



Facilitating Access to Coordinated Transportation

Meeting Agenda and Notice
FACT Board of Directors Meeting
September 25, 2014, 9:00 am
Carnation Room, Encinitas City Hall
505 S. Vulcan Avenue, Encinitas, CA 92024

AGENDA

- | | | |
|---------------------------------------------------------------|-------|-------------|
| Meeting call to order | | 9:00 |
| a.m. | | |
| 1. Introductions | | |
| 2. Approval of July 24 Board Meeting minutes | p-2 | |
| ACTION | | |
| 3. Public Comment | | |
| INFORMATION | | |
| 4. Presentation by Thyme Curtis, Interim ED | | |
| PRESENTATION | | |
| Office of ADA Compliance and Accessibility, City of San Diego | | |
| 5. Revised Vehicle Lease Policy | | |
| • Two 2013 Caltrans vehicles received | p-10 | |
| ACTION | | |
| 6. 2014 SANDAG Grant Applications | p-14 | |
| ACTION | | |
| • Request for approval of Board Resolution | | |
| 7. Appointment of Board Officers Nominating Committee | p-16 | |
| ACTION | | |
| 8. Report to Board - follow up information on safety program | p-17 | |
| POSSIBLE ACTION | | |
| 9. Monthly Financial reports | p- 21 | POSSIBLE |
| ACTION | | |
| • Finance Committee recommendation on check signing | | |
| 10. Executive Director's report | p-23 | |
| INFORMATION | | |
| 11. Annual Meeting prep | | |
| POSSIBLE ACTION | | |
| • FACT Award, Speakers, Video, Annual Report | | |
| 12. Board member comments/proposed agenda items | | |
| INFORMATION | | |

13. FACT services updates

p-24

POSSIBLE ACTION

- Monthly service updates
- Update on contract negotiations - CLOSED SESSION
- Report on Closed Session

ADJOURNMENT

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

Item # 2

FACT Board of Directors' Meeting Minutes

July 24, 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, Hon. George Gastil, 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 9:00AM. Introductions were made. Tony Kranz explained that there was a flood at Encinitas City hall, which prevented FACT from using the Poinsettia Room. Dave thanked Tony and Encinitas staff for allowing FACT to use the facility for monthly Board Meetings.
Approval of June 26 Board Meeting minutes	<p>Dave said there were a couple grammatical corrections needed to the minutes. He noted that Palomar was misspelled and the word "where" was misused with the word "were".</p> <p>Motion to approve the June 26, 2014 Board Meeting minutes with indicated grammatical corrections made by Bob Campbell. Second by John Aguilera. The motion passed unanimously.</p>

Public Comment	None
Board Chair's Report	Dave said there were a lot of exciting topics to discuss during the meeting. There was nothing specific under Chair's report.
New Board and CAM appointments	<p>Arun said he was pleased to recommend Lemon Grove City Council Member George Gastil as a FACT Board candidate and Craig Jones from Interfaith as a Council on Access and Mobility (CAM) candidate. He said there were currently 8 out of 11 Board seats occupied and 27 out of 30 CAM seats occupied. He summarized George's and Craig's background and transportation interests. Dave clarified that there were no vacant seats on the Board, but members had the ability to add up to 3 additional members if qualified candidates were identified. He said the Board wanted to add diversity by appointing members who represent different regions of the county.</p> <p>George summarized his background and interest in serving on the FACT Board. Craig provided a brief biography and discussed his interest in CAM.</p> <p>Bob thanked Craig for his community work and was pleased he was interested in CAM.</p> <p>Motion to appoint George Gastil to the FACT Board and Craig Jones to CAM made by John Aguilera. Second by Bob Campbell. The motion passed unanimously.</p> <p>The Board congratulated George and Craig on their appointments.</p>

