



MEETING NOTICE & AGENDA

DATE: Thursday, January 19, 2017

TIME: 4:00 P.M.

PLACE: Yuba County Board of Supervisors Chambers
Yuba County Government Center
915 8th Street
Marysville, California

I. Call to Order & Roll Call

Cardoza, Didball (Vice-Chair), Fletcher, Leahy, Pedigo, Sullenger, Whiteaker and Whitmore

II. Board Business

A. Nomination and Election of Board Officers for 2017.

1. Chair
2. Vice-Chair

B. Statements of Economic Interest for 2017. (Attachment)

C. Annual Board Report. (Attachment)

III. Public Business from the Floor

Members of the public may address the Authority on items of interest that are within the Authority's jurisdiction and are not on the agenda for this meeting. Public comment regarding agenda items will be permitted as each agenda item is considered by the Board.

IV. Consent Calendar

All matters listed under Consent Calendar are considered to be routine and can be enacted in one motion. There will be no separate discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff or public request specific items to be discussed or removed from the Consent Calendar for specific action.

- A. Minutes from the Meeting of December 15, 2016. (Attachment)
- B. Disbursement List for December 2016. (Attachment)
- C. Monthly Performance Report for December 2016. (Meeting Handout)

V. Reports

A. Feather River Air Quality Management District (FRAQMD) AB 2766 Grant Agreement for a One Year Extension of the Expanded Live Oak Route. (Attachment)

RECOMMENDATION: Authorize execution of FRAQMD Grant Agreement #VF16-02 as submitted.

B. Feather River Air Quality Management District (FRAQMD) AB 2766 Grant Agreement for the 2017 Discount Monthly Pass Program. (Attachment)

RECOMMENDATION: Authorize execution of FRAQMD Grant Agreement #VF16-03 as submitted.

C. FY 2015-2016 Financial Audit Report. (Attachment)

RECOMMENDATION: Accept the FY 2015-2016 audit report as presented.

D. Project & Program Updates.

1. Connect Card Soft Launch
2. FY 2017 Low Carbon Transit Operations Program (LCTOP) Funding Cycle
3. Bus Exterior and Bus Stop Bench and Shelter Advertising Program
4. Wheatland Service Revenue Short-Fall

VI. Correspondence/Information

VII. Other Business

VIII. Adjournment

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, FEBRUARY 16, 2017
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

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If you need assistance to attend the Yuba-Sutter Transit Board Meeting, or if you require auxiliary aids or services, e.g., hearing aids or signing services to make a presentation to the Board, please contact the Yuba-Sutter Transit office at (530) 634-6880 or (TTY) 634-6889 at least 72 hours in advance so such aids or services can be arranged.

AGENDA ITEM II – B
STAFF REPORT

STATEMENTS OF ECONOMIC INTEREST FOR 2017

Members of the Yuba-Sutter Transit Board of Directors and alternates are required to file annual Statements of Economic Interest with the Fair Political Practices Commission. For continuing members, these annual statements are due April 3, 2017. An Assuming Office Statement must be filed by new members and alternates to the Board within 30 days. For those leaving office, a Leaving Office Statement must be filed within 30 days.

These requirements may be met by filing an extended statement, which is a copy of the FPPC Form 700 that will be prepared for your individual jurisdiction. It must, however, include your position as a Yuba-Sutter Transit Board Director or alternate and have an original signature and date on the verification on Page 1. The information reported must cover all reportable interests in the service area, which includes Yuba and Sutter Counties. Form 700 is available on-line and a copy of the Yuba-Sutter Transit Conflict of Interest Statement Code is available upon request.

If you have any questions regarding the filing of your Statement of Economic Interest, please contact the administrative office at 634-6880.

RECOMMENDATION: Information only.

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AGENDA ITEM II – C STAFF REPORT

YUBA-SUTTER TRANSIT AUTHORITY ANNUAL REPORT JANUARY 2017

Organizational History

Yuba-Sutter Transit, known as the Hub Area Transit Authority (HATA) until January 1993, was formed in 1975 by Sutter and Yuba Counties and the Cities of Marysville and Yuba City as a joint powers agency (JPA) for the provision of public transit services. Since its inception, Yuba-Sutter Transit has carried out this charge by contracting with private transportation companies for the operation of all services.

From 1975 to 1979, service was provided exclusively to seniors and persons with disabilities through a contract with a local taxicab company for the operation of the "Our Car" taxi subsidy program. As a condition of a legal settlement with California Rural Legal Assistance (CRLA), this service was replaced and expanded in 1979 with the purchase of thirteen mini-buses to implement a general public demand response service known as Dial-A-Ride. The system expanded again in 1982 to add a network of local fixed routes. Since 1979, a national transportation provider (currently Transdev Services, Inc.) has operated Yuba-Sutter Transit's core services.

In January 1988, following an independent operational analysis prompted by poor system performance, the service was significantly reduced through the elimination of the local fixed route system, Sunday service and most rural area services in lieu of a general public zonal dial-a-ride system for the urban area. At the same time, Sutter County withdrew from the Authority to establish a taxi subsidy program for service to the unincorporated urban areas of the county. This service was discontinued effective January 1991 when Sutter County rejoined the Authority.

In response to the 1988 operational and organizational changes, CRLA filed another lawsuit against the Authority, the member jurisdictions and the Sacramento Area Council of Governments (SACOG). The resulting settlement agreement in 1990 led to the 1992 completion of a fixed route feasibility study and a comprehensive marketing plan. As a result of these studies, fixed route service was reinstated and the agency name was changed to the Yuba-Sutter Transit Authority effective January 1993.

Services Provided

Yuba-Sutter Transit now operates a wide range of services with a fleet of 51 buses ranging in seated capacity from 16 to 57 passengers. In FY 2017, approximately 56 percent of the operation will be provided as urban fixed route service. The local fixed route system provides service every 30 to 60 minutes on six routes with 14 buses in all day service Monday through Friday (12 on Saturdays) in Yuba City, Marysville, Linda and Olivehurst. Local fixed route service is provided each weekday from approximately 6:30 a.m. to 6:30 p.m. and from approximately 8:30 a.m. to 5:30 p.m. on Saturdays.

Following the reintroduction of local fixed route service in 1993, ridership grew rapidly on this system with a 47 percent increase in FY 1996 followed by annual increases of 28, 17 and 18 percent through FY 1999. After slowing to 4 percent growth in FY 2000 due in part to capacity constraints, ridership increased by 10 percent in FY 2001 and 13 percent in FY 2002 following the introduction of half hour weekday service on Routes 1 and 3 and the addition of Route 5 in April 2001. Ridership continued to grow at an average annual rate of more than 5 percent despite only minor service changes through FY 2006. After the October 2006 addition of Route 6 and half hour Saturday service on Routes 1 and 3, ridership jumped by 13 percent in 2007 and by another 15 percent in FY 2008. With the introduction of half hour weekday service on Route 2 in January 2009, ridership increased another 11 percent to 823,000 passenger trips in FY 2009. Even without further service increases, local fixed route ridership increased to a high of 1,067,000 passenger boardings in FY 2015 before dropping to 971,600 boardings in FY 2016.

This strong long term growth trend in local fixed route ridership is a reflection of the successful implementation of many improvements over the years. In addition to the service changes that are noted above, these improvements included the introduction of larger and more easily identified fixed route buses along with a Marysville route (Route 4) in 1995; the expansion of that route and the start of Saturday fixed route service in 1998; the introduction of modern low floor buses in 2009; the placement of bus stop benches and shelters at key stops; the installation of bike racks on all buses; and, the highly successful discount monthly pass programs for area youth, seniors and persons with disabilities.

The local Dial-A-Ride service accounts for approximately 27 percent of the operation. This service is provided only within the urban area during regular weekday and Saturday fixed route service hours and weekday evenings from 6:00 p.m. to 9:30 p.m. Except for the weekday evening service which is open to the general public without restriction, Dial-A-Ride service is available only to seniors age 64 and over and persons with disabilities. Dial-A-Ride is also Yuba-Sutter Transit's complimentary paratransit service as required under the Americans with Disabilities Act (ADA). Dial-A-Ride carried just over 70,000 passenger trips in FY 2016.

Fifteen percent of the operation is provided as service between Marysville/Yuba City and downtown Sacramento primarily in peak hour weekday commuter service. Beginning in 1990 with two 15-passenger buses, the Sacramento commuter service now provides nine morning and ten afternoon peak hour schedules with another three midday schedules. This service is provided with a fleet of 13 specially equipped 41 and 57 passenger buses. The midday schedules are used by many daily or occasional commuters, but they are also popular with those traveling to and from Sacramento for medical, school and other non-work purposes. The combined Sacramento services provided a high of 158,200 passenger trips in FY 2014, but ridership has since fallen to 144,300 trips in FY 2016.

Limited route deviation services to the Yuba County foothills and the Cities of Live Oak and Wheatland account for the remaining operation. The Foothill Route provides two round trips every Tuesday, Wednesday and Thursday between selected foothill communities from Brownsville to Marysville. The Live Oak Route provides two round trips each weekday into Yuba City and Marysville. The Wheatland Route offers one round trip each weekday to Marysville. The Live Oak and Wheatland Routes operate under a fully allocated cost reimbursement agreement with those cities since they are not members of the Authority.

In FY 2016, Yuba-Sutter Transit operated 93,147 vehicle service hours systemwide – a 6 percent increase since FY 2011. During the same five year period, despite the recent drop, systemwide ridership is still up more than 5 percent to nearly 1.2 million passenger boardings. For a long-term perspective, systemwide ridership has increased by nearly 550 percent since FY 1993 following the reintroduction of fixed route service while systemwide service hours have increased by less than 190 percent over the same 23 year period during which time systemwide ridership increased in all but two years.

The long term trend in passenger fare revenue has been very positive even with the recent reduction in ridership even though the last fare increase was on the Sacramento service in July 2010. Since September 2005, the regular \$15 monthly youth pass has been deeply discounted using a series of grants from the Feather River Air Quality Management District (FRAQMD) to off-set the lost fare revenue. A similarly discounted monthly pass program for seniors (now age 64 and over) began in April 2013 and a third program for persons with disabilities began in January 2014. All three of these programs were combined in January 2015 and will now continue at least through December 2017 at the current rate of \$5 per pass per month.

