

Board of Directors
NATALIE ARROYO
City of Eureka
REX BOHN
County of Humboldt
STEVE LADWIG
City of Trinidad
JULIE WOODALL
City of Rio Dell
PAUL PITINO
City of Arcata
TAMI TRENT
City of Fortuna
MIKE WILSON
County of Humboldt

HTA Board Staff
GREG PRATT
General Manager
BRENDA FREGOSO
Secretary to the Board



Humboldt Transit Authority
Governing Board of Directors
HTA Conference Room - 133 V Street Eureka

AGENDA
TELECONFERENCE

ZOOM MEETING INSTRUCTIONS
MEETING ID: 674 131 2040
BY PHONE 1 (408) 638-0968
BY COMPUTER: <https://us02web.zoom.us/j/6741312040>

Wednesday, July 1, 2020

10:00 AM

Regular Meeting

A. Call Meeting To Order

B. Roll Call & Introductions

C. Community Members Communication

Members of the community are invited to comment on items or issues not on the agenda.

D. Special Presentations

E. Consent Calendar

By motion, recommend the approval of the following items considered to be routine and enacted in one motion. Items may be removed from the consent calendar upon request and will be heard separately.

1. Minutes from the June 3, 2020 Regular Board Meeting Page 03
Action Recommended: Approve minutes
2. Agreements between Humboldt State University and the Humboldt Transit Authority Page 05
The contract states that between Humboldt State University and Humboldt Transit Authority for the Jack Pass are up for renewal.
Action Recommended: Approve the Draft Specifications between Humboldt Transit Authority and Humboldt State University for bus service for Willow Creek, Eureka Transit, and Redwood Transit and Authorize the General Manager to Execute the Final Contracts.
3. Humboldt Transit Authority Public Transportation Agency Safety Plan (PTASP) Page 12
HTA would like to establish a Public Transportation Agency Safety Plan to increase the safety of its drivers and passengers and to strengthen the agency's safety and risk management program.
~PTASP Enclosed
Action Recommended: Approve Humboldt Transit Authority's Public Transportation Agency Safety Plan by adopting Resolution 20-05

4. 2019-2020 FY Budget Continuation until Adoption of 2020-2021 FY Budget Page 14
Staff is recommending adoption of Resolution 20-06 to continue the current fiscal year budget. The final 2020-2021 fiscal year budget will be ready for Board review and adoption at its August Board meeting,
Action recommended: Continue HTA's 2019-2020 Budget until adoption of the 2020-2021 budget by adopting Resolution 20-06

F. Items Removed from Consent Calendar

G. New Business

1. Responses to the 2018/19 Fiscal and Compliance Audit Page 16
During the board's regular June 2020 meeting the 2018/19 Fiscal and Compliance Audit was presented. The board directed staff to prepare the necessary responses to the entity affected by the audit findings. Those responses are included in this packet for the board's final review.
Action Recommended: Review staff's responses to the Fiscal and Compliance Audit, if approved direct staff to send those responses to the entity affected by those findings.
2. Preliminary Budget for Humboldt Transit Authority FY 2020/21 Page 20
Staff has prepared a preliminary budget for the Consolidated Transportation Services Agency, operating the Redwood Transit System, the Eureka Transit Service, Willow Creek & Southern Humboldt Intercity Systems, and for contracting with the City of Arcata for maintenance services.
Action Recommended: Review the budget as proposed by staff and recommended by the Finance and Operations Committee. Make changes if necessary. If approved, direct staff to publish a notice regarding public input on the proposed budget.

H. Reports

1. March 2020 statistics and financial statements for all systems operated by HTA. Handout
Action Recommended: Receive and file

I. Closed Session

None

J. Board Communications

K. Staff Communications

L. Adjournment

Humboldt Transit Authority (HTA) is committed to a policy of non-discrimination pursuant to the requirements of Title VI of the Civil Rights Act of 1964. Persons who require special accommodations, accessible seating, or documentation in alternative formats under the American with Disabilities Act or persons who require translation services (free of charge) should contact HTA at least two days prior to the meeting.

Humboldt Transit Authority (HTA) se compromete a una norma de no discriminación de acuerdo a los requisitos del Artículo VI del Acto Derechos Civiles de 1964. Las personas que requieren alojamiento especial de acuerdo con el American with Disabilities Act, o personas que requieren servicios de traducción (libre de cargo) deben comunicarse con HTA al menos dos días antes de la reunión.

**Minutes HTA Regular Board Meeting
Video Conference Meeting
June 3, 2020
10:00 AM**

PRESENT

Board Members

Paul Pitino, Chair
Natalie Arroyo, City of Eureka
Steve Ludwig, City of Trinidad
Rex Bohn, County of Humboldt
Tami Trent, City of Fortuna
Mike Wilson, County of Humboldt

ABSENT

Julie Woodall, City of Rio Dell

STAFF

Greg Pratt, General Manager
Alene Webb, Finance Manager
Consuelo Espinosa, Safety & ADA

Brenda Fregoso, HR Manager
Brian Connors, Operations Manager
Jim Wilson, Director of Maintenance

A. CALL TO ORDER

Chairperson Pitino called the meeting to order at 10:05am.

