Wednesday, July 31, 2013  
12:00 Noon  
(Lunch Provided for Board Members) 

Kelly Board Room  
32-505 Harry Oliver Trail  
Thousand Palms, CA 92276  

NOTE: IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT SUNLINE AT (760) 343-3456. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE SUNLINE TO MAKE REASONABLE ACCOMMODATION TO ENSURE ACCESSIBILITY TO THIS MEETING.

THE CHAIR REQUESTS THAT ALL CELLULAR PHONES AND PAGERS BE TURNED OFF OR SET ON SILENT MODE FOR THE DURATION OF THE BOARD MEETING.

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<td>1. Call to Order</td>
<td>Chairman Glenn Miller</td>
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<td>2. Flag Salute</td>
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<td>3. Roll Call</td>
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<td>5. Finalization of Agenda</td>
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<td>6. Correspondence</td>
<td>None.</td>
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7. **Public Comments**
(Note: Those wishing to address the Board should complete a Public Comment Card and will be called upon to speak.)

**NON AGENDA ITEMS**
Anyone wishing to address the Board on items not on the agenda may do so at this time. Each presentation is limited to 3 minutes.

**AGENDA ITEMS**
Anyone wishing to address specific items on the agenda should notify the Chair at this time so those comments can be made at the appropriate time. Each presentation is limited to 3 minutes.

8. **Board Member Comments**
Any Board Member who wishes to speak may do so at this time.

---ACTION---

9. **Approval of Minutes**
   a) Minutes of the June 26, 2013 Board of Directors Meeting (Pages 1-17)

10. **Approval of Executive Committee and Finance Committee Bylaws (Jeff Goldfarb)**
    Request to the Board to approve the attached proposed Resolution and bylaws for the Executive Committee and the Finance Committee. (Pages 18-26)

11. **Committees and Appointments (Chairman Miller)**
    Board to confirm/approve all committees and appoint and approve all committee assignments. (Pages 27-28)

12. **Public Comments on the Title VI Update**
    Request to the Board to accept and close the public comment period for the SunLine Transit Agency Federal Transit Administration (FTA) Title VI Update and to approve report. (Pages 29-30)

    Members of the public are encouraged to address the Board on issues concerning the Title VI Update. Each presentation is limited to 3 minutes. (Title VI Update attached as separate attachment)
    a) Accept public comments
    b) Close public comments
    c) Approve Title VI Report
13. **Approval of Service Standards Policy** (Joe Forgiarini)  
Request to the Board to approve the attached Service Standards Policy. (Pages 31-46)

14. **Approval of BAE Contract** (Tommy Edwards)  
Request to the Board to grant authority to the Interim General Manager to execute contract with BAE Systems Control for an extended warranty for the American Fuel Cell bus – FC3. (Page 47)

15. **Exercise of Option Year to Goodyear Contract for Tire Leasing and Tire Service** (Mike Morrow)  
Request to the Board to approve the exercise of Option Year to Goodyear for tire leasing and service. (Page 48)

16. **Approve Agreement for Division 1 Yard Repaving** (Tommy Edwards)  
Request to the Board to grant authority to the General Manager to execute an agreement with Cooley Construction for Division 1 yard repaving. (Pages 49-50)

17. **Approval of DBE Policy** (Rudy LeFlore)  
Request to the Board to approve the attached DBE policy. (Pages 51-52)

18. **Appointment of Retirement Committee Members** (Donald Bradburn)  
Request to the Board to approve Human Resources Director and Director of Operations to the Agency Retirement Committee. (Pages 53-54)

19. **Contract Extension Interim General Manager** (Rudy Le Flore)  
Request to the Board to approve contract extension of Interim General Manager. (Pages 55-57)

20. **Execution of Option for Legal Services** (Rudy Le Flore)  
Request to the Board to grant authorization to the Interim General Manager to exercise the first option year included in the contract for legal services with Rutan & Tucker in an amount Not To Exceed $200,000. (Page 58)
21. **Consent Calendar**

All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Board Member requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.

- a) Checks over $1,000 for June, 2013 (Pages 59-61)
- b) Credit card statement for June, 2013 (Pages 62-64)
- c) Monthly Budget Reports for May, 2013 (Page 65)
- d) Ridership Report for June, 2013 (Pages 66-67)
- e) SunDial Operational Notes for June, 2013 (Page 68)

22. **New Bus Service Request for North Indio and Desert Edge/Sky Valley (Joe Forgiarini)**

Discuss requests of bus service from residents of North Indio and Desert Edge/Sky Valley. (Pages 69-70)

23. **Closed Session**

- a) Closed Session - Gov. code sec. 54956.9 - CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION - Significant expose to litigation pursuant to subdivision (b)(1) 1 potential case.

24. **General Manager’s Report**

25. **Next Meeting Date**

- September 25, 2013
- 12 o’clock Noon – Kelly Board Room
- 32-505 Harry Oliver Trail
- Thousand Palms, CA 92276

26. **Adjourn**
A regular meeting of the SunLine Transit Agency Board of Directors was held at 12:40pm on Wednesday, June 26, 2013 in the Kelly Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. **Call to Order**  
The meeting of the SunLine Transit Agency Board was called to order at 12:40 p.m. by Chairman Robert Spiegel.

2. **Flag Salute**  
Interim General Manager Roger Snoble led all in a salute to our flag.

3. **Roll Call**  
Completed.

**Members Present**  
Robert Spiegel, Chairman, Councilmember, City of Palm Desert  
Yvonne Parks, Vice Chairman, Mayor, City of Desert Hot Springs  
Rick Hutcheson, Councilmember, City of Palm Springs  
Greg Pettis, Councilmember, City of Cathedral City (via phone conference – from the Mayflower Hotel, 1127 Connecticut Ave. NW, Washington, DC)  
G. Dana Hobart, Councilmember, City of Rancho Mirage  
Douglas Hanson, Councilmember, City of Indian Wells  
Don Adolph, Mayor, City of La Quinta  
Glenn Miller, Councilmember, City of Indio  
Eduardo Garcia, Mayor, City of Coachella

**Members Absent**  
John J. Benoit, Supervisor, County of Riverside

**Guests:**  
Joseph Larsen, Rutan & Tucker  
Jeff Love, Rutan & Tucker  
Kathleen Bennett, Resort Marketing  
Linda Hurley, MGO Accountants  
Robert Yates, RCTC  
Jeff Grant, Ballard  
Brett Kelman, The Desert Sun  
Larry Salas, C.O.D.  
Becky Broughton, C.O.D.  
Gene Marchu, C.O.D.  
Maryanne Champion, C.O.D.  
Stan Christensen, C.O.D.  
Mary Jane Sanchez, C.O.D.
Jennifer Christensen, C.O.D.
Billy Meyer, Yellow Cab
Michal Brock, Yellow Cab
Harry Incs, American Cab
Scott Russo, Legal Counsel, American Cab
Marx Triplett, Desert City Cab
K.D. Labana, Desert City Cab
Mohammad Farooq, Desert City Cab
Peter Schabarum, Public
Arlene Johnson, Public
Amy Stuart, Public
Joran Pineda, Public
Larry Villalobos, Public
Perfecto Enriquez, Public
Judy Shea, Public

Staff:
Roger Snoble, Interim General Manager
Jeffrey Goldfarb, Legal Counsel
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board
Naomi Nightingale, Chief of Staff
Polo Del Toro, Director of Operations
Joe Forgiarini, Director of Transit Planning
Mike Morrow, Director of Maintenance
Don Bradburn, Director of Human Resources
CJ Smith, Interim Director of Finance
Tommy Edwards, Contracting Officer Technical Representative
Rudy LeFlore, G.M. Management Analyst
Mannie Thomas, Manager of Operations and Safety Training
Manny Garcia, Senior Supervisor, Operations
Rick Barone, Procurement Officer
Francine DePalo, Administrative Assistant
Michael Jones, Manager Taxicab Administration
Harmon Singh, Assistant Taxicab Administrator II
Stephanie Buriel, Senior Administrative Assistant
David Robin, Assistant Taxicab Administrator II
Mary Borders, Marketing Manager
Norma Stevens, Community Outreach Specialist
Diann Chumney, Marketing Specialist II
David Manriquez, Facility Maintenance Assistant
Joseph Friend, Senior IT & Systems Analyst
Vanessa Mora, Desktop Support Technician

4. Presentations
Mayor Eduardo Garcia presented the outgoing Chairman, Bob Spiegel and the Vice Chair, Yvonne Parks. Mayor Garcia stated that during the unique events taking place over the last several months and the ongoing evolution of the organization, the mission and the goals of the Agency continue to be the focal point – to provide public transit
using cutting edge, environmentally friendly vehicles. Mayor Garcia thanked the Chairman and Vice Chair for their hard work and dedication to the Agency. Mayor Garcia also recognized staff for their hard work, making the Board’s job easier. Chairman Spiegel and Vice Chair Parks thanked the Board and employees.

Interim General Manager, Roger Snoble, made a presentation to Chief of Staff, Naomi Nightingale, as she retires from her long career in transit. Ms. Nightingale has worked for SunLine, first as a consultant, and then joined staff as Director of Human Resources/EEO and Taxi Administrator. She worked her way to her current position of Chief of Staff. On behalf of the Board, Ms. Nightingale was presented with an award for her work and dedication to the Agency and the Coachella Valley. Ms. Snoble wished her well in retirement. Ms. Nightingale thanked the Board and staff for the recognition.

5. Finalization of Agenda
No additions were made. Board agenda item #29 –Request from College of the Desert for Donation of Bus Passes for Students - was moved forward to be addressed after Board member comments – Agenda item# 8.

Vice Chair Parks stated the following: “There are a couple of people here who want to submit that there is a bus from Desert Hot Springs to C.O.D. – 802 students that attend C.O.D. from D.H.S.”

Mayor Garcia stated: “So if the Board is amenable to move Item #29 after item #9, the minutes, people can do public comments and address the Board. We can then flow with the rest of the agenda, following with Item# 10.

6. Correspondence
None.

7. Public Comments
NON AGENDA ITEMS:

Peter Schabarum – City of Indian Wells, stated the following: “I am a consistent user of your SunLine system to the Braille Institute on a weekly basis. I am one of those that has taken advantage of the American Disability Act in using that service provided for transit home to Braille and back, as well as probably well over 100-150 other citizens in this Valley that take advantage of the same service. My reason for being here today is simply because the quality of service as afforded by SunLine in the last several weeks, if not months, has deteriorated, in my opinion. I thought it would be appropriate for at least myself, on behalf of some of my other colleagues, to bring this to your attention. You are aware that when a user calls to request an appointment, he or she is told that she has a window of 40 minutes; therefore, when you say I would like to be picked up at 8:00, you can expect to be picked up between 8:00 and 8:40 – the time that the bus would arrive. In the last several weeks, that has been far from the truth ranging from well over 15 minutes beyond that 40 minutes, to as much as a half an hour to 35 minutes. That is not a good thing, in my view, and one that I would like you to bring to the attention of your staff and see what can be done to correct it. Further,
the time between having been picked up, destination, can range from as much as an hour to an hour and a half – this has also been the case, recognizing that at least from Indian Wells to Braille, which is on Ramon Rd., a direct run would be about 20 minutes. Again, in my view, it is a lack of good and proper public service. For those things, I would just simply invite you to ask your staff to take a look at what is going on with regard to the operation of that service. Your schedulers, in my view, have a long way to go to be aware of how the communities are laid out and where the streets are – those are the dispatchers I am talking about. I think it would be good if you figured out how to re-educate them as to where people are that are using your service.”

Chairman Spiegel stated: “Staff is now aware and will be contacting you.”
Councilmember Hanson stated the following: “For the benefit of everyone that may not know, Peter Schabarum is a former State Assemblyman and the State of California former distinctive County Supervisor from Los Angeles County, who is now residing the great city of Indian Wells.”

Judy Shea, CEO of the Desert Hot Springs Community Task Force, stated the following: “The Desert Hot Springs Community Task Force has been in existence since 1997 providing service and service providers to Desert Hot Springs. We have brought a lot of services to Desert Hot Springs. We have been on the committees; we have been here before you a number of times trying to get inter-city route. I published an article asking that the SunLine bus run down Indian so that it can be accessible to Roy’s Center. But as you stated, the 802 students that are from DHS that go over to COD, and that amount is going to increase, it is a two and a half hour trip. That is not acceptable as far as I am concerned. I am from the south side of Chicago and I did have to ride the bus to work and to school at night. It didn’t take us that long, of course. I have picked up other people on Hacienda Blvd. to get them down to a closer point to just get within range of the bus service so that it doesn’t take them a couple of hours to get over to their jobs. Even if we had an express bus with an interim stop somewhere along the way so that people could get to their jobs too. I am also on an economic development committee. The International Brotherhood of Electrical Workers – they won’t even consider a good paying job for somebody to be an intern unless they have a GED – an AA. We are trying to develop DHS and the economy there, but we can’t do it unless we have the kids that are educated. We are not getting there. It is taking forever to get the COD campus in North Palm Springs. We were supposed to have a little satellite -10,000 – 12,000 square foot facility in DHS, but that is not going to cut it. They are not going to offer enough classes. We are still going to have to get our kids out there to COD. So I implore you to go ahead – I did once bring you 23 pages of information, petitions from Sky Valley, and that got a two paragraph answer saying we don’t have any money. There are all kinds of issues that have been going on for years and years. This COD issue – we have to resolve it.”

AGENDA ITEMS:

Jennifer Christensen, C.O.D. stated the following: “I live in Desert Hot Springs. I am also a student and part of the ADA. I ride your SunLine. I can’t drive. I depend on your transportation; I have for years. I can’t get anywhere without you guys. I appreciate the transportation that you provide, but I do want to attend school. I want to get my last
year in this year. It takes me 2 ½ hours one way. That is five hours round trip, which is a part time job - a mom that is raising three kids on a very limited budget – it is very, very necessary. My job is riding the bus because we have no transportation that is direct. My husband will address will address you on an article that he wrote that says 802 students – that was just year before Mary Jane went in there and started working diligently to get more students that are coming out of high school – students that never went and got their GED. They are enrolling and we have a huge amount that is going to be going to C.O.D. and we are just requesting that we have a bus. Wherever that needs to happen, if you need to contact us and tell us where city leaders are lacking or whoever is lacking, let us know so that we can speak out and have a voice. There are a lot of us. So if I need to bring more people here next month, I will. I will bring as many as it takes.”

Stanley Christiansen, C.O.D. stated the following: “I appreciate this opportunity to speak. I wrote an article for the Chaparral last fall and this actually stemmed from reviewing of another article about a direct shuttle from Desert Hot Springs to C.O.D. campus. When I saw that, I wanted to know what happened to that agenda item. Why don’t we have a bus? Being 802 students – we had a student from Desert Hot Springs, an adult student, I talked to him; he is attending in the fall. He told me last night, in order to be at class at 7:00am, I have to get up at 4:00am. He takes the SunLine system as it is. When he wants to get home by 4:00pm, he has to take a 1:00pm bus. His last class gets out at 1:00pm and he does not get home until 4:00pm. I asked him how it would improve his life and he said he could have a part time job or I could sleep a little bit more. I don’t see how I am going to get to school. I don’t have a car. We are trying to get a better education here. We just need that extra time and we appreciate that you are here. This is a problem that we have clear out in DHS. It is not like Palm Desert or Indian Wells – far more direct lines. We would appreciate it if you hear us. Eight hundred and two people would applaud you.”

Becky Broughton, C.O.D., stated the following: “I represent the east end of the Valley. I am a Trustee for the Desert that represents Coachella, Thermal, Mecca, Oasis and south. I think today, not just for my district, but for all students. As many as you know, as many of us have been in that situation, transportation to school is the big block between actually being able to get an education and student success. As members of CVEP, well all understand that student success, learning skills, that being able to be a good employee or employer, is the difference in community success. I thank you today for discussing this. I think it is a discussion that will be fruitful and we from the College side invite that so that we can work together. Other transit agencies have worked out a situation that is applicable to their students. We are asking today that you talk about a pilot project. Pilot projects can be changed. We know that getting your feet wet, seeing what we can do. A pilot project would be good because time is an issue and as well all know, the students live in the now. Most of us that deal with a 15 year old on a daily basis really know the now. So the discussion today, I hope, talks about not the ‘if’, but the ‘how’ we can do that. Again, I think you for your time and consideration.”