<p>FACT FY 2014-15 INTERIM Budget review, & Finance Committee Report</p>	<p>Arun said the Finance Committee met on July 22, 2014 to review the approved interim budget. He said particular attention was given to the salary & benefits and transportation portion of the budget, which accounted for the largest increases due to additional staffing and the implementation of new transportation services. He summarized the Finance Committee discussion.</p> <p>Arun reviewed the costs and benefits of staff attending conferences. The FY 13-14 travel budget was \$9,500 and expenses were \$8,404. Staff proposed a \$10,000 conference budget for FY 14-15. He reviewed conference attendance by staff in FY 13-14. He indicated that FACT had accommodated the conference travel with a limited budget by leveraging host associations' expense matching. John asked if staff stayed in hotels for the conference in Anaheim. Arun indicated that he stayed 1 night in Anaheim because of an early presentation, but commuted the rest of the conference days. The most recent conference attended, APTA's Bus and Paratransit conference in Kansas city, cost \$1,152, but FACT received an APTA subsidy for \$800. Dave said it was a tremendous honor for Arun to serve on the APTA Board and was great exposure for FACT. Arun reviewed the meetings, presentations, and other benefits that resulted from attending the conference. He mentioned that FACT was going to have a profile posted on the National Center for Mobility Management (NCMM) and the Community Transportation Association of America (CTSA) websites. Bob noted that he requested the conference analysis because of recent media coverage regarding non-profits abusing travel funds. He said he considered staff attending conferences as an investment in FACT.</p> <p>John said the biggest take way from the Finance Committee Meeting was how to categorize unrestricted funds. He said Susan Hafner mentioned that grant funds should not be categorized as reserves. The committee recommended that Arun consult with SANDAG to determine better terminology for categorizing reserves. He said the committee also recommended that indirect and direct costs be identified for each service. Phil said the Finance Committee Meeting went well and he was impressed by Dennis Randall's (FACT's CPA) handling of FACT's books. He said the committee recommended allocating staff time to individual projects and funding sources. He said it was important to know how much staff time was spent per contract, but cautioned not to over complicate the process. He discussed the First Transit (FT) contract and indicated that he was not concerned with the low number of trips due to the contract potential. He said his only concern was FACT overstaffing to manage the contract. He said staff time should be flexible between the FT contract and other services depending on the trip volume. Susan Hafner said she left the</p>
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	<p>meeting feeling comfortable with the budget. She said in the future it was important that the Finance Committee meet before the budget was approved. She recommended scheduling a standing meeting following the Board Meeting, prior to the Board Meeting where budget is itemized for approval. She said an organization was only as good as the processes developed and how they were followed. She said overall it was a great meeting, her questions were answered, and staff was responsive.</p> <p>Danielle Kochman asked if there were numbers missing under the Contracted Transportation column in the Operations Direct category. She said the figures listed did not add up to the Total Operations Direct amount listed at the bottom of the category. Arun said the detailed numbers were missing, but the amount equaled the Operations Direct line items subtracted from Total Operations Direct. Danielle said it would also be beneficial to separate RideFACT from contracted services. Arun said there was a detailed version of the budget that separated RideFACT from contracted services and included additional personnel information. He said the budget was available if requested. LaVonna said she appreciated the Finance Committee taking the time to review the budget. She thanked staff for including a budget summary in the agenda. Phil recommended that the Finance Committee meet quarterly to review the execution of the budget.</p> <p>Motion to approve the FY 2014-15 budget made by Susan Hafner. Second by Phil Monroe. The motion passed unanimously.</p>
<p>Proposed revisions to FACT’s Vehicle Lease Policy</p>	<p>Arun explained that the existing Vehicle Lease Policy was not a procurement policy or a vehicle donation policy. The policy applied to selecting vendors to lease FACT owned vehicles. Dave said this was an important clarification because he was under the impression that the policy included all vehicles that passed through FACT and applied to procedures such as the vehicle lottery. LaVonna asked if the policy was for 5310 vehicles. Arun said the policy would cover all vehicles leased by FACT. Phil asked why the policy could not cover everything. Arun said the Board adopted a policy in response to criticism regarding FACT’s lease procedure. He said in his opinion the criticism was not fair or even valid because FACT was not required to follow a policy. Dave added that the criticism came from the County of San Diego at the lower level, where one person disagreed with the way FACT selected a lessee. He said he felt the situation was different now because FACT had service needs that could be met by leasing vehicles to selected agencies. He said the Executive Director would use discretion to recommend to the Board leasing a vehicle to a particular agency in order to meet a service need.</p>

	<p>Arun said he felt the process should not be bound by an unnecessary competitive process which could lead to unintended consequences. Phil said there should be a process for conducting a vehicle lottery, but FACT could elect to lease vehicles to particular agencies based on service priorities. Dave said the criticism revolved around FACT leasing vehicles to one vendor without an open competitive process. He felt that if a service need would have been identified at the time, the issue may not have escalated. LaVonna said the policy should preempt perceptions of FACT favoring or giving advantage to certain businesses. Dave felt that leasing vehicles to particular vendors to support FACT’s services was part of the organization’s business to provide transportation. Phil said FACT should have the choice to hand pick a lessee in order to accommodate an unmet service need or place the vehicles out for bid if a service priority was not identified. LaVonna felt that the policy language should be reordered to first explain FACT’s service priority for the use of the vehicles and then explain the lottery or competitive bid process. Dave said as FACT matured the policy needed to be reassessed.</p> <p>Dave said FACT’s first priority should be to determine if awarded vehicles could serve an unmet contractual need by leasing them to particular vendors. If there were no unmet service needs, then the lottery or competitive bid process would take place. The Board deferred the action item for the September Board Meeting. Staff would bring a revised policy in September for Board review. Bob added that the vehicles were tools to help provide services and FACT should be able to allocate and use them to serve changing needs. Arun said the future lease terms would allow FACT to reassign vehicles if objectives changed or the needs were not met by the lessee. LaVonna asked what FACT’s liability and insurance requirements were as a lessor. Arun said vehicle maintenance, compliance, and liability was handled by the lessee.</p>
<p>FACT services updates</p> <ul style="list-style-type: none"> • New contracted service requests, 2 contract extensions • Managing 	<p>Arun said there was a new service proposal for a pilot project to provide transportation for the Glenner Memory Care Center. The center was funded for a new program to transport seniors in Chula Vista to the program location. Approximately 5-10 seniors would be picked up from their homes and taken to the program site at 10AM and back to their homes at 2PM. He said Alpha Project was prepared to perform the service for FACT in a cost effective manner. He said FACT submitted a rate and it was tentatively accepted by the Glenner Center.</p> <p>Phil asked how FACT would receive the trip information and what role FACT would play in the trip process. Arun said the service would work similarly to the Poway Adult Day Health Care (PADHC) transportation where the reoccurring trip information was sent to FACT for dispatching to vendors.</p>