Administration and Finance

Yuba-Sutter Transit is governed by a Board of Directors that is composed of two elected representatives from each of the four member jurisdictions. The Authority operates with a four person staff consisting of a Transit Manager, two Program Managers (Finance & Administration and Planning & Marketing) and an Administrative Assistant. Since 1988, Yuba-Sutter Transit's staff has also served as contract administrative staff to the Regional Waste Management Authority concurrent with their transit duties. Approximately 10 percent of the available staff time is now budgeted for waste management responsibilities. Through this shared staffing relationship, both agencies realize reduced administrative overhead expenses.

Yuba-Sutter Transit's operating expenses for FY 2017 are budgeted at \$6,857,900. The budgeted funding mix is about 34 percent Federal (Federal Transit Administration); 43 percent State and local (Transportation Development Act); 21 percent passenger fares; and, 2 percent miscellaneous income from advertising, interest and contract service payments. The capital budget, which varies substantially from year to year, is \$5.2 million for FY 2017 with most of this earmarked for a major vehicle replacement project. Capital funding is derived from a mix of Federal, State and local sources depending on the project.

Major Projects

Facilities: Yuba-Sutter Transit relocated in May 1996 to its combined maintenance, operating and administration facility (formerly the Seven-Up Bottling Company plant) at 2100 B Street in Marysville. The facility was remodeled and expanded again in 2011 to its ultimate capacity of approximately 70 buses which is adequate to meet the agency's needs for the foreseeable future.

The only Caltrans owned park and ride lot in Yuba and Sutter Counties opened on the northeast corner of Bogue Road and Highway 99 south of Yuba City in August 1997 largely with Federal funds obtained by Yuba-Sutter Transit. Due to severe overcrowding, the capacity of this facility was nearly doubled in 2012 again with Federal and local funds obtained exclusively by Yuba-Sutter Transit. The lot now offers on-site parking for 164 vehicles with available land to nearly double this capacity when needed.

Yuba County opened the McGowan Park & Ride Lot on Powerline Road at McGowan Parkway in December 2008 and the Plumas Lake Park & Ride Lot on Feather River Boulevard east of Highway 70 in October 2009. Both lots were sited and constructed by Yuba County in coordination with Yuba-Sutter Transit. Project funding was derived primarily from development impact fees collected by Yuba County from projects in both the North Arboga Study Area and the Plumas Lake Specific Plan. Yuba County maintains both facilities with Community Service District revenue.

Yuba-Sutter Transit currently serves 281 designated bus stops. A total of 86 bus stop benches and 49 bus stop shelters have been placed at key points and high boarding locations throughout the system. Thirteen of the bus stop shelters are agency-owned and 28 are provided by Stott Outdoor Advertising. The remaining eight are owned by others including Yuba County (2), Wheatland (5) and Caltrans (1). Of the 86 benches, Stott provides and maintains 69 commercial advertising benches. Stott owns and maintains the ad shelters and ad benches at no cost to Yuba-Sutter Transit in exchange for the exclusive right to sell and place advertising on them while paying a small commission on the sale of each ad. In addition, 50 route information panels are on bus stop poles throughout the system and bike lockers are available for rent at four of the five local commuter bus stops.

Vehicles: In 1995 and 1996, eight 28 passenger fixed route buses were delivered to replace six 16 passenger 1985 buses that had previously been used in this service. These larger, more traditional looking buses significantly improved the quality and profile of the system helping to fuel a tremendous increase in ridership. Six 35 passenger fixed route buses were delivered in February 2001 allowing for a major service expansion and bringing the fixed route fleet to fourteen vehicles. All of these have since been replaced in two purchases (2008 and 2014) with a modern low floor fixed route fleet of 22 buses.

In 1999, ten 19 passenger Dial-A-Ride vehicles were delivered to replace nine 1989 buses but five of the 1989 models were retained to support Federal grant funded services. Those five buses were finally replaced in 2004 with five 14 passenger buses using the Job Access program as a key funding source. The ten 1999 model Dial-A-Ride buses were replaced in FY 2010 with ten 16 passenger buses and the five 14 passenger buses were replaced in 2014 with six 16 passenger buses for a current fleet of 16 small buses. In addition to Dial-A-Ride service, these versatile little buses are also used on rural routes; to augment the local fixed route fleet; and, to provide supplemental capacity for the Sacramento Commuter service as necessary.

Yuba-Sutter Transit's fleet of thirteen specially equipped commuter buses includes seven 2006 and 2007 model 41 passenger buses along with six 57 passenger, tour-style buses. The first three of these larger buses were placed in service in May 2010. The second three were placed in service in October 2012. The seven older commuter buses are now scheduled for replacement in 2018.

Services: The last two plus decades have been full of activity following the 1994, 1998, 2003 and 2008 Yuba-Sutter Short Range Transit Plans. The 1994 plan resulted in expanded Sacramento Commuter and Midday services; Marysville's Route 4; the former subsidized commuter vanpool and weekday evening taxi subsidy programs; new fixed route buses; bus stop shelters; bike racks on buses; and, an annual summer youth bus pass program.

The 1998 update resulted in the expansion of the Marysville route, fixed route service on Saturdays and

further expansion of the fixed route system including the operation of half-hour service frequencies on two highly used routes. In addition, one year experimental Beale AFB and Sutter services were implemented along with a one year Downtown Trolley demonstration service using two historic trolley replica buses that were purchased and operated primarily with Feather River Air Quality Management District funding.

The 2003 plan resulted in the implementation of a monthly youth pass; more deeply discounted monthly fixed route passes; additional Saturday service; expanded Sacramento services including the addition of a noon hour Sacramento Midday schedule; and, fixed route service to the Yuba City Marketplace and River Valley High School on Harter Parkway in western Yuba City.

The 2008 plan was more modest in terms of service recommendations assuming limited growth only in response to increased ridership demand. It did include the operation of half-hour weekday service on Route 2 that was first envisioned in the 2003 plan; the introduction of low-floor local fixed route buses; and, integration of the McGowan and Plumas Lake Park & Ride Lots into the Sacramento service. Rather than service expansion, the plan focused primarily on the provision of the infrastructure (equipment, facilities and staff capacity) to support the operation that had expanded over the years and to prepare for still more growth in the future. This resulted in the 2011 facility remodel and expansion project; the 2013 restructure and expansion of the administrative staff from three to four positions; and, the 2014 delivery of 11 heavy-duty low floor fixed route buses.

The current transit plan was adopted in May 2015 to guide the local operation and development of public transportation for Yuba and Sutter Counties through 2020 and beyond. The major service recommendations for consideration over the next five years include extended weekday and Saturday service hours; 20 minute service frequencies on Routes 1 and 3; and, annual increases in the number of Dial-A-Ride service hours provided. Capital recommendations included several fleet replacement and minor fleet expansion projects; enhanced and expanded passenger facilities and transit centers; and, several technology projects. While the plan does not include a specific recommendation regarding any fare increases over the five year period, it does suggest that increases may be necessary (except on the Sacramento service) depending on a variety of factors.

Technology: Yuba-Sutter Transit is intentionally slow to adopt industry technology trends for reasons related to the relative cost, risk and need for each. As cost/benefit ratios and quality improves over time, Yuba-Sutter Transit has gradually moved toward more sophisticated technology. These include electronic destination signs on all buses since 2006; retrofitting all local fixed route buses with on-board video surveillance systems in 2010; including similar systems on all new buses since 2014; replacing an obsolete mobile radio system in 2014 with a digital system that includes automatic vehicle location (AVL) capability; and, installing video surveillance systems in three park and ride lots beginning in 2014. Current projects include the introduction of both a new website the regional Connect Card electronic fare payment system in early 2017 and planning for the implementation of real-time passenger information systems, Wi-Fi service on commuter buses and computer aided dispatching software by 2018.

The most significant of the current projects, based on the potential impact to Yuba-Sutter Transit passengers, is the regional Connect Card system. After many years of planning, this electronic fare payment system is in the final testing phase with full implementation now expected by the late spring of 2017. Yuba-Sutter Transit is one of nine participating operators including the Sacramento Regional Transit

District. The Connect Card system, which is being financed by approximately \$15 million in regional and Federal funding, will greatly speed passenger boarding through the ultimate elimination of paper passes, tickets and transfers; provide highly specific ridership data by route, time and location; allow passengers to electronically add fare media or cash value to their card through a variety of portals; and, offer more flexible fare options in the future as demand dictates.

Current and Future Issues

Following the expansion of the operating facility in 2011, the expansion of administrative staff capacity in 2013 and the 2014 upgrade and expansion of the fleet; the future of public transit in Yuba and Sutter Counties appears to be brighter than ever. While most transit operators have cut service, raised fares or both (some more than once) over the last eight or nine years, Yuba-Sutter Transit has been able to avoid such scenarios due to strong ridership growth and a historically conservative fiscal and operational approach. Yuba-Sutter Transit still operates limited or no evening, weekend or holiday service; and, half of the six local fixed routes operate on hourly frequencies. At the same time, passenger fares and operating costs per hour of service both remain among the lowest of any system in California.

The 2006 passage of State Proposition 1B; the 2009 Federal stimulus program; 2011 changes to the State Transit Assistance (STA) program; multi-year reauthorizations of Federal transportation funding in both 2012 and 2015; and, the new State greenhouse gas reduction programs have combined to establish a strong capital and operating funding foundation for the future. Even the local transit funding source, which took a severe hit during the prolonged economic downturn, is beginning to approach pre-recession levels. Key future financial factors include the 2018 end of the 10 year Proposition 1B bond program and annual grant renewals for the FRAQMD funded fare subsidy program beyond 2017. As a result, agency attention over the next few years is expected to focus on fine-tuning, improving and maintaining the existing system while carefully considering future growth opportunities in response to demonstrated service demand.

While the quarter century trend in ridership growth stalled in FY 2016, Yuba-Sutter Transit's ability to efficiently and effectively meet the anticipated demand for service in the future will continue to be in doubt as all of the planned or approved large scale developments in Yuba County, Yuba City and Sutter County are in areas that are not now served. The potential demand for services of every kind from these projects will severely stretch what in most cases is still just a minimal level of service as available operating revenue sources may not grow at the same pace. To compound the problem, routine impact fees have yet to be required from new developments for the capital and operating revenue necessary to serve those developments. Yuba County, however, has collected fees for the development and operation of two park and ride lots.