Larry Salas stated the following: “In the late 1980s, I served on this Board as well as a City Councilman for the City of Coachella. We, at that time, did not have the challenges that you are having now. My reason for being here is that I am also an
academic guidance counselor at Coachella Valley High School where we see about 3000 people on a given day. It would be nice to have a bus stop out in that area as well. Aside from that, the reason I am here is representing C.O.D. Alumni Association and being a member of the Alumni itself, many people have come to us in the last few years. What I would like to do is pass around some information. We have researched the number of students coming from the perspective cities that are attending C.O.D. and you will see on the flip side of that, our history of our contributions to students because of the fact that they couldn’t afford the monthly bus passes. We have tried unsuccessfully to discuss this situation with your prior Executive Director, as well as the Board here, unfortunately to no avail. We have now done our research, looked out and found other communities that have community colleges of universities that do have in fact a relationship with their transit agency and are working on trying to again look at it from an investment standpoint. What is the investment? Sure, it is going to have a fiscal impact, but the investment side of the equation here is we are training a workforce for the future. We are training, as you may have seen in the articles in the paper recently, the number of people that are in poverty that need to have a venue to improve their opportunity in the future, comes in the form of some type of formal education. That is going to happen if they can get from point A to point B. Right now there are a lot of people who are not able to get from point A to point B – whether it is Desert Hot Springs or Oasis, Thermal, Mecca. The point is that this Agency really needs to take a look and come up with some kind of cooperative arrangement where the students can benefit from that because those individuals are going to be the next individuals that are going to occupy our respected positions. Unless they are educated, it is going to be a real challenge to carry on from there. I am also going to pass out is a letter that we submitted to your prior General Manager, as well as a little from our current President at College of the Desert. On the first sheet, our concern is the fact that the accessibility and the affordability to any educational setting are extremely important. What we are missing right now is the accessibility to it. How do we accomplish getting from point A to point B so that everybody is benefiting from that opportunity? Again, we see that through the investments that we are making for the future."

Mary Jane Sanchez, Trustee for C.O.D., “I concur with Becky Broughton. We are very, very excited and hope for your vote.” Chairman Spiegel clarified that there is no vote as the issue is a discussion item. Ms. Sanchez further stated: “I hope there is a vote in the future. On behalf of the students, it would be great for the whole Coachella Valley.”

8. **Board Member Comments**
None.

Board agenda #29 was moved and addressed:

29. **Request from College of the Desert for Donation of Bus Passes for Students**
Director of Transit Planning, Joe Forgiarini, addressed the Board “This item pertains to correspondence received from the College of the Desert and the Alumni Association for the College, both requested free access for all students to the SunLine services for a two year trial. We are told by The College Alumni Association that over 200 students are now receiving subsidized transit passes at a cost of around $67,000. The Alumni
has limitations of what they can provide towards such a program. They have approached the Agency to see whether we could provide free travel for the students. That is a significant decision to take. Today is the beginning of the discussions on the matter. I have provided you with the framework of information to help move that discussion forward. There are two strategies that have been used by other transit agencies in regard to college and university students. One, some agencies have decided to take on a discount for student passes. The amount varies by agency. Some took the burden on themselves and their own funding sources; many required an outside agency whether it was a college or some other funding body to provide for the lost revenue relating to the discounting of the pass. A rate of discount would need to be determined in conjunction with how the lost revenue would be recovered. Such a change will not be revenue neutral and the lost revenue needs to be replaced. Industry experience suggests only a 30 percent rate of growth in revenue based on a fare reduction of 100 percent (free travel). The rate of ridership growth decreases in line with the smaller the size of the price reduction. There is currently also a lack of detailed data on student ridership patterns on the SunLine transit system to accurately assess the impact of a discounted student pass. A discounted pass is not recommended, unless lost revenue is fully replaced from growth in ridership and additional subsidy funding from an outside source. Reaching an adequate agreement with an outside funding source is likely to be difficult, as it will be hard to precisely forecast how much funding would be required from the source. The second option available and is a more recent option that some agencies have been successful in negotiating it is a system where the college itself, through its student fees of one type or another, places the burden of the transit passes – the cost of those – across the whole of the student population, whether they choose to ride transit or not. The benefit of that system is that it increases manifold the number of people that revenue can be sourced from. It reduces the burden of how much revenue from each person they might need to request, whether it is 10, 20, 30, 50 – it all depends on the individual campus and the dollars per year each student may contribute. It is typically involved in other features that they may receive from that funding, such as parking at the campuses. Some other transit systems have successfully met and negotiated with the university, such an arrangement. Those are the two types of frameworks that exist commonly now. Both typically do not subject the Agency itself to the burden of the loss of revenue associated, but still provides for the gain in ridership that a discounting would result in. We do seek the benefit of the increased ridership. We just need to find a fiscally sustainable manner to provide that. The one other issue we need to note. We have to receive sufficient information at the moment to really know the precise size of the market today – students at C.O.D. riding our buses. We can take some estimates, but we need to get much closer to that detail. We then need to apply some estimates to what that demand might be if we did provide free transit. This could require some additional capacity of some of the routes. Today we are putting the items before you. I would suggest providing personal experience that Option 2 typically is the one that is examined in recent years. It does have a lot of merit. It provides the great benefits. We are asking the Board to give input as we seek to enter a discussion process with the College and the Alumni Association to see what steps we can take to analyze both of these opportunities. SunLine has had other groups approach us, from other charities that exist around the Valley – food banks, etc., looking for free or discounted passes. It is a very common request. Again, in each of those there is no need for us to provide
those discounts, or state guidelines. There is no requirement for us to provide. Staff is looking to the Board for direction.”

Board agenda #33, Closed Session, was moved to address at this point in the Agenda. Chairman Spiegel announced that the Board would move into Closed Session. After discussion among Board Members, Chairman Spiegel announced that the Board would address agenda item# 14 Election of Officers.

14. Election of Officers
Chairman Spiegel asked for nominations for Chairman for fiscal year 2014. Mayor Garcia stated the following: “I nominate the Vice Chair (Mayor Yvonne Parks) for the Chair.” Councilmember Hanson stated: “I nominate Glenn Miller as the Chair.” A vote was taken. Votes for Mayor Yvonne Parks as follows: Chairman Bob Spiegel, Vice Chair Yvonne Parks, Mayor Don Adolph and Mayor Eduardo Garcia; votes for Councilmember Glenn Miller: Councilmember Doug Hanson, Councilmember Rick Hutcheson, Councilmember Dana Hobart, Councilmember Glenn Miller and Councilmember Greg Pettis. The new Chairman for FY 2014 is Councilmember Glenn Miller.

Chairman Spiegel asked for nominations for Vice Chairman for fiscal year 2014. Councilmember Hanson stated: “I move for Mr. Pettis.” Chairman Spiegel asked if there were any other nominations. No additional nominations were made. A vote was taken and Councilmember Greg Pettis was elected as Vice Chairman by a unanimous vote.

At 1:15pm, Chairman Spiegel announced that the Board would move into Closed Session.

33. Closed Session
a) Closed Session - Gov. code sec. 54956.9 - CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION - Significant expose to litigation pursuant to subdivision (b)(1) 4 potential cases.

b) CONFERENCE WITH LEGAL COUNSEL Subd. (a) of Government Code Section 54956.9 The People of the State of California ex.rel. Mahmoud Alzayat v. Gerald Hebb, SunLine Transit Agency ( Riverside County Superior Court Case No. INC 1204627)

At 2:45p.m., Chairman Spiegel moved into open session. Legal Counsel, Jeff Goldfarb, announced that there was no reportable action.

Vice Chair Parks stated that she is in support of a meeting with College of the Desert and would like to be included in an upcoming meeting. She stated that she would recommend a special express bus.
9. **Approval of Minutes**  
Councilmember Glenn Miller moved to approve the minutes of the May 22, 2013 Board meeting and the May 31, 2013 Special Board meeting. The motion was seconded by Mayor Eduardo Garcia and approved by a unanimous vote.

10. **Overview of the FY 2014 Budget**  
Interim General Manager, Roger Snoble, provided an overview of the proposed FY 2014 budget. The operating budget for FY 2014 is $24,950,824; Capital Budget is $29,266,971; total budget $54,214,795. Highlights: Operating budget-11% increase over the prior fiscal year which includes 313 staff, an increase of 22 employees for the service improvements; $824,921 in new service improvement initiatives; estimated increase in benefit costs: medical–15%, dental–10% and vision–10%; estimated $100,000 for employment practices liability coverage; 28% increase in workers’ compensation costs. Capital budget - $2,450,734 for transit stop enhancements; $11,460,000 for construction of new administration building; $2,700,000 for new CNG fueling station design and construction; $2,120,000 for replacement of paratransit vehicles.

11. **Public Hearing on the Budget**  
No public comments.

12. **Approval of FY 2014 Operating & Capital Budget**  
Mayor Don Adolph moved to approve the FY 2014 Operating and Capital budgets. The motion was seconded by Councilmember Glenn Miller and approved by a unanimous vote.

13. **Approval of the Short Range Transit Plan for FY 2014-2016**  
Director of Transit Planning, Joe Forgiarini, addressed the Board requesting approval of SunLine’s Short Range Transit Plan (SRTP) for FY 2014-2016. He stated the following: “The document provides a three year plan for the Agency outlining both its service operating plan and capital projects, together with a financial plan to sustain the operating and capital plans. From the operating perspective, Mr. Snoble outlined the budget number which is $24,950,824. Within that budget there are a mixture of new routes such as the North Shore initiative and the new route on Fred Waring, as well as improvements to our busiest lines within the Valley. In addition, on four major holidays, we are proposing for next year, operate a weekend schedule in place of a weekday schedule; includes Memorial Day, July 4th, Labor Day and New Year’s Day. The ridership does not match a weekday schedule. The overall impact of the service increase is a little over $800,000 in this budget year. The following year is closer to $1.6 million. We have planned to fund that full amount in the next budget year. In terms of capital, we have eight new projects for a total of $5.95 million of new funding requests. You saw a $29 million capital project list presented earlier. That includes carry over projects that were documented in previous SRTPs. In this project, it is a mixture of things from engine overhauls, to replacement of paratransit vehicles, replacement of non-revenue vehicles, bus shelters, technology upgrades for the Agency, camera system upgrades and additional fuel cell warranty program; most importantly, $2.7 million allocation for the new fueling station for the Thousand Palms
facility. Our CNG fueling station is old and is in need of replacement. In terms of financial impact, what I have just described is fully funded. The funding program has been reviewed by RCTC staff. It will go before the RCTC Commission after your approval today – July 10th. The operating sources are almost $3.5 million in Federal funding, close to $12 million in State funding, a little over $5 million in local funding, passenger revenue of $3.5 million, almost $1 million in other sources. We are fully funded for the $24,950,824 and the capital budget as well. For capital budget, sources are $1.5 million of Federal funding, $2.8 million of State funding, $371,870 of State Proposition 1B funding and $1.2 million through the CalStart organization for the fuel cell warranty program.”

Mayor Don Adolph moved to approve the Short Range Transit Plan for FY 2014-2016. The motion was seconded by Councilmember Doug Hanson and approved by a unanimous vote.

14. **Election of Officers**
(See above)

15. **Appointment of Committees**
Chairman Spiegel stated that all Committee members will stay on the same committees they are on now. If a member would like to be removed from the committee they are currently on, notify Carolyn Rude, Clerk of the Board. The item is then to be moved to continue item to the July meeting. Councilmember Doug Hanson moved to continue item to the July meeting. Councilmember Glenn Miller seconded the motion and was approved by a unanimous vote.

16. **Resolution to Obtain Grant Funding**
Director of Transit Planning, Joe Forgiarini, addressed the Board requesting approval of the Resolution authorizing the General Manager to apply and/or accept funds. Councilmember Greg Pettis moved for approval. Councilmember Doug Hanson seconded the motion and was approved by a unanimous vote.

17. **Resolution Authorizing Access to FTA’s Transportation Electronic Award System (TEAM)**
Director of Transit Planning, Joe Forgiarini, addressed the Board requesting approval of the Resolution authorizing staff that regularly uses the TEAM program – the General Manager, Director of Transit Planning and the Director of Finance. Councilmember Glenn Miller moved for approval. The motion was seconded by Chairman Bob Spiegel and was approved by a unanimous vote.

18. **Approval of the Riverside Commuter Route Extension Agreement**
Director of Transit Planning, Joe Forgiarini, addressed the Board requesting approval of the extension agreement with Riverside Transit Agency for the Riverside Commuter Route. Mayor Eduardo Garcia moved for approval. The motion was seconded by Councilmember Doug Hanson and approved by a unanimous vote.

19. **Approval of the California Transit Mutual Assistance Compact Agreement**
Director of Human Resources, Donald Bradburn, addressed the Board requesting authorization to enter into a reciprocal agreement for mutual support known as the California Transit Mutual Assistance Compact and designate the General Manager to act as the authorized official for TransMAC. This is similar to things that have been in existence for some time now for law enforcement, public works, fire, utilities, etc., and essentially allows for the sharing of resources in the event of a disaster or an emergency with people who participate in the TransMAC area – the Southern California Inland Empire/L.A., all the way out to SunLine and down to San Diego. It sets the framework up for how resources would be shared. We don’t anticipate much of a financial impact as most, if not all costs incurred would be eligible for funds through FEMA. In not reimbursed by FEMA, the party asking for the resources would be responsible for reimbursement. Councilmember Rick Hutcheson moved for approval of staff recommendation. Councilmember Glenn Miller seconded the motion and was approved by a unanimous vote.

20. **Resolution Updating Signatories on Bank Accounts**
Mayor Eduardo Garcia moved to approve the Resolution updating bank signature cards to reflect removal of the General Manager and Human Resources Director and add the Interim General Manager, Roger Snoble, and Interim Director of Finance, CJ Smith. The motion was seconded by Councilmember Doug Hobart and approved by a unanimous vote.

21. **Agreement with Ballard Power Systems**
Advanced Technology Project Manager, Tommy Edwards, requested approval to grant authority to the General Manager to execute an agreement with Ballard Power Systems for an extended warranty for the fuel cell modules on the American Fuel Cell and the Advanced Technology buses in the amount of $699,990. Contract is subject to approval as to form by SunLine Legal Counsel. Councilmember Hanson stated that the Finance Committee reviewed and recommends that the full Board approve. Councilmember Doug Hanson moved for approval. Chairman Bob Spiegel seconded the motion and was approved by a unanimous vote.

22. **Approval of Executive Committee and Finance Committee Bylaws**
Continued.

23. **Adopt Resolution to Participate in the Employment Risk Management Authority (ERMA)**
Director of Human Resources, Donald Bradburn, requested that the Board adopt the Resolution and approve the authorization of the General Manager to take the necessary steps for SunLine Transit Agency to participate in the Employment Risk Management Authority Employment Practice Liability program that is controlled by PERMA. Currently the Agency does not have any insurance protected against employment practice liabilities. These could include claims of discrimination, wrongful termination, inappropriate hiring, just to name a few. Staff has reviewed and looked back and it does not appear that SunLine has had this coverage prior to 2003, so it has been some time. In a matter of fiscal prudence, it would be important for us to take this action to have protection against any of these types of liability so that it wouldn’t impact the Agency.”
Vice Chair Yvonne Parks moved to approve staff recommendation. Councilmember Doug Hanson seconded the motion and was approved by a unanimous vote.

24. **Amendment Three of the Bargaining Union Pension Plans**
Director of Human Resources, Donald Bradburn, requested the Board to approve the Amendment Three to the Bargaining Union Pension Plan, and Resolution, to incorporate California Public Employee Pension Reform Act (CPEPRA) into the Plan, with the exception of the cost sharing provision, and to authorize the General Manager to sign the amendment on behalf of the Agency. There is no financial impact at this time.” Councilmember Hobart stated: “These are essentially the same changes that the cities made with respect to their employees. Councilmember Doug Hanson moved to approve staff recommendation. The motion was seconded by Councilmember Dana Hobart and approved by a unanimous vote.