<p>growth/demand</p> <ul style="list-style-type: none"> • Report on Medical and Dialysis transportation 	<p>Phil asked if FACT would receive revenue from the contract. Arun said there would be net income as a result of the service. Susan asked what the term was for the Pilot Project. Arun said the project would be short term, but he did not have the specifics. He said he was waiting for information regarding the project start time, duration, parameters, and the contract details. He said it was still preliminary and FACT's proposal was valid for 30 days. He said he was requesting feedback to move forward with the contract and the specifics would be brought back for Board approval.</p> <p>Motion to approve FACT moving forward with a pilot project to perform transportation for the Glenner Memory Care Center made by Bob Campbell. Second by George Gastil. The motion passed unanimously.</p> <p>Arun said the City of Oceanside transportation contract ended in June 2014 and was up for renewal. Approval by the Oceanside City Council to renew the contract with FACT was scheduled for September 2014. He said the contract was signed on July 23, 2014 and the proposed term was July 2014 through June 2015 for a contract amount of \$73,500. The contract incorporated revisions including Oceanside paying FACT for client no shows.</p> <p>Arun said the San Diego County Office of Education (SDCOE) Foster Youth Transportation contract was due to expire in September 2014. SDCOE and FACT staff met in July to review the extension of the contract through February 1, 2015. The total value of the contract was \$150,000 with \$109,000 remaining for the contract extension. He said from staff's perspective there were mixed feelings regarding the contract extension. He said the returns on the contract were low due to the nature of the service, the competitiveness of the contract, and a low administrative mark-up. He explained that after several months of performing the service some issues remained. He said payments were consistently received 3 months after the rides were performed as a result of several back and forth invoice revisions prior to the invoices being approved. FACT was unable to secure a North County provider, therefore the South County provider in some cases had to drive an excessive amount of deadhead miles that were not covered by SDCOE. He said in one case the driver had to travel 50 deadhead miles to pick up a rider. He said the contract was barely net positive and the deadhead miles had a huge impact on the cost. FACT proposed that SDCOE accommodate a cost adjustment or remove the trip from the roster. SDCOE was reluctant to accommodate either proposal and indicated that the contract would have to be rebid if</p>
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amendments were to be made.

John asked what terms the net positive was based on. Arun said he was referring to FACT paying contractors less than what it received from SDCOE, but it was not net positive if administrative expenses were considered. John said he did not see a reason to extend the contract if FACT was having a bad experience and not generating revenue. Tony Kranz said the contract extension should be considered because of the importance of the service, but FACT should have a frank conversation with SDCOE regarding the additional costs. He said if SDCOE required the contract to be placed out for rebid then FACT should not hesitate to ask them to do so. He said if another vendor was prepared to perform the service then it should not concern FACT because the service would continue. Phil wondered if a meeting should take place with SDCOE and include a FACT Board member in the discussion. He said he wanted to hear from Laurie Campbell because it appeared her demeanor had changed since meeting with the Board. Bob agreed with Tony and Phil that a meeting should take place and if SDCOE was not amenable to a cost adjustment then the contract should be rebid. Arun said SDCOE was seeking a response by the end of the week. In response to Phil's comment, Arun said Laurie's demeanor had not changed and she was still a passionate advocate for the students and service. He said despite the issues there was a good working relationship with Laurie and SDCOE. Arun felt that extending the contract would not address the issues, but rebidding would allow FACT to restructure its proposal.

Susan said service contracts should anticipate and capture contractual relationship issues. She indicated that some of these agencies do not have experience in contracted transportation. Defining how FACT operates and identifying expectations of both parties upfront would help preempt issues from arising. Dave said the service was different from other contracted services because the service area was unknown and changed based on students added to the roster. He said due to the nature of the service it was difficult to plan ahead. He felt that once the student routes were established, the only extra work for FACT staff was dealing with SDCOE's billing process. Susan said there should be a prompt payment clause in all FACT contracts. Dave said unless FACT was "losing its shirt", he did not understand why FACT would not try to make the relationship work despite the difficulties. He said he was not sure what FACT's rebid would include. Arun said the extended invoicing process was a time commitment and staff time was becoming more limited due to the growth of services.

Tony said there should be some pushback regarding the invoice process if it was not addressed in the contract. Arun said the contract was not as

explicit or thorough as it should be because FACT and SDCOE were inexperienced with this type of service. The other issue was Laurie's office and the SDCOE finance department both reviewing the invoices, which has led to discrepancies regarding approved trips. He said early in the contract he received emails from Laurie stating that FACT was out of compliance with the contract because it could not perform certain trips. Arun said he informed Laurie that vendors could only perform trips within their capacity. Dave said if the real issue was contractual then the difficulties should be discussed with SDCOE and FACT would assess rebidding on the contract accordingly. Bob said he had done business with SDCOE and from his experience the organization was very bureaucratic, monolithic, and intractable due to the organization's structure and procedures. He explained that Laurie would have no influence in changing SDCOE's procedures.