Plumas Lake and Sutter Pointe are two examples of this challenge because of their size; location entirely outside of the existing service area; primarily low density, single-family residential design; and, a primary market of out-of-area commuters. In addition to these large developments, thousands of new homes along with many hundreds of thousands of square feet of new commercial projects have been constructed, approved or are under consideration in other jurisdictions as well. Even individual projects such as the 2012 opening of Yuba College's Sutter County Center at the north edge of Yuba City present significant operational and financial challenges because of the placement of an obvious transit trip generator far from any existing service.

Yuba and Sutter Counties have both been among the fastest growing California counties over the last 15 years and this is likely to continue to be the case in the future. Another population boom would be problematic for Yuba-Sutter Transit as little funding has been identified in the multi-year capital and operating plans for service expansion. To further complicate the issue, many new residents, attracted by the lower cost of living and proximity to other employment centers in the Mid-Valley, will commute to work in Placer, Sacramento and Yolo Counties and beyond. Even without population growth, the demand for specialized services for seniors and persons with disabilities is expected to grow significantly according to all population projections. In addition, specialized services now provided through the Alta California Regional Center for the developmentally disabled are limited and subject to annual funding cuts and Yuba-Sutter Transit's own Dial-A-Ride service already operates at or near capacity levels during peak periods.

In summary, Yuba-Sutter Transit has undergone an amazing metamorphosis over the last 25 years to become a vital component of the local service network, but further adjustments will be necessary for the agency to continue playing a role in the ongoing renaissance of both counties. Yuba-Sutter Transit operates what is certainly among the widest range of services at one of the lowest local cost of any urban system in California; but the mix, level and relative priority for these services must continually be evaluated in light of local funding and policy priorities as well as passenger demand.

Additional Informational Resources

Yuba-Sutter Transit System Fact Sheet (January 2017) & Summary of Key Events (January 2017)

Yuba-Sutter Transit Ride Guide and Individual Service Brochures

FY 2017 Operating and Capital Budgets

2015 Yuba-Sutter Short Range Transit Plan (SRTP)

FY 2017 – FY 2021 Transportation Improvement Plan Program of Projects

FY 2035 Capital Improvement Plan (Amended March 2016)

Website: www.yubasuttertransit.com

Contact

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YUBA-SUTTER TRANSIT -- SYSTEM FACT SHEET

	AUDITED FY 06/07	AUDITED FY 07/08	AUDITED FY 08/09	AUDITED FY 09/10	AUDITED FY 10/11	AUDITED FY 11/12	AUDITED FY 12/13	AUDITED FY 13/14	AUDITED FY 14/15	AUDITED FY 15/16	PROJECTED & BUDGETED FY 16/17
REVENUE FLEET											
Dial-A-Ride / Rural Buses (14 - 16 Seats)	15	16	15	15	15	15	15	16	16	16	16
Local Fixed Route Buses (27 - 32 Seats)	14	11	18	18	18	18	17	22	22	22	22
Intercity Commuter Buses (41 - 57 Seats)	11	11	11	14	13	13	13	13	13	13	13
Total	40	38	44	47	46	46	45	51	51	51	51
SERVICE HOURS											
Fixed Route	42,394	44,042	46,819	49,791	50,049	50,383	50,542	50,623	51,526	52,472	52,000
Dial-A-Ride	21,613	22,194	22,072	21,590	22,878	23,414	24,054	24,674	24,812	24,771	24,700
Sacramento (Commuter & Midday)	10,412	12,064	13,566	13,661	13,558	13,729	13,731	13,536	13,373	13,530	13,600
Rural (Foothill, Live Oak & Wheatland)	1,121	1,370	1,653	1,716	1,744	1,752	1,810	1,811	1,837	2,374	2,400
Total	75,539	79,669	84,110	86,758	88,229	89,278	90,136	90,644	91,549	93,147	92,700
PASSENGER TRIPS											
Fixed Route	646,065	741,989	823,165	846,564	907,798	975,805	986,356	1,045,508	1,066,580	971,606	920,000
Dial-A-Ride	69,036	63,685	59,895	60,240	63,804	63,979	65,537	69,672	70,088	70,047	68,500
Sacramento (Commuter & Midday)	111,071	134,187	161,916	149,987	156,513	159,949	157,797	158,213	154,896	144,327	130,000
Rural (Foothill, Live Oak & Wheatland)	1,994	2,750	3,716	4,073	5,214	4,797	6,144	6,218	5,058	6,285	6,500
Total	828,166	942,611	1,048,692	1,060,864	1,133,329	1,204,530	1,215,834	1,279,611	1,296,622	1,192,265	1,125,000
PASSENGER TRIPS / SERVICE HOUR											
Fixed Route	15.2	16.8	17.6	17.0	18.1	19.4	19.5	20.7	20.7	18.5	17.7
Dial-A-Ride	3.2	2.9	2.7	2.8	2.8	2.7	2.7	2.8	2.8	2.8	2.8
Sacramento (Commuter & Midday)	10.7	11.1	11.9	11.0	11.5	11.7	11.5	11.7	11.6	10.7	9.6
Rural (Foothill, Live Oak & Wheatland)	1.8	2.0	2.2	2.4	3.0	2.7	3.4	3.4	2.8	2.6	2.7
Total	11.0	11.8	12.5	12.2	12.8	13.5	13.5	14.1	14.2	12.8	12.1
OPERATING EXPENSES											
	\$3,898,386	\$4,418,824	\$4,744,369	\$5,326,033	\$5,684,862	\$5,836,452	\$5,976,479	\$6,283,876	\$6,350,674	\$6,407,831	\$6,857,900
OPERATING REVENUES											
Federal	\$1,075,327	\$1,206,656	\$1,698,965	\$1,990,790	\$2,110,512	\$2,162,536	\$2,235,000	\$2,407,718	\$2,386,000	\$2,328,256	\$2,350,000
State & Local (TDA)	1,787,993	1,968,157	1,743,029	2,064,776	2,172,283	2,247,926	2,296,830	2,394,870	2,478,966	2,613,445	2,980,400
Miscellaneous	150,094	184,138	140,867	100,311	85,200	51,028	49,103	42,432	39,029	131,322	131,000
Fares	884,972	1,059,873	1,161,508	1,170,156	\$1,316,867	1,374,962	1,395,546	1,438,856	1,446,679	1,334,808	1,396,500
Total	\$3,898,386	\$4,418,824	\$4,744,369	\$5,326,033	\$5,684,862	\$5,836,452	\$5,976,479	\$6,283,876	\$6,350,674	\$6,407,831	\$6,857,900
AVERAGE FARE / PASSENGER											
	\$1.07	\$1.12	\$1.11	\$1.10	\$1.16	\$1.14	\$1.15	\$1.12	\$1.12	\$1.12	\$1.24
FARE RECOVERY RATIO*											
	23.6%	25.0%	26.1%	22.9%	24.2%	23.6%	23.4%	22.9%	22.6%	20.8%	20.4%
OPERATING COST / PASSENGER											
	\$4.71	\$4.69	\$4.52	\$5.02	\$5.02	\$4.85	\$4.92	\$4.91	\$4.90	\$5.37	\$6.10
OPERATING COST / SERVICE HOUR											
	\$51.61	\$55.46	\$56.41	\$61.39	\$64.43	\$65.37	\$66.31	\$69.32	\$69.37	\$68.79	\$73.98

* Calculated pursuant to California Transportation Development Act standards.

REVISED JANUARY 4, 2017 WITH AUDITED FIGURES FOR FY 2016 & YEAR-END PROJECTED OPERATIONAL FIGURES FOR FY 2017

YUBA-SUTTER TRANSIT
SUMMARY OF KEY SYSTEM EVENTS
REVISED JANUARY 4, 2017

July 1, 1975	Effective date of the initial Hub Area Transit Authority joint powers agreement (JPA) and creation of the "Our Car" subsidized taxi service for seniors and the disabled
August 1979	Replacement of "Our Car" with a general public Dial-A-Ride service
September 1982	First urban fixed routes introduced
January 1988	Replacement of fixed route service with a general public "Zonal" Dial-A-Ride system which, when combined with other cuts, resulted in a 37 percent service reduction from FY 1986-87 to FY 1988-89 / Sutter County withdraws from the JPA
July 1990	Sacramento Commuter service begins on Highway 70 with two 15-passenger buses
January 1991	Sutter County rejoins the JPA
January 1993	Hub Area Transit Authority renamed Yuba-Sutter Transit with the reintroduction of urban fixed route service and the restructuring of the Dial-A-Ride service
Aug./Sept. 1994	Expansion of the Sacramento Commuter service into the Highway 99 corridor and the start of a subsidized vanpool program (ended December 2000)
November 1994	Weekday evening subsidized taxi service begins (ended June 1999)
March 1995	New Marysville route; and, local fixed route and commuter buses equipped with bike racks (on all buses by June 1997)
May/June 1996	Occupation of the remodeled former Seven-Up plant in Marysville as the operations, maintenance and administration facility / First summer youth bus pass program.
August 1997	Opening of the Bogue Road Park & Ride Lot south of Yuba City (expanded in March 2012 to nearly double the size)
April 1998	Initiation of Downtown Trolley demonstration service (ended December 1998)
July/August 1998	Bi-directional service on Route 4, Saturday fixed route service and an expanded Dial-A-Ride boundary / Monthly passes & discount ticket book programs initiated
Aug./Sep. 1999	Initiation of weekday evening general public Dial-A-Ride service and a weekday commuter service to the Lincoln Airport Industrial Park (ended January 2004)
April 2001	Initiation of Route 5 in south Yuba City and ½ hour service frequencies on Routes 1 and 3
April 2002	Expand the Sacramento service to six daily roundtrips
September 2003	Introduction of monthly fixed route pass for youth with deep discounts in other pass rates; Saturday Route 4B service; North Beale Transit Center; and, bus stop information panels
July 2004	Dial-A-Ride fare increase, Saturday service hours are extended and a noon Sacramento schedule is added
September 2005	Initiation of the FRAQMD funded Discount Monthly Youth Pass Program (combined in 2015 with similar discount pass programs for seniors and persons with disabilities).