B. ROLL CALL & INTRODUCTIONS

Also on the video conference call were: Catherine Sundquist, City Ambulance; Barbara Guest, Anderson Lucas Somerville & Borges; Oona Smith, HCAOG; Genevieve Evans, LSC Transportation Consultants

C. CITIZEN'S COMMUNICATIONS

None

D. SPECIAL PRESENTATIONS

None

E. CONSENT CALENDAR

By motion, recommended the approval of the following items considered to be routine and enacted in one motion. Items may be removed from the Consent Calendar upon request and will be heard separately.

1. Minutes from the May 6, 2020 Regular Board Meeting

Action Recommended: Approve minutes

2. Agreement Between the Humboldt Transit Authority and CAE Transport, Inc. for Paratransit Transportation (Dial-A-Ride) Services

Staff is recommending a one-year contract for CAE Transport to provide Dial-A-Ride services in Humboldt County.

Action Recommended: Approve Agreement between the Humboldt Transit Authority and CAE Transport, Inc. for Paratransit Transportation (Dial-A-Ride) Services

***Motion by Councilmember Wilson, second by Councilmember Arroyo to approve the Consent Calendar.
Motion carries unanimously***

F. ITEMS REMOVED FROM THE CONSENT CALENDAR

None

G. NEW BUSINESS

a. 2018/2019 Fiscal & Compliance Audit

Barbara Guest with Anderson, Lucas, Somerville, & Borges presented the 2019/19 Fiscal & Compliance Audit to the board and went over some highlights and finds. General Manager Greg Pratt discussed the TDA and Excess funds.

Motion by Councilmember Wilson, second by Councilmember Arroyo to approve compliance audit and prepare necessary responses.

b. Fiscal Years 2016-2017 through 2018-19 Triennial Performance Audits

Genevieve gave a power point presentation that provided the overall evaluated efficiency, effectiveness, and economy of the operation with a historical overlook of the entity. The integration of the AMRTS was brought up as a verbal recommendation but was not included in the report, however AMRTS has its own performance audit.

The Triennial Performance Audit for the Humboldt Transit Authority was accepted.

c. Mobility on Demand Strategic Development Plan

Oona Smith with HCAOG gave an overview of HCAOG's MOD Strategic Development Plan and the potential pilot projects that have been identified for the region.

Received report with much discussion about the MOD Plan and its content and that more research needed to be conducted as the strategic plan should solely focus on new technologies and not reconstructing HTA.

d. Humboldt Transit Public Transportation Agency Safety Plan (PTSAP)

Greg Pratt reported that HTA would like to establish a Public Transportation Agency Safety Plan to increase the safety of its drivers and passengers and to strengthen the agencies safety and risk management program.

Draft was reviewed and this topic be placed on the July 1, 2020 Agenda for additional discussion and for final approval.

H. REPORTS

November stats and financial statements for all system were received and filed.

H. CLOSED SESSION

None

I. BOARD COMMUNICATIONS

Paul and Rex thanked staff for making this operation happen.

J. STAFF COMMUNICATIONS

Greg reported that ridership is down by 75% due to pandemic and that new service adjustments were made effective May 18, 2020, with the collection of fares.

Alene reminded board members about the finance committee meeting on July 1, 2020.

K. ADJOURNMENT

11:25 am



133 V Street
Eureka, CA 95501

A Public Entity Serving Humboldt County Since 1976

Office: (707) 443-0826
Fax: (707) 443-2032
www.hta.org

TO: Chair Pitino
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: July 24, 2019

SUBJECT: Humboldt State University Jack Pass Contracts

Humboldt Transit Authority has been under contract with Humboldt State University since 2008 to provide transportation services for students, faculty, and staff in an item known as the "Jack Pass." Due to the constant change in ridership, the terms of the contracts are renewed yearly. The contracts up for renewal are for the Redwood Transit System, the Eureka Transit Service and the Willow Creek System for the duration of July 1, 2020 to June 30, 2021. Contract amounts are based on the prior year ridership statistics for Jack Pass usage. Ridership was down 15% from the prior year.

Action Recommended: Approve the Draft Specifications between Humboldt Transit Authority, and Humboldt State University for bus service for Willow Creek, Eureka Transit, and Redwood Transit and Authorize the General Manager to Execute the Final Contracts.

2020 - 2021 Transportation Specifications for the Redwood Transit System

The Redwood Transit System (RTS) will provide all labor, equipment, materials and any other costs necessary to provide transportation services for Humboldt State University (HSU) students, faculty and staff under the following specified terms:

The Redwood Transit System (RTS) will provide regular, scheduled bus service to all published stops on all published routes during all published hours of operations for the period encompassing July 1, 2020 thru June 30, 2021.

Transportation services for all HSU students, faculty and staff shall be subsidized by HSU in accordance with the following:

- Upon boarding, the rider shall be required to swipe either a HSU photo identification card or a five-day temporary JackPass card, through the onboard electronic fare box to validate ridership. In addition, the RTS driver shall make efforts to validate ridership via visual verification that the photo on the HSU photo identification card matches the rider.
- The subsidized fare shall be made available to the rider at the time of the ride. Pre-purchased transportation passes or other types of transportation passes/tickets shall not be required. RTS shall provide, at no charge, five day JackPass temporary passes to the University which may, in turn, be issued to new customers or those experiencing issues with ridership validation with their HSU photo identification card.
- HSU will provide RTS with written notification of changes in HSU identification cards so as to ensure RTS is able to maintain accurate valid rider information within the electronic fare box and ridership controls system operated by RTS.
- RTS shall record ridership and present a monthly report to HSU detailing ridership and statistical data. Said report shall be submitted no later than one week following the end of each month. Reports may be submitted to: Humboldt State University, Facilities Management, Building 46, Arcata, CA 95521.