Phil volunteered to join the meeting to be scheduled with Laurie and an executive level staff at SDCOE. Dave said in the meantime SDCOE requested a response and indicated that he was hearing from the Board that FACT should not extend the contract. Susan said the contract could be extended with new terms and conditions. She recommended extending the contract only if the new terms and conditions were added as an amendment.

Motion to extend the SDCOE Foster Youth Transportation contract with new terms and conditions to be defined based on a meeting with SDCOE to include Board member Phil Monroe made by Susan Hafner. Second by Phil Monroe. The motion passed unanimously.

Arun said as of August 1, 2014 FACT was planning to provide the Poway Adult Day Health Care Center (PADHC) transportation with the help of a new contractor, Safety First (SF), who would take over the service from Sol Transportation. FACT and SF were working with PADHC staff to ensure a smooth transition to the new vendor. Bob asked if Arun could share why FACT was changing vendors. Arun said Sol's rate was cost effective, but FACT received a proposal from SF that was significantly lower. He said it was ultimately PADHC's decision and they agreed to the transition; Sol was given a months' notice.

Arun reviewed RideFACT and contracted service statistics. The monthly ridership per contract was provided. He said the average cost for one way trips was \$19.50 and the average length was 12.1 miles in FY 13-14. There were 1,950 dialysis trips from January 2014 through May 2014 with the most traveled destination being Fresenius Dialysis Centers. Bob asked what the average trip length was for travel to Fresenius. Arun said he did

	<p>not have that information available, but it could be provided. Bob asked if the number of trips per person to dialysis treatment could be reported. Arun and Meagan indicated that dialysis patients travel around 3 to 5 times per week. The most traveled medical destinations from January 2014 through May 2014 were the VA medical Center in La Jolla, Kaiser in San Marcos, and Scripps Green in Torrey Pines.</p>
<p>Monthly Financial Reports, review of check processing</p>	<p>Arun said the Monthly Financial Reports was a standing item. He said there were two (2) sets of monthly Financial Reports provided because the reports were not ready for the June Board Meeting. He requested feedback from the Board on streamlining the check signing process. He said suggestions at the last Board Meeting included maintaining a monthly check registry that would be brought to the Board for review. He requested feedback or a recommendation on how to move forward. He said Susan, Bob, and John were authorized to sign checks. Phil asked what percentage of checks were over \$1,000. Arun said a majority of provider checks were over \$1,000.</p> <p>Danielle said SANDAG required 1 signature from the Finance Director and another from a staff member at the executive level. Bill York from 2-1-1 added that it could be paralyzing to operations when Board check writing authority was required. He said check writing was part of operations and should be handled by staff, but the Board could review the payments after the checks were issued as part of checks and balances. Dave said he wanted to ensure that auditors and the Board were comfortable with the process adopted. Arun said perhaps the Finance Committee could discuss the issue and form a recommendation. Bruce McGrath from AAA Transport recommended having 2 staff signatures for checks over a certain amount and compiling a packet of related documentation for each check. Phil said the City of Coronado had a similar process where a list of warrants were provided for Board review and back up documentation was available for each check. Phil suggested requiring a Board signature on checks over \$5,000, but all provider payments should require 2 staff signature and checks issued to the Executive Director should require two 2 staff signatures other than the Executive Director's. Arun said checks issued to him were not time sensitive and could require a Board signature.</p> <p>Dave said he liked the idea of having a monthly list of checks provided for Board review and agreed with Arun that the Finance Committee should discuss the process. Susan said the bank may need to be notified regarding the changes and felt a recommendation should be brought back in September. She said the recommendation should identify which staff position should have check signing authority. She was in favor of the check registry and limited Board involvement in the signing process. Tony</p>

	<p>wanted to understand how FACT accounted for trips and trip payments in order to prevent fraud. Arun said he could provide that information at the September meeting under the service item. He indicated that each trip was reconciled based on FACT's records of dispatched trips compared to invoices received from providers. Dave proposed that the Finance Committee have a conference meeting to review a draft check registry to understand check patterns. Phil said staff should provide a list of checks issued within the past 2 months and a recommendation that the committee could review before the meeting.</p>
Executive Director Report	<p>Arun thanked Thyme Curtis and Mark Maloney for attending the meeting. He discussed the Travel Connections event on August 12, 2014 and encouraged the Board and guests to attend. Arun thanked Dave and the County for awarding FACT a \$2,000 Community Enhancement Grant. Phil said he would like to amend Arun's comment because he was not supposed to thank individual County Supervisors for awarding county grant funding. Arun said he stood corrected. He said FACT's complaint ratio was extremely low, but the severity of the complaints was alarming. He said several written complaints were received and one was related to discrimination. He said he was concerned because FACT did not have the protection or reserves to handle frivolous lawsuits. He felt that the complaints were responded to effectively, but he wanted to bring the issue to the attention of the Board. Oswaldo Perez added that under Title VI, FACT had a compliance procedure that was followed for each complaint. Dave said the Executive Committee would like to receive monthly updates regarding complaints. LaVonna said she recalled that UCSD had a legal clinic that served non-profits. Arun reminded the Board that there was no Board Meeting in August.</p>
Board member comments/proposed agenda items	None
Adjournment	<p>Dave announced that there was a software demo by Ecolane following the Board Meeting and encouraged Board Members to participate. He said the next Board Meeting was September 25, 2014. He said he was pleased that George joined the FACT Board and thanked Craig for joining CAM. He thanked the Board and guests for attending.</p> <p>The formal meeting adjourned at 10:50AM.</p>

ITEM # 5

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 clarify when the policy shall be used and addresses FACT's organizational priorities as criteria for selecting vendors (PART 1).
- to negotiate lease of two vehicles with brokerage vendor (PART 2).