August 2006	Delivery of six commuter buses (replacing three buses) allows the Sacramento service to be expanded to seven daily roundtrips
October 2006	Route 6 (Linda Shuttle) is added to allow Route 1 to be extended to the Yuba City Marketplace and River Valley High School (the school segment was delayed until October 2007) and ½ hour service frequencies are added to Routes 1 & 3 on Saturdays
September 2007	Sacramento Commuter service expanded to nine weekday roundtrips
December 2008	Opening of the McGowan Parkway Park & Ride Lot in Olivehurst and a corresponding restructuring of all Sacramento schedules Delivery of 12 low-floor local fixed route buses to replace 8 buses to greatly enhance accessibility, speed passenger boarding and allow for the expansion of Route 2
January 2008	Expansion of the Wheatland Route to two days a week with other route, schedule, stop and policy changes to eliminate advance reservation requirement
January 2009	Expansion of Route 2 to half-hour service each weekday; expansion of the Live Oak Route from one to two roundtrips each Monday, Wednesday and Friday; and, Foothill route, schedule, stop and policy changes to eliminate advance reservation requirement
October 2009	Opening of the Plumas Lake Park & Ride Lot
January 2010	Installation of video surveillance system on all local fixed route buses and delivery of ten replacement Dial-A-Ride buses
April 2010	Delivery of three expansion tour-bus style, 57 passenger, 45' commuter buses
January 2012	Completion of the remodel and expansion of the existing operations, maintenance and administration facility for the ultimate capacity of approximately 70 buses
September 2012	Delivery of three replacement tour-bus style 57 passenger, 45' commuter buses.
April 2013	Initiation of the FRAQMD funded Discount Monthly Senior Pass Program (combined in 2015 with similar discount pass programs)
January 2014	Initiation of a FRAQMD funded one year demonstration Discount Monthly Disabled Pass Program (combined in 2015 with similar discount pass programs) Delivery of 11 heavy duty low floor replacement & expansion fixed route buses for an all low floor fixed route fleet
February 2014	Delivery of six Dial-A-Ride replacement & expansion buses
May 2015	Adoption of the 2015 Yuba-Sutter Short Range Transit Plan
July 2015	Expansion of the Live Oak Route from three to five days a week with service to the Yuba College's Sutter County Center
September 2015	Local fixed route changes to move Route 1 from the Mall and realign Route 4A with Route 4B and other related and miscellaneous changes
October 2015	Convert supplemental to 7 th PM 99 schedule & make other minor Sacramento stop & schedule changes
Spring 2017	Introduction of the regional Connect Card and related fare policy changes

AGENDA ITEM IV – A

YUBA-SUTTER TRANSIT AUTHORITY MEETING MINUTES DECEMBER 15, 2016

I. Call to Order & Roll Call

Director Didbal called the meeting to order at 4:00 p.m.

Present: Cleveland (for Cardoza), Didbal (Vice-Chair), Fletcher, Sullenger, Whiteaker and Whitmore

Absent: Cardoza, Griego and Pedigo

II. Public Business from the Floor

None

III. Consent Calendar

Director Whiteaker made a motion to approve the consent calendar. Director Fletcher seconded the motion and it carried unanimously.

IV. Reports

A. Feather River Air Quality Management District (FRAQMD) AB 2766 Grant Awards & Related Program Changes for 2017.

Martin announced that FRAQMD recently approved two Yuba-Sutter Transit grants for 2017. The formal agreements will be brought to the Board in January, but they will be effective as of the December 5th approval date. Martin stated that the two grants are for \$10,000 to continue the July 2015 expansion of the Live Oak route for another year and for \$140,000 to extend the discount monthly pass program for another year. Martin noted that a third application for \$12,000 to implement a demonstration bus stop enhancement project was not approved.

Martin stated that the final FRAQMD approval for the discount monthly pass program was higher than what originally recommended by their finance committee with the additional funding coming from a proposed amendment to the current program grant to allow a portion of the unused 2016 grant to be added to the recommended funding level for 2017. Based upon the approved \$140,000 figure, which is just \$4,000 less than requested, Martin recommended that the Board authorize staff to proceed with a \$5 pass price for 2017 – down from \$6 for 2015 and 2016.

Director Whiteaker made a motion to proceed with the approved grant programs as proposed. Director Cleveland seconded the motion and it carried unanimously.

B. Amendment #2 to Feather River Air Quality Management District (FRAQMD) AB 2766 Grant Agreement Amendment #VF15-02.

Martin stated this item is for the previously referenced grant adjustment to reduce the value of the 2016 discount monthly pass program grant by \$6,700 so this same amount can be applied to the 2017 grant agreement. Staff is recommending Board authorization of Amendment #2 to Grant Agreement #VF15-02 as proposed.

Director Whiteaker made a motion to authorize Amendment #2 to Grant Agreement #VF15-02 as proposed. Director Fletcher seconded the motion and it carried unanimously.

C. Draft Request for Proposals (RFP) for the Yuba-Sutter Transit Corridor Enhancement Plan.

Martin stated that this program is being funded through the California Department of Transportation (Caltrans) Fiscal year 2016/17 Sustainable Transportation Planning Grant program. Martin stated that the RFP is for a consultant to conduct an in-depth analysis and the necessary pre-engineering to support capital improvements to facilities along the approximately eight mile long Route 1 corridor. Staff is requesting Board authorization to release the RFP as proposed.

Director Whitmore made a motion to authorize staff to release the RFP as proposed or amended. Director Whiteaker seconded the motion and it carried unanimously.

D. Disposal of Surplus Vehicle.

Martin stated the 1998 minivan has been parked and out-of-service for some time and staff is now asking that it be declared surplus for disposal. This van was originally purchased and operated by the Yuba-Sutter Senior Services in the Medi-Car program before both the minivan and the program was transferred to Yuba-Sutter Transit in 2000. Since this program ended in December 2009, the minivan was used as a non-revenue support vehicle until it was removed from service in November 2014. Due to the vehicle's age and condition, staff is recommending the adoption of Resolution No. 14-16 declaring the 1998 Dodge minivan to be surplus and authorizing its disposal as proposed.

Director Cleveland made a motion to adopt Resolution No. 14-16 as proposed. Director Whiteaker seconded the motion and it carried unanimously.

E. First Quarter Performance Report.

Martin noted there has been a decline in ridership for the past eighteen months. Martin further noted that the increase in fare revenue during the quarter, despite the reduction in ridership, is due to a single large institutional purchase of ticket books that will be used over a long period of time for future fixed route and Dial-A-Ride service.

F. Project & Program Updates.

1. Connect Card Soft-Launch

Martin stated that Regional Transit (RT) soft-launched on November 16th and Yuba-Sutter Transit is now scheduled to be added in late January or early February. Martin noted that there are 350 cards in use at RT and back office operations seem to be working through the first monthly settlement process. RT has had some challenges with passenger and driver confusion, but we hope to learn from their experience so we can roll out a little smoother.

2. Annual Unmet Transit Needs Hearing Results

Martin noted that the annual hearing was held in October. No one from the public attended, but some written comments were received. Martin added none of these comments identified unmet transit needs that were reasonable to meet that this will be the recommendation that will be presented to the SACOG Board of Directors.

3. Wheatland & Live Oak Service Revenue Short-Falls

Martin stated that staff has a conference call scheduled for tomorrow with Wheatland and Mercy Housing. Martin noted discussion will be on Mercy Housing increasing their contribution to the Wheatland Service. Martin added if we don't get a contribution from Mercy Housing to make up the difference staff will be coming back to the board with recommendations for service reductions.

4. Allyn Scott Youth & Community Center (ASYCC) Parking Lot Lighting Project

Martin noted that the reciprocal parking agreement has been recorded and that the project had been awarded to Richall Electric of Yuba City. It is expected that the project will be completed in the spring.

5. 2016 Sikh Parade Shuttle

Martin stated that this was probably the best run shuttle to date in terms of operation with very little traffic conflict on the route. Martin specifically recognized the Yuba City Police Department and the parade logistics team for keeping the route clear this year. Martin noted that the service provided around 30,000 passenger boardings using 25 buses operating 262 service hours. Martin thanked both Transdev and Yuba-Sutter Transit staff for their exceptional service during this event.

V. Correspondence/Information

None

VI. Other Business

None

VII. Adjournment

The meeting was adjourned at 4:18 p.m.

**THE NEXT REGULAR MEETING IS SCHEDULED FOR THURSDAY, JANUARY 19, 2017
AT 4:00 P.M. IN THE YUBA COUNTY BOARD OF SUPERVISORS CHAMBERS**