RTS shall actively work with Jeanne Rynne, Associate Vice President- Facilities Management (707) 826-3646, or her designee, to coordinate successful completion of these services including changes in schedule and location of stops on campus and other campus-related transit planning.

The total amount of the contract is based on the ridership as measured between April 1, 2019 thru March 31, 2020 and cost per passenger for JackPass qualified riders, or otherwise agreed to by all parties. Please see Method 2 outlined in Exhibit B. Ridership during this period was established at 95,769 passengers; JackPass qualified rider cost per passenger has been established at **\$1.93**. Therefore, the total contract value for FY20/21 shall be a flat rate of One Hundred Eighty-Four Thousand Eight-hundred and Thirty-Four Dollars (\$184,834) for unlimited rides on RTS for those individuals complying with the terms of ridership as defined above and throughout the terms of this contract.

Payment is to be made in two installments. Payment of one-half of the contract total in the amount of Ninety Three Thousand One Hundred and Forty-Five Dollars and Fifty Cents (\$93,145.50) shall be due on October 31, 2020. The second installment shall be the remaining one-half of the contract total in the amount of Ninety Three Thousand One Hundred and Forty-Five Dollars and Fifty Cents (\$93,145.50) and shall be due on March 30, 2021.

Payment is to be made upon receipt of invoice submitted to Humboldt State University, Facilities Management, Building 46- Plant Operations, Arcata, CA 95521, House #13, Arcata, CA 95521.

The term of this contract shall encompass July 1, 2020 through June 30, 2021. Service shall commence on July 1, 2020.

This contract may be re-evaluated October 31, 2020 based on review of ridership data for April 1, 2020 – September 30, 2020 and HSU campus repopulation plans for Spring Semester 2021. Any changes will be issued by amendment and agreed to by both parties.

This contract may be cancelled by either party upon thirty (30) days written notice. This contract is not a continuous agreement beyond the dates specified herein. Subsequent contracts, if any, will be prepared as separate agreements and this agreement is not contingent assurance of continuation.

2020 - 2021 Transportation Specifications for the Eureka Transit System

The Eureka Transit System will provide all labor, equipment, materials and any other costs necessary to provide transportation services for Humboldt State University (HSU) students, faculty and staff under the following specified terms:

The Eureka Transit System (ETS) will provide regular, scheduled bus service to all published stops on all published routes during all published hours of operations for the period encompassing July 1, 2020 thru June 30, 2021.

Transportation services for all HSU students, faculty and staff shall be subsidized by HSU in accordance with the following:

- Upon boarding, the rider shall be required to swipe either a HSU photo identification card or a five-day temporary JackPass card, through the onboard electronic fare box to validate ridership. In addition, the ETS driver shall make efforts to validate ridership via visual verification that the photo on the HSU photo identification card matches the rider.
- The subsidized fare shall be made available to the rider at the time of the ride. Pre-purchased transportation passes or other types of transportation passes/tickets shall not be required. ETS shall provide, at no charge, five day JackPass temporary passes to the University which may, in turn, be issued to new customers or those experiencing issues with ridership validation with their HSU photo identification card.
- HSU will provide ETS with written notification of changes in HSU identification cards so as to ensure ETS is able to maintain accurate valid rider information within the electronic fare box and ridership controls system operated by ETS.
- ETS shall record ridership and present a monthly report to HSU detailing ridership and statistical data. Said report shall be submitted no later than one week following the end of each month. Reports may be submitted to: Humboldt State University, Facilities Management, Building 46- Facilities Management, Arcata, CA 95521.

ETS shall actively work with Jeanne Rynne, Associate Vice President- Facilities Management (707) 826-3646, or her designee, to coordinate successful completion of these services including changes in schedule and location of stops on campus and other campus-related transit planning.

The total amount of the contract is based on ridership as measured between April 1, 2019 and March 31, 2020 and cost per passenger for JackPass qualified riders, or otherwise agreed to by all parties. Please see Method 2 outlined in Exhibit B. Ridership during this period was established at 7,709 passengers; JackPass qualified rider cost per passenger has been established at \$1.00. Therefore, the total contract value for FY20/21 shall be a flat rate of Seven Thousand Seven Hundred Nine Dollars and Zero Cents (\$7,709.00) for unlimited rides on ETS for those individuals complying with the terms of ridership as defined above and throughout the terms of this contract.

Payment is to be made in two installments. Payment of one-half of the contract total in the amount of Three Thousand Eight Hundred Fifty-Four Dollars and Fifty Cents (\$3,854.50) shall be due on October 31, 2020. The second installment shall be the remaining one-half of the contract total in the amount of Three Thousand Eight Hundred Fifty-Four Dollars and Fifty Cents (\$3,854.50) and shall be due on March 31, 2021.

Payment is to be made upon receipt of invoice submitted to Humboldt State University, Contracts, Procurement & Accounts Payable, Student Business Services, Arcata, CA 95521.