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 organizational priorities.

During the June and July 2014 meetings, 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.

Please note that the Vehicle Lease Policy does not apply to FACT's process for:

- *Lottery selection used to randomly allocate retired paratransit vehicles to vendors (this process has been discontinued)*
- *Donating retired paratransit vehicles from the local transit agencies*
- *FACT's Procurement Process, adopted in April 2013*

PART 1

Below is the full Vehicle Lease Policy adopted in July 2013 with proposed revisions in highlights

VENDOR SELECTION PROCESS

- 1. FACT may select vendors that specifically address a FACT organizational priority:**

FACT Organizational Priorities – FACT operational and service needs, which include but are not limited to:

- (a) **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.
- (b) **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

Demonstrating the ability to support a FACT organizational priority may in itself serve as a qualification for vendor selection irrespective of the other criteria. The Executive Director will report to the Board a detailed rationale for the vendor selection. 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 particular service if the organizational priority objective is not met or is no longer valid.

If an organizational priority is not identified, FACT will use the following criteria for evaluating prospective vendors:

2. **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
3. **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
4. **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.

METHOD OF SOLICITATION

The Method of Solicitation will only be used by FACT when it has committed in a grant proposal to hold an open competitive process for selecting vendors to lease new grant-funded vehicles.

Consistent with grant program guidelines, an open competitive process is not required if:

- *Identifying vendors to partner with FACT on a joint grant application for new vehicles - FACT may pre-qualify a vendor at the time it submits a grant application for a new grant-funded vehicle.*

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 qualifying for grant funded vehicles. The solicitation process will begin as early as possible and allow sufficient time to complete the brokerage contract within the notification period. FACT also will encourage prospective contractors to join the brokerage on an ongoing basis.

Outreach for Open Competitive Process

- 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.
- 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. All Board of Directors, CAM and TAC (Technical Advisory Committee) members and current brokerage vendors are included in this mailing list.

PART 2

Request for authorization to negotiate lease of two vehicles with brokerage vendor

FACT recently took possession of 2 Caltrans owned small buses (FORD, 2013 E Series Type II Medium Buses 12 passenger, 2 WC). The vehicles were recalled from another grantee and awarded to FACT during September 2014. The vehicles are

insured by FACT and parked on a secured parking lot. FACT would like to offer the vehicles under a lease agreement to one of the brokerage providers.

The lease arrangement would allow FACT to build additional capacity for accessible trips in order to handle demand for LIFT trips as well as other accessible trip needs. Staff is in early discussions with one brokerage vendor at this time. The vendor would take responsibility for all expenses related to the vehicle and would offer a predetermined number of trips to FACT. Those trips would be available to FACT over a mutually agreed upon time frame, with some flexibility built in the terms to accommodate fluctuations in demand.

RECOMMENDATION:

Staff requests the Board review and approve:

- 1 Revised vehicle lease policy.**
- 2 Staff recommendation to enter into negotiations with brokerage vendor for lease of two vehicles**

ITEM # 6

TO: BOARD OF DIRECTORS

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

**RE: Board resolutions for 2014 Section 5310 and *TransNet*
Senior Mini Grant (SMG) proposals**

ISSUE:

Staff requests Board approval to submit grant applications and resolutions for FY 13-14 Section 5310 Program and FY 15-16 *TransNet* Senior Mini-Grant funds.

BACKGROUND:

Overview:

SANDAG recently announced a call for projects for two (2) transportation grants: Section 5310 (Senior and Disabled Specialized Transportation), and *TransNet* Senior Mini-Grant (SMG). Up to two years of funding is available for each grant program.

There is approximately \$1.4 million per year available for SMG and \$2.1 million per year available for Section 5310 projects.

Matching funds are required for all grants, however the federal grants can be matched against local grants and vice versa, therefore it is not anticipated that successful grant proposals will require use of match funds by FACT.

FACT submitted twelve (12) grant proposal drafts to SANDAG on September 12, 2014 for a required first-level review, in support of three (3) projects. Resolutions were not required for the first-level review. Final proposals are due to SANDAG on October 24, 2014. The total amount of the proposed projects is \$1.86 million. The projects are designed in their proposals to be fully funded through the grants available in this cycle. All grant proposal amounts are within the funding limitations set forth in SANDAG's grant program requirements.

Summary of Projects:

Transportation Management Coordination Center (2 Years, 4 grant proposals)

If funded, this project will support FACT's mobility management services and call center operations. FACT is requesting funding from both 5310 and SMG programs.

Trip Subsidy Program (2 Years, 4 grant proposals)

If funded, this project will support subsidized trips for seniors and persons with disabilities. FACT is requesting funding from both 5310 and SMG programs.