P:COMMON/YST AGENDA ITEMS/YST BOARD MINUTES/YST MINUTES 2016/YST MINUTES DECEMBER 2016

**AGENDA ITEM IV-B
YUBA-SUTTER TRANSIT
DISBURSEMENT LIST
MONTH OF DECEMBER 2016**

CHECK NO.	AMOUNT	VENDOR	PURPOSE
EFT	\$ 7,044.56	PERS HEALTH	HEALTH INSURANCE
EFT	\$ 1,500.84	PRINCIPAL MUTUAL LIFE INSURANCE	L/D/LTD INSURANCE
EFT	\$ 225.61	CALIFORNIA WATER SERVICE	WATER
EFT	\$ 37.94	CALIFORNIA WATER SERVICE	FIRE SUPPRESSION
EFT	\$ 554.73	PG&E	ELECTRIC
EFT	\$ 2,889.12	PG&E	ELECTRIC BILL #2
EFT	\$ 107.11	PG&E	GAS
EFT	\$ 161.37	ATT - SECURITY LINE	SECURITY LINE - NOVEMBER
EFT	\$ 70.00	AT&T - UVERSE	INTERNET NOVEMBER
EFT	\$ 733.79	TELEPACIFIC COMMUNICATIONS	TELEPHONE
EFT	\$ 108.81	UTILITY MANAGEMENT SERVICES	SEWER
EFT	\$ 250.00	CALPERS 457 PLAN	EMPLOYER CONTRIBUTION
EFT	\$ 601.20	CARDMEMBER SERVICES	RABOBANK CREDIT CARD
EFT	\$ 400.00	FRANCOTYP-POSTALIA, INC.	POSTAGE RESET
EFT	\$ 148.88	ELAVON	MERCHANT SERVICE FEE - OCTOBER
EFT	\$ 133.60	PRIMEPAY	PAYROLL FEE
EFT	\$ 45,209.75	PAYROLL	PAYROLL
15348		VOID	
15349	\$ 123,155.00	A-Z BUS SALES, INC.	INSTALL & RETROFIT OF REI SYSTEM
15350	\$ 350.00	ALL SEASONS TREE & TURF CARE	LANDSCAPING MAINTENANCE OCT-NOV
15351	\$ 2,857.00	CALIFORNIA TRANSIT ASSOCIATION	ANNUAL MEMEMBERSHIP FEE
15352	\$ 2,121.80	DILLINGHAM TICKET CO.	PRINTING OF TICKET BOOKS
15353	\$ 169.26	FRANCOTYP-POSTALIA, INC.	POSTAGE MACHINE LEASE
15354	\$ 2,736.50	PRECISION WEST TECHNOLOGIES	WIRELESS REPLACEMENT MCGOWN P&R
15355	\$ 1,059.77	QU. EST	MAINTENANCE OF BUS STOPS/SHELTERS
15356	\$ 1,100.00	R.C. JANITORIAL SERVICE	JANITORIAL SERVICE
15357	\$ 526.86	RALEY'S	NOVEMBER COMMISSION
15358	\$ 550.00	SACRAMENTO REGIONAL TRANSIT	NOVEMBER PASSES
15359	\$ 14,077.23	SC FUELS	BUS FUEL
15360	\$ 800.00	SIGNWORX	REMOVE ANNIVERSARY DECALS ON BUSES
15361	\$ 421.68	STANLEY SECURITY SOLUTIONS, INC.	SECURITY SERVICES
15362	\$ 39.32	STAPLES CREDIT PLAN	OFFICE SUPPLIES
15363	\$ 441,862.87	TRANSDEV SERVICES, INC.	CONTRACT SERVICES - OCTOBER
15364	\$ 33.08	AT&T	FIRE LINE - DECEMBER
15365	\$ 177.99	ADVANCED DOCUMENTS	COPY MACHINE - NOVEMBER
15366	\$ 370.00	ALLCOM PLUMBING, INC.	PROVIDED & INSTALLED (2) FAUCETS
15367	\$ 556.29	CITY OF YUBA CITY	DAMAGE TO FIRE HYDRANT
15368	\$ 450.00	DIGITAL DEPLOYMENT	WEBSERVICES - DECEMBER
15369	\$ 14,333.75	HUNT & SONS, INC.	BUS FUEL
15370	\$ 305.49	QUICK'S GLASS SERVICE	REPLACED GLASS @ ONE STOP IN MARYSVILLE
15371	\$ 250.12	QUILL CORPORATION	JANITORIAL SUPPLIES
15371	\$ 61.77	QUILL CORPORATION	OFFICE SUPPLIES
15372	\$ 40.00	SHELBY'S PEST CONTROL	PEST CONTROL
15373	\$ 253.13	SIGNWORX	REPAIR SIGN IN FRONT
15374	\$ 571.43	SMART MARKETING & PRINTING	PRINTING OF SACRAMENTO BROCHURES
15375	\$ 7,483.50	SUTTER BUTTES COMMUNICATION, INC.	SERVICE AGREEMENT & REPEATER FEES
15376	\$ 650.00	TECHNOLOGY UNLIMITED, INC.	SERVICE AGREEMENT - COIN COUNTER
15377	\$ 385.18	U.S. BANK EQUIPMENT FINANCE	COPIER LEASE
15378	\$ 50.00	DALE WHITEMORE	BOARD MEETING 12/15/2016
15379	\$ 50.00	JIM WHITEAKER	BOARD MEETING 12/15/2016
15380	\$ 50.00	PREET DIDBAL	BOARD MEETING 12/15/2016
15381	\$ 50.00	RANDY FLETCHER	BOARD MEETING 12/15/2016
15382	\$ 50.00	RON SULLENGER	BOARD MEETING 12/15/2016
15383	\$ 50.00	STANLEY CLEVELAND	BOARD MEETING 12/15/2016
	\$ 678,226.33		

**LAIF
TRANSFERS**

NO LAIF TRANSFERS

AGENDA ITEM V – A
STAFF REPORT

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT (FRAQMD)
AB 2766 GRANT AGREEMENT FOR A ONE YEAR EXTENSION
OF THE EXPANDED LIVE OAK ROUTE**

Attached for Board review and approval is Feather River Air Quality Management District (FRAQMD) Grant Agreement No. VF16-02. This agreement would provide \$10,000 in support of a one year extension of the existing level of service on the Live Oak Route through December 2017. FRAQMD has provided a total of \$15,000 in two previous funding cycles for a portion of the cost to expand the Live Oak Route from three to five days a week effective July 1, 2015.

The proposed scope of work for this project includes the continued operation of the Live Oak Route at the expanded five day a week service level including an on-call stop at Yuba College's Sutter County Center from January 1 through December 31, 2017. This FRAQMD grant will provide approximately one-third of the required operating cost for the twelve month extension. The remaining net operating cost will be provided by the City of Live Oak from available State Transit Assistance (STA) revenue that is claimed directly by Yuba-Sutter Transit. All related marketing and administrative support expenses are provided by Yuba-Sutter Transit as an in-kind contribution.

This is a standard FRAQMD grant agreement and it will have been reviewed by legal counsel prior to the meeting. Staff and counsel will be prepared at the meeting to discuss both this agreement and the project in detail.

RECOMMENDATION: Authorize execution of FRAQMD Grant Agreement #VF16-02 as submitted.

**AGREEMENT FOR USE OF MOTOR-VEHICLE
REGISTRATION SURCHARGE FEES**

FRAQMD Agreement No. VF16-02

This Agreement, dated December 5, 2016, is between the Yuba-Sutter Transit Authority ("Participant"), a public agency of the State of California, and the Feather River Air Quality Management District ("FRAQMD"), a body corporate and politic and a public agency of the State of California.

RECITALS

- A. Participant proposes the 2017 Live Oak Service Expansion Continuation project, which will continue the July 2015 expansion of Yuba-Sutter Transit's Live Oak Route from three to five days a week through December 2017.
- B. As part of its effort to reduce local air pollution from motor vehicles, FRAQMD is willing to fund a portion of this work from revenues it may receive under Chapter 7 of Part 5 of Division 26 (commencing with section 44220) of the Health and Safety Code, subject to the terms and conditions herein.

TERMS AND CONDITIONS

1. FRAQMD shall pay to Participant a total amount not to exceed **\$10,000.00**, within thirty days of receiving Participant's written invoice for the work described in section 2. Payment shall be made exclusively from revenues as specified in section B above, and is conditioned upon such revenues being available. Participant may submit partial invoices as work is completed throughout the term of the Agreement.
2. Participant shall use the funds paid under section 1 solely for the 2017 Live Oak Service Expansion Continuation project, as further described in Exhibit A, which is attached to this agreement and made part of it.
3. Participant shall include mention of FRAQMD's Blue Sky Program as a funding source for the 2017 Live Oak Service Expansion Continuation project in all press releases, advertisements and other public outreach for the 2017 Live Oak Service Expansion Continuation project. Participant shall provide FRAQMD notification of all such outreach prior to publication.
4. Participant shall submit a final "Project Evaluation" report that details the results of the 2017 Live Oak Service Expansion Continuation project as further described in said Exhibit A, **with the final invoice**, within 90 days of project completion, but no later than March 31, 2018.
5. Participant acknowledges that in order to comply with Chapter 7 of Part 5 of Division 26 (commencing with Section 44220) of the Health and Safety Code the funds paid under section 1 must be used solely to reduce air pollution from motor vehicles, and for related planning, monitoring, enforcement, and technical studies necessary to implement the California Clean Air Act of 1988. Participant agrees to use all funds paid hereunder for such purposes.

6. Participant shall complete the work described in paragraph 2 by **December 31, 2017**. If all or a portion of the work described in paragraph 2 is not complete, the funding allocated to the incomplete portion shall revert to back to the FRAQMD on July 1, 2018. Further, Participant shall refund to FRAQMD any funds paid hereunder which are not expended solely for the work described in paragraph 2, together with accrued interest, within 30 days of FRAQMD's written demand therefore.
7. If Participant requires an amendment to the agreement either to extend the grant beyond December 31, 2017, to complete the work described in paragraph 2, or for any other reason, then an extension request must be received by the FRAQMD no later than November 1, 2017.
8. Participant agrees to indemnify, defend (upon FRAQMD's written request), protect, and hold harmless FRAQMD and FRAQMD's officers, employees, and agents against all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final appeal) that arise in any way from acts or omissions by Participant or Participant's officers, employees, or agents while performing under this agreement. Participant's obligation under this section covers but is not limited to liabilities, claims, demands, damages, and costs arising from injury to, or death of, any person and from damage to, or destruction of, any property. Participant's obligation under this section will survive this agreement.
9. If Participant materially breaches this agreement, then FRAQMD may demand in writing that the breach be cured. If, within ten days after receiving such demand, Participant has failed to cure the breach to FRAQMD's reasonable satisfaction, then FRAQMD may give Participant written notice of termination. Upon such termination, Participant must submit to FRAQMD a final written report prepared in accordance with section 3 and must return to FRAQMD all funds paid under section 1 which have not been expended on the 2017 Live Oak Service Expansion Continuation project. As used in this section, "material breach" includes but is not limited to Participant's use of funds paid under section 1 in a manner inconsistent with Chapter 7. FRAQMD's failure to insist on strict performance of this agreement, or to exercise any right or remedy upon breach of this agreement, shall not constitute a waiver of such performance, right, or remedy. No waiver is binding unless in writing, signed by FRAQMD.
10. Participant acknowledges that FRAQMD's sole responsibility concerning the 2017 Live Oak Service Expansion Continuation project described in section 2 is to contribute a portion of the program costs. FRAQMD has no responsibility for, or control over, development, implementation, and promotion of the 2017 Live Oak Service Expansion Continuation project.
11. All correspondence regarding this agreement, including invoices, payments, and notices, shall be directed to the following persons at the following addresses and phone numbers:

YSTA

Keith Martin, Transit Manager
Yuba-Sutter Transit Authority
2100 B Street, Marysville, CA 95901
(530) 634-6880

FRAQMD:

Christopher D. Brown, AICP, Air Pollution Control Officer
Feather River Air Quality Management District
541 Washington Avenue, Yuba City, California 95991
(530) 634-7659

If written, correspondence shall be sent either by personal delivery (including overnight delivery service) or by U. S. Mail, postage prepaid, and shall be considered delivered when actually received.