The term of this contract shall encompass July 1, 2020 through June 30, 2021. Service shall commence on July 1, 2020.

This contract may be re-evaluated October 31, 2020 based on review of ridership data for April 1, 2020 – September 30, 2020 and HSU campus repopulation plans for Spring Semester 2021. Any changes will be issued by amendment and agreed to by both parties

This contract may be cancelled by either party upon thirty (30) days written notice. This contract is not a continuous agreement beyond the dates specified herein. Subsequent contracts, if any, will be prepared as separate agreements and this agreement is not contingent assurance of continuation.

2020 - 2021 Transportation Specifications for the Willow Creek Service

The Willow Creek Service (WCS) will provide all labor, equipment, materials and any other costs necessary to provide transportation services for Humboldt State University (HSU) students, faculty and staff under the following specified terms:

The Willow Creek Service (WCS) will provide regular, scheduled bus service to all published stops on all published routes during all published hours of operations for the period encompassing July 1, 2020 thru June 30, 2021.

Transportation services for all HSU students, faculty and staff shall be subsidized by HSU in accordance with the following:

- Upon boarding, the rider shall be required to swipe either a HSU photo identification card or a five-day temporary JackPass card, through the onboard electronic fare box to validate ridership. In addition, the WCS driver shall make efforts to validate ridership via visual verification that the photo on the HSU photo identification card matches the rider.
- The subsidized fare shall be made available to the rider at the time of the ride. Pre-purchased transportation passes or other types of transportation passes/tickets shall not be required. WCS shall provide, at no charge, five day JackPass temporary passes to the University which may, in turn, be issued to new customers or those experiencing issues with ridership validation with their HSU photo identification card.
- HSU will provide WCS with written notification of changes in HSU identification cards so as to ensure WCS is able to maintain accurate valid rider information within the electronic fare box and ridership controls system operated by WCS.
- WCS shall record ridership and present a monthly report to HSU detailing ridership and statistical data. Said report shall be submitted no later than one week following the end of each month. Reports may be submitted to: Humboldt State University, Facilities Management, Building 46- Plant Operations, Arcata, CA 95521.

WCS shall actively work with Jeanne Rynne, Associate Vice President- Facilities Management (707) 826-3646, or her designee, to coordinate successful completion of these services including changes in schedule and location of stops on campus and other campus-related transit planning.

The total amount of the contract is based on ridership as measured between April 1, 2019 thru March 31, 2020 and cost per passenger for JackPass qualified riders, or otherwise agreed to by all parties. Please see Method 2 outlined in Exhibit B. Ridership during this period was established at 427 passengers; JackPass qualified rider cost per passenger has been established at \$3.05. Therefore, the total contract value for FY2020/21 shall be a flat rate of One Thousand Three Hundred Twelve Dollars and Zero Cents (\$1,312.00) for unlimited rides on WCS for those individuals complying with the terms of ridership as defined above and throughout the terms of this contract.

Payment is to be made in two installments. Payment of one-half of the contract total in the amount of Six Hundred Fifty-Six Dollars and Zero Cents (\$656.00) shall be due on October 31, 2020. The second installment shall be the remaining one-half of the contract total in the amount of Six Hundred Fifty-Six Dollars and Zero Cents (\$656.00) and shall be due on March 31, 2021.

Payment is to be made upon receipt of invoice submitted to Humboldt State University, Contracts, Procurement & Accounts Payable, Student Business Services, Arcata, CA 95521.

The term of this contract shall encompass July 1, 2020 through June 30, 2021. Service shall commence on July 1, 2020.

This contract may be re-evaluated October 31, 2020 based on review of ridership data for April 1, 2020 – September 30, 2020 and HSU campus repopulation plans for Spring Semester 2021. Any changes will be issued by amendment and agreed to by both parties

This contract may be cancelled by either party upon thirty (30) days written notice. This contract is not a continuous agreement beyond the dates specified herein. Subsequent contracts, if any, will be prepared as separate agreements and this agreement is not contingent assurance of continuation.



133 V Street
Eureka, CA 95501

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Office: (707) 443-0826
Fax: (707) 443-2032
www.hta.org

TO: Chair Pitino
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: June 3, 2020

SUBJECT: Humboldt Transit Authority Public Transportation Agency Safety Plan (PTASP)

On July 19, 2018, Federal Transit Administration (FTA) published the Public Transportation Agency Safety Plan (PTASP) Final Rule, which requires certain operators of public transportation systems that receive federal funds under FTA's Urbanized Area Formula Grants to develop safety plans that include the processes and procedures to implement Safety Management Systems (SMS). The PTASP rule became effective on July 19, 2019, with a compliance deadline of July 19, 2020. Due to COVID-19, that deadline was extended to December 31, 2020.

The rule applies to all operators of public transportation systems that are recipients and sub-recipients of federal financial assistance under the Urbanized Area Formula Program (49 U.S.C. § 5307); recipients of FTA's Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program (Section 5310) and/or Rural Area Formula Program (Section 5311) are currently excluded. Therefore, the Authority who only receives financial assistance via Section 5310 and Section 5311 is not required to have a PTASP at this time. However, the Authority's senior management team and its Sedgwick safety and risk management consultant, believe that establishing and implementing the program now will strengthen the Authority's safety and risk management program, thus providing increased safety for the public who use the Authority's services and the safety of the Authority's employees while also reducing operating costs through improved safety and risk management.