Vehicle Fleet Expansion (2 Years, 4 grant proposals)

If funded, this project will support the procurement of up to seven (7) minivans to lease to vendors identified in the grant application. FACT is requesting funding from both 5310 and SMG programs.

PROJECT NAME	GRANT (5310)	MATCH (SMG)	<i>PROJECT TOTAL</i>
Transportation Management Coordination Center (2 Years)	\$400,000	\$400,000	<i>\$800,000</i>
RideFACT Trip Subsidy Program (2 Years)	\$360,000	\$400,000	<i>\$760,000</i>
Vehicle Fleet Expansion (2 Years)	\$240,000	\$60,000	<i>\$300,000</i>
GRANT TOTAL	\$1,000,000	\$860,000	\$1,860,000

RECOMMENDATION:

Staff requests Board approval to submit grant applications and resolutions for FY 13-14 Section 5310 Program and FY 15-16 *TransNet* Senior Mini-Grant funds.

ITEM # 7

TO: BOARD OF DIRECTORS

FROM: Arun Prem, Executive Director

RE: Board Officers Elections - Appointment of Nominating Committee

ISSUE:

FACT Board Officer elections are preceded by appointment of a Board Officer nominating committee in order to prepare a slate of Board Officers for calendar year 2015.

BACKGROUND:

According to FACT bylaws Board Officer elections are held during the Annual Meeting (December 11, 2014).

A nominating committee appointed by the Board prepares the slate of nominees for Board's review.

Portions of FACT bylaws that address Board officer elections are shown below:

**ARTICLE 4
OFFICERS OF THE BOARD**

SECTION 4.1. NUMBER OF OFFICERS The officers of the corporation shall be a Chairperson of the Board (or President), one or more Vice Chairperson (or Vice Presidents), a Secretary, and a Treasurer. The corporation may also have, as determined by the board of directors, assistant secretaries, assistant treasurers, or other officers. Any number of offices may be held by the same person except that neither the secretary nor the treasurer may serve as the president or chairperson of the board. The Executive Director will not be an Officer of the Board.

SECTION 4.2. QUALIFICATION, ELECTION, AND TERM OF OFFICE Only authorized members of the Board may serve as officers. Officers shall be elected by the board of directors at the Annual Meeting. There are no term limits for officers.

SECTION 4.3. SUBORDINATE OFFICERS The board of directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the board of directors.

RECOMMENDATION:

Staff requests the Board to appoint a Board Officers Nominating Committee tasked with proposing a slate for Board Officer positions.

ITEM # 8

TO: BOARD OF DIRECTORS

FROM: Arun Prem, Executive Director and Meagan Schmidt, Service Development Manager

RE: Board Report on FACT's Safety Program Overview

ISSUE:

During the May 2014 Board meeting staff was directed to report back to the Board with an update on FACT's safety program.

INFORMATION

FACT's Brokerage Contract outlines the Safety Program and includes a comprehensive set of requirements that address safety. A few samples are listed here for reference.

DRIVER QUALIFICATIONS, EXPECTATIONS, AND TRAINING

13.2 Background Check. A background check of each person prior to hiring as a vehicle operator. The background check will include, at a minimum, a Motor Vehicle Record (MVR) report and a report from a third party organization experienced at searching for any record of criminal convictions. For continuing employees, the Contractor shall perform a re-check every two (2) years.

13.4 Drivers must conduct themselves with the highest regard for passenger's safety, security, and comfort. Drivers shall follow the practices set forth in the National Safety Council Defensive Driving Course or equivalent:

- A. Cardio-pulmonary resuscitation (CPR)/First Aid*
- B. Passenger assistance training, such as ADAPT or PAT*
- C. Fire suppression*
- D. Drivers are enrolled in the Contractor's DMV Pull-Notice program.*

Removal of Driver is required should:

- *A records check show a felony conviction within the past seven (7) years, or more than two (2) moving violations or chargeable accidents within the previous two (2) years, the CONTRACTOR shall remove such an employee from service under the Agreement.*

- *If a driver may pose an imminent risk to clients, CONTRACTOR shall:*
 - o *14.1 Immediately remove that driver from transporting clients, pending further review.*
 - o *14.2 Investigate the matter further, to determine the level of risk, if any, to clients posed by that driver.*
 - o *14.3 Determine further steps to be taken, which may include:*
 - A. Further Driver training*
 - B. Selective assignments so that the Driver poses a lower risk to clients*
 - C. Temporary suspension*
 - D. Permanent suspension from driving clients*
 - E. Referral to civil authorities, such as licensing or law enforcement as Necessary*
 - o *14.4 Complaint Initiated Verifications. When a client makes a complaint about the qualifications, safety or suitability of a driver, the CONTRACTOR shall:*
 - A. Verify the qualifications of, and investigate the safety and suitability of the involved driver.*
 - B. Comply with the requirements of this Section of the Agreement.*
 - C. Immediately remove drivers found not meeting the terms of this Contract or applicable regulatory requirements from serving clients.*
 - D. Prohibit drivers from transporting clients until deficiencies are documented, corrected, and the driver is re-verified.*

VEHICLES

Applicable Codes and Regulations:

Vehicles utilized in the brokerage are held to California Vehicle Code and subject to California Vehicle Safety Standards, California Public Utilities Code, California Government Code, California Administrative Code, San Diego County Ordinances on Taxi Cabs, Title 13, the CHP Motor Carrier Safety Regulations, and all applicable regulations of the California Air Resources Board and the U.S. Environmental Protection Agency.

