a good starting point and was prepared to vote. He suggested the Finance Committee meet within the next 6 months to further review the budget and meet regularly going forward. Susan felt the Finance Committee offered value to the process and had traditionally met before the Budget approval. Dave proposed voting on the budget and scheduling a Finance Committee Meeting within the next six weeks to review the budget. Any changes would be brought back to the following Board Meeting for discussion. He indicated that he had the opportunity to review the budget line-by-line and provided feedback to Arun regarding salaries and revenues. He said he preferred starting the fiscal year with a budget which could be altered by the Board at any time.

Arun apologized for the budget delay and ensured the Board that bypassing the Finance Committee was not intentional. He said the past year had been difficult for planning any committee meetings due to schedule conflicts. Several meetings were scheduled, but abandoned due to Board schedules. He said he did not attempt to schedule a Finance Committee meeting because he already knew that some committee members were unavailable. Arun felt that passing an interim budget subject to Finance Committee ratification was a good approach. **Bob modified his motion to approve the interim Budget subject to review by the Finance Committee. Second by John Aguilera.** Dennis informed the Board that if a contracted revenue source went away then the corresponding expenses would go away. Arun said salary adjustments

	<p>could not be implemented if the Budget was approved provisionally. Bob said the salary adjustments would be retroactive. John said the Finance Committee Meeting date should be scheduled so the process was not delayed any further. Susan proposed scheduling future Finance Committee Meetings following the Board Meeting prior to the Board Meeting where the Budget would be approved. Phil proposed approving the Salary and Budget line item so that salaries were not affected. Dave said the entire Budget was being approved pending Finance Committee review. Arun said this may result in unintended consequences because the Finance Committee may suggest changes to the Salary and Benefits after salary adjustments were implemented. John agreed with Arun that the adjustments would have to wait if the budget was approved provisionally. The Board scheduled the Finance Committee to meet on July 22, 2014, 1PM at FACT. The Board decided to approve the draft budget pending further review by the Finance Committee (John, Phil, and Susan) and any actions regarding performance-based salary changes will be delayed until after Finance Committee review but will be retroactive to the beginning of the fiscal year. The motion passed unanimously.</p>
Proposed revision to FACT Vehicle Lease Policy	<p>Oswaldo Perez summarized past discussions regarding the FACT Vehicle Lease Policy and the proposed revisions regarding the determination to temporarily waive the policy. FACT staff proposed the following extenuating circumstances for when the Board could approve temporarily waiving the Vehicle Lease Policy: contracted services support and rural area support. Oswaldo provided further detail on the extenuating circumstances. Staff requested the Board to approve a revision to the vehicle lease policy that allows for a determination to temporarily waive the policy in extenuating circumstances.</p> <p>Phil wondered why the policy would not be followed for selecting a vendor to serve rural areas. He felt that an open source competition could attract vendors willing to provide support in rural areas. Arun said the rural area support circumstance was theoretical and was provided as an example. He said there had been lack of interest from rural transportation providers to join the brokerage and due to deadhead miles it was not cost effective for urban providers to perform transportation in rural areas. As the CTSA, FACT could assist in developing a local vendor in a rural area by providing them a vehicle as incentive to assist FACT with rural trips and provide transportation for rural residents. LaVonna felt that the policy should incorporate these factors as having priority in the selection process instead of waiving the policy. Dave said he was not in favor of the rural area support waiver because it incentivized people live in rural area were services were sparse. He felt that services should be provided were the</p>

majority of the people live.

John said the issue was outside perceptions of sole sourcing being attributed to favoritism. He said a financial limit should be imposed on Executive Director decisions for awarding contracts. Dave said they were free vehicles given to FACT and there was no particular dollar amount or contract. Oswaldo clarified that the vehicles were not donated vehicles, but 5310 that were rewarded to FACT because they were underutilized by recipients. He said these vehicles could be available within a matter of months as opposed to vehicles FACT applied for that could take up to eighteen months to receive. Bob suggested soliciting applicants and pre-qualify interested vendors in anticipation of receiving vehicles. Arun said that could work and felt the subcontractors performing the FT trips would compete effectively. He clarified that staff was not asking for a waiver of the FACT procurement policy, but a waiver to the policy for selecting and leasing vehicles to recipients. Arun reminded the Board that open competition in vehicle leasing was self-imposed and was not a grant requirement. He explained that if there was no special need for the vehicles, then the Vehicle Lease Policy would be followed. Since subcontractors were not guaranteed a certain level of trips, it was not feasible for them to purchase additional vehicles to accommodate the fluctuating level of trips. Since the daily FT trip volume can be high, FACT would like to assist vendors in increasing capacity to support the contract by leasing them the vehicles. He reminded the Board that they agreed to go forward and requested staff to draft a revised policy to include extenuating circumstances for when the policy could be waived. He said he was hearing that the Board wanted go a different direction, which would require staff to draft another recommendation. He said this may compromise support for the FT contract.