12. For a period of three years after final payment to Participant, this agreement shall be subject to the examination and audit of the State Auditor or independent auditor selected by FRAQMD, whether at FRAQMD's request or as part of any audit of FRAQMD, and Participant shall retain copies of all documents and records pertinent to this agreement for such period.

13. This agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply in interpreting this Agreement.

14. This agreement shall be interpreted and applied in accordance with California law. If any conflict arises between sections 1 through 13 and Exhibit A, then sections 1 through 13 shall govern. Any litigation concerning it shall be brought in the Superior Court of Sutter County. The prevailing party in any such litigation shall be entitled to recover reasonable attorneys' fees in addition to any other relief to which it may be entitled.

15. This agreement sets forth the parties' entire understanding regarding the matters set forth in sections 1 through 14. It supersedes all prior agreements and representations, written and oral, and may be modified only by a written agreement signed by Participant and FRAQMD.

APPROVED FOR LEGAL FORM

FEATHER RIVER AIR QUALITY
MANAGEMENT DISTRICT

By: _____
District Counsel

By: _____
Christopher D. Brown, AICP, APCO

YUBA-SUTTER TRANSIT AUTHORITY

By: _____
Keith Martin, Transit Manager

EXHIBIT A

FEATHER RIVER AQMD PROPOSAL SUMMARY FORM

Fiscal Year 2016-2017

The following information must be provided with each project application:

PROJECT TITLE 2017 Live Oak Service Expansion Continuation

Agency/Company Name: Yuba-Sutter Transit Authority

Mailing Address: 2100 B Street, Marysville, CA 95901

Phone Number: (530) 634-6880 Fax Number: (530) 634-6888

CONTACT PERSON

Name: Keith Martin E-Mail Address: keith@yubasuttertransit.com

Mailing Address: 2100 B Street, Marysville, CA 95901

Phone Number: (530) 634-6880 Fax Number: (530) 634-6888

BRIEF DESCRIPTION OF PROJECT: Continue the July 2015 expansion of Yuba-Sutter Transit's Live Oak Route from three to five days a week through December 2017.

FUNDING

AB2766 Funding (Requested): \$ 10,000

OR

AB 923 Funding (Requested): \$

Other Funding: Source:
\$ 19,200 State Transit Assistance

\$ 500 In-Kind

TOTAL PROJECT COST: \$ 29,700

SIGNATURE

Signature of Responsible Official: 
(Original Signature Required/No Photocopies)

Print Name and Title: Keith Martin, Transit Manager

NOTE: Read **Section VIII, Contents of Proposals**, carefully. Detailed project information is required. Incomplete applications will not be accepted. A proposal summary form is required for each separate project. **ATTACH REQUIRED INFORMATION TO THIS FORM** including Statement of Objectives, Background, Project Organization, Work Statement, and Cost Breakdown.



September 16, 2015

Stan Cleveland, Chairman
Feather River Air Quality Management District
541 Washington Avenue
Yuba City CA 95991

RECEIVED
SEP 20 2016
FEATHER RIVER
AQMD

RE: 2016/2017 Blue Sky Program Grant Application
2017 Live Oak Service Expansion Continuation Project

Dear Chairman Cleveland:

On behalf of the Yuba-Sutter Transit Board of Directors, I am pleased to submit the attached application for \$10,000 in FY 2016-2017 Blue Sky Program funds to extend the demonstration period for the July 2015 expansion of the Live Oak Route from three to five days a week for another year to better assess the ridership potential of daily weekday service on this rural route. The requested funding would provide approximately one-third of the required cost of the proposed service expansion with the remainder to be funded by Yuba-Sutter Transit using available revenue from the State Transit Assistance program through the City of Live Oak.

As proposed, the July 2015 expansion of the Live Oak Route from three to five days of service each week including an on-call stop at the Yuba College Sutter County Center off Highway 99 between Pease and Eager Roads would be continued through December 2017. The primary objective of this project is to allow enough time to better determine if expansion of the Live Oak Route will generate increased ridership comparable to, if not more than, the increase in service and it typically takes a minimum of two years to assess the impact of expanded service. If successful, this project will reduce vehicle trips and vehicle miles traveled resulting in less vehicle emissions and improved air quality. The results will also be used to evaluate the ridership potential on other rural routes.

Thank you for your consideration and please feel free to contact me if you have any questions or need additional information.

Sincerely,

KEITH MARTIN
Transit Manger

Attachment

F:\USERS\Common\FRAQMD\Live Oak Service Expansion Cover Letter 9-20-16/

**YUBA-SUTTER TRANSIT
2017 LIVE OAK SERVICE EXPANSION CONTINUATION PROJECT**

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
BLUE SKY PROGRAM GRANT APPLICATION**

SEPTEMBER 15, 2016

PROJECT DESCRIPTION

The proposed project is for partial funding to continue the July 2015 expansion of Yuba-Sutter Transit's Live Oak Route from three to five days a week for an additional twelve months through December 31, 2017. The initial one year demonstration project to assess the potential ridership response to daily weekday service on this rural route was extended another six months with the support of a second FRAQMD grant which will end December 31, 2016. While it typically takes a couple of years to determine the full impact of a service expansion, the early Live Oak results are very promising and an additional grant is now being requested to help continue the expanded service another year so the impact can be more accurately assessed. A copy of the current Live Oak Route service brochure is attached.

This route provided just two scheduled round trips between the City of Live Oak and the Yuba City/Marysville urban area each Monday, Wednesday and Friday for many years before it was expanded in July 2015 to operate all five weekdays and modified to add more Live Oak stops as well as on-call service to Yuba College's Sutter County Center near Highway 99 north of Pease Road. As proposed, the requested funding would provide approximately one-third of the required cost to continue this expanded service for another year. The remaining cost would be funded by Yuba-Sutter Transit primarily with State Transit Assistance funding available through the City of Live Oak. The success of this project will be determined by comparing the average number of passenger trips per day of service each month to the same period in prior years.

FUNDING REQUEST

A total of \$10,000 in Blue Sky funding is being requested to continue the expanded Live Oak Route for an additional twelve months from January 1, 2017 through December 31, 2017. The net annual direct cost of this service expansion (after accounting for projected passenger fare revenue) is estimated at \$29,200 with the remainder to be funded by Yuba-Sutter Transit primarily with State Transit Assistance funding available through the City of Live Oak. The actual net operating cost will be based on the applicable fully allocated cost per vehicle service hour as adjusted for fare revenue pursuant to the current operating agreement between the City of Live Oak and Yuba-Sutter Transit. Alternative funding levels are possible by incrementally reducing the FRAQMD contribution and increasing the Yuba-Sutter Transit contribution.

OBJECTIVES

The primary objective of this extended demonstration project is to better determine if expansion of the Live Oak Route from three to five days a week will generate increased ridership comparable to, if not more than, the increase in service. If successful, the project would reduce the number of vehicle trips and vehicle miles traveled along this route resulting in less vehicle emissions and improved air quality. The results of this project will be used to evaluate the ridership potential for other rural routes.

Yuba-Sutter Transit has received four previous FRAQMD grants for operating projects including the initial one year grant and the existing six month grant to support the expansion of the Live Oak Route. The current six month grant will expire at the end of December 2016. The other two grants were both related to the 1998 operation of the Downtown Trolley Project. Yuba-Sutter Transit has received full or partial FRAQMD funding for numerous capital projects and ridership incentive programs over the years. Yuba-Sutter Transit has consistently satisfied the stated objectives for all FRAQMD funded projects including the provision of all required performance reports.

BACKGROUND

Created in 1975 as a Joint Powers Authority (JPA) by the Cities of Marysville and Yuba City and the Counties of Yuba and Sutter, Yuba-Sutter Transit is the local public transportation service provider for the Bi-County area. Yuba-Sutter Transit operates a variety of services to help meet the transportation needs of both urban and rural residents including local fixed routes; demand response service for seniors and persons with disabilities; rural route services; and, commuter services to downtown Sacramento. The Live Oak Route has been operated by Yuba-Sutter Transit under an agreement with the City of Live Oak since 1988.

PROJECT ORGANIZATION

The project will be under the general direction of the Yuba-Sutter Transit Board of Directors with day-to-day management assigned to the Transit Manager.

WORK STATEMENT AND COST BREAKDOWN

The proposed scope of work for this project is a one year extension of the existing demonstration project to expand the Live Oak Route from three to five days a week (Monday – Friday). The extension period would be from January 1, 2017 through December 31, 2017. FRAQMD funding is being requested for approximately one-third of the estimated net operating cost for this extension up to a maximum of \$10,000. The remaining projected net operating cost of \$19,200 will be provided by Yuba-Sutter Transit primarily with State Transit Assistance funding available through the City of Live Oak while all related marketing, administrative support and evaluation related expenses will be provided by Yuba-Sutter Transit as an in-kind contribution.

	<u>Personnel</u>	<u>Materials</u>	<u>Match</u>
Expanded Live Oak Route (Net Operating Cost)	\$ 0	\$ 10,000	\$ 19,200
Project Management, Marketing & Evaluation (10 hours @ \$50/ hour)	0	0	500
Total	\$ 0	\$10,000	\$19,700

TENTATIVE PROJECT SCHEDULE

Activities

1. Grant Submission Deadline
2. Grant Approved by FRAQMD
3. Extension of Expanded Service Plan
5. Completion of Demonstration Period
5. Final Report and Project Close-out

Key Dates

October 14, 2016
December 5, 2016
January 1, 2017
December 31, 2017
March 31, 2018

ATTACHMENT

Current Live Oak Route Brochure (July 2015)

/Common/FRAQMD/2017 Live Oak Service Expansion Application 9-15-16/

AGENDA ITEM V – B
STAFF REPORT

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT (FRAQMD)
AB 2766 GRANT AGREEMENT FOR THE 2017
DISCOUNT MONTHLY PASS PROGRAM**

Attached for Board review and approval is the proposed Feather River Air Quality Management District (FRAQMD) Grant Agreement #VF16-03 for \$140,000 to extend the existing Discount Monthly Pass Program for one year through December 2017. While this grant is \$4,000 less than the amount requested, staff is still recommending returning the out-of-pocket cost of each discount monthly pass to \$5 for 2017 after it had been increased to \$6 for all of 2015 and 2016 due to much more significant funding short-falls for those two grant cycles.