Initial and ongoing vehicle maintenance requirements are required by contract and detail is provided below under “vehicle and record inspections”.

OTHER REQUIREMENTS

Drug and Alcohol misuse prevention policies

Drug and alcohol testing, medical and background checks are required for all brokerage drivers

REPORTING - ACCIDENT AND INCIDENT REPORTING PROCEDURES

CONTRACTOR shall develop, implement and maintain formal procedures to respond to accidents, incidents and service interruptions. Such occurrences to be addressed include, but are not necessarily limited to, vehicle accidents, passenger injuries, passenger disturbances, in service vehicle failures, and lift failures.

There have been no liquidated damages assessed to RideFACT brokerage providers to date.

INSURANCE

FACT's Brokerage Contract requires general liability, auto liability and workers compensation insurance. FACT is also required to be listed as "Additional Insured" under the policies.

MONITORING BY FACT

Field Inspections:

In July 2014 FACT began random field inspections on provider vehicle and drivers. Conditions of the vehicle and driver/rider safety is observed and documented.

Vehicle and records inspections:

Brokerage providers must follow CHP maintenance record guidelines and make all records available for inspection. An initial inspection is required prior to commencement of revenue services. Annual inspections by FACT as well as daily pre trip inspection of vehicles by the providers are required.

Vehicle Maintenance:

Standards for vehicle maintenance include vehicle safety, vehicle appearance, vehicle inspections, mechanical maintenance and vehicle reports and records.

Liquidated Damages, Penalties:

19.3 On time performance:

- If the wait time for any trip has been verified to exceed 60 minutes past the scheduled pick up time, the liquidated damages shall be \$25 per incident.*

- *If a trip was Missed, FACT will invoice the CONTRACTOR the actual cost of providing that trip through another provider.*

19.4 Failure to report accident and or injury:

- *Each incident of a serious accident and/or injury requiring an emergency room visit will be subject to a \$100 penalty.*

19.5 Customer Service:

- *Any unresolved complaint shall result in the CONTRACTOR paying a penalty of \$25.*

Brokerage contracts can be terminated in case of:

- Termination for Convenience - 30 days written notice required, this also applies for the provider.
- Termination for Cause - 30 days written notice after breach of contract without remediation of violation(s).
- Failure to Procure Insurance - failure to procure or maintain required insurance shall constitute a breach of contract under which FACT may terminate contract.

FACT's SAFETY RELATED PERFORMANCE

FACT has provided approximately 30,000 trips since its inception in January 2012 and received 10 safety related complaints during this timeframe. There are a range of incidents reported including vehicle speed, securement of mobility devices, and incidents related to rider conduct. In each case the following procedure is followed when an incident is reported:

- Complaint by Rider or Contractor
- Acknowledge complaint receipt
- Investigate with provider
- Incident Report Received
- Discuss changes to be made with provider, or
- Follow-up with rider
- Review of follow-up actions, process/steps and necessary changes before moving forward

FACT regularly reviews safety concerns with staff and providers. Any reports on safety related incidents are addressed promptly as per policy, documentation is filed

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and follow-up with providers and riders is completed. During FY 2013-14 FACT updated its insurance coverages in order to manage the liability.

ITEM # 9

TO: BOARD OF DIRECTORS

FROM: Arun Prem, Executive Director and Meagan Schmidt, Service Development Manager

RE: Monthly Financial Reports
• Check Signing Process - Finance Committee Recommendation

ISSUE

Staff requested the Board for a review of the check signing procedures. Based on recent Board discussions, staff recommendations and data on recent checks were forwarded to the Finance Committee.

BACKGROUND

Staff requested the Board to review the check signing process in order to streamline payments early during June 2014. During July the Board requested the Finance Committee (Board members Hon John Aguilera, Susan Hafner and Phil Monroe) to assist staff with a recommendation.

The general consensus around this issue at the most recent and prior Board meetings was to discontinue 2 signatures on checks and instead provide a registry of checks for the recent month at the Board meeting.

Staff were asked to provide a check registry for the most recent 2 -month period as well as a recommendation on the revised process to the Finance Committee for review.

The following information was provided to the Finance Committee:

1. Minutes from last Board meeting on the Check signing discussion (below),
2. A check registry for all Checks from July and August 2014 as requested (attached) .

FACT's internal auditor Inna Stens (Sonnenberg and Co.) was comfortable with the general recommendation discussed in the July 2014 minutes.

Staff Recommendation to the Finance Committee:

- Checks will be signed by the Executive Director

- Checks drawn in favor of the Executive Director will be signed by a Board member
- A check registry will be provided to the Board regularly in a format prescribed by the Board

RECOMMENDATION

Staff requests the Board to consider the Finance Committee's recommendation regarding revisions to the check signing process.