The Authority's PTASP was developed over the past 12 months by the Authority's PTASP team. The team consists of the: General Manager, Finance Manager, Human Resources Manager, Director of Maintenance, Operations Manager, and the Safety & ADA Coordinator, with guidance from the Authority's Sedgwick safety and risk management consultant.

The PTASP team will manage and monitor the Authority's PTASP monthly and prepare an updated plan to present to the Board annually for its approval. Staff reviewed the PTASP with the HTA Board at the June 3, 2020 regular meeting and did not receive any comments or additions to the Plan.

Action Recommended: Approve the Public Transportation Agency Safety Plan for the Humboldt Transit Authority by adopting Resolution 20-05.

RESOLUTION NO. 20-05,
APPROVING THE PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) FOR THE
HUMBOLDT TRANSIT AUTHORITY

WHEREAS, the Humboldt Transit Authority directly operates, oversees safe, friendly, and reliable public transportation in the County of Humboldt; and

WHEREAS, the Redwood and Eureka Transit and are local fixed-route and Willow Creek and Southern Humboldt are intercity systems operated by the Humboldt Transit Authority. The local paratransit public transportation service is operated through a sub-contractor by CAE Transport Inc.; and

WHEREAS, the Public Transportation Agency Safety Plan formalizes safety programs and procedures in place at the Humboldt Transit Authority and improves the safety risk management, safety assurance, and safety oversight processes; and

WHEREAS, the safe operation of public transportation for Humboldt Transit Authority is the top priority of the Authority and the Governing Board.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Humboldt Transit Authority does hereby approve and accept the agency's 2020/21 Public Transportation Agency Safety Plan.

PASSED AND ADOPTED by the Governing Board of the Humboldt Transit Authority on this 1st day of July, 2020, by the following vote:

AYES:
NOES:
ABSENT:

Name: Paul Pitino

Title: Chair of the Governing Board of Directors

Signature: _____

Date: _____

Attest: _____

Secretary to the Board



133 V Street
Eureka, CA 95501

A Public Entity Serving Humboldt County Since 1976

Office: (707) 443-0826
Fax: (707) 443-2032
www.hta.org

TO: Chair Pitino
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: July 1, 2020

SUBJECT: Continuing 2019-2020 FY Budget until Adoption of 2020-2021 Budget

Staff typically presents a preliminary annual budget for the upcoming fiscal year to the Board for review at its May meeting. After Board approval of the preliminary budget, staff then publishes notice seeking input on the proposed budget and brings the final budget to the Board in May or June, before the beginning of the fiscal year.

Staffing constraints due to COVID-19 this year have delayed preparation of the 2020-2021 budget. The preliminary budget has been reviewed by the Finance and Operations Committee and will be presented to the Board at its regular meeting on July 1, 2020. If approved, staff will publish notice and prepare the final 2020-2021 for Board review and adoption at its regular meeting on August 5, 2020.

In order to fund HTA operations and activities until the 2020-2021 budget is approved, the Board is being asked to adopt Resolution 20-06 which will continue 2019-2020 budget until adoption of the 2020-2021 budget.

Action recommended: Continue HTA's 2019-2020 Budget Until Adoption of the 2020-2021 Budget by Adopting Resolution 20-06

Resolution No. 20-06

**A Resolution of the Governing Board of the Humboldt Transit Authority
Continuing the 2019-2020 Fiscal Year Authority Budget Until
Adoption of the 2020-21 Fiscal Year Authority Budget**

WHEREAS, the Humboldt Transit Authority's joint powers agreement requires the HTA Governing Board to adopt an annual budget for each fiscal year starting on July 1 and ending the following June 30;

WHEREAS, the Governing Board typically adopts the annual budget at a meeting that occurs before the end of the prior fiscal year and after reviewing a preliminary budget at an earlier meeting;

WHEREAS, due to unusual staffing constraints due to COVID-19, the 2020-2021 final budget will not be ready for Board adoption before the end of the 2019-2020 fiscal year;

WHEREAS, the Governing Board reviewed a preliminary 2020-2021 budget at its regular meeting on July 1, 2020;

WHEREAS, the Governing Board desires to continue the 2019-2020 fiscal year budget until the 2020-2021 fiscal year budget can be adopted, most likely on August 5, 2020.

NOW THEREFORE, BE IT RESOLVED the Governing Board of the Humboldt Transit Authority hereby extends the 2019-2020 fiscal year budget until such time as the 2020-2021 fiscal year budget is adopted.