Dave reviewed the May 29, 2014 minutes to clarify what was said during the Board Meeting discussion. He said the Board voted unanimously to waive the policy if the two re-awarded 5310 vehicles became available and have staff draft an updated lease policy to include extenuating circumstances for when the policy could be waived by the Board. Dave said he was hearing that the Board did not want an updated Lease Policy. Phil asked who FACT wanted lease the vehicles to. Arun said staff would like to lease the vehicles to AAA Transport and Safety First, the two vendors FACT relied on to perform the FT contract trips. He said leasing them the vehicles was an investment in FACT's services. He said FACT's interest lay in supporting the FT contract. Bob asked if FACT could reclaim the vehicles and reward them through an open competition if the FT contract did not continue. Arun said it was a matter of structuring the

	<p>lease. Danielle Kochman said the objectives could be built into the Request For Proposal (RFP) and candidates could be ranked based on their ability to support the objectives. Susan agreed with Danielle and said FACT should be able to maintain the right to fulfill its operational needs. She said FACT did have a bias in supporting its mission to assist the community. Phil said it may be a matter of changing the policy to include operational needs that have priority in the selection process. Dave said that the policy needed to clearly state FACT’s organization priorities. The Board requested staff to draft a revised policy to be reviewed by the Board in July.</p>
<p>First Transit subcontract update</p>	<p>Arun reviewed passed First Transit (FT) contract discussions. He said it turned out that FACT’s rate was higher than its competitor. He explained that FACT’s rate was based on an average NCTD trip length of eight (8) miles. The competitor’s rate incorporated a boarding charge and then a lower mileage rate thereafter. So for the longer trips the competitor’s rate was lower. Since FT was performing the shorter trips on their own, the average trip length for the subcontracted trips was around 19 miles. Due to this development Arun offered to make an adjustment to FACT’s rate structure. He said as of June 16th FACT would begin to receive all the outsourced trips from FT. He said John Lewis stated that he valued working with FACT and it was strategic for FT to partner with the CTSA. He indicated that FT staff was interested in attending FACT Board Meetings going forward. Arun and Kim Thorp indicated that John Lewis was relocating to San Diego and Mark Maloney would be managing the Lift contract for FT. Arun thanked the Board for their involvement in the FT discussions.</p>
<p>FACT Services Update</p>	<p>Meagan provided an update on FACT’s services and reviewed service statistics for RideFACT, Oceanside Van Service, Poway Adult Day Health Care (ADHC), and San Diego Office of Education (SDCOE) Foster Youth transportation. Phil noted that SDCOE was paying around \$50 per one way trip. Meagan said the trips were longer and explained that one rider required a driver to travel 52 deadhead miles to perform an 8 mile trip. She said FACT was discussing the deadhead mile issue with SDCOE and was working on establishing a vendor in North County. She said 1,633 one-way trips were performed on RideFACT during April 2014 at an average cost of \$18.97. Bob asked if staff new the reason for why the trip volume was leveling out. Arun said mature transit systems tend to have a spike in ridership in March and April, a slowdown in Summer, and a spike in September and October. He said FACT was not mature yet, but appeared to be following transit trends. He said it was not clear why the trips have leveled out, but expected an increase in the May and June. He said during</p>