25. **Amendment Four of the Bargaining and Amendment Five of the Non Bargaining Pension Plans**
Director of Human Resources, Donald Bradburn, requested that the Board approve the Fourth Amendment to the Restated Retirement Income Plan for Bargaining Unit on Plan document and the Fifth Amendment to the Restated Non-Union Employee’s Retirement System Plan document and authorize the General Manager to sign the Amendments on behalf of the Agency. He stated the following: “The two Amendments incorporate the IRS Code 415 language as it relates lifetime maximum benefit within both plans. This was included in the IRS determination letter for our plan, but these were not done previously. So we are not in compliance with the IRS. We are in a period where we can do voluntary compliance. The fiscal impact once these are approved will be $500 per plan. If the plans are not approved by July 12, 2013, the Agency would be subject to whatever penalties and fees the IRS determines for non-compliance.” Councilmember Rick Hutcheson moved to approve staff recommendation. The motion was seconded by Mayor Don Adolph and approved by a unanimous vote.

26. **Public Comments on the Title VI Update**
Director of Transit Planning, Joe Forgiarini, addressed the Board. He stated: “This item requests the Board to open up the public comment period of thirty days for the updated SunLine Title VI Plan. This document is required federally to show the federal agencies that we are complying with their requirement of non-discrimination and how we carry out all of our service delivering and other aspects of our business. The report basically provides detail on how we meet that. The main action today is to open the public comment period. We will post public notices out on public meetings and also the document is posted on our website. This public period of comment remains open until our next time at which time I would report back to you, provide you the presentation on the report and then ask that the report be adopted as our plan.” Chairman Spiegel stated the following: “I will open the public comment period and continue this item.”

27. **Consent Calendar**
   a) Checks over $1,000 for March, April, May, 2013
   b) Credit card statement for April, May, 2013
c) Monthly Budget Reports for February, March, April 2013  
d) Ridership Report for May, 2013  
e) SunDial Operational Notes for May, 2013  
Mayor Don Adolph moved to receive and file the consent calendar. The motion was seconded by Councilmember Glenn Miller and approved by a unanimous vote.

28. **Financial Audit of SunLine Transit Agency for FY 2011/12**

Chief of Staff, Naomi Nightingale, introduced Linda Hurley with MGO of Newport Beach, the audit firm selected by RCTC to perform the annual fiscal audit of SunLine Transit Agency. Ms. Hurley stated the following: “I am a partner with Macias Gini, O’Connell and the audit partner for SunLine. We recently completed the fiscal year 2012 audit, so I am here today to present those results and answer any questions that you may have regarding the audit process. What I am going to cover briefly, is our auditor responsibilities as well as the various deliverables that we are providing the Agency. The first are Basic Financial Statements; that is your financial statements and our audit opinion on those. Then as part of the federal awards program requirement to have a single audit, which includes two reports – one where we have to report on you, our consideration of internal control and compliance over the financial statement audit since the federal awards are presented within the financial statements, as well as a report of the Agency’s compliance with the federal requirements. And finally, one of the last reports - our annual required communications and this is a number items that we would present to you annually. I am going to verbally do that today, but there will be a written report that will follow. Starting with our responsibilities and what we are engaged to do, we are engaged to provide you an opinion on your financial statements, which basically lets you know if we believe the financial statements are presented, or reasonably presented in accordance with generally accepted accounting principles. The applicable framework generally accepted accounting principles – these are management’s responsibilities. This is how management develops their policies and procedures to capture record and report financial information for your organization. My responsibilities are under generally accepted auditing standards, as well as government auditing standards. We do review your report under your government auditing standards because you do receive federal funds. It requires, again, those two special reports. Regarding the results, for your financial statements, we have issued an unqualified opinion this year. It is a lot better than it sounds. This is the highest level of assurance that we can provide to you that the financial statements are presented fairly in accordance with generally accepted accounting principles. That is a clean opinion. Regarding the single audit, we tested a couple of programs for our risk assessment that is defined by the federal government under OMB Circular A-1333 and we provided you a clean opinion on your compliance with the requirements that are within our framework of testing as the feds have defined for us. That is all good news. We did identify a material weakness in internal controls related to revenue recognition and how information gets reported on the schedule of expenditures of federal awards. Now that material weakness in internal control - if this condition is not corrected, it’s likely that either a misstatement could occur, or has occurred within the financial statements. During our audit, we identified a number of significant or material misstatements that we had proposed to management to correct to ensure that we could provide you that clean opinion. So we have identified these issues for management. We have provided a recommendation to management. This is a similar
finding that was also in my report last year that continues forward. So we are again working with management providing any guidance or suggestions that we can give from the professional stance on best practices for them to correct this period. Our opinion on Circular A-1333 was unqualified; I do have a slide on required communications. We have eight required communications that we need to report on you at the end of an audit process. The first is the qualitative aspect of accounting practices. What this is designed to do is to help you identify where the significant accounting policies are reported in the financial report. If you have a copy of the financial statements with you, that would be a note to where management has gone through and explained to the users of the financial statements, what their significant policies are and how they affect the financial statements. If there were any new policies adopted this year, we would have to communicate those to you as well, but nothing has significantly changed within the process that requires that communication. The second item is difficulties encountered in performing an audit. I did not have any difficulties in terms of the cooperation of management, but we did have some difficulties in completing the audit timely because of various issues with personnel turnover, which has occurred over the last several years and just trying to get the information requested on a timely basis so we can analyze it. In addition, as part of gathering that information, we did identify those material adjustments which we propose that management correct and they did correct that. So we are working very closely with management to try and correct this timing issue and getting this audit scheduled earlier, meeting with management as well as RCTC to talk about again, best practices of getting the books closed, all the accounts reconciled so we can move forward in an efficient manner during the audit process. The third item, corrected and uncorrected misstatements—I did mention that we did identify several material misstatements, which are identified in our report. All of those related to revenue recognition for both federal grants, as well as state funding. Regarding uncorrected misstatements, there might be items that we identified that we don’t believe are significant and if management chooses not to record those items in the financial statements, it would not affect our opinion because they are probably very tiny in nature—insignificant. But we didn’t identify any of those. If we had, we would have reported those to you as well as the nature of what those uncorrected misstatements were. Disagreements with management—we do not have any during the audit process. Management representation—at the end of every audit engagement, management is required to address a letter to us and sign the letter indicating that they take responsibility for the financial statements and they provided us all the information that we requested and nothing has come to their attention that should have been brought up during the audit process. They did sign that letter as they have every other year indicating those representations. Management’s consultations with other independent accountants—this is also referred to opinion shopping or looking for a second opinion if we have a disagreement. None of those communications that we are aware of have occurred with another firm. Other audit findings or issues—the only thing here we have already covered is that we did identify a material weakness in the internal controls regarding revenue recognition, so we would be reporting and just referring to our report with details of that finding could be found. Supplementary information—we provide you an opinion on the financial statements. We are also providing you an ‘in relation to opinion’ on the schedule of expenditures of federal awards. This is the schedule that management is required to prepare of all their federal awards expended
during the fiscal year. We reconciled that schedule and looked at management's reconciliation of that schedule to the financial statements and that is how we are able to provide and 'in relation to opinion', which again, on the financial statements we gave you a clean opinion, although there were some material audit adjustments.” Chairman Spiegel asked Ms. Hurley the timeframe as far as the earliest we can provide her with information.” Ms. Hurley stated: “The end of the fiscal year is June 30th. It depends on your process in terms of closing. Your organization will set our audit schedule. I schedule based on when my clients are ready. That is a more appropriate question for management in terms of when they feel they can be ready.” Mr. Snoble stated that we are already beginning to do the planning for the audit. CJ Smith (Interim Director of Finance) has already planned going forward and getting the auditor all the information that is needed. There is a working relationship there. Ms. Smith stated that staff is working on setting up a meeting in July to have a kick off and getting RCTC involved as far as wrapping up and making sure the accounts are balancing to the financials, making any adjustments that need to happen, so that the audit starts clean and on level ground.

Councilmember Hanson stated: “Before we vote, a couple of things. Number one, the Chairman asked you (Ms. Hurley) a question about when you wanted it. The question is how long would it normally take you to audit this Agency once you receive all the material?” Ms. Hurley answered: “If everything was in good order, it would probably take us about a month.” Councilmember Hanson further stated: “And your audit has to be complete by the end of the calendar year?” Ms. Hurley stated: “RCTC would like the audit by December 31st, although you do have statutory until March 31st after the end of the fiscal year to get your single audit report filed. RCTC has asked for extensions on behalf of the Agency in the past two years to accommodate that. December 31st is the deadline for RCTC.” Councilmember Hanson stated: “So ideally, you would like to have your audit complete and finished and to RCTC by December. And really, if you are provided with the year-end closing, there is no reason why you can’t do that.” Ms. Hurley stated: “Correct.” Councilmember Hanson further stated: “The concern I have, and I addressed a concern this morning in the Finance Committee, not that I know of – there has been little contact, since I have been on the Board, no contact with the auditor in this process. As an example, the audit was delayed—we really don’t know why it was delayed. The first I heard about a delay and the failing of funding for this organization—I read it in the newspaper, or I got a memo from the General Manager a couple of days before it appeared in the newspaper. I would hope that this would not occur in the future and that the auditor would advise the Board that in fact, you can’t get a clean audit on this Agency, so that we know in advance that there is a potential for lack of funding for the Agency. I would hope, and as we discussed this morning, I would hope that the Finance Committee would meet at least three times during the audit process so that the Finance Committee can be involved in the audit process. I think we all agreed to do that.” Robert Yates, RCTC, stated the following: “I would like to actually make one clarification on how the audit is structured for your Agency. RCTC is actually performing the audit for you. We are not required to. I just want to make clear that we don’t have a problem doing that, but SunLine, should you choose, is fully within its own authority to conduct its own audit, hire its own auditor and audit the process that specifically suits your needs.” Ms. Hurley stated the following: “I would like to thank management during this process. It
has been very difficult; especially CJ Smith and Rudy LeFlore who was very instrumental in getting this audit done. I know it was not timely, but their dedication to your organization—I wanted to highlight that for you. Also Naomi’s support as well, and the rest of the staff that my staff worked with. We just want to thank you; we know it was difficult. We want to work with you to definitely make this a better process.

Mayor Don Adolph moved to receive and file the financial audit of SunLine Transit Agency for fiscal year 2011/12. The motion was seconded by Councilmember Glenn Miller and approved by a unanimous vote.

29. **Request from College of the Desert for Donation of Bus Passes for Students**
    (See above)

30. **New Bus Service Request for North Indio and Desert Edge/Sky Valley**
    This item was continued.

31. **Procedures of Communication Between Staff and Board Members**
    Councilmember Hutcheson stated the following: “I just wanted to have it clarified that directives should not go to staff, in my view, without the consent of the Board. As questions and requests and information of requests – I just wanted to make it clear that we don’t give directives as individual Board members to staff; that comes after action by the entire Board.” Councilmember Hanson asked Councilmember Hutcheson: “That is what you propose?” Councilmember Hutcheson stated: “Yes, I don’t think that you or I as an individual should call a staff member and give him…” Councilmember Hanson further stated: “That is different from requesting information.” Councilmember Hutcheson stated: “Correct. My point had nothing to do with that. It had to do with giving directives to staff.” Councilmember Hanson asked: “There were some directives given to staff?” Councilmember Hutcheson stated: “It might have happened.” Councilmember Hanson stated: “As opposed to a Board member going to the General Manager… and this is all for clarification.” Councilmember Hutcheson stated: “We don’t, as individuals, give orders, in my view, to individual staff members.”

32. **Bus Stop Improvement Program**
    Report included in agenda. Information item.

At 3:30pm, Chairman Spiegel moved to go back into closed session and adjourn after closed session. Chairman Spiegel stated that the next meeting will take place July 31, 2013.

33. **Closed Session**
    (See above)

34. **Interim General Manager’s Report**
    No report.

35. **Next Meeting Date**
    July 31, 2013
36. **Adjourn**  
Chairman Spiegel adjourned the meeting at 3:45p.m.

Respectfully Submitted,

___________________  
Carolyn Rude  
Clerk of the Board

Approved By:

_______________________ Date: __________________

Roger Snoble  
Interim General Manager
I. RECOMMENDATION

1. Adopt a resolution ratifying the existence of any or all of the following SunLine Transit Agency committees:
   - Finance
   - Executive Committee

2. Determine whether the Board would like to ratify the existence of the Marketing and Personnel Loss Review Committees.

3. Adopt the provided by-laws for the Finance and Executive Committees.

II. BACKGROUND

SunLine Transit Agency was formed pursuant to the SunLine Joint Powers Transportation Agency Agreement (the “STA Agreement”). Section 3 of the Agreement specifies the powers and duties of the Board of Directors. Subsection F of Section 3 states, “The Board shall perform the following functions: (3) appoint advisory committees as deemed necessary . . . “

We are informed that STA has four advisory committees: Finance, Personal Loss Review, Marketing, and Chairman Executive Committee. The Finance Committee meets at each Board meeting, and the Personal Loss Review, Marketing, and Chairman Executive Committee meet “as needed.” It is unclear how or when these committees were formed. A recent search of SunLine records failed to reveal any ordinance, resolution, or other official action of either Board creating these committees.

We have been informed that the committees had been annually populated by the SunLine Transit Agency Chairman, who annually reports the committee assignments to
the Board. At that same time, the Chairman distributes to the Board a chart showing the committee assignments for the ensuing year.

As noted above, the authority (and obligation) to form committees belongs to the Board. Because there is no record of the Board having taken any action to create the committees, it is the opinion of General Counsel that the Board should enact the attached Resolution establishing any or all of the committees the Board feels are necessary to the operation of the Agency.

As can be seen from the attached Resolution, the recommended Board action is to ratify the prior existence of the above referenced committees, except to the extent that the Board decides one or more of the committees is not necessary to the Agency’s operation. Ratification of the existing committees is a legally appropriate action. “It is the general rule that a governmental body may effectively ratify what it could theretofore have lawfully authorized.” (Mott v. Horstman (1950) 36 Cal.2d 388, 391.)

In order to ratify the above referenced committees, the Board should act with the same formalities required for the original exercise of power. (Ibid.) Section 3H of the Agreement provides that, with the exception of the adoption of by-laws, an amendment of by-laws, the adoption of the annual budget and such other matters as the Board may designate, all actions of the Board require a majority vote. It is General Counsel’s recommendation that the ratification take place by the adoption of a Resolution so that there remains an easily identifiable and discoverable record of an official Board action establishing the existence of the committees.

It is also recommended that the Board adopt the attached by-laws which will assist the committee in its normal operation.

III. FINANCIAL IMPACT

None, given that the committees are currently operating and funded.

Jeffrey A. Goldfarb
General Counsel
The following approvals are necessary:

1. Appointment of three members to the newly formed Litigation Committee.
2. Decision to create an Executive Committee.
3. If Executive Committee is approved, appoint members and approve attached Resolution and bylaws.
4. Final approval of all proposed committee members.

________________________________________
Carolyn Rude
DATE: July 31, 2013

TO: Board of Directors

FROM: Director of Transit Planning

RE: Adoption of Title VI Plan Update – Closing of Public Comment Period

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**Recommendation**

Staff is requesting the Board close the 30-day public comment period (concluding July 26, 2013, including public meetings July 17 and 18) for the SunLine Transit Agency Federal Transit Administration (FTA) Title VI Update. This plan update is required in accordance FTA Title VI Guidelines reissued in Circular 4702.1B dated October 1, 2012. The draft Title VI Plan Update document is attached here and an overview presentation provided at this meeting provide full details of SunLine’s efforts at achieving Title VI compliance.

Staff is requesting the SunLine Transit Agency Board adopt the Title VI Plan Update for the three year period November 1, 2013 to October 31, 2016. The plan update will be submitted to the Federal Transit Administration for their review and approval prior to November 1, 2013 effective date for the plan. There were no comments received during the public comment period including four public meetings conducted.