APPROVED:

DATED: _____, 2020

Chair of the HTA Governing Board

ATTEST:

DATED: _____, 2020

Secretary to the Board

Secretary's Certificate

I hereby certify that the foregoing is a true and correct copy of Resolution No. 20-06 passed and adopted at a regular meeting of the HTA Governing Board, Eureka, California, held on the ____ day of _____, 2020 by the following vote:

AYES:

NOES:

ABSENT:

HTA Board Secretary



133 V Street
Eureka, CA 95501

A Public Entity Serving Humboldt County Since 1976

Office: (707) 443-0826
Fax: (707) 443-2032
www.hta.org

TO: Chair Pitino
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: July 1, 2020

SUBJECT: Responses to the FY 2018/19 TDA Fiscal and Compliance Audit

This is to acknowledge the management letter (attached) of April 15, 2020, from Anderson, Lucas, Somerville, & Borges, LLP the certified public accounting firm who performed the audit. Staff has reviewed the Report on Audit of the Humboldt Transit Authority for the Year Ended June 30, 2019, and related comments regarding their findings. The following represents our recommended response to the same:

CURRENT YEAR FINDINGS

1. Compliance with TDA Fund Eligibility

Finding: Excess operating funds received: Because HTA was successful in receiving State and Federal Grants, there was \$150,747 in excess TDA operating funds for the Willow & Southern Humboldt Intercity Bus Systems, and \$33,752 in excess for the Old Arcata Road Pilot Program.

Solution: I have communicated this with a representative from the County regarding following the auditor's solution (b) for HTA to restrict excess TDA funds in the amount of \$150,747 for capital expenditures for Intercity Systems and to follow the auditor's solution (c) to repay the excess TDA funds from the Old Arcata Road Pilot Program in the amount \$33,752 to the Transportation Planning Agency (HCAOG).

Action Recommended: 1. Review and discuss. 2. If approved, direct staff to notify the affected member entities.



ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

CERTIFIED PUBLIC ACCOUNTANTS

KEITH D. BORGES, CPA
BARBARA J. GUEST, CPA
RITA CHISM
VANESSA ANDERSON, EA

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JAMES M. ANDERSON (1964-2001)
EUGENE B. LUCAS (1950-2013)
DAVID A. SOMERVILLE, INACTIVE

April 15, 2020

Board of Directors
Humboldt Transit Authority
133 V Street
Eureka, California 95501

Ladies and Gentlemen,

We have audited the financial statements of Humboldt Transit Authority (HTA) for the year ended June 30, 2019 and have issued our report thereon dated April 15, 2020. As part of our audit, we reviewed and tested HTA's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards.

The objective of internal accounting control is to provide reasonable, but not absolute assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of HTA's system of internal accounting control for the year ended June 30, 2019 which was made for the purpose set forth in the first paragraph above, would not necessarily disclose all weaknesses in the system. However, we submit, for your consideration, our comments and recommendations on the operating methods, accounting policies and procedures, and other matters which came to our attention during the course of the audit.

CURRENT YEAR FINDINGS

1. Compliance with TDA Fund Eligibility:

Excess Operating Funds Received:

As shown in Note 2 to the financial statements, the following systems did not meet the compliance requirements of Section 6634 of the California Administrative Code dealing with TDA fund eligibility. Fund eligibility is determined by subtracting actual fare revenues, depreciation, and any federal operating funds received from operating expenses. This amount represents the maximum allowable TDA funding for operating expenses for the fiscal year ended June 30, 2019.

	<u>SoHum Combined</u>	<u>Willow Creek</u>	<u>Old Arcata Rd</u>
Operating Costs	\$ 987,740	\$ 333,625	\$ 1,255
Less Depreciation	(159,966)	(51,122)	-
Less Fare Revenues	(116,920)	(49,494)	(7)
Less Federal Operating Funds	(283,186)	-	-
Maximum TDA Fund Eligibility	<u>427,668</u>	<u>233,009</u>	<u>1,248</u>
STAF Operating Funds Received	3,388	-	
TDA Funds Received	<u>540,685</u>	<u>267,351</u>	<u>35,000</u>
	544,073	267,351	35,000
Excess TDA Funds Received	<u><u>\$ 116,405</u></u>	<u><u>\$ 34,342</u></u>	<u><u>\$ 33,752</u></u>

Recommendation: HTA has several options to remedy this situation:

- a. Claims by member entities for operating costs for the following fiscal year may be reduced by the current year excess TDA funds.
- b. Members may file amended claims for the current fiscal year applying the excess fund to capital expenditures made during the current year.
- c. Members may repay the excess TDA funds to the Transportation Planning Agency (HCAOG) on demand.

The above recommendations and comments are intended to be constructive suggestions on ways to improve the policies and procedures of HTA. They are not intended to be all-inclusive of the areas in which improvements might be achieved. Should you have any questions regarding these comments or any other matters, please contact us.

In conclusion, we wish to thank the staff of Humboldt Transit Authority for their cooperation and assistance during our audit.

ANDERSON, LUCAS, SOMERVILLE & BORGES, LLP

Anderson, Lucas, Somerville, & Borges



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A Public Entity Serving Humboldt County Since 1976

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TO: Chair Pitino
All Governing Board Members

FROM: Greg Pratt, General Manager

DATE: July 1, 2020

SUBJECT: Preliminary Budget for Humboldt Transit Authority FY 2020/2021

The majority of the 2020/2021 Draft Budget projected income and expenses are based on actual expenses incurred in the 2019/2020 Fiscal Year. Also taken into consideration are the lost fares, reduced ridership, reduced service and additional expenses due to the current COVID Pandemic. The Finance and Operations Committee reviewed the budget last month and approved the draft. Explanations for significant increases and reductions from the prior year's budget are below.