	the fires there were very few trips performed.
Update on WAZE software/mobile phone app	Arun said the item was based on Tony Kranz's request. He discussed the WAZE software app that tracks travel time and traffic patterns in real time. He said Google purchase WAZE, but was not sure if the system would be synced with Google Maps. He said it appeared there was no direct application for agencies like FACT. He said staff would continue to monitor the progress, but at the moment it didn't appear that paratransit services were using WAZE. Tony said the focus should be on the application for riders because it allowed them to see the location and ETA of their ride, which could eliminate the need for ETA calls to FACT. Arun said from his understanding each vehicle would require a smart phone or mobile data terminal (MDT) to interact with the rider's smart phone. Arun said FACT was looking into technologies that will provide similar features and interact with the dispatching software FACT was seeking to procure. He felt allowing the rider to track the vehicle was a great feature to offer and would keep that in mind for the software procurement.
Monthly Financial Reports	Arun apologized that the monthly financial reports were not ready for the Board Meeting. He indicated that FACT CPA, Dennis was on leave for a personal emergency and could not prepare the reports in time for the meeting. He said the reports would be provided in July for Board review.
Executive Director report	<p>Arun said the number of checks requiring a Board member signature had increased significantly and checks were needed more frequently. He said trip numbers and invoice amounts have risen considerably and providers were no longer willing to wait for monthly payments. He said it had become an imposition on John due to the frequency. Even though John had been gracious, FACT staff would like to make the process more efficient. He said Bob recommended pre-signing checks for a particular amount and providing copies of the checks issued for Board review. He requested Board feedback for streamlining the check signing process. Phil said the City of Coronado staff incorporated a list of warrants into the agenda so the City Council could compare issued checks against invoices and Council approved payments. He felt that if this was implemented the 2 signature requirement may not be needed. John said the City of Vista staff provided Council members a biweekly check registry in an excel spreadsheet. Phil asked if NCTD required 2 signatures on checks. John indicated that they did not require 2 signature. Arun said he would discuss the process with Dennis and indicated that any additional input would be helpful.</p> <p>Arun introduced Mohammad Alhayek from Safety First.</p> <p>Arun said a Software Committee meeting needed to be scheduled. He said Ecolane provided a software demo for FACT and a follow up meeting was</p>

	<p>needed to determine if the software was the right fit. Bob requested that some reading material regarding the software be sent to the committee prior to the meeting. Arun said this could be accommodated. He said FACT staff viewed Sexual Harassment and Harassment & Diversity training videos. He said he would be meeting with Thyme Curtis, County office of ADA Compliance and Accessibility, to discuss FACT’s services and resources.</p> <p>Bob asked if the FACT’s profile was on the Live Well San Diego website. Arun confirmed. Bob requested that the link be circulated to the Board. Arun said it would be sent out with the next weekly Board update.</p>
<p>Board member comments/proposed agenda items</p>	<p>LaVonna asked if it made sense to use conference calling for the committee meetings. Arun said conference calls have been used in the past, but the issue of convening was more related to Board availability rather than travel issues.</p> <p>Dave said at some point discussion should take place regarding assisting 2-1-1 with emergency and disaster response. FACT staff could be trained to assist 2-1-1 when FACT services were slow. He mentioned a staff person from On The Go was shadowing him and she indicated that their program was expanding due to the lack of other services. He indicated that On The Go had the same funding sources and wondered why their organization and FACT were competing entities. He felt the funding allocation should be understood because FACT was running low on funding when On The Go was expanding. He asked that the topic be included as a future agenda item.</p>
<p>Adjournment</p>	<p>Meeting adjourned at 10:55 AM.</p>

ITEM # 5

TO: BOARD OF DIRECTORS
FROM: Arun Prem, Executive Director
RE: New Board and CAM Appointments
ISSUE:

There are open positions on the FACT Board and CAM.

Staff recommends the following appointments:

FACT Board: Hon George Gastil, Council member, City of Lemon Grove
CAM: Craig Jones, Interfaith Services

BACKGROUND:

According to FACT bylaws there are 11 Board seats, 8 of which are currently filled. As per FACT bylaws new appointments can be made by Board action. Board members have emphasized the need to include representatives from all areas of San Diego County to underline FACT's role as a countywide service provider.

CAM is an advisory committee reporting to FACT's Board; CAM members are appointed by FACT's Board.