ITEM # 10

TO: Board of Directors

FROM: Arun Prem, Executive Director

RE: Executive Director Report

Meetings and Events 7/24/214 - 9/24/14

7/31 APTA Integrated Mobility Working Group conference call

8/1 Oceanside Art Walk - FACT hosted Teri, Inc. client artwork - Budd and Jonathon attended

8/5 Oswaldo attended VTCLI Project Team Mtg. at 2-1-1

8/12 CAM Mtg. and Travel Connections Event funded by County grant

8/12 Noah participated in a NIAC Fleet Safety webinar

8/26 Meagan, Oswaldo, and 2-1-1 staff visited VTCLI site in San Bernardino

8/28 Mtg. with Mark Maloney, First Transit

9/1 Labor Day HOLIDAY

9/3 Mtg. with Danna Cotman, attorney

9/3 Meagan met with Driss Choufa, Hybrid Transportation - potential LIFT provider

9/4 Mtg. with Mark Maloney, First Transit

9/5 Internal Audit by Inna Stens, CPA, Audit Manager, Sonnenberg & Co.

9/8 Oswaldo met with CSUSM Senior Experience Team

9/9 Oswaldo attended One Call One Click Project Team Mtg. at 2-1-1

9/9 AAA & Safety First file audit for Lift contract

9/10 Lunch Mtg. with Thyme Curtis, Office of ADA Compliance and Accessibility

9/11 Leticia attended MTS's Accessible Services Advisory Committee

9/12 Oswaldo and Caltrans staff picked up 5310 vehicles from Valley Center

9/12 Agenda Mtg. with Dave and Bob

9/15 Meagan attended SSTAC Mtg.

9/15 Arun and Noah met with RideFACT rider Warren Lambert

9/16 Oswaldo attended cost allocation workshop at OCTA

9/18 NCTD Board Mtg.; follow up meeting with Board members John Aguilera and Tony Kranz

9/23 Meagan - FACT presentation for Fresenius Social Workers

Upcoming Meetings and Events:

9/25 TDA Audit

10/21 CAM Mtg.

10/23 Board Mtg.

ITEM # 13**TO: BOARD OF DIRECTORS****FROM: Arun Prem, Executive Director and Meagan Schmidt, Service Development Manager****RE: FACT Monthly Services update****ISSUE:**

This item presents monthly RideFACT and contracted services updates for June and July 2014.

BACKGROUND:

Jun-14	Jun-14	Jul-14
CONTRACT	ONE-WAY TRIPS	ONE-WAY TRIPS
First Transit	312	293
Poway	411	523
Oceanside	351	355
SDCOE	202	40
TOTAL	1,276	1,211

***Poway and Oceanside ridership are included in RideFACT service statistics**

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 (Value upto \$ 66,150; 11-month contract ending June 30, 2014). This service is available to Oceanside residents for trips within the city and neighboring cities and some medical destinations. Approximately 1,400 clients are pre registered to use this service. The contract was recently extended through June 2015. The contract amount is \$73,500.

From September 2013 - July 2014, FACT has invoiced City of Oceanside for 2,712 trips for \$32,587.78.

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.

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.

At the direction of the Board, Arun sent an e-mail to SDCOE requesting an amendment to the contract to include reimbursement for deadhead mileage, driver availability expectations and payment terms. An amendment from SDCOE with the revised terms was received and signed in early September 2014.

In late August, FACT received an RFP notice from SDCOE for a new contract to provide transportation services to foster youth from October 1, 2014 - October 1, 2015 with up to four one-year options to renew. FACT submitted a proposal including the terms of the amendment on September 17th.

From February - July 2014, FACT has invoiced SDCOE for 954 trips for \$43,389.42.

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.

A total of 6,785 trips have been provided from January 2013 - July 2014; total amount invoiced - \$90,214.04. As of August 1, 2014 FACT has provided the service with the help of a new contractor, Safety First.

RideFACT Service statistics ytd for current fiscal year July 2013 - July 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.	13.8

								86	
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	14541	2242	12289	8128	1248	182			
FISCAL YEAR 2013-14									
Jul-13	2,067	194	1,873	1,203	157	26	473	\$16.74	12.2
Aug	2,308	162	2,146	1,395	154	26	559	\$16.95	12.7
Sep	2,608	115	2,493	1,486	163	37	787	\$20.43	12.1
Oct	2,655	165	2,490	1,696	244	63	469	\$21.06	12
Nov	2,582	170	2,412	1,568	180	27	630	\$21.39	12.2
Dec	2,389	115	2,274	1,585	198	42	445	\$20.77	12.1
Jan-14	2,690	174	2,516	1,653	197	48	617	\$16.31*	11.7
Feb	2,570	140	2,430	1,577	180	41	628	\$19.45	11.7
Mar	2,725	120	2,605	1,683	181	26	682	\$19.52	12.2
Apr	2,711	151	2,560	1,633	238	32	644	\$18.	12.1

								97	
May	2,970	154	2,816	1,787	263	36	689	\$19.53	11.7
June	3,009	214	2,795	1,770	315	40	621	\$19.68	11.5
July	2,763	172	2,591	1,769	198	32	512	\$19.13	11.9
SubTotal	34,047	2046	32,001	20,805	2668	476			
TOTAL	48,588	4288	44,290	28,933	3916	658			

***NOTES**

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

RECOMMENDATION: None