**Background**

Title VI of the Federal Civil Rights ACT of 1964 provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (42 U.S.C. Section 2000d). SunLine Transit Agency, as a recipient of federal funding, is obligated to follow these federal laws. The following is SunLine’s Title VI policy statement:

“SunLine grants all citizens’ equal access to all its transportation services under Title VI of the Civil Act and it is also the intent of SunLine, that all citizens are aware of their rights to such access. SunLine is committed to ensuring that no person is excluded from participation or denied benefits of its services on the basis of race, color or national origin as stipulated by Title VI of the Civil Rights of 1964, as amended. To that end it is SunLine’s objective to:

1. Ensure that the level and quality of transportation service is provided without regard to race, color or national origin.
2. Promote fair participation in transportation decision making for all affected population;

3. Prevent the denial, reduction or delay in benefits related to programs and activities that benefit minority or low-income populations;

4. Ensure meaningful access is granted to programs and activities by people with limited English proficiency.

In order to demonstrate nondiscriminatory practices, transit agencies including SunLine Transit Agency must:

1. Implement Title VI reporting process for complaint process and resolution.
2. Identify above average minority population routes. These are Lines 15 v (Desert Hot Springs), 80-81 (Indio), 90 (Indio, Coachella) and 91 (Indio, Coachella, Thermal, Mecca, Oasis) based on high percentage of Hispanic/Latino population.
3. Develop Board approved Service Standards to guide all service planning and operating decisions in a nondiscriminatory manner. This includes definition of major service change where more than 25% of a service has changed (revenue hours or miles per day type, route revenue miles), for which a public hearing is required. This will be presented in detail at the July board meeting.
4. Conduct a “Four-Factors Analysis” of the needs of limited English proficiency population (LEP analysis) in the Coachella Valley. This is to ensure meaningful access for this group to all SunLine programs. This involves actions of identifying the number and proportion of those people in the SunLine service area who speak English less than very well or not at all, determine how often they come in contact with the agency, what agency programs are important to them, and the costs and resources required to address their needs. Efforts include translation of all public information, as well as ready access to Spanish-speaking staff and scheduling of meetings with translation services in minority area communities, as documented in a public participation plan (included in the Title VI Plan Update).
5. Define Disparate Impact (minority population) and Disproportionate Burden (low income population) policies, suggested to be that where a minority or low income population is impacted more than 20% than the average minority or low income population in the service area. Such changes require further review to mitigate such unfavorable changes, or to determine that any other necessary option would have worse impact than the proposed change (these items are discussed in more detail in the Title VI Plan Update).

**Financial Impact**
There is no funding request associated with this item.

__________________________
Joseph Forgiarini
Recommendation
Recommend that the Board of Directors approve the attached Service Standards Policy to provide the Agency staff direction in the planning, operation, and management of transit service in the Coachella Valley.

Background
In order to provide Agency staff clear direction in the planning, operation, and management of transit service, many transit agencies have developed a Service Standards Policy. The policy is intended to:

- Promote continuous improvement of transit service.
- Provide regular updates on service performance.
- Meet federal requirement to have such a policy (Title VI).
- Avoid arbitrary decision making regarding the provision of service.

The Service Standards Policy document covers three categories:

- Service Design
- Service Performance
- Service Quality

These are each outlined in detail in the attached draft Service Standards Policy. The Policy also includes a definition of major service change that requires a public hearing. Such a Policy is now a federal requirement under Title VI.

Fiscal Implications
The Service Standards as drafted reflect existing transit services provided by SunLine. There are no immediate fiscal impacts. Any future service changes are subject to Board approval, and each such proposal will include an estimate of fiscal impacts to be considered as part of each service change decision.

_________________
Joseph Forgiarini
DATE: July 31, 2013

TO: Finance Committee
    Board of Directors

FROM: Advanced Technology Project Manager

RE: Approval of Agreement with BAE Systems Control Inc.

Recommendation

Recommend that the Board of Directors delegate authority to the Interim General Manager to execute an agreement with BAE Systems Controls Inc. for an extended warranty for the traction motor, gearbox, and other non-standard parts for the American Fuel Cell Bus in an amount Not-to-Exceed $330,545, subject to approval as to form by SunLine Legal Counsel.

Background

SunLine operates the American Fuel Cell Bus. The Integrator for the American Fuel Cell Bus is BAE Systems. The bus uses BAE Systems traction motor and gearbox. The existing bus has a five-year warranty on the propulsion control system, traction motor and gearbox, lithium-ion energy storage system, auxiliary power system, and associated harnesses.

This warranty will provide an additional five years on the traction motor and gearbox as well as support the other nonstandard components for the bus.

BAE Systems is providing the $1,200,000 of in-kind match to support the objectives of this project.

Staff is submitting this contract action for approval because it exceeds the General Managers authority.

Fiscal Impact

Funds for this transaction were obtained from a competitive federal grant for $1,200,000 won by SunLine in collaboration with CALSTART. There is $150,000 remaining under the grant after this expenditure.

Tommy Edwards
Recommended Action

Recommend that the Board of Directors authorize Interim General Manager to approve an exercise of option year that extends our current Tire Lease and Tire Service Contract with Goodyear Tire & Rubber Company. Since this work started July 1st and the contractor supported it, Staff recommends that the Board ratifies the work from July 1st, 2013 to current date.

Background

The Board of Directors authorized the General Manager to approve and award a contract for tires and tire service at its June, 2009 meeting. An agreement was made with The Goodyear Tire and Rubber Company for a two year period with three one-year options. The pricing for the option years were included in the original solicitation. This Change Order represents the third and final year of our current contract.

Financial Impact

The estimated cost for this service is $280,000. These services are part of our current 2013/2014 operating budget.

_______________________________
Mike Morrow
Recommendation

Recommend that the Board of Directors grant authority to the Interim General Manager to execute an agreement with Cooley Construction for the Division 1 Yard Repaving Project. Total agreement amount is $513,440, plus 10% change order contingency. Contract is subject to approval as to form by SunLine Legal Counsel.

Background

SunLine’s Division 1 parking lots and bus yard are in need of repaving. An Engineering firm (Psomas) was contracted to provide engineered drawings, specifications and bidding documents for repaving (asphalt and concrete) of the existing yard at its Thousand Palms main operating and maintenance facility. The area to be repaved includes parking and traffic areas for urban transit buses and other SunLine vehicles, as well as parking for employee and visitor vehicles.

The specifications will included demolition and removal, depth and compaction for preparation, materials for paving, a site parking striping plan, and details of materials to be removed or retained as part of the project. The drawings will also identify utility lines and ITS lines that are DIG hazards.

Five proposals were received, all from qualified bidders. Cooley Construction was identified as the lowest responsive and responsible bidder. The bid results are attached to this Action. Bids received were well below the engineering estimate for the project.

Fiscal Impact

The $494,640 of funding for this project, plus $18,800 for an additional optional area of repaving is all available in SunLine’s approved capital budget for FY 2013/14. It is a mix of Federal ARRA and Section 5307 Urban Formula funding allocated for Agency facility improvements, together with matching State Transit Assistance funding. These funds are immediately available and the ARRA funding must be spent by September 30, 2013.

Tommy Edwards
Recommendation

Recommend that the Board of Directors ratify SunLine’s attached DBE Policy Statement.

Background

SunLine must issue a signed and dated policy statement that expresses SunLine’s commitment to its DBE program, states its objectives, and outlines responsibilities for its implementation. SunLine must circulate the statement throughout the organization and to the DBE and non-DBE business communities that perform work on SunLine’s DOT-assisted contracts.

SunLine’s existing policy statement was not submitted and approved by the policy setting body of the Agency, its Board of Directors. Therefore, staff is asking that the Board of Directors ratify the policy statement in place and affirm its support of the program by approving this ratification.

SunLine Transit Agency has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26, for Federal fiscal years 2013, 2014 and 2015. SunLine receives Federal financial assistance from the Department of Transportation and as a condition of receiving this assistance, SunLine must have an approved program in place.

SunLine published its goal of eight percent in the Desert Sun and on SunLine’s web site 45 days prior to the submittal to the FTA. This was to allow for public comment. No public comments were received. SunLine submitted its triennial DBE program goals August 1, 2012. The Program became effective October 1, 2012 and SunLine received FTA Concurrence and Acceptance of SunLine’s DBE Program February 22, 2013.

Fiscal Impact

There will be no financial impact if this policy statement is approved.

_________________________
Rudy Le Flore
Recommendation

Recommend that the Board of Directors appoint Donald A. Bradburn, Director of Human Resources and Apolonio Del Toro, Director of Operations to the SunLine Retirement Plan Committees for both the SunLine Employees Non-Union Restated Retirement System and the SunLine Transit Restated Retirement Income Plan for Bargaining Personnel.

Background

The Agency currently has two vacancies on the Retirement Committees. The appointment of the Director of Human Resources and Apolonio Del Toro fills the vacancies.

Each plan defines the requirements for the Committee to administer the plan. The appropriate sections of each plan are listed below.

SunLine Employees Non-Union Restated Retirement System

Article II, Section 2.01. Committee to Administer Plan. The Plan shall be administered by a Committee. The Committee shall consist of at least three members appointed by the Board of Directors of the Employer. Such members shall hold office until resignation, death or removal by said Board of Directors.

Article II, Section 2.02. Resignation and Removal of Members. Any member of the Committee may resign at any time by giving written notice to other members and to the Board of Directors of the Employer, effective as therein stated. Any member of the Committee may at any time be removed by the Board of Directors of the Employer.

SunLine Transit Restated Retirement Income Plan for Bargaining Personnel

Article II, Section 2.01. Committee to Administer Plan. The Plan shall be administered by a Committee. The Committee shall consist of five (5) members. The Board of Directors of the Employer and the Union shall appoint two (2) members and a fifth member shall be appointed by the four (4) members.
Article II, Section 2.02. Resignation and Removal of Members. Any member of the Committee may resign at any time by giving written notice to other members and the Board of Directors of the Employer, effective therein stated. At any time, the Board of Directors of the Employer, the Union of the Committee shall remove or appoint members by written notice.

**Fiscal Implications**

This action will not have a fiscal impact.

_____________________
Donald A. Bradburn
Recommendation

The Board of Directors approve an extension to the Interim General Manager’s Contract from the expiration date of September 4, 2013 to the earlier to occur of the first date of service of a new General Manager or October 31, 2013.

Background

Prior to the resignation of the prior General Manager, the Board approved Roger Snoble as the Interim General Manager. The Interim General Manager had taken on the day-to-day operations of the agency. Since the resignation of the prior General Manager the Interim General Manager as managed the retention of an executive search firm.

The retention of the executive search firm was specifically itemized in the budget and their efforts are underway.

In addition to managing this search firm, the Interim General Manager has endeavoured to address SunLine’s public transportation service needs and to strengthen the production of timely financial information. Moreover, the Interim General Manager has taken those steps necessary to steer the Agency in a direction satisfactory to the Board, including the planning of an Executive Strategic Planning session.

It is clearly in the Agency’s interest to have the Interim General Manager continue with the recruitment process as well as continue to address the needs the Agency until the first date of service of the new General Manager estimated to occur prior to October 31, 2013.

Fiscal Impact

Funds for this transaction will come from the existing budget, resulting from the use of salary savings from vacant positions currently in the Agency.

Rudy Le Flore
Recommendation

Recommend that the Board of Directors authorize the Interim General Manager to exercise the first option year included in the contract for legal services with Rutan & Tucker in an amount Not To Exceed $200,000.

Background

Upon the approval of the SunLine Transit Agency Board of Directors, the Agency entered into a contract for General Counsel Services with Rutan & Tucker LLP. The contract start date is September 17, 2012. The contract is for an initial term of one-year with the option for SunLine to renew the contract for four (4) additional one-year renewals. This means that the current contract will expire on September 16, 2013 without exercising this option.

The option year agreement will contain a Not To Exceed amount for administrative purposes. SunLine staff will alert the Board when incurred costs are likely to exceed the budgeted amount.

Fiscal Impact

The Not To Exceed amount of $200,000 is included in the FY 13/14 Operating Budget.

____________________
Rudy Le Flore
### SunLine Transit Agency
**Checks $1,000 and Over**

**For the month - May 2013**

#### Section Ia - Check payments issued against the Operating Fund - (Costs related to Transit Operations & Maintenance)

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
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<tbody>
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**Subtotal** $299,288.69
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<th>Vendor Name</th>
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<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
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</tr>
<tr>
<td>KIMCO STAFFING SERVICES, INC.</td>
<td>Cost for temporary employment services</td>
<td>658054</td>
<td>6/21/2013</td>
<td>$1,419.20</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CDW GOVERNMENT, INC</td>
<td>Cost for software</td>
<td>657876</td>
<td>6/6/2013</td>
<td>$1,296.66</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>RESORT MARKETING</td>
<td>Cost for public relations &amp; marketing services</td>
<td>657990</td>
<td>6/13/2013</td>
<td>$1,248.00</td>
<td>Y</td>
<td>N</td>
<td>1) &lt;$2481.75&gt;</td>
<td>Operating</td>
</tr>
<tr>
<td>CUMMINS-ALLISON CORP.</td>
<td>Cost for coin room machines</td>
<td>657887</td>
<td>6/6/2013</td>
<td>$1,242.82</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>EISENHOWER OCCUPATIONAL</td>
<td>Medical-Exams and Testing</td>
<td>657894</td>
<td>6/13/2013</td>
<td>$1,220.00</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CAPITAL ONE COMMERCIAL (Costco)</td>
<td>Board room supplies</td>
<td>657967</td>
<td>6/13/2013</td>
<td>$1,155.30</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CAL-TEST, INC.</td>
<td>Cost for D &amp; A Onsite testing</td>
<td>657872</td>
<td>6/6/2013</td>
<td>$1,112.45</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>TOTALFUNDS BY HASLER</td>
<td>Cost for postage</td>
<td>657956</td>
<td>6/6/2013</td>
<td>$1,051.19</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>TOTALFUNDS BY HASLER</td>
<td>Cost for postage</td>
<td>658107</td>
<td>6/21/2013</td>
<td>$1,032.86</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
</tbody>
</table>

Subtotal: $105,485.77

Note: 1) Contract expired June 30, 2013

Section II - Check payments subject to the provisions of Grants, Contracts, Capital Projects or "Pass-through"

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELDORADO NATIONAL (CALIFORNIA)</td>
<td>AFCB 4 &amp; 5 - TIGGER III</td>
<td>658119</td>
<td>6/26/2013</td>
<td>$509,563.00</td>
<td>Y</td>
<td>Y</td>
<td>$160,418.00</td>
<td>Capital</td>
</tr>
<tr>
<td>ND ELECTRICAL CONSTRUCTION, INC.</td>
<td>Bus Stop Improvements - Pads</td>
<td>658070</td>
<td>6/21/2013</td>
<td>$38,006.18</td>
<td>Y</td>
<td>Y</td>
<td>$20,569.00</td>
<td>Capital</td>
</tr>
<tr>
<td>PSOMAS</td>
<td>Bus Stop Improvements - Pads</td>
<td>657989</td>
<td>6/13/2013</td>
<td>$37,050.75</td>
<td>Y</td>
<td>Y</td>
<td>$23,147.00</td>
<td>Capital</td>
</tr>
<tr>
<td>SOFTCHOICE CORP.</td>
<td>IT workstation &amp; equipment</td>
<td>657991</td>
<td>6/13/2013</td>
<td>$25,604.63</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>LEFLORE GROUP LLC, THE</td>
<td>Consulting &amp; procurement services</td>
<td>657980</td>
<td>6/13/2013</td>
<td>$15,055.86</td>
<td>Y</td>
<td>Y</td>
<td>$79,694.00</td>
<td>Capital</td>
</tr>
<tr>
<td>COUNTY OF RIVERSIDE</td>
<td>Administration Building Fees</td>
<td>657881</td>
<td>6/6/2013</td>
<td>$11,503.23</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>C.V.A.G.</td>
<td>JARC program - federal grant reimbursement</td>
<td>658009</td>
<td>6/21/2013</td>
<td>$10,555.56</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>AMERICAN CAB</td>
<td>Taxi voucher program - federal grant</td>
<td>658003</td>
<td>6/21/2013</td>
<td>$5,588.95</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>N/S CORPORATION</td>
<td>Purchase of Maintenance tools &amp; equipment</td>
<td>657924</td>
<td>6/6/2013</td>
<td>$3,951.96</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>RCTC</td>
<td>JARC program - federal grant reimbursement</td>
<td>658086</td>
<td>6/21/2013</td>
<td>$3,622.51</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>YELLOW CAB OF THE DESERT</td>
<td>Taxi voucher program - federal grant</td>
<td>658118</td>
<td>6/21/2013</td>
<td>$2,607.48</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>CMG</td>
<td>Grants &amp; audits coordination services</td>
<td>658017</td>
<td>6/21/2013</td>
<td>$2,080.00</td>
<td>Y</td>
<td>Y</td>
<td>2) &lt;$2071.00&gt;</td>
<td>Capital</td>
</tr>
</tbody>
</table>
### SunLine Transit Agency
Checks $1,000 and Over
For the month - May 2013

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>COUNTY OF RIVERSIDE</td>
<td>Administration Building Fees</td>
<td>657970</td>
<td>6/13/2013</td>
<td>$2,040.00</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>SOFTCHOICE CORP.</td>
<td>Software</td>
<td>658098</td>
<td>6/21/2013</td>
<td>$1,902.24</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>RIVERSIDE COUNTY TRANSPORTATION-Survey Div.</td>
<td>Administration Building Fees</td>
<td>657865</td>
<td>6/5/2013</td>
<td>$1,530.00</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>DESERT CITY CAB</td>
<td>Taxi voucher program - federal grant</td>
<td>658023</td>
<td>6/21/2013</td>
<td>$1,491.90</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$672,156.25</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** 2) Check was voided. Paid through payroll.