The proposed scope of work for this project includes the sale of a projected 14,400 discount monthly bus passes for area youth (age 5 – 18), seniors (currently age 64 and over) and persons with disabilities at a deeply discounted price of just \$5 each. FRAQMD funds (up to the grant amount) will be used to off-set the \$10 loss on the sale of each pass from the regular \$15 rate. All related marketing and administrative support expenses will be provided by Yuba-Sutter Transit as an in-kind contribution. All discount passes will also be accepted as payment on Yuba-Sutter Transit's three rural routes to Live Oak, Wheatland and the Yuba County Foothills.

This is a standard FRAQMD grant agreement and it will have been reviewed by legal counsel prior to the meeting. Staff and counsel will be prepared at the meeting to discuss both this agreement and the project in detail.

RECOMMENDATION: Authorize execution of FRAQMD Grant Agreement #VF16-03 as submitted.

**AGREEMENT FOR USE OF MOTOR-VEHICLE
REGISTRATION SURCHARGE FEES**

FRAQMD Agreement No. VF16-03

This Agreement, dated December 5, 2016, is between the Yuba-Sutter Transit Authority ("Participant"), a public agency of the State of California, and the Feather River Air Quality Management District ("FRAQMD"), a body corporate and politic and a public agency of the State of California.

RECITALS

- A. Participant proposes the 2017 Discount Monthly Bus Pass Program, which will continue the Discount Monthly Bus Pass Program for area youth, seniors and persons with disabilities through December 2017.
- B. As part of its effort to reduce local air pollution from motor vehicles, FRAQMD is willing to fund a portion of this work from revenues it may receive under Chapter 7 of Part 5 of Division 26 (commencing with section 44220) of the Health and Safety Code, subject to the terms and conditions herein.

TERMS AND CONDITIONS

1. FRAQMD shall pay to Participant a total amount not to exceed **\$140,000.00**, within thirty days of receiving Participant's written invoice for the work described in section 2. Payment shall be made exclusively from revenues as specified in section B above, and is conditioned upon such revenues being available. Participant may submit partial invoices as work is completed throughout the term of the Agreement.
2. Participant shall use the funds paid under section 1 solely for the 2017 Discount Monthly Bus Pass Program, as further described in Exhibit A, which is attached to this agreement and made part of it.
3. Participant shall include mention of FRAQMD's Blue Sky Program as a funding source for the 2017 Discount Monthly Bus Pass Program in all press releases, advertisements and other public outreach for the 2017 Discount Monthly Bus Pass Program. Participant shall provide FRAQMD notification of all such outreach prior to publication.
4. Participant shall submit a final "Project Evaluation" report that details the results of the 2017 Discount Monthly Bus Pass Program as further described in said Exhibit A, **with the final invoice**, within 90 days of project completion, but no later than March 31, 2018.
5. Participant acknowledges that in order to comply with Chapter 7 of Part 5 of Division 26 (commencing with Section 44220) of the Health and Safety Code the funds paid under section 1 must be used solely to reduce air pollution from motor vehicles, and for related planning, monitoring, enforcement, and technical studies necessary to implement the California Clean Air Act of 1988. Participant agrees to use all funds paid hereunder for such purposes.

6. Participant shall complete the work described in paragraph 2 by **December 31, 2017**. If all or a portion of the work described in paragraph 2 is not complete, the funding allocated to the incomplete portion shall revert to back to the FRAQMD on July 1, 2018. Further, Participant shall refund to FRAQMD any funds paid hereunder which are not expended solely for the work described in paragraph 2, together with accrued interest, within 30 days of FRAQMD's written demand therefore.
7. If Participant requires an amendment to the agreement either to extend the grant beyond December 31, 2017, to complete the work described in paragraph 2, or for any other reason, then an extension request must be received by the FRAQMD no later than November 1, 2017.
8. Participant agrees to indemnify, defend (upon FRAQMD's written request), protect, and hold harmless FRAQMD and FRAQMD's officers, employees, and agents against all liabilities, claims, demands, damages, and costs (including reasonable attorneys' fees and litigation costs through final appeal) that arise in any way from acts or omissions by Participant or Participant's officers, employees, or agents while performing under this agreement. Participant's obligation under this section covers but is not limited to liabilities, claims, demands, damages, and costs arising from injury to, or death of, any person and from damage to, or destruction of, any property. Participant's obligation under this section will survive this agreement.
9. If Participant materially breaches this agreement, then FRAQMD may demand in writing that the breach be cured. If, within ten days after receiving such demand, Participant has failed to cure the breach to FRAQMD's reasonable satisfaction, then FRAQMD may give Participant written notice of termination. Upon such termination, Participant must submit to FRAQMD a final written report prepared in accordance with section 3 and must return to FRAQMD all funds paid under section 1 which have not been expended on the 2017 Discount Monthly Bus Pass Program. As used in this section, "material breach" includes but is not limited to Participant's use of funds paid under section 1 in a manner inconsistent with Chapter 7. FRAQMD's failure to insist on strict performance of this agreement, or to exercise any right or remedy upon breach of this agreement, shall not constitute a waiver of such performance, right, or remedy. No waiver is binding unless in writing, signed by FRAQMD.
10. Participant acknowledges that FRAQMD's sole responsibility concerning the 2017 Discount Monthly Bus Pass Program described in section 2 is to contribute a portion of the program costs. FRAQMD has no responsibility for, or control over, development, implementation, and promotion of the 2017 Discount Monthly Bus Pass Program.
11. All correspondence regarding this agreement, including invoices, payments, and notices, shall be directed to the following persons at the following addresses and phone numbers:
- | | |
|---------|--|
| YSTA | Keith Martin, Transit Manager
Yuba-Sutter Transit Authority
2100 B Street, Marysville, CA 95901
(530) 634-6880 |
| FRAQMD: | Christopher D. Brown, AICP, Air Pollution Control Officer
Feather River Air Quality Management District
541 Washington Avenue, Yuba City, California 95991
(530) 634-7659 |

If written, correspondence shall be sent either by personal delivery (including overnight delivery service) or by U. S. Mail, postage prepaid, and shall be considered delivered when actually received.

12. For a period of three years after final payment to Participant, this agreement shall be subject to the examination and audit of the State Auditor or independent auditor selected by FRAQMD, whether at FRAQMD's request or as part of any audit of FRAQMD, and Participant shall retain copies of all documents and records pertinent to this agreement for such period.

13. This agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply in interpreting this Agreement.

14. This agreement shall be interpreted and applied in accordance with California law. If any conflict arises between sections 1 through 13 and Exhibit A, then sections 1 through 13 shall govern. Any litigation concerning it shall be brought in the Superior Court of Sutter County. The prevailing party in any such litigation shall be entitled to recover reasonable attorneys' fees in addition to any other relief to which it may be entitled.

15. This agreement sets forth the parties' entire understanding regarding the matters set forth in sections 1 through 14. It supersedes all prior agreements and representations, written and oral, and may be modified only by a written agreement signed by Participant and FRAQMD.

APPROVED FOR LEGAL FORM

FEATHER RIVER AIR QUALITY
MANAGEMENT DISTRICT

By: _____
District Counsel

By: _____
Christopher D. Brown, AICP, APCO

YUBA-SUTTER TRANSIT AUTHORITY

By: _____
Keith Martin, Transit Manager

EXHIBIT A

FEATHER RIVER AQMD PROPOSAL SUMMARY FORM

Fiscal Year 2016-2017

The following information must be provided with each project application:

PROJECT TITLE 2017 Discount Monthly Bus Pass Program

Agency/Company Name: Yuba-Sutter Transit Authority

Mailing Address: 2100 B Street, Marysville, CA 95901

Phone Number: (530) 634-6880 Fax Number: (530) 634-6888

CONTACT PERSON

Name: Keith Martin E-Mail Address: keith@yubasuttertransit.com

Mailing Address: 2100 B Street, Marysville, CA 95901

Phone Number: (530) 634-6880 Fax Number: (530) 634-6888

BRIEF DESCRIPTION OF PROJECT: Continue the Discount Monthly Bus Pass Program for area youth, seniors and persons with disabilities through December 2017.

FUNDING

AB2766 Funding (Requested): \$ 144,000

OR

AB 923 Funding (Requested): \$

Other Funding: Source:
\$ 4,250 In-Kind

\$

TOTAL PROJECT COST: \$ 148,250

SIGNATURE

Signature of Responsible Official: 
(Original Signature Required/No Photocopies)

Print Name and Title: Keith Martin, Transit Manager

NOTE: Read **Section VIII, Contents of Proposals**, carefully. Detailed project information is required. Incomplete applications will not be accepted. A proposal summary form is required for each separate project. **ATTACH REQUIRED INFORMATION TO THIS FORM** including Statement of Objectives, Background, Project Organization, Work Statement, and Cost Breakdown.



September 20, 2016

Stan Cleveland, Chairman
Feather River Air Quality Management District
541 Washington Avenue
Yuba City CA 95991

RECEIVED

SEP 20 2016

FEATHER RIVER
AQMD

RE: 2016/2017 Blue Sky Program Grant Application
2017 Discount Monthly Bus Pass Program

Dear Chairman Cleveland:

On behalf of the Yuba-Sutter Transit Board of Directors, I am pleased to submit the attached application for \$144,000 in FY 2016-2017 Blue Sky Program funds to extend the Discount Monthly Pass Program for an additional year through December 2017. This tremendously popular program, which began as a ridership incentive program for area youth in September 2005, has been expanded over the years to now include seniors and persons with disabilities. These three programs were combined for 2015 into a single Discount Monthly Bus Pass Program that will now end on December 31, 2016 without additional funding.

