

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: Mayor Parris and City Council Members

FROM: Council Member Sherry Marquez
Council Member Marvin Crist

DATE: June 8, 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 May 25, 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. Council members Sherry Marquez and Marvin Crist sit on the AVTA Board for the City of Lancaster.

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

- The Board authorized the Executive Director to provide Fleet Maintenance