### Section III - Check payments related to payroll deductions, employee benefits, and other employee related liabilities

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH NET</td>
<td>Group health insurance premium (monthly)</td>
<td>657979</td>
<td>6/13/2013</td>
<td>$217,145.11</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>U.S. BANK INSTITUTIONAL TRUST-</td>
<td>Pension deposits (paid per payroll)</td>
<td>657958</td>
<td>6/6/2013</td>
<td>$91,593.54</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>U.S. BANK INSTITUTIONAL TRUST-</td>
<td>Pension deposits (paid per payroll)</td>
<td>658112</td>
<td>6/21/2013</td>
<td>$90,978.08</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>PERMA - Insurance</td>
<td>Workers comp &amp; general liability (monthly)</td>
<td>657932</td>
<td>6/6/2013</td>
<td>$76,858.16</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>PERMA - Insurance</td>
<td>Workers comp &amp; general liability (monthly)</td>
<td>657988</td>
<td>6/13/2013</td>
<td>$14,032.77</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>COLONIAL LIFE &amp; ACCIDENT</td>
<td>Employee supplemental ins monthly</td>
<td>657879</td>
<td>6/6/2013</td>
<td>$6,098.19</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>AMALGAMATED TRANSIT UNION</td>
<td>Union dues paid per payroll</td>
<td>657869</td>
<td>6/6/2013</td>
<td>$4,268.63</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>AMALGAMATED TRANSIT UNION</td>
<td>Union dues paid per payroll</td>
<td>658002</td>
<td>6/21/2013</td>
<td>$4,384.05</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CALIFORNIA STATE DISBURSEMENT</td>
<td>Employee garnishment paid per payroll</td>
<td>658010</td>
<td>6/21/2013</td>
<td>$3,182.99</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CALIFORNIA STATE DISBURSEMENT</td>
<td>Employee garnishment paid per payroll</td>
<td>657871</td>
<td>6/6/2013</td>
<td>$3,182.99</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$511,884.51</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** Deductions are collected per payroll and the invoice is paid monthly, as indicated. Exceptions: Pensions, garnishments and union dues are paid per payroll.

Total Checks Over $1000 $1,588,815.22

### Summary

| Total of Checks Over $1,000 | $1,588,815.22 |
| Total of Checks Under $1,000 | $4,125,385.87 |
| Total of All Checks for the Month | $1,630,069.07 |
| Total Amount of Checks Prior Year - Same Month | $2,246,305.87 |
SunLine Transit Agency

DATE: July 31, 2013          Discussion

TO:  Board of Directors

FROM:  Director of Transit Planning

RE:  New Transit Service Requests – North Indio & Desert Edge/Sky Valley

---

Background
At the January, 2013 SunLine Board of Directors meeting, the Board member for City of Indio, Councilmember Glenn Miller, requested consideration of SunLine providing bus service for the Shadow Hills High School. At subsequent Board meetings, Councilmember Miller requested the North Indio community around Shadow Hills Country Club also be considered for transit service. The Shadow Hills community alone has around 9,000 residents and the area overall has over 25,000 residents.

At the same time, SunLine Board member for Desert Hot Springs, Mayor Yvonne Parks, and County Supervisor John J. Benoit have both requested consideration of service on behalf of the Desert Edge/Sky Valley community (population over 6,000 all year and up to 10,000 during winter months). This area is a Riverside County unincorporated community located just east of the City of Desert Hot Springs.

The above two areas continue to receive infrequent requests for transit service:

- Desert Edge/Sky Valley:
  - Past surveys of Desert Edge/Sky Valley suggest a relatively low demand for transit. Destinations of primary interest are Desert Hot Springs and Palm Springs.
  - This area is noted as an unmet transit need in the Riverside County Public Transit - Human Services Transportation Coordinated Plan (2012 update), a requirement for grant funding of service.

- North Indio/Shadow Hills:
  - This area has generated very few requests for transit service, other than for school transport (the high school opened in 2010).
  - Recent requests are primarily for SunDial paratransit service, but this cannot be provided in the absence of fixed route service.
  - The area has never been surveyed to understand the community’s travel needs beyond school transportation.
This need is not yet noted in the Riverside County Public Transit - Human Services Transportation Coordinated Plan (2012 update). This is required for implementation of grant funded new service.

In the case of North Indio, a survey of the Shadow Hills community travel needs is an important first step which will occur in August. An update to market and operational data for Desert Edge/Sky Valley is also recommended.

**Fiscal Impact**

The cost of providing a new fixed route weekday daytime service to these areas is significant, and is estimated as follows:

- North Indio: $168,079 per year
- Desert Edge/Sky Valley: $204,573 per year

This cost does not include complimentary paratransit service required whenever fixed route service is implemented.

Other service alternatives will be investigated including deviating existing transit lines or operating and on-call type service based on reservations.

Funds are not currently available in the FY 2013-14 SunLine Transit Agency budget or new grant opportunities for such service. There is also the question of what cost recovery such services would achieve.

**Recommendation**

Staff will continue to study the transit needs and service options for these two areas, with the intent of reporting further at the next board meeting in September 2013.

---

Joseph Forgiarini
AGENDA
FINANCE COMMITTEE

July 31, 2013
11:00 a.m. – 12:00 p.m.
G.M. Conference Room
SunLine Transit Agency
Thousand Palms, CA

1. Call to Order
2. Roll Call
3. Public Comments
4. Committee Member Comments

ACTION

5. Approval of BAE Contract (Tommy Edwards)     Approve
   Request to the Board to grant authority to the Interim General Manager to
   execute contract with BAE Systems Control for an extended warranty for the
   American Fuel Cell bus – FC3. (Page 1)

6. Exercise of Option Year to Goodyear Contract for Tire Leasing and Tire
   Service (Mike Morrow)     Approve
   Request to the Board to approve the exercise of option year to Goodyear
   for tire leasing and service. (Page 2)

7. Approval of Agreement for Division 1 Yard Repaving (Tommy Edwards)     Approve
   Request to the Board to grant authority to the Interim General Manager to
   execute an agreement with Cooley Construction for Division 1 yard
   repaving. (Pages 3-4)

8. Contract Extension Interim General Manager (Rudy Le Flore)     Approve
   Request to the Board to approve contract extension of Interim
   General Manager. (Pages 5-7)

9. Execution of Option for Legal Services (Rudy Le Flore)     Approve
   Request to the Board to grant authorization to the Interim General
   Manager to exercise the first option year included in the contract for
   legal services with Rutan & Tucker in an amount Not To Exceed
   $200,000. (Page 8)

- - - - - - - - - - - - - - - - - - - - - - - - - - RECEIVE AND FILE - - - - - - - - - - - - - - - - - - - - - - - - - -
10. **Receive and File the following:**

   a) Transit checks over $1,000 for June, 2013 (Pages 9-11)
   b) Credit card statement June, 2013 (Pages 12-14)
   c) SunLine Transit Monthly Budget Reports for May, 2013 (Page 15)

11. **Adjourn**
SunLine Transit Agency

DATE: July 31, 2013

TO: Finance Committee
    Board of Directors

FROM: Advanced Technology Project Manager

RE: Approval of Agreement with BAE Systems Control Inc.

Recommendation

Recommend that the Board of Directors delegate authority to the Interim General Manager to execute an agreement with BAE Systems Controls Inc. for an extended warranty for the traction motor, gearbox, and other non-standard parts for the American Fuel Cell Bus in an amount Not-to-Exceed $330,545, subject to approval as to form by SunLine Legal Counsel.

Background

SunLine operates the American Fuel Cell Bus. The Integrator for the American Fuel Cell Bus is BAE Systems. The bus uses BAE Systems traction motor and gearbox. The existing bus has a five-year warranty on the propulsion control system, traction motor and gearbox, lithium-ion energy storage system, auxiliary power system, and associated harnesses.

This warranty will provide an additional five years on the traction motor and gearbox as well as support the other non-standard components for the bus.

BAE Systems is providing the $1,200,000 of in-kind match to support the objectives of this project.

Staff is submitting this contract action for approval because it exceeds the General Managers authority.

Fiscal Impact

Funds for this transaction were obtained from a competitive federal grant for $1,200,000 won by SunLine in collaboration with CALSTART. There is $150,000 remaining under the grant after this expenditure.

Tommy Edwards
DATE: July 31, 2013

TO: Finance Committee
    Board of Directors

FROM: Director of Maintenance

RE: Exercise Option Year of Goodyear Contract for Tire Leasing and Tire Service.

Recommended Action

Recommend that the Board of Directors authorize Interim General Manager to approve an exercise of option year that extends our current Tire Lease and Tire Service Contract with Goodyear Tire & Rubber Company. Since this work started July 1st and the contractor supported it, Staff recommends that the Board ratifies the work from July 1st, 2013 to current date.

Background

The Board of Directors authorized the General Manager to approve and award a contract for tires and tire service at its June, 2009 meeting. An agreement was made with The Goodyear Tire and Rubber Company for a two year period with three one-year options. The pricing for the option years were included in the original solicitation. This Change Order represents the third and final year of our current contract.

Financial Impact

The estimated cost for this service is $280,000. These services are part of our current 2013/2014 operating budget.

_______________________________
Mike Morrow
Date: July 31, 2013

To: Finance Committee  
Board of Directors

From: Advanced Technology Project Manager

Re: Approval of Agreement for Division 1 Yard Repaving Project

Recommendation

Recommend that the Board of Directors grant authority to the Interim General Manager to execute an agreement with Cooley Construction for the Division 1 Yard Repaving Project. Total agreement amount is $513,440, plus 10% change order contingency. Contract is subject to approval as to form by SunLine Legal Counsel.

Background

SunLine’s Division 1 parking lots and bus yard are in need of repaving. An Engineering firm (Psomas) was contracted to provide engineered drawings, specifications and bidding documents for repaving (asphalt and concrete) of the existing yard at its Thousand Palms main operating and maintenance facility. The area to be repaved includes parking and traffic areas for urban transit buses and other SunLine vehicles, as well as parking for employee and visitor vehicles.

The specifications will include demolition and removal, depth and compaction for preparation, materials for paving, a site parking striping plan, and details of materials to be removed or retained as part of the project. The drawings will also identify utility lines and ITS lines that are DIG hazards.

Five proposals were received, all from qualified bidders. Cooley Construction was identified as the lowest responsive and responsible bidder. The bid results are attached to this Action. Bids received were well below the engineering estimate for the project.

Fiscal Impact

The $494,640 of funding for this project, plus $18,800 for an additional optional area of repaving is all available in SunLine’s approved capital budget for FY 2013/14. It is a mix of Federal ARRA and Section 5307 Urban Formula funding allocated for Agency facility improvements, together with matching State Transit Assistance funding. These funds are immediately available and the ARRA funding must be spent by September 30, 2013.

_________________
Tommy Edwards
Recommendation

The Board of Directors approve an extension to the Interim General Manager’s Contract from the expiration date of September 4, 2013 to the earlier to occur of the first date of service of a new General Manager or October 31, 2013.

Background

Prior to the resignation of the prior General Manager, the Board approved Roger Snoble as the Interim General Manager. The Interim General Manager had taken on the day-to-day operations of the agency. Since the resignation of the prior General Manager the Interim General Manager as managed the retention of an executive search firm.

The retention of the executive search firm was specifically itemized in the budget and their efforts are underway.

In addition to managing this search firm, the Interim General Manager has endeavoured to address SunLine’s public transportation service needs and to strengthen the production of timely financial information. Moreover, the Interim General Manager has taken those steps necessary to steer the Agency in a direction satisfactory to the Board, including the planning of an Executive Strategic Planning session.

It is clearly in the Agency’s interest to have the Interim General Manager continue with the recruitment process as well as continue to address the needs the Agency until the first date of service of the new General Manager estimated to occur prior to October 31, 2013.

Fiscal Impact

Funds for this transaction will come from the existing budget, resulting from the use of salary savings from vacant positions currently in the Agency.
SunLine Transit Agency

First Amended
Interim General Manager Contract Agreement

This First Amended Interim General Manager Contract Agreement (the “First Amendment”) is made and entered into on the ___ day of __________ 2013, by and between SunLine Transit Agency (“STA”), SunLine Services Group (“SSG”) (collectively herein “SUNLINE”) and Roger Snoble (“SNOBLE”).

RECITALS

A. On June 3, 2013, the parties hereto entered into the SunLine Transit Agency Interim General Manager Contract Agreement (the “Agreement”).

B. The Agreement provided SNOBLE would serve as SUNLINE Interim General Manager from June 3, 2013 to September 4, 2013.

C. The Agreement further provides that the term could be extended upon mutual consent of the parties.

D. The parties anticipate it is unlikely that a new General Manager will be retained prior to the Agreement’s termination date of September 4, 2013 and, therefore, mutually desire to extend the term of the Agreement.

COVENANTS

NOW, THEREFORE, in exchange for the mutual consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

Section 1. Section 3 – “Term” of the Agreement is hereby amended to read in its entirety as follows:

3. **Term.** The term of this Agreement shall be from June 3, 2013 to the earlier to occur of the first date of service of a new General Manager or October 31, 2013. The term may be extended upon mutual consent of both parties.

Section 2. Except as expressly amended herein by this First Amendment, each and every provision of the Agreement shall remain in full force and effect.
“SUNLINE”

SunLine Transit Agency ("STA")

By: ________________
Name: Glenn Miller
Its: Chairman of the Board

SunLine Services Group ("SSG")

By: ________________
Name: Glenn Miller
Its: Chairman of the Board

APPROVED AS TO FORM:

By __________________________
Jeffrey A. Goldfarb, General Counsel

“SNOBLE”

______________________________
Roger Snoble

I
Recommendation

Recommend that the Board of Directors authorize the Interim General Manager to exercise the first option year included in the contract for legal services with Rutan & Tucker in an amount Not To Exceed $200,000.

Background

Upon the approval of the SunLine Transit Agency Board of Directors, the Agency entered into a contract for General Counsel Services with Rutan & Tucker LLP. The contract start date is September 17, 2012. The contract is for an initial term of one-year with the option for SunLine to renew the contract for four (4) additional one-year renewals. This means that the current contract will expire on September 16, 2013 without exercising this option.

The option year agreement will contain a Not To Exceed amount for administrative purposes. SunLine staff will alert the Board when incurred costs are likely to exceed the budgeted amount.

Fiscal Impact

The Not To Exceed amount of $200,000 is included in the FY 13/14 Operating Budget.