1. Income Highlights

- a. HSU Contracts reduced 15% due to reduction in ridership from prior year.
- b. AMRTS Maintenance Contract increase due to new contract estimate based on actual expense calculations.
- c. CTSA Humboldt Senior Resource Center: Contract \$14,000 for 20-21 year.
- d. Old Arcata Road Contract to remain the same as prior year's contract.
- e. AMRTS Driver Trainer contract posted to Administration income.
- f. Fare Reduction: Reduced Ridership calculated on estimated percentage based on current YTD reports and an overall projected 20% reduction due to COVID pandemic.
- g. Miscellaneous Revenue LCTOP Funds for Free Rides to reimburse Humboldt Transit Authority for lost fares due to COVID pandemic.
- h. LTF Member Assessment increases based on current contracts.
- i. Operating Grant 5311
 - i. \$488,989 RTS
 - ii. \$325,992 ETS
- j. Operating Grant 5311(f)
 - i. Up to \$285,000 for SHI and WC
- k. SGR Funds (State of Good Repair) \$180,087 For Operating.
- l. STA Funds \$1,015,910 For Operating.



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2. Expense Highlights

- a. New Staff Positions (Paid by STA funds) – Transit Planner
- b. Salary Adjustments – 2.25% increase for employees.
- c. Vehicle Liability and Damage Insurance Expected Increase: 21%
 - i. The increases in insurance have been stimulated by the California Fires as well as other Natural disasters Country Wide.
- d. Medical Insurance Expected Increase: 10%
- e. Workers Compensation Expected Increase: 13%
- f. OPEB (Other Post-Employment Benefits) Expected paydown of liability \$200,000.

3. Capital Projects

- a. RTS Passenger Information System \$ 70,000 Funded by STA
- b. ETS Vehicle Purchase \$ 120,000 Funded by STA
- c. CTSA Cameras for DAR Vehicles \$ 20,000 Funded by STA

4. Additional Information

- a. Old Arcata Road is still a “Pilot Program” with minor service changes to make it more attractive to ridership.
- b. Combined Medical and Dental expenses on Budget to match GL in our accounting system.
- c. Due to the COVID pandemic these calculations are based on past practice. These calculations also take into consideration the lost fares, reduced ridership as well as reduced service.
- d. The increases in insurance have been stimulated by the California Fires as well as other natural disasters country wide. These expenses are based on the most current estimates given to us by our industry representatives.

Action Recommended: Review the budget as proposed by staff and reviewed by the Finance and Operations Committee. Make changes if necessary. If approved, direct staff to publish a notice regarding public input on the proposed budget.

Humboldt Transit Authority
Draft Budget
2020-2021

DRAFT	RTS for 2020-2021	ETS for 2020-2021	WC for 2020-2021	SHI for 2020-2021	AMRTS for 2020-2021	CTSA for 2020-2021	Road 2020-2021	Contract 2020-2021		Admin/HTA 2020-2021	Shop/Facility 2020-2021	Total
REVENUE												
Operating Revenue												
400.40 Contract Transportation	184,834	7,709	1,312		135,000	14,000	10,000			20,000		372,855
400.30 Fares	658,655	161,146	28,000	72,000		65,000				-		984,801
400.70 Passes & ID Cards										500		500
400.60 Outside Service Revenue											43,000	43,000
400.10 Misc. Revenues(Ictop)	199,878	85,833	5,765	11,831								303,307
Non-operating Revenues												
410.10 Advertising Revenue										45,600		45,600
410.80 Rent & Leases										120,000	12,600	132,600
414.00 LTF/JPA Member Assessment	1,649,010	449,992	278,152	573,614				649,703				3,600,471
411.00 Federal Operating	488,989	325,992	86,500	198,500								1,099,981
412.00 State Operating Funds												
412.01 STAF	-	221,302				121,937		140,737		435,934	96,000	1,015,910
412.05 SGR State OF Good Repair	128,393	11,694				40,000						180,087
310.00 Unrestricted Net Assets												
413.00 Interest Income										5,000		5,000
TOTAL REVENUE	3,309,759	1,263,668	399,729	855,945	135,000	240,937	10,000	790,440		627,034	151,600	7,784,112
DIRECT EXPENSE												
PAYROLL, AND RELATED BENEFITS												
680.00 Labor												
Administration					5,000	65,000				622,740		692,740
Maintenance					50,000	50,000					480,864	580,864
Operations	730,000	300,404	70,000	150,000								1,250,404
680.1 Birthday	5,475	2,000	1,172	1,000						2,500	2,500	14,647
680.6 Earned Leave	50,000	17,000	5,000	11,000						35,000	32,229	150,229
680.2 Holiday Time	38,000	12,400	3,000	10,000						15,000	19,650	98,050
680.10 Overtime	17,000	6,500	2,700	3,800						4,000	25,000	59,000
670.00 Employment Taxes	16,900	6,800	1,390	3,635						13,500	14,000	56,225
676.00 Employee Bereavement	1,000	500	300	300						500	600	3,200
673.00 Worker's Compensation Insurance	95,000	40,000	7,660	25,000	5,400	6,000				31,000	71,000	281,060
690.00 Health & Welfare												
6042.1 Health and Dental	273,000	130,000	23,000	41,000						125,000	117,000	709,000
6042.3 Vision	4,500	1,800	800	1,500						4,500	2,500	15,600
6042.4 Life	1,600	690	200	400						700	850	4,440
6042.2 Retiree Health	98,000	23,000	3,000	22,500						250	9,000	155,750
6042.7 OPEB Reduction Payment										200,000		200,000
672.00 PERS Retirement	62,000	20,750	10,000	15,000						195,000	54,000	356,750
674.00 Physicals/DMV / B-ground checks	5,600	2,500	400	900						250	1,500	11,150
General Operating Expenses												
General												
603.00 Dues & Subscriptions										6,500	4,000	10,500
604.00 General Operating Supplies										10,000	1,200	11,200
609.00 Office Supplies						787				10,000	1,000	11,787
611.00 Printing Expense						1,000				7,500	2,000	10,500
616.00 Training & Development					200					35,000	15,000	50,200
616.10 Meeting & Consultation										5,000	3,000	8,000
Administration												-
6120.00 Legal Expenses										55,000	-	55,000
6121.00 Accounting & Bookkeeping										20,000	-	20,000
6122.00 Outside consultants										50,000		50,000
600.00 Advertising Expense										25,000	-	25,000
602.00 Cost of Funds					300					8,300	-	8,600