Biographical Information:

Hon. George Gastil - Lemon Grove City Council member since 2008; current term expires in 2016

Current appointments:

Representative, Metropolitan Transit System (MTS)

Representative, League of California Cities San Diego Division
Legislative Committee

2nd Alternate Representative, San Diego Association of Governments
(SANDAG) Board of Directors

Past appointments

Representative, City/School District Collaboration Committee

Representative, Helix Water District

Representative, East County Economic Development Council (ECEDC)

Representative, United Way

Alternate Representative, Metropolitan Transit System (MTS)

Craig Jones, COO, Interfaith Services, Escondido

Craig has been with Interfaith Community Services for 17 years, serving in various capacities from Human Resources Manager to IT Director, and Associate Director overseeing service programs.

Craig's previous work has been with the City of Escondido, administratively overseeing community service programs; and several years at United Way of San Diego County, coordinating volunteer services, and working to produce community status reports ("FAST FACTS" series, and the last United Way FutureScan). Before this second career in community and human services, Craig worked for 18 years as a city planner for various California cities, achieving expertise in development processing and approval, environmental assessment, traffic impact assessment and transportation planning, long-range planning, general plan/housing element preparation, redevelopment assessment, and special projects. This background has proven useful for Interfaith's pursuit of property and development-related projects.

Craig also serves as part of Interfaith's work with, and liaison to, The Alliance for Regional Solutions (ARS). Craig chairs the Alliance Transportation Committee, working to address the unmet transportation needs of populations across North San Diego County.

RECOMMENDATION:

Staff requests the Board to approve staff recommendations for appointments to FACT's Board and CAM.

ITEM #6

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 INTERIM FY 2014-15 Budget

ISSUE:

The Fiscal Year 2014-15 began on July 1, 2014. In June 2014 the Board approved the FY 2014-15 budget on an interim basis, subject to approval by the Finance Committee.

The Finance Committee (Phil Monroe, Susan Hafner and Hon. John Aguilera) will meet with staff on July 22 to review the interim Budget.

The interim 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 finalize the interim Budget for the FY 2014-15 fiscal year.

Any changes/updates to the interim budget recommended by the Finance Committee will not be available in time for the agenda distribution, but will be forwarded under separate cover as early as possible after the Committee meeting.

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 services were included as new expense line items 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 to 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.

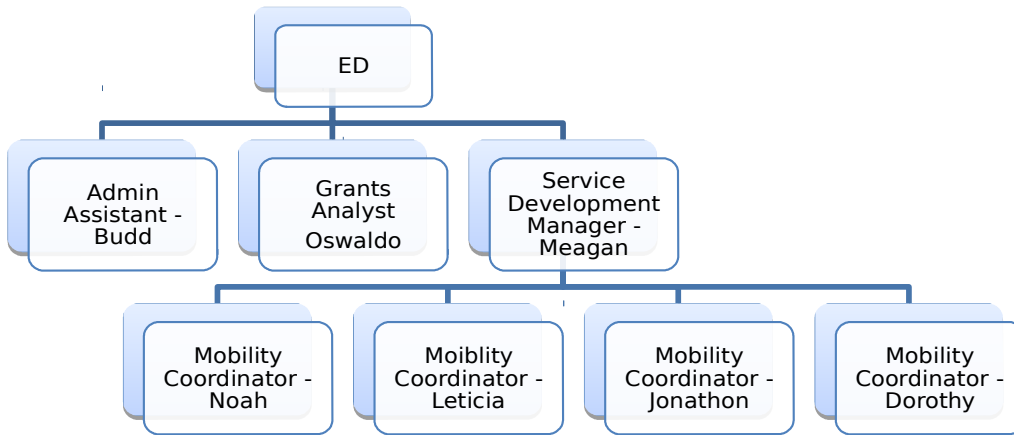
A SALARIES and BENEFITS:

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 \$725000, 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 awarded 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 awarded 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 consider the recommendations/feedback from the Finance Committee and take action regarding the interim Budget.

ITEM #7

TO: BOARD OF DIRECTORS

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

RE: Proposed revisions to FACT's Vehicle Lease Policy

ISSUE:

Staff seeks Board approval for revisions to the vehicle lease policy that address FACT's organizational priorities as criteria for selecting vendors.

BACKGROUND:

In July 2013 the Board approved 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 Vehicle Lease Policy did not anticipate the current need to place vehicles with specific vendors in order to support FACT's contracted services.

At the June 2014 meeting, the Board expressed interest in revising the Policy to accommodate FACT's organizational priorities where FACT would lease or otherwise utilize vehicles in order to support its objectives, for example - support a transportation service contract by providing the contractor vehicles to add or create capacity for specific transportation services.