____________________
Rudy Le Flore
## SunLine Transit Agency

### Checks $1,000 and Over

**For the month - May 2013**

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
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**Subtotal** $299,288.69
### Section Ia - Check payments issued against the Operating Fund - (Costs related to Transit Operations & Maintenance)

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
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<td>Cost for postage</td>
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<td>6/21/2013</td>
<td>$1,032.86</td>
<td>Y</td>
<td></td>
<td></td>
<td>Operating</td>
</tr>
</tbody>
</table>

Subtotal: $105,485.77

### Section Ib - Check payments issued against the Operating Fund - (Costs related to General Administration)

**Note:**
1) Contract expired June 30, 2013

### Section II - Check payments subject to the provisions of Grants, Contracts, Capital Projects or “Pass-through”

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eldorado National (California)</td>
<td>AFCB 4 &amp; 5 - TIGGER III</td>
<td>658119</td>
<td>6/26/2013</td>
<td>$509,563.00</td>
<td>Y</td>
<td>Y</td>
<td>$160,418.00</td>
<td>Capital</td>
</tr>
<tr>
<td>ND Electrical Construction, Inc.</td>
<td>Bus Stop Improvements - Pads</td>
<td>658070</td>
<td>6/21/2013</td>
<td>$38,006.18</td>
<td>Y</td>
<td>Y</td>
<td>$20,569.00</td>
<td>Capital</td>
</tr>
<tr>
<td>Psomas</td>
<td>Bus Stop Improvements - Pads</td>
<td>657989</td>
<td>6/13/2013</td>
<td>$37,052.75</td>
<td>Y</td>
<td>Y</td>
<td>$23,147.00</td>
<td>Capital</td>
</tr>
<tr>
<td>Softchoice Corp.</td>
<td>IT workstation &amp; equipment</td>
<td>657991</td>
<td>6/13/2013</td>
<td>$25,604.63</td>
<td>N</td>
<td></td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>Leflore Group, LLC, the</td>
<td>Consulting &amp; procurement services</td>
<td>657903</td>
<td>6/13/2013</td>
<td>$15,056.86</td>
<td>Y</td>
<td></td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>County of Riverside</td>
<td>Administration Building Fees</td>
<td>657881</td>
<td>6/6/2013</td>
<td>$11,503.23</td>
<td>Y</td>
<td></td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>C.V.A.G.</td>
<td>JARC program - federal grant reimbursement</td>
<td>658009</td>
<td>6/21/2013</td>
<td>$10,555.56</td>
<td>N</td>
<td></td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>American Cab</td>
<td>Taxi voucher program - federal grant</td>
<td>658003</td>
<td>6/21/2013</td>
<td>$5,588.95</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>N/S Corporation</td>
<td>Purchase of Maintenance tools &amp; equipment</td>
<td>657924</td>
<td>6/6/2013</td>
<td>$3,951.96</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>Rctc</td>
<td>JARC program - federal grant reimbursement</td>
<td>658086</td>
<td>6/21/2013</td>
<td>$3,622.51</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>Yellow Cab of the Desert</td>
<td>Taxi voucher program - federal grant</td>
<td>658118</td>
<td>6/21/2013</td>
<td>$2,607.48</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>Cmg</td>
<td>Grants &amp; audits coordination services</td>
<td>658017</td>
<td>6/21/2013</td>
<td>$2,080.00</td>
<td>Y</td>
<td>Y</td>
<td>2) &lt;$2071.00</td>
<td>Capital</td>
</tr>
</tbody>
</table>
## SunLine Transit Agency
### Checks $1,000 and Over
#### For the month - May 2013

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>COUNTY OF RIVERSIDE</td>
<td>Administration Building Fees</td>
<td>657970</td>
<td>6/13/2013</td>
<td>$2,040.00</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>SOFTHOICE CORP.</td>
<td>Software</td>
<td>658098</td>
<td>6/21/2013</td>
<td>$1,902.24</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>RIVERSIDE COUNTY TRANSPORTATION-Survey Div.</td>
<td>Administration Building Fees</td>
<td>657865</td>
<td>6/5/2013</td>
<td>$1,530.00</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
<tr>
<td>DESERT CITY CAB</td>
<td>Taxi voucher program - federal grant</td>
<td>658023</td>
<td>6/21/2013</td>
<td>$1,491.90</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Capital</td>
</tr>
</tbody>
</table>

Subtotal $672,156.25

Note: 2) Check was voided. Paid through payroll.

### Section III - Check payments related to payroll deductions, employee benefits, and other employee related liabilities

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEALTH NET</td>
<td>Group health insurance premium (monthly)</td>
<td>657979</td>
<td>6/13/2013</td>
<td>$217,145.11</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>U.S. BANK INSTITUTIONAL TRUST-</td>
<td>Pension deposits (paid per payroll)</td>
<td>657958</td>
<td>6/6/2013</td>
<td>$91,593.54</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>U.S. BANK INSTITUTIONAL TRUST-</td>
<td>Pension deposits (paid per payroll)</td>
<td>658112</td>
<td>6/21/2013</td>
<td>$90,978.08</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>PERMA - Insurance</td>
<td>Workers comp &amp; general liability (monthly)</td>
<td>657932</td>
<td>6/21/2013</td>
<td>$76,858.16</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>PERMA - Insurance</td>
<td>Workers comp &amp; general liability (monthly)</td>
<td>657988</td>
<td>6/13/2013</td>
<td>$14,032.77</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>COLONIAL LIFE &amp; ACCIDENT</td>
<td>Employee supplemental ins monthly</td>
<td>657879</td>
<td>6/6/2013</td>
<td>$6,098.19</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>AMALGAMATED TRANSIT UNION</td>
<td>Union dues paid per payroll</td>
<td>657869</td>
<td>6/6/2013</td>
<td>$4,426.63</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>AMALGAMATED TRANSIT UNION</td>
<td>Union dues paid per payroll</td>
<td>658002</td>
<td>6/21/2013</td>
<td>$4,384.05</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CALIFORNIA STATE DISBURSEMENT</td>
<td>Employee garnishment paid per payroll</td>
<td>658010</td>
<td>6/21/2013</td>
<td>$3,182.99</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>CALIFORNIA STATE DISBURSEMENT</td>
<td>Employee garnishment paid per payroll</td>
<td>657871</td>
<td>6/6/2013</td>
<td>$3,182.99</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
</tbody>
</table>

Subtotal $511,884.51

Note: Deductions are collected per payroll and the invoice is paid monthly, as indicated. Exceptions: Pensions, garnishments and union dues are paid per payroll.

### Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Checks Over $1000</td>
<td>$1,588,815.22</td>
</tr>
<tr>
<td>Total Checks Under $1,000</td>
<td>$41,253.85</td>
</tr>
<tr>
<td>Total of All Checks for the Month</td>
<td>$1,630,069.07</td>
</tr>
<tr>
<td>Total Amount of Checks Prior Year - Same Month</td>
<td>$2,246,305.87</td>
</tr>
</tbody>
</table>
A regular meeting of the SunLine Services Group Board of Directors was held on Wednesday, June 26, 2013 at 12:05pm in the Kelly Board Room at SunLine Transit Agency, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

1. **Call to Order**
   The meeting was called to order at 12:05p.m. by Chairman Robert Spiegel.

2. **Roll Call**
   Completed.

   Robert Spiegel, Chairman, Councilmember, City of Palm Desert
   Yvonne Parks, Vice Chairman, Mayor, City of Desert Hot Springs
   Rick Hutcheson, Councilmember, City of Palm Springs
   Greg Pettis, Councilmember, City of Cathedral City
   G. Dana Hobart, Councilmember, City of Rancho Mirage
   Douglas Hanson, Councilmember, City of Indian Wells
   Don Adolph, Mayor, City of La Quinta
   Glenn Miller, Councilmember, City of Indio
   Eduardo Garcia, Mayor, City of Coachella

   **Members Absent**
   John J. Benoit, Supervisor, County of Riverside

   **Guests:**
   Joseph Larsen, Rutan & Tucker
   Jeff Love, Rutan & Tucker
   Kathleen Bennett, Resort Marketing
   Linda Hurley, MGO Accountants
   Robert Yates, RCTC
   Jeff Grant, Ballard
   Brett Kelman, The Desert Sun
   Larry Salas, C.O.D.
   Becky Broughton, C.O.D.
   Gene Marchu, C.O.D.
   Maryanne Champion, C.O.D.
   Stan Christensen, C.O.D.
   Mary Jane Sanchez, C.O.D.
   Jennifer Christensen, C.O.D.
   Billy Meyer, Yellow Cab
   Michal Brock, Yellow Cab
   Harry Incs, American Cab
   Scott Russo, Legal Counsel, American Cab
   Marx Triplett, Desert City Cab
   K.D. Labana, Desert City Cab
Mohammad Farooq, Desert City Cab
Peter Schabarum, Public
Arlene Johnson, Public
Amy Stuart, Public
Joran Pineda, Public
Larry Villalobos, Public
Perfecto Enriquez, Public
Judy Shea, Public

Staff:
Roger Snoble, Interim General Manager
Jeffrey Goldfarb, Legal Counsel
Carolyn Rude, Special Asst. to the General Manager/Clerk of the Board
Naomi Nightingale, Chief of Staff
Polo Del Toro, Director of Operations
Joe Forgiarini, Director of Transit Planning
Mike Morrow, Director of Maintenance
Don Bradburn, Director of Human Resources
Tommy Edwards, Contracting Officer Technical Representative
Rudy LeFlore, Procurement Consultant
Mannie Thomas, Manager of Operations and Safety Training
Manny Garcia, Senior Supervisor, Operations
Armando Ozuna, Supervisor/Dispatcher
Rick Barone, Procurement Officer
Michael Jones, Manager Taxi cab Administration
Stephanie Buriel, Senior Administrative Assistant
David Robin, Assistant Taxi Cab Administrator II
Jeff Bergen, Payroll Accountant
Anita Petke, Transit Planning Assistant
Ivanna Samokish, Safety and Security Coordinator
Joe Gomez, Security Technician
Karen Thomas, Senior Administrative Assistant
Francine DePalo, Administrative Assistant
Norma Stevens, Community Outreach Specialist
Karen Thomas, Senior Administrative Assistant
David Manriquez, Facility Maintenance Assistant
Joseph Friend, Senior IT & Systems Analyst
Vanessa Mora, Desktop Support Technician
Amy Heilman, Coin Counter

3. **Finalization of Agenda**
   No changes to agenda.

4. **Presentations**
   None.
5. **Correspondence**
None.

6. **Public Comments**

**NON - AGENDA ITEMS**

Bill Meyers, Yellow Cab of the Desert stated the following: “I would like to make a suggestion with the resignation of Naomi that the Board consider Mike Jones to set up and be in charge of taxi. He has got all the experience. It would be a smooth transition and he has put in some serious work over the last few years. It would be a good reward for the guy. That was unsolicited from him.”

**AGENDA ITEMS:**

Scott Russo, Legal Counsel for American Cab, stated the following: “I read the budget and I think we have said to you before that the budget for SRA is the highest in the state and for the amount of territory covered, it is really high. Looking at the budget, you could save roughly $75,000 for consolidating Ms. Nightingale's and Mr. Jones' positions – it is $46,000 – that was the amount that is taken on by taxi by the SunLine Transit budget for those services. By having Mr. Jones do both, it would be a substantial savings. I can tell you that the legal of $50,000 – I am expecting things to go real smooth and probably one of the reasons is because things are humming. I think that it is a little high. Mr. LeFlore’s portion, which is about $22,000, given that the renewal process of the franchises is this year, I don’t know where his services would play into that. And then last, there is this taxi study for $35,000, which seems unnecessary given everything that is transpiring and everything is working so well together. Bottom line is that you are adding a surcharge to pay for a budget which we believe is very high.”

7. **Board Member Comments**
None.

8. **Approval of Minutes**

Councilmember Doug Hanson moved to approve the minutes for the May 26, 2013 Board meeting and the May 31, 2013 Special Board meeting. The motion was seconded by Councilmember Rick Hutcheson and was approved by a unanimous vote.

9. **Approval of Taxicab Budget & Fee Schedule**

Chief of Staff, Naomi Nightingale, stated that this was her last meeting and she deferred to Michael Jones, Asst. Taxi Administrator, to present the budget and fee schedule to the Board. Mr. Jones addressed the Board stating the following: “Recommend that the Board of Directors approve the FY14 Budget and the attached FY 14 Rate and Fee Resolution. In accordance with the SunLine Services Group (SSG) Joint Powers Agreement, the SSG Board of Directors must approve an annual budget. In addition to the annual budget approval process, the Board approves the fees that serve as a basis for the Fiscal Year Budget. For Fiscal Year 2012-13 as a response to increased revenues collected, the SSG Board approved a surcharge rate reduction to $.30 per ride (from the standard $.75 per ride) to decrease the surcharge per ride fee paid by the passengers for taxi administration. The surcharge included in the 2013-14 budget is $.50 reflecting the revenue required to administer the taxi program and still maintaining the surcharge below the $.75 standard surcharge. The proposed budget was discussed with the Franchise
operators and there was no opposition. SRA’s overall budget was increased by nine percent as SRA anticipates a substantial amount of administrative effort relating to the vetting of Desert City Cab as the newly constituted Franchise, the possible establishment of lease rate caps, and the possibility of adding another franchise through the RFP process. In addition, legal action to recover lost revenues is expected to proceed. Additional part time staff is included in this budget to cover the burdens placed on staff during the high season and different events in the Valley. Ms. Nightingale stated that also attached, is a Resolution adopting the rates for taxicab service for this fiscal year.

Taxi Committee Chairman, Dana Hobart, stated the following: “The Taxi Committee recommended approval of the budget. There will be a reconsideration issue having to do with the study that Mr. Russo just mentioned, but we did recommend approval of the budget.” Councilmember Hanson stated the following: “Can we at some point, given what Mr. Russo just said, if at mid-year you were to find that you do have an improved budget, could you then go back and re-address the increase in the fee and reduce it as it has been suggested here?” Mr. Snoble stated: “I think the Board can do whatever they want on the budget at any time.” Councilmember Hanson stated: “Then why don’t we approve and come back mid-year and have a review and see how the budget looks.” Mr. Snoble further stated that he had intended initially to come back to the Board in September after he had a chance to go through the budget and the department. By mid-year, the Board would be in the position to maybe make a change.

Councilmember Doug Hanson moved to approve the taxicab budget and fee and rate schedule resolution for FY 2014. Councilmember Glenn Miller seconded the motion and was approved by a unanimous vote.

10. **First Reading of SSG Revised Ordinance #2013-01**
SunLine Legal Counsel, Jeff Goldfarb, addressed the Board stating the following: “At the last meeting, the Board asked us to come back with an Ordinance amending the base Taxi Ordinance that established a different time period for reviewing and approving extensions to the taxi franchises. We have done that with the Ordinance that is being circulated right now. The highlights are basically this; instead of having five one-year extensions, this creates one long four-year extension term. In addition, the application process is changed in terms of timing so that when you file an application for an extended term, you can do so between 18 months and one year prior to the end of the initial term. The Board has time to consider that extension, but is to approve that extension, or disapprove that extension, at a point that is no sooner than one year prior to the expiration of that initial term. The only situation where that might be different is if somebody files an application for extension one year before the termination; obviously the Board is going to need some time to review it. So we have given the Board two Board cycles to review the extension from the time the application is received.”

Taxi Committee Chairman Dana Hobart, stated the following: “We (the Taxi Committee) are very much in favor of this. We didn’t have a quorum again. We didn’t discuss this. I personally think it is a good thing for us to be doing.” Mayor Don Adolph, City of La Quinta, asked the following: “How does the taxi group feel about it?” Chairman Spiegel stated that he thinks they (the Taxi Franchises) want it.
Legal Counsel, Jeff Goldfarb further stated: “There is one other component of the Ordinance that is before you. I have two in the packet. We can either include it, or not include it. That has to do with the change in the law that recently occurred to the vehicle code. What this change does, is it relates to Pull Notices. A Pull Notice is the system whereby either the regulator or the person who is operating a taxi company is able to get updates on the driver's license status and driving record of the persons who are operating the taxicabs. What this provision that I have included in here does now, is it requires the taxi franchisee to give us copies of all the Pull Notices that they pull within ten days of them pulling it. That does two things; one, it lets us know that the taxi companies have in fact pulled the notice, because they have an obligation to do so, and two, it allows us to review exactly what they are looking at so that we are sort of simpatico when it comes to regulating the taxi drivers. So that is included in here. I do have an Ordinance that I can provide to you that does not have that in there if it is your desire not to adopt it. But I think it is a good idea.

Chairman of the Taxi Committee, Dana Hobart moved to approve the first reading of SSG Revised Ordinance #2013-01. Mayor Don Adolph, seconded the motion and was approved by a unanimous vote.