Humboldt Transit Authority
Draft Budget
2020-2021

DRAFT

	RTS for 2020-2021	ETS for 2020-2021	WC for 2020-2021	SHI for 2020-2021	AMRTS for 2020-2021	CTSA for 2020-2021	Road 2020-2021	Contract 2020-2021		Admin/HTA 2020-2021	Maint. Shop/Facility 2020-2021	Total
605.00 General Liability Insurance										35,000	-	35,000
6052.00 ERMA Liability										12,000		12,000
608.00 Mileage & Per Diem										8,000	3,000	11,000
610.00 Postage						600				3,500	-	4,100
613.00 Service Charges										2,000	-	2,000
615.00 Specialized Services							10,000	790,440		-	-	800,440
Operations												
688.20 Uniforms & Shoes	5,500	2,300	600	900							1,750	11,050
662.00 GFI -Ticket Stock & equip	12,000	2,500	1,000	2,000	100	800						18,400
663.00 WiFi//GPS/MyRide	41,293	12,060	7,500	16,061								76,914
661.00 Schedule Printing & Updates	22,000	5,800	4,000	6,000								37,800
664.00 Vehicle Insurance												
664 Premiums	272,975	48,414	38,915	95,411		43,767					14,544	514,026
664.1 Deductables	19,000	9,111	10,000	12,000								50,111
666.00 Operations Supplies					167					600	500	1,267
Maintenance												
620.00 Gen. Maintenance Supplies					2,000						14,700	16,700
635.00 Shop Tools					1,200						18,000	19,200
688.30 Safety Supplies & Gear					800						9,900	10,700
688.10 Uniforms - Shop					3,200						19,500	22,700
Vehicles												
650.00 Contract Services											2,500	2,500
651.00 Contract Repairs	18,000	1,500	2,500	4,500	3,000						12,000	41,500
653.00 Fuel	333,719	103,600	48,316	110,175							8,000	603,810
614.00 Special Studies/Permits		-	-	-							18,000	18,000
655.00 Parts	85,000	30,000	23,000	36,000	25,000						26,900	225,900
656.00 Small Tool Allowance					650						3,550	4,200
657.00 Tires	46,000	18,000	18,000	25,000	10,000						15,000	132,000
Facilities												
601.00 I.T hardware, maint., licenses	11,200	11,200	11,200	11,200	11,200	56,200						112,200
631.00 Rentals & Leases	2,083	2,083	2,083	2,083	2,083	2,083						12,498
632.00 Contract Maint.	1,000	1,000	1,000	1,000	1,000	1,000						6,000
633.00 Utilities	12,500	12,500	12,500	12,500	12,500	12,500						75,000
634.00 Gen Facility M & R	1,200	1,200	1,200	1,200	1,200	1,200						7,200
Total Direct Expense	2,281,545	825,612	310,436	622,065	135,000	240,937	10,000	790,440		1,543,340	1,024,737	7,784,112
Revenues minus Direct Expense	1,028,214	438,056	89,293	233,880	0	0	0	0		916,306	873,137	
Allocated Admin. & Maint. Costs	1,028,214	438,056	89,293	233,880								
Total Expenses including Indirect Expenses	3,309,759	1,263,668	399,729	855,945	135,000	240,937	10,000	790,440				
NET Total	0	0	0	0	0	0	0	0				
Allocation Percentages	57.46%	24.48%	4.99%	13.07%	0.00%	0.00%	0.00%	0.00%		100.00%		
Admin. Allocation 916,306	526,509	224,312	45,724	119,761	0	0	0	0				
Maint. Allocation 873,137	501,705	213,744	43,570	114,119	0	0	0	0				
Total Allocations by service	1,028,214	438,056	89,293	233,880	0	0	0	0				
Capital Projects	70,000	120,000	0	0	0	20,000				67,000		277,000
Capital Funds	70,000	120,000	0	0	0	20,000				67,000		277,000
	0	0	0	0	0	0	0	0		0	0	0

NOTES: Admin & Maintenance Allocation Percentages
are based on Hours of Operation.

NOTES: AMRTS and DAR are contracted and
administered by HTA. Maintenance and
Administration costs are part of the contracts
and are subtracted prior to allocations