Below is the full Vehicle Lease Policy adopted in July 2013 with proposed revisions **highlighted**. *Please note that the Vehicle Lease Policy does not apply to FACT's process for donating retired paratransit vehicles or FACT's Procurement Policy or process, adopted in April 2013.*

METHOD OF SOLICITATION/OUTREACH PLAN

The opportunities for partnerships involving grant funded vehicles will be limited to vendors who are contractors in the brokerage. Potential vendors must register and be approved to be a FACT contractor in the brokerage before applying for grant funded vehicles. The solicitation process will begin as early as possible and allow sufficient time if possible to complete the brokerage contract within the notification period. FACT also will encourage prospective contractors to join the brokerage on an ongoing basis.

- Both verbal and written announcements will be made if feasible at bimonthly Council on Access and Mobility (CAM), bimonthly SANDAG Social Services Transportation Advisory Council (SSTAC), and quarterly Alliance for Regional

Solutions (ARS) meetings at least once each during the solicitation process unless a meeting is cancelled.

- Post notice of solicitation electronically through the FACT and CalACT websites
- Allowing a minimum of 30 days to respond.
- Email solicitation to all addresses in the FACT mailing list. The contact list is updated on an ongoing basis as needed. All Board of Directors, CAM and TAC (Technical Advisory Committee) members and current brokerage vendors are included in this mailing list.

VENDOR SELECTION PROCESS

The criteria for evaluating prospective vendors:

1. Proposer's Qualifications and Information
 - Nature, quality, and relevance of previous and/or current services
 - Experience, competence, and role of key staff
 - Financial strength and stability
2. Technical Experience and Service Capabilities
 - Demonstrated experience of the VENDOR in relation to the scope and quality of service provided to target customers
 - Demonstrated technical capacity to inspect and maintain accessible vehicles and equipment.
 - Innovative approaches to use and integrate equipment or potential for system flexibility and upgradeability [*e.g. communication systems and/or mobile data terminals (MDTs)*]
 - Commitment to the project for the minimum required timeframe
 - Demonstrated ability to meet or exceed the project objectives
 - Demonstrated ability to comply with all applicable regulations
3. Cost/Best Value
 - Ranking of comparative costs per trip among other Proposers, providing the best value for services offered.

A review committee comprised of at least one FACT staff member, CAM members, and any Board appointee/s will review, score, and rank the proposals based on the selection criteria. The review committee will forward their recommendations to staff and final recommendations will be forwarded to the Board for approval.

4. FACT may select vendors that specifically help us address a FACT organizational priority
FACT staff may recommend leasing a FACT owned vehicle(s) to a particular vendor in order to meet an organizational priority. The Executive Director will report to the Board a rationale for selecting a vendor. The commitment to

meet the organizational priority will be incorporated into the third-party lease agreement/MOU between FACT and the selected vendor. The lease will also include the option for FACT to withdraw the vehicle from the lease arrangement if the organizational priority/objective is not met or is no longer valid.

FACT Organizational Priorities - FACT operational and service needs include but are not limited to:

- (1) Contracted services support - Subcontractors (transportation service providers) involved in any of FACT's contracted services that would require assistance to expand their capacity to perform trips as needed by the agency contracted with FACT
- (2) Rural area support - A vendor within or near a non-urban/rural area that would require a vehicle to assist FACT with rural area trips and provide transportation to rural area residents

RECOMMENDATION:

Staff requests the Board review proposed revisions to the vehicle lease policy.

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.

Summary of contracted services' monthly ridership:

	MAY 2014
SERVICE	ONE-WAY TRIPS
First Transit	475
Poway*	426
Oceanside	304
SDCOE	310
TOTAL	1,515

*Poway ridership is included in RideFACT rides.

New Service Proposal

In July Marshall Stanek from the Glenner Memory Care Center contacted FACT regarding contracted transportation for a pilot project. The center was funded for a new program that would take seniors in Chula Vista to some memory care services located at the Fredericka Manor (183 Third Ave. Chula Vista, CA 91910), once each week, on Fridays.

Approximately 5-10 seniors would be picked up from their homes and taken to the program site at 10 am and back to their homes at 2pm. FACT discussed the proposal with Safety First and Alpha Project, both of whom gave us bids for the services. FACT is considering working with Alpha Project to provide the services.