11. **Taxi Committee & Executive Committee Bylaws**

Legal Counsel, Jeff Goldfarb stated the following: “There are two committees that apply to SSG as opposed to STA. Those are the Taxi Committee and a separate Executive Committee. We have included the bylaws and the Resolution establishing those two committees. The bylaws of the Taxi Committee are somewhat similar to other committees that you have seen in the past. The bylaws for the Executive Committee are unique to the Executive Committee. I can go through what the bylaws provide, but it is self-explanatory.” Councilmember Hobart stated the following: “My comment is that it would be the first time that there has been any rules or regulations concerning either of the two committees and it gives them a structure and a proper adoption by the Board.” Councilmember Hanson stated the following: “The question that I have is why you need an Executive Committee? You have five members on the Taxi Committee, right?” Councilmember Hobart stated: “To answer that question is to just direct your attention to one of the paragraphs in here *(Bylaws of the Executive Committee)* - ‘2a. The primary justification for the Committee to exist is to provide the General Manager, the Chair, and the Board of Directors with the ability to respond quickly to exigent matters of circumstances which, in the best interests of SSG, should be dealt with promptly and which are not of such significance as to justify calling a special or emergency meeting of the Board.’ So it is something that is not important enough for the Board to have to make that decision, but something that needs action quickly.” Councilmember Hanson further stated: “The Taxi Committee consisting of five people…” Councilmember Hobart stated: “It’s not the Taxi Committee, it is the Executive Committee.” Mr. Goldfarb stated: “If the Board wanted to, you could task the Taxi Committee to have the duties that the Executive Committee would otherwise have and then have one less committee.” Councilmember Hanson further stated: “My point exactly; thank you very much. The Taxi Committee should be the Executive Committee. It is a five member Committee. Why have an additional committee which is, in my opinion, unnecessary because you have five members on the Taxi Committee. Let that function as your Executive Committee.” Councilmember Hobart stated: “Frankly, I always thought until I saw it this way, I always
thought that the Executive Committee was going to be in a category that would be the same Executive Committee for the STA as the SSG. So that it was the same committee for both organizations. How it got into this format, maybe you (Mr. Goldfarb) could explain it. I don’t think it is essential that it be in this format. I think if we just do the one to cover both organizations that is all we really need.” Mr. Goldfarb stated: “If you adopt it the way it currently is, and you appoint the same people to it, then effectively, you have done that. My concern is because they are in fact separate governmental entities, each entity has to have its own committee. One committee would not have jurisdiction to operate on the functional matters of another committee unless it was created that way.”

Mayor Eduardo Garcia, stated: “If I may just add to refresh memories here, the reason that we went in this direction was because of the position taken that we were lacking bylaws for all of our committees. Just to keep it simple and to that point, I think the way it is presented today is the way we intended for the committees to be structured, adopted for the purpose of having some kind of bylaws for all of the committees.”

Councilmember Hanson stated: “I fully support the concept of creating bylaws and agree with the process that we have been using. I just have a problem with creating Executive Committees and I don’t think one is necessary as it relates to this issue. There is no way I would be supportive of an additional Executive Committee. You simply call a meeting of the Board. You have a quorum; if a quorum is there, you conduct your business. What you tend to do is create an Executive Committee that will then control everything that goes on in the Board rather than the Board having a purview over everything that happens in the Agency.” Chairman Spiegel stated: “Let’s do this. Let’s first take a look at the bylaws for the Taxi Committee.

Mayor Eduardo Garcia moved for approval of the Bylaws of the Taxi Committee. Councilmember Rick Hutcheson seconded the motion and was approved by a unanimous vote.

Mayor Eduardo Garcia moved to approve the Resolution establishing and ratifying the existence of the Taxi Committee. The motion was seconded by Councilmember Rick Hutcheson and was approved by a unanimous vote.

Chairman Spiegel stated the following: “Now we will go over the Executive Committee.” Councilmember Hanson stated: “I would offer the motion that the Executive Committee comprise itself of the Taxi Committee as one committee and those functions and duties that the Executive Committee would have would be the Taxi Committee functions for the Taxi Agency.”

Mayor Garcia stated: “If I may, I understand where you are headed with this, but I think in the interest of keeping it simple and straight to the point on how we got to this conversation, I think we should move the bylaws for the Executive Committee as presented. You (Councilmember Hanson) gave a good scenario in terms of you call a meeting of the Board, you get a quorum and we are able to make decisions on behalf of the Agency. There will be times when we will call a meeting and we won’t have a quorum. That is when the Executive Committee plays a role to try and expedite a certain matter or decision on behalf of the Board.” Councilmember Hanson stated: “You have five
members proposed for the Executive Committee, right?” Vice Chair Parks stated: “That is what the Bylaws of the Executive Committee of SunLine Services Group states. We have got five members on the Committee and then we want five members to be on the Executive Committee. To me, it is redundant.”

Legal Counsel, Mr. Goldfarb addressed the point: “The situation where I think it does come in handy is a situation when you have an issue that requires an Executive Committee meeting and it is an issue that impacts both STA and SSG. In a situation when the Taxi Committee would serve as the Executive Committee for SSG, you would essentially have to get approximately ten people together to have that meeting – five taxi people and five people on the STA Executive Committee. If STA and SSG have their own Executive Committees that are comprised of the exact same individuals, than all you would have to do is get five people together to conduct the business of both Agencies as it relates to that Executive Committee meeting. I think that was the idea that we were going through and doing is – there are situations where you are going to have an issue that impacts SSG and STA both. In that situation, it may be easier for each Agency to have its own Executive Committee, although populated with the same individuals.’

Councilmember Miller stated: “Do we want an Executive Committee, or no?” Mayor Adolph stated: “The bottom line - how often does the Executive Committee meet?” Councilmember Miller stated: “The rules are stated in the bylaws what they can meet for.”

Councilmember Hobart stated: “Well, I am not adamant in any direction, personally. I think that if we have an Executive Committee that is comprised of the same people, than I don’t know if we said that in here, but we can add that.” Mr. Goldfarb stated: “We have required it to be, but I assume that the Board can act that way – the same people appointed to both.” Councilmember Hobart stated: “Than with that assumption, I would have no problem supporting the bylaw recommendation assuming it is going to be the same people on both.”

Councilmember Hanson stated: “My question, Mr. Hobart, then that being the case, then the same five members that would be on the Taxi Committee would be on the Executive Committee both for SSG and STA.” Councilmember Hobart stated: “No, the other way around. The Taxi Committee people would not comprise both Executive Committees. I can’t imagine that anyway.”

Vice Chair Parks stated: “As it is written, it appears that what Mr. Hanson has stated is in fact – if there is not going to be an Executive Committee of the Taxi Committee and there is only going to be an Executive Committee of STA, why are we voting on an Executive Committee for Taxi?” Mayor Garcia stated: “I think that is the issue here. Probably these two committees should have not been put on this agenda…I think that is the confusion that is occurring here.”

Councilmember Hobart stated: “Why don’t we move to continue this one to give a chance for Mr. Goldfarb to review. He has heard everything and maybe he can incorporate it.” Councilmember Dana Hobart moved to continue this to the July meeting. Mayor Don Adolph seconded the motion and was approved by a unanimous vote.
12. **Consent Calendar**
   a) SSG/SRA checks over $1000 issued March, April, May, 2013
   b) SSG/SRA Monthly Budget Reports, February, March, April, 2013.

Councilmember Rick Hutcheson moved for approval to Receive and File the Consent Calendar. Councilmember Dana Hobart seconded the motion and was approved by a unanimous vote.

13. **Contract for Taxi Study Consultant**

   Interim General Manager addressed the Board stating the following: “I have looked at this study in a couple of different ways. I have reviewed the original study that was completed by Dr. Ray Mundy back in 2007, I believe. When I first came in, I had many questions and when I looked at the RFP, I thought that this study could answer a lot of those questions. When I went through the Mundy Study, it really answered most of the questions for me. That was the foundation for what we have done in the past. From my standpoint from looking at it, it seems that it is working pretty well based on Dr. Mundy who I have worked with over the years in San Diego and academically when he was at the University of Pittsburgh, I believe. I called him and asked him why he didn't bid on this study and he said he was way too busy. He was not interested in bidding. I asked him if I had questions would he be willing to speak to me. He said of course - he did not want to do any more studies, but he would be happy to consult. I really don’t feel at this point that we are going to get much out of spending $35,000 on another study that tells us pretty much what we know. Staff has been collecting data. We have the performance information that we need. We should be looking at performance of the cab companies. We can always tweak it, but I don't feel we are in a position where we need to do a study. We can work out whatever we need to do moving forward. The only other thing that I actually talked to Mr. Mundy about was continuing with a set of customer satisfaction surveys - sort of like a climate survey to know what the customers feel. We can do those fairly inexpensively. We just did one a year ago at the Living Desert and it was extremely inexpensive. We received a lot of great data back from it. I will probably come back to you somewhere along the line with a customer information survey. I would not at this point recommend going forward with this study.”

   The Board had approved at the May 22, 2013 meeting to move forward with the study. Councilmember Hobart stated: “Any member that voted in favor to move forward with the study can move to reconsider.”

   Chairman Robert Spiegel moved to reconsider moving forward with the study. Councilmember Rick Hutcheson seconded the motion and was approved by a unanimous vote.

   Councilmember Dana Hobart then made a motion to not enter into a contract for a taxi study consultant. Councilmember Hanson seconded the motion and was approved by a unanimous vote.
14. **Next Meeting Date**
Chairman Spiegel announced that the next regular meeting of the Board of Directors will be held July 31, 2013 at 12 noon – Kelly Board Room, 32-505 Harry Oliver Trail, Thousand Palms, CA 92276.

15. **Adjourn**
Chairman Spiegel adjourned the meeting at 12:40 p.m.

Respectfully Submitted,

________________________________________
Carolyn Rude
Clerk of the Board

Approved By:

________________________________________  Date: __________________
Roger Snoble
Interim General Manager
I. RECOMMENDATION

1. Adopt a resolution ratifying the existence of any or all of the following SunLine Services Group committees:
   - Taxicab Committee
   - Executive Committee

2. Adopt the bylaws applicable to the above referenced committees.

II. BACKGROUND

SunLine Services Group was formed pursuant to the SunLine Services Group Joint Powers Agreement (SSG “Agreement”). Section 2.6 of the Agreement specifies the powers and duties of the Board of Directors. Section 2.6.1 States that “The Board shall perform the following functions: (3) appoint advisory committees as deemed necessary . . .”

We are informed that SSG has two operating committees: Taxi and Taxi Appeals Board. The Taxi Committee meets at each Board meeting, and the Taxi Appeals Board meets “as needed.” It is unclear how or when these committees were formed. A recent search of SunLine records failed to reveal any ordinance, resolution, or other official action of either Board creating any of these committees.

We have been informed that the committees are annually populated by the SunLine Services Group Board Chairman who annually reports the committee assignments to the Board. At that same time, the Chairmen distributes to the Board a chart showing the committee assignments for the ensuing year.

As noted above, the authority (and obligation) to form committees belongs to the Board. Because there is no record of the Board having taken any action to create the
committees, it is the opinion of General Counsel that the Board should enact the attached resolution establishing any or all of the committees the Board feels is necessary to the operation of the agency. The only exception to this recommendation relates to the Taxi Appeals Board. The need for a Taxi Appeals Board has been eliminated in favor of an appointed hearing officer under SSG Ordinance 12-01. Consequently, a Taxi Appeals Board is no longer necessary.

As can be seen from the attached resolution, the recommended Board action is to ratify the prior existence of the existing committees, except to the extent that the Board decides one or more of the committees is not necessary to the agency’s operation. Ratification of the existing committees is a legally appropriate action. “It is the general rule that a governmental body may effectively ratify what it could theretofore have lawfully authorized.” (Mott v. Horstman (1950) 36 Cal.2d 388, 391.)

In order to ratify the existing Taxi Committee, the Board should act with the same formalities required for the original exercise of power. (Ibid.) Section 3H of the Agreement provides that, with the exception of the adoption of by-laws, an amendment of by-laws, the adoption of the annual budget and such other matters as the Board may designate, all actions of the Board require a majority vote. It is General Counsel’s recommendation that the ratification take place by the adoption of the provided resolution so that there remains an easily identifiable and discoverable record of an official Board action establishing the existence of the committees.

The committees should be provided a set of by-laws which assists the committee in its normal operation. It is General Counsel’s recommendation that the Board adopt the provided by-laws.

III. FINANCIAL IMPACT

None, given that the committees are currently operating and funded.

___________________________
Jeffrey A. Goldfarb
General Counsel
RESOLUTION NO. ______

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUNLINE SERVICES GROUP ESTABLISHING AND RATIFYING THE EXISTENCE OF COMMITTEES OF THE BOARD

WHEREAS, the SunLine Services Group (“SSG”) was formed pursuant to the SunLine Joint Powers Transportation Agency Agreement (the “Agreement”) in or about November 2, 1993; and

WHEREAS, Section 2.6.1(2) of the Agreement authorizes the Board to appoint advisory committees as deemed necessary; and

WHEREAS, the Board desires to establish the Executive Committee and, if it is determined that the Executive Committee had previously been properly formed pursuant to Section 2.6.1(2) of the Agreement, to ratify the existence of the Executive; and

WHEREAS, the Board desires to adopt bylaws for each of the aforementioned committees;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUNLINE SERVICES GROUP HEREBY RESolves AS FOLLOWS:

SECTION 1. There is hereby established or, to the extent previously and properly created pursuant to Section 2.6.1(2) of the Agreement, the Board hereby ratifies the existence of the following committees and only the following committees of the SSG Board:

1. SunLine Services Group Executive Committee

SECTION 2. The Board hereby adopts bylaws for the Executive Committee, in the form attached hereby as Exhibit “A”.

SECTION 3. The Clerk of the Board shall certify to the passage of this Resolution and enter the same in the Agency’s Official Book of Resolutions.
PASSED AND ADOPTED this _____ day of ________________, 20__. 

ATTEST:

_______________________________ _____________________________
Carolyn Rude           Glenn Miller
CLERK OF THE BOARD      CHAIRMAN of the Board
SunLine Services Group  SunLine Services Group
STATE OF CALIFORNIA       
COUNTY OF RIVERSIDE     

I, CAROLYN RUDE, Clerk of the Board of Directors of the SunLine Services Group, do hereby certify that Resolution No. ________ was adopted at a regular meeting of the Board of Directors held on the _______ day of ________________, 20__, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _______________, 20__.

___________________________
Carolyn Rude
CLERK OF THE BOARD
SunLine Services Group Agency

APPROVED AS TO FORM:

Jeffrey Goldfarb, General Counsel
DATE: July 31, 2013

TO: Taxi Committee
    Board of Directors

FROM: General Counsel, Jeffrey A. Goldfarb

RE: First reading to adopt Ordinance Amending Section 1.040 of SunLine Services Group Ordinance #12-01 Regarding Extensions of Taxi Franchises for a Single Five-Year Term, and Adding a New Section 1.249 Regarding Franchisees’ Obligations to Participate in the DMV “Pull Notice” Program

I. RECOMMENDATION

A. Adopt the attached ordinance amending Section 1.040 of Ordinance 12-01 to permit the Board to extend taxi franchises for an extended term of five years, and change the extension application process to ensure that franchisees are notified of the extension determination by the later of either: (a) one year prior to the expiration of the Initial Term; or (b) the second regular Board meeting after SunLine receives a completed application for an Extended Term.

B. Amend Ordinance 12-01 to add a section implementing Vehicle Code Section 1808.1 sub (n) requiring franchisees to provide a copy of the DMV report for each of their drivers.

II. BACKGROUND

A. Amendments Regarding the Franchise Term. SunLine Ordinance 12-01 contains the regulations for taxicab franchisees in the Coachella Valley. Section 1.040 of that ordinance establishes the terms during which franchises are valid. That section provides for an initial five year term (the “Initial Term”) and further provides that the Board may extend franchises for up to a total of an additional five years, in one year increments. Thus, under Section 1.040, upon the expiration of the Initial Term, the franchise term is limited to single year extensions. Franchisees have uniformly complained that one year extensions provide insufficient security for them to continue to invest in their franchise after the expiration of the Initial Term.

Section 1.040 also provides that SunLine is to let a franchisee know whether their franchise has been extended no later than 60 days before their franchise expires.
Franchisees have complained that 60 days notice is insufficient to plan for future operations.

