

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: Mayor Parris and City Council Members

FROM: Vice Mayor Ron Smith
Council Member Sherry Marquez

DATE: March 9, 2010

SUBJECT: **Report on the Activities of the Board of Directors for the Antelope Valley Transit Authority**

Recommendation:

Receive a report of the proceedings and issues discussed at the February 23, 2010, regular Board of Directors meeting of the Antelope Valley Transit Authority (AVTA).

Background:

The Antelope Valley Transit Authority is a distinct government entity created under a joint powers authority agreement between the City of Lancaster, the City of Palmdale, and Los Angeles County that provides public transit services. Vice Mayor Ron Smith chairs and Council member Sherry Marquez sits on the AVTA Board for the City of Lancaster.

The following significant events took place during the February Board meeting:

- A new business item, consideration of a consulting contract to assist in the procurement of the next operating contract, will be brought back for consideration and a possible vote next month. AVTA's contact with Veolia Transportation for bus operations will expire in June 2011. AVTA staff had asked for Board approval to contract with a consultant to handle all aspects of bidding and negotiating the next contract. Staff estimated the contract at \$200,000. The Board indicated to staff that more work should be done to properly assess the Authority's needs, saying that instead of a request for proposals, a request for qualifications, or information could be a more appropriate course of action. The Board directed staff to incorporate the Board's comments into a new staff report for March.
- After extensive discussion, the Board approved with a vote of 3-1, a new broker contract for employee ancillary insurance benefits. This was an old business item. When AVTA presented this item in 2008, the Board was dissatisfied with the process undergone by staff who had solicited bids solely from brokers personally known to them. The Board asked staff to advertise the bid opportunity to a wide audience. Through a ranking system designed by AVTA staff, JGF/Davey & Larson/Swank will broker the benefits with Standard Insurance Company. This one year contract will result in an annual savings of \$11,956 to AVTA.

All other items approved were routine.