FACT submitted an informal proposal on July 15 to Glenner. We are waiting to receive the service details, regarding the exact number of riders, their locations and the start date and term of the pilot, in order to finalize the proposal.

FACT and Alpha project have tentative agreement on an arrangement that is favorable to both agencies. Alpha project is experienced with senior transportation, have the infrastructure to service this contract and have a record of providing quality services for FACT. Approximately 40 one-way trips per month will be provided under this agreement.

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 that ended June 30, 2014. This service is available to Oceanside residents for trips within the city and neighboring cities and some medical destinations. Approximately 1,400 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.

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 and provided a revised rate structure with a provision for payments for No-shows, and small adjustments to the rate. The contract extension is tentatively approved subject to confirmation by the Oceanside City Council in September 2014. The extended contract term will be July 1, 2014-June 30, 2015 and the proposed contract amount is \$73,500.

SDCOE Foster Youth transportation contract

The San Diego County Office of Education (SDCOE) contracted with FACT to provide transportation for eligible foster youth in December 2013. Service was implemented in February 2014.

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.

FACT planned to procure trips for this service from two brokerage vendors - CityLink and Crae4U Mobility. Care4U had difficulty with scheduling drivers for this contract. Recently FACT helped a new provider Safety First complete paper work for 2 drivers who will drive for this service after becoming qualified.

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 and FACT staff met in July to review the extension of the contract through February 1, 2015. The feedback regarding the service has been positive.

From February - April 2014, FACT has invoiced SDCOE for 402 trips for \$18,025.15.

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. As of August 1, 2014 FACT is planning to provide the service with the help of a new contractor, Safety First, who will take over the service from Sol Transportation. FACT and SF are working with the Poway staff to ensure a smooth transition to a new vendor.

(Service statistics presented on next page - p 25)

RECOMMENDATION:

Staff requests Board member feedback on new service proposal, contract extensions, and service information.

RideFACT Service statistics July 2012 - May 2014:

RideFACT	One way trip requests	Referrals-external	Referrals to RideFACT	RideFACT Trips One way	Canceled rides	No shows	Pending rides	Av. trip cost	Av trip 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	12.4
Sep	653	169	484	403	45	6	30	\$18.94	10.9
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	14,541	2,242	12,289	8,128	1,248	182			
FISCAL YEAR 2013-14									
Jul-13	2,067	194	1,873	1,203	157	26	473	\$16.	12.2

								74	
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
May	2,970	154	2,816	1,787	263	36	689	\$19.53	11.7
SubTotal	28,275	1,660	26,615	17,266	2,155	404			
TOTAL	42,816	3,902	38,904	25,394	3,403	586			

***NOTES:** Since Jan 2014 we are reporting average per trip cost based only on trips that were purchased from the Brokerage; July 13-Dec 13 numbers were updated retroactively for consistency.

ITEM #10

TO: BOARD OF DIRECTORS

FROM: Arun Prem, Executive Director

Meetings and Events 6/26/14 - 7/23/214

6/30 Accessibility	Mtg. with Thyme Curtis, Office of ADA Compliance and
6/30 change	Mtg. with Poway Adult Day Health Care Center re. service
7/2	Mtg. with Mark Maloney, First Transit
7/8	CAM Subcommittee Mtg. re governance
7/8	APTA discussion on new mobility services - conference call
7/8	One Call One Click Project Team Mtg. with 2-1-1
7/14	APTA Mobility Management Leadership Mtg. - conference call
7/15	Foster Youth Transportation review Mtg. with SDCOE
7/15	LWSD North County Community Leadership Team Mtg.
7/17	Oswaldo attended FTA Procurement Workshop
7/17	NCTD Board Mtg.
7/18	Agenda Planning Mtg. with Bob, Dave, Sachiko
7/18	SANDAG Coordinated Plan Support - Transportation Committee
7/21 -7/23 Inspection training	Noah attended Vehicle Maintenance Management and
7/22	Finance Committee Meeting - Budget Review

Important Updates

Rider commendations and complaints
FACT profile on NCMM website

Upcoming Meetings and Events:

8/28	August 28, 2014 Board Meeting - CANCELLED
8/12	Travel Connections Event and CAM, in Encinitas
9/25	FACT Board Meeting