At the Board’s May meeting, General Counsel was directed to draft an ordinance amendment that replaced the five individual one year extensions with either: (a) a single four year Extended Term if SSG undertook the then contemplated taxi study; or (b) a single five year Extended Term if no such study was undertaken. At its June Meeting, the Board approved a first reading of an ordinance providing for a four year Extended Term because, at that time, the taxi study was still slated to be undertaken. Later in the meeting, however, the Board voted to terminate the taxi study. Based upon prior direction, it appears that the Board would have rather introduced for first reading an amendment providing for a five year Extended Term. Based upon the foregoing, staff and General Counsel propose that the Board introduce for first reading the attached ordinance amending Section 1.040 to provide for a single five year Extended Term.¹

B. Amendment Implementing Vehicle Code Section 1808.1. Vehicle Code Section 1808.1 annually requires that franchisees obtain from the Department of Motor Vehicles the “Pull Notice.” A “Pull Notice” is a report showing the driver’s current public record as recorded by the Department of Motor Vehicles, and any subsequent convictions, failures to appear, accidents, driver’s license suspensions, driver’s license revocations, or any other actions taken against the driving privilege or certificate, added to the driver’s record during the preceding year. Section 1808.1 was recently amended to require each employer of a taxi driver to share the Pull Report with the taxi regulatory authority upon the authority’s request.

III. DISCUSSION

A. Amendments Regarding the Franchise Term. After discussion at its regular meeting in May, the Board directed General Counsel to draft an amendment to Ordinance 12-01 replacing the consecutive one year extended terms with a single four year extended term. The Board further directed that the extension application process be advanced on the calendar so that franchisees get sufficient advance notice of whether their franchise will be extended in order that they may have more opportunity to plan for future operations.

Based on the Board’s direction, General Counsel’s office has drafted the attached Ordinance 13-02. In this proposed ordinance, Section 1.040.A is amended to eliminate the five individual annual extended terms in favor of a single five year extended term. Section 1.040.B provides that applicants may request an extension no sooner than 18 months prior to the expiration of the Initial Term and no later than one year prior to the extended term. The amendment further provides that SunLine will determine whether an extension is granted, and inform the franchisee of the same, by the later of one year prior to the termination of the Initial Term, or the second Board meeting after a completed Extended Term application is received.

¹ Note: further action is necessary on the Ordinance 13-01 introduced at the Board’s June meeting as it has never been approved at a second reading.
B. **Amendment Implementing Vehicle Code Section 1808.1.** SunLine could implement Vehicle Code Section 1801.1 by annually sending a letter to each franchisee requesting each franchisee provide the most recent Pull Report in its files for each of their taxi drivers. Staff believes that a better method of implementing Section 1808.1 is to simply require each franchisee to send the collection of Pull Reports upon their receipt of the reports from the DMV. Staff has requested that the Board implement the changes to Vehicle Code Section 1808.1 by requiring that each franchisee provide to SunLine a copy of the Pull Reports for each taxi driver within 10 days of receiving the same from the Department of Motor Vehicles.

IV. **FINANCIAL IMPACT**

The amendment to Section 1.040 of Ordinance 12-01 does not appear to impose any additional financial obligations on SunLine.

___________________________
Jeffrey A. Goldfarb
General Counsel
DATE: July 31, 2013

TO: Finance Committee
    Board of Directors

FROM: G.M. Management Analyst

RE: Contract Extension Interim General Manager

Recommendation

The Board of Directors approve an extension to the Interim General Manager’s Contract from the expiration date of September 4, 2013 to the earlier to occur of the first date of service of a new General Manager or October 31, 2013.

Background

Prior to the resignation of the prior General Manager, the Board approved Roger Snoble as the Interim General Manager. The Interim General Manager had taken on the day-to-day operations of the Agency. Since the resignation of the prior General Manager the Interim General Manager as managed the retention of an executive search firm.

The retention of the executive search firm was specifically itemized in the budget and their efforts are underway.

In addition to managing this search firm, the Interim General Manager has endeavoured to address SunLine’s public transportation service needs and to strengthen the production of timely financial information. Moreover, the Interim General Manager has taken those steps necessary to steer the Agency in a direction satisfactory to the Board, including the planning of an Executive Strategic Planning session.

It is clearly in the Agency’s interest to have the Interim General Manager continue with the recruitment process as well as continue to address the needs the Agency until the first date of service of the new General Manager estimated to occur prior to October 31, 2013.

Fiscal Impact

Funds for this transaction will come from the existing budget, resulting from the use of salary savings from vacant positions currently in the Agency.

____________________
Rudy Le Flore
Recommendation

Recommend that the Board of Directors authorize the General Manager to exercise the first option year included in the contract for legal services with Rutan & Tucker in an amount Not To Exceed $200,000.

Background

Upon the approval of the SunLine Services Group Board of Directors, the Agency entered into a contract for General Counsel Services with Rutan $ Tucker LLP. The contract start date is September 17, 2012. The contract is for an initial term of one year with the option for SunLine to renew the contract for four (4) additional one-year renewals. This means that the current contract will expire on September 16, 2013 without exercising this option.

The option year agreement will contain a Not To Exceed amount for administrative purposes. SunLine staff will alert the Board when incurred costs are likely to exceed the budgeted amount.

Fiscal Impact

The Not To Exceed amount of $200,000 is included in the FY 13/14 Operating Budget.
# SunLine Regulatory Administration

**Checks $1,000 and Over**

**For the month - May 2013**

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<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding source</th>
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<tr>
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<td>Payroll liability reimbursements - 6/21/13</td>
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<td>6/21/2013</td>
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Subtotal | $21,144.05

## Section II - Legal Fees for litigation, Retainer & Consultancy

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<th>Date</th>
<th>Amount</th>
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<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
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<td>$78,752.00</td>
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Subtotal | $21,609.53

Total Checks Over $1,000 | $42,753.58

## Summary

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<th>Description</th>
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<tr>
<td>Total of Checks Under $1,000</td>
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<td>Total Amount of Checks Prior Year - Same Month</td>
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Recommendation

Staff recommends that the Board of Directors Receive and File the Annual Fiscal Year 2011 and 2012 Audits.

Background

SunLine Services Group is required by State Law and the Joint Powers Agreement to complete an annual fiscal audit. State Law requires that Joint Powers Authorities undergo an annual fiscal audit.

This year’s audit resulted in the identification of no material findings.

MGO conducted the audit in a very professional and responsible manner.

___________________
CJ Smith
SunLine Services Group

DATE: July 31, 2013

TO: Taxi Committee
   Board of Directors

FROM: Taxi Administrator

RE: Coachella & Stage Coach Festivals - Taxi Service

Background

Once a year, Golden Voice organizes and produces the world renowned Coachella and Stage Coach festivals. These April events bring 80,000 to 100,000 attendees and vendors to our Coachella Valley.

It has been a constant challenge to find ways to enable the taxi franchises to provide the most efficient taxi services. As the regulator, SunLine Regulatory Administration (SRA) has been working on ways to improve efficiency and increase customer satisfaction. Some of the challenges we face are:

- Unauthorized taxicab services (bandit taxis).
- Congested access for hire cars (TCP), parents, and bandit transportation; all use the same routes as well as drop off and pickup points.
- Taxicabs trying to get back to the venue from a customer drop off of a distance less than ten miles can take 40 minutes.
- Taxicab drop off and pick up; the ability to get in and out of the venues area is critical to address taxicab lines that can exceed two hundred customers each night at the end of the festival.
- After a 1.25 mile walk from the main stage to the taxi stand, passengers can expect to wait up to two hours for a taxicab.

Staff would like to begin planning now to resolve long term issues; we have put together a brief presentation.

Fiscal Impact

None.

Michael Jones
Background

The SunLine Service Group (SSG) Taxi Ordinance and individual franchise agreements with the taxicab operators allow the franchises to request optional extension to their existing agreements. These options are to be requested within a window specified by the Ordinance to allow adequate time for SunLine Regulatory Administration (SRA) to conduct a thorough analysis of the franchises and to make recommendations to the Board of Directors.

Staff would like to present the proposed process to the Board of Directors in order to gain feedback.

Staff would like to share the following:

- Key metric indicators to be used in the evaluation of the Franchises. These performance standards are required by the franchise agreement and SSG Board approved Ordinance.
- The overall performance standards to be used by Staff in making a recommendation.
- The imposition of an application fee of $3,000 per franchise to cover SRA administrative costs.

Fiscal Impact

None.

____________________________________
Michael Jones
AGENDA
TAXI COMMITTEE MEETING

July 31, 2013
11:00am – 12:00pm

Board Room
SunLine Transit Agency
Thousand Palms, CA

(Public Comments will be accepted on each Agenda item upon the conclusion of the staff report on that item. Public comments on non-agendized items will be accepted during the Public comments section. Comments may be limited to 3 minutes in length. Please notify the Committee Chair if you wish to comment.)

1. Call to Order

2. Roll Call

3. Confirmation of Agenda

4. Public Comments                                        Receive Comments
Anyone wishing to address the Taxi Committee on items not on the Agenda should do so at this time. Each presentation is limited to three minutes.

- - - - - - - - - - - - - - - - - - - - - - - ACTION - - - - - - - - - - - - - - - - - - - - - - - - - -

5. First Reading of SSG Revised Ordinance                   Approve
(Jeffrey Goldfarb)
Request to the Board to approve the first reading of: “An Ordinance of SunLine Services Group amending Section 1.040 of SunLine Services Group 12-01 regarding extensions of taxi franchises, and adding a new section 1.249 regarding franchisee’s obligations to participate in the DMV ‘Pull Notice’ Program.” (Pages 1-5)

- - - - - - - - - - - - - - - - - - - RECEIVE AND FILE - - - - - - - - - - - - - - - - - - - - - - - - -

6. Consent Calendar                                        Receive and File
All items on the Consent Calendar will be approved by one motion, and there will be no discussion of individual items unless a Board member requests a specific item be pulled from the calendar for separate discussion. The public may comment on any item.
a) SSG/SRA checks over $1000 issued June, 2013 (Page 6)
b) SSG/SRA Monthly Budget Reports, May, 2013. (Page 7)
c) Taxi Vehicle/Rides Analysis, June, 2013. (Pages 8-9)

DISCUSSION

7. **Coachella & Stage Coach Festivals - Taxi Service** (Michael Jones)
   Discuss taxi service during the Coachella and Stage Coach Festivals. (Page 10)

8. **Franchise Extension Update** (Michael Jones)
   Discuss and gain feedback on the proposed process of taxi franchise extensions. (Page 11)

9. **Adjourn**
DATE: July 31, 2013

TO: Taxi Committee
   Board of Directors

FROM: General Counsel, Jeffrey A. Goldfarb

RE: First reading to adopt Ordinance Amending Section 1.040 of SunLine Services Group Ordinance #12-01 Regarding Extensions of Taxi Franchises for a Single Five-Year Term, and Adding a New Section 1.249 Regarding Franchisees’ Obligations to Participate in the DMV “Pull Notice” Program

I. RECOMMENDATION

A. Adopt the attached ordinance amending Section 1.040 of Ordinance 12-01 to permit the Board to extend taxi franchises for an extended term of five years, and change the extension application process to ensure that franchisees are notified of the extension determination by the later of either: (a) one year prior to the expiration of the Initial Term; or (b) the second regular Board meeting after SunLine receives a completed application for an Extended Term.

B. Amend Ordinance 12-01 to add a section implementing Vehicle Code Section 1808.1 sub (n) requiring franchisees to provide a copy of the DMV report for each of their drivers.

II. BACKGROUND

A. Amendments Regarding the Franchise Term. SunLine Ordinance 12-01 contains the regulations for taxicab franchisees in the Coachella Valley. Section 1.040 of that ordinance establishes the terms during which franchises are valid. That section provides for an initial five year term (the “Initial Term”) and further provides that the Board may extend franchises for up to a total of an additional five years, in one year increments. Thus, under Section 1.040, upon the expiration of the Initial Term, the franchise term is limited to single year extensions. Franchisees have uniformly complained that one year extensions provide insufficient security for them to continue to invest in their franchise after the expiration of the Initial Term.

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B. **Amendment Implementing Vehicle Code Section 1808.1**. Vehicle Code Section 1808.1 annually requires that franchisees obtain from the Department of Motor Vehicles the “Pull Notice.” A “Pull Notice” is a report showing the driver’s current public record as recorded by the Department of Motor Vehicles, and any subsequent convictions, failures to appear, accidents, driver’s license suspensions, driver’s license revocations, or any other actions taken against the driving privilege or certificate, added to the driver’s record during the preceding year. Section 1808.1 was recently amended to require each employer of a taxi driver to share the Pull Report with the taxi regulatory authority upon the authority’s request.

III. **DISCUSSION**

A. **Amendments Regarding the Franchise Term.** After discussion at its regular meeting in May, the Board directed General Counsel to draft an amendment to Ordinance 12-01 replacing the consecutive one year extended terms with a single four year extended term. The Board further directed that the extension application process be advanced on the calendar so that franchisees get sufficient advance notice of whether their franchise will be extended in order that they may have more opportunity to plan for future operations.

Based on the Board’s direction, General Counsel’s office has drafted the attached Ordinance 13-02. In this proposed ordinance, Section 1.040.A is amended to eliminate the five individual annual extended terms in favor of a single five year extended term. Section 1.040.B provides that applicants may request an extension no sooner than 18 months prior to the expiration of the Initial Term and no later than one year prior to the extended term. The amendment further provides that SunLine will determine whether an extension is granted, and inform the franchisee of the same, by the later of one year prior to the termination of the Initial Term, or the second Board meeting after a completed Extended Term application is received.

1 Note: further action is necessary on the Ordinance 13-01 introduced at the Board’s June meeting as it has never been approved at a second reading.
B. **Amendment Implementing Vehicle Code Section 1808.1.** SunLine could implement Vehicle Code Section 1801.1 by annually sending a letter to each franchisee requesting each franchisee provide the most recent Pull Report in its files for each of their taxi drivers. Staff believes that a better method of implementing Section 1808.1 is to simply require each franchisee to send the collection of Pull Reports upon their receipt of the reports from the DMV. Staff has requested that the Board implement the changes to Vehicle Code Section 1808.1 by requiring that each franchisee provide to SunLine a copy of the Pull Reports for each taxi driver within 10 days of receiving the same from the Department of Motor Vehicles.

IV. **FINANCIAL IMPACT**

The amendment to Section 1.040 of Ordinance 12-01 does not appear to impose any additional financial obligations on SunLine.

___________________________
Jeffrey A. Goldfarb
General Counsel
## SunLine Regulatory Administration
### Checks $1,000 and Over
#### For the month - May 2013

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Item Description</th>
<th>Check No.</th>
<th>Date</th>
<th>Amount</th>
<th>Budgeted (Y/N)</th>
<th>Contract (Y/N)</th>
<th>Contract Amount Remaining (estimated)</th>
<th>Funding source</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUNLINE TRANSIT AGENCY</td>
<td>Payroll liability reimbursements - 6/21/13</td>
<td>00089712</td>
<td>6/21/2013</td>
<td>$10,946.03</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td>SUNLINE TRANSIT AGENCY</td>
<td>Payroll liability reimbursements - 6/7/13</td>
<td>00089707</td>
<td>6/6/2013</td>
<td>$10,198.02</td>
<td>Y</td>
<td>N</td>
<td></td>
<td>Operating</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$21,144.05</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RUTAN &amp; TUCKER, LLP</td>
<td>Legal fees</td>
<td>089704</td>
<td>6/6/2013</td>
<td>$20,469.53</td>
<td>Y</td>
<td>Y</td>
<td>&lt;$92,742.00&gt;</td>
<td>Operating</td>
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<tr>
<td>LEFLORE GROUP LLC, THE</td>
<td>Consulting and procurement services</td>
<td>089710</td>
<td>6/21/2013</td>
<td>$1,140.00</td>
<td>Y</td>
<td>Y</td>
<td>$78,752.00</td>
<td>Operating</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td></td>
<td></td>
<td><strong>$21,609.53</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Checks Over $1,000</strong></td>
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<td></td>
<td><strong>$42,753.58</strong></td>
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</tr>
</tbody>
</table>

### Section I - General operating expenses and payroll liability reimbursements to SunLine Transit Agency

### Section II - Legal Fees for litigation, Retainer & Consultancy

<table>
<thead>
<tr>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total of Checks Over $1,000</td>
</tr>
<tr>
<td>Total of Checks Under $1,000</td>
</tr>
<tr>
<td>Total of Checks for the Month</td>
</tr>
<tr>
<td>Total Amount of Checks Prior Year - Same Month</td>
</tr>
</tbody>
</table>