The primary objective of the program continues to reduce vehicle trips and vehicle miles traveled by encouraging youth (ages 5 – 18), seniors (age 64 and over) and eligible persons with disabilities to ride public transit as much as possible. This is to be accomplished by deeply discounting the existing \$15 unlimited use monthly fixed route discount bus pass to just \$5 with FRAQMD grant funds being used to off-set the lost fares. The success of this concept can be measured by comparing the number of passes sold and the trips provided whether by eligibility category or combined to prior years and before the program began. Based on current pass sales and ridership data, the 2017 program is expected to result in the sale of 14,400 discount monthly bus passes and provide up to 360,000 passenger trips to area youth, seniors and persons with disabilities.

Thank you for your consideration and please feel free to contact me if you have any questions or need additional information.

Sincerely,

KEITH MARTIN
Transit Manger

Attachment

F:\USERS\Common\FRAQMD\2017 Discount Pass Cover Letter 9-20-16/

**YUBA-SUTTER TRANSIT
2017 DISCOUNT MONTHLY BUS PASS PROGRAM**

**FEATHER RIVER AIR QUALITY MANAGEMENT DISTRICT
BLUE SKY PROGRAM GRANT APPLICATION**

SEPTEMBER 15, 2016

PROJECT DESCRIPTION

The purpose of this proposed project is to continue the on-going Discount Monthly Bus Pass Program for another twelve months through December 2017. This tremendously popular program began as a ridership incentive program for area youth in September 2005 under a grant from the Feather River Air Quality Management District (FRAQMD). It was extended and expanded over the years through a series of FRAQMD grants and now includes seniors and persons with disabilities. All three of these programs were ultimately combined into a single Discount Monthly Bus Pass Program which will now end on December 31, 2016 without additional funding.

The purpose of the Discount Monthly Bus Pass Program continues to be the on-going development, implementation and promotion of a transit ridership incentive program for youth (ages 5 – 18), seniors (age 64 and over) and eligible persons with disabilities. The primary program goal is to encourage more ridership by deeply discounting the existing \$15 unlimited use discount monthly fixed route and rural route bus pass to just \$5 with FRAQMD grant funds being used to off-set the \$10 revenue loss on the sale of each monthly pass. The overwhelming success of this concept over the last 11 years can be measured by comparing the number of passes sold and the trips provided whether by eligibility category or as a combined program to the same numbers in prior years.

FUNDING REQUEST

A total of \$144,000 in Blue Sky funding is being requested by Yuba-Sutter Transit to continue the combined Discount Monthly Bus Pass Program for an additional twelve months through December 2017. This figure is similar to the \$143,100 that was provided in 2016 and would result in returning the out-of-pocket cost of each pass to \$5 after being at \$6 for 2015 and 2016 when less FRAQMD funding was available. These discount monthly passes will be accepted on all local routes as well as on Yuba-Sutter Transit's three rural routes that serve Live Oak, Wheatland and the Yuba County foothills. Administrative costs and direct promotional expenses for the program with an estimated value of \$4,250 will be provided by Yuba-Sutter Transit as an in-kind contribution to the project. Alternative funding levels are possible by incrementally increasing the out-of-pocket cost for each pass thereby reducing the grant amount though this is likely to result in fewer passes sold and fewer passengers carried.

OBJECTIVES

The primary objective of this proposal is to reduce the number of vehicle trips and vehicle miles traveled in the Yuba-Sutter area for the purpose of reducing vehicle emissions and improving air quality. This is to be accomplished by continuing the deeply discounted combined youth, senior and disabled monthly bus pass program for an additional twelve months. Assuming sales and use figures similar to those now being experienced, this program is expected to result in the sale of 14,400 discount monthly bus passes and the provision of 360,000 passenger boardings in 2017 with each discount pass being used an average of 25 times a month.

The discount monthly pass subsidy program has far exceeded all expectations over the years to prove that it is an extremely cost effective method of encouraging transit ridership. While overall local and rural route ridership to date is down 12.7 percent through July compared to the same seven months of 2015, discount pass sales are off just 5.8 percent and discount fare ridership (pass and cash) is off by just 1.5 percent in comparison. The recent significant drop in Yuba-Sutter Transit ridership (the first such drop in over 25 years) is due to a variety of factors unrelated to the discount monthly pass program including key service and policy changes that became effective in September 2015 and continued low fuel prices.

The secondary objective of the program is to introduce and reinforce the use of public transit as a viable alternative mode of transportation to the large and growing local population of youth, seniors and persons with disabilities as few who meet the discount fare eligibility requirements have probably ever used Yuba-Sutter Transit. The proposed 2017 program offers a low risk means by which the target population can experiment with alternative transportation modes as either their primary or occasional means of travel by reinforcing the experience of existing passengers while reaching out to new passengers.

FRAQMD has participated in the funding of a wide variety of public education, fleet replacement and miscellaneous capital projects for Yuba-Sutter Transit over the years and continuing this popular ridership incentive program would build on those very successful efforts. Yuba-Sutter Transit has generally met the stated objectives for each of the prior projects including the provision of all required performance reports.

BACKGROUND

Created in 1975 as a Joint Powers Authority (JPA) by the Cities of Marysville and Yuba City and the Counties of Yuba and Sutter, Yuba-Sutter Transit is the local public transportation service provider for the Bi-County area. Yuba-Sutter Transit operates a variety of services to help meet the transportation needs of both urban and rural residents including local fixed routes; demand response service for seniors and persons with disabilities; rural route services; and, commuter services to downtown Sacramento.

The local fixed route service, which began in January 1993 with five 15 and 16 passenger buses offering hourly service on three routes, now operates 30 or 60 minute service frequencies on six routes using a peak fleet of fourteen 27 or 32 passenger buses. Ridership on the local fixed route system has grown dramatically over time from 120,000 passenger trips during the first full fiscal year of service (FY 1994) to a high of 1,067,000 passenger trips in FY 2015. Among the many enhancements to the system during this period were the purchase of dedicated fixed route buses; the installation of passenger shelters and benches at many bus stops; ridership incentive programs for youth, seniors and persons with disabilities; the placement of route and schedule information at key bus stops; conversion to an all low-floor fixed route fleet; and, numerous other improvements to increase the number of routes, the frequency of service and the days of operation.

While the local fixed route system has historically been used almost exclusively by transit dependent populations, the system is now finding a market among more casual and independent users especially by area youth, seniors and persons with disabilities. The requested Blue Sky Program funds are necessary to off-set lost fare revenues from the sale of a deeply discounted monthly bus pass to continue this trend.

PROJECT ORGANIZATION

The project will be under the general direction of the Yuba-Sutter Transit Board of Directors with day-to-day management assigned to the Transit Manager.

WORK STATEMENT AND COST BREAKDOWN

The proposed scope of work for this project includes the replacement of lost fare revenues resulting from the sale of deeply discounted monthly bus passes to area youth, seniors and persons with disabilities. All direct and indirect project coordination and promotional expenses will be funded by Yuba-Sutter Transit as an in-kind contribution. Based on the experience to date, lost fare revenues will be calculated only on the sale of each discount monthly pass sold for up to twelve months up to a total of 14,400 monthly passes.

1. Project Management

The project will be under the general direction of the Yuba-Sutter Transit Board of Directors with day-to-day management by the Transit Manager and staff as an in-kind program contribution.

	<u>Blue Sky</u>	<u>Other</u>
Project Management (10 hours @ \$75/hour)	\$ 0	\$ 750 (In-Kind)

2. Program Promotion

Yuba-Sutter Transit staff will coordinate the creative development and placement of advertising pieces as appropriate. Many local media outlets will provide some amount of matching value on paid advertising as an in-kind contribution.

	<u>Blue Sky</u>	<u>Other</u>
Project Management (20 hours @ \$50/hour)	\$ 0	\$ 1,000 (In-Kind)
Miscellaneous Promotional Expenses	0	2,000 (In-Kind)
Total	\$ 0	\$ 3,000

3. Fare Replacement

This task provides for the replacement of the \$10 loss in fare revenue due to the discount in the cost of each discount monthly pass. The total value is calculated on the projected sale of 14,400 discount monthly passes over the twelve month program period based on past experience and expected future growth.

	<u>Blue Sky</u>	<u>Other</u>
Pass Discount Subsidy	\$144,000	\$ 0

5. Project Evaluation

The effectiveness of the program will be evaluated by the number of discount monthly passes sold and the number of discount monthly pass boardings from January 2017 through December 2017. Yuba-Sutter Transit will record every discount pass and discount cash fare boarding of the local fixed route and rural route system throughout the term of the program and this information will be compiled and presented in a final report along with the number of discount passes sold each month. In addition, the report will include a written program evaluation including any recommendations for future program modifications.

	<u>Blue Sky</u>	<u>Other</u>
Project Management (10 hours @ \$50/hour)	\$ 0	\$ 500 (In-Kind)

COST BREAKDOWN

	<u>Personnel</u>	<u>Materials</u>	<u>In-Kind</u>
1. Project Management	\$ 0	\$ 0	\$ 750
2. Program Promotion	0	0	3,000
3. Fare Replacement	0	144,000	0
4. Project Evaluation	0	0	500
Total	\$ 0	\$ 144,000	\$ 4,250

TENTATIVE PROJECT SCHEDULE

ACTIVITY

KEY DATE

1. Grant Submission Deadline	October 14, 2016
2. Grant Approved by FRAQMD	December 5, 2016
3. First Day of Program Period	January 1, 2017
6. Last Day of Program Period	December 31, 2017
7. Final Report & Project Close-out	March 31, 2018

/Common/FRAQMD/Combined Discount Pass Program/2017 Discount Monthly Pass Application 9-15-16/

AGENDA ITEM V – C
STAFF REPORT

FY 2015-2016 FINANCIAL AUDIT REPORT

Enclosed separately with the agenda packet for Board review and acceptance is a copy of Yuba-Sutter Transit's Independent Audit Report and related letters for FY 2015-2016. This report is completed annually on behalf of the Sacramento Area Council of Governments (SACOG) in accordance with the provisions of the State Transportation Development Act. The report was prepared by the firm of Richardson & Company of Sacramento.

For the second year in a row, there are no audit findings or Management Letter comments.

Staff will be prepared to discuss the report in detail at the meeting.

RECOMMENDATION: Accept the FY 2015-2016 audit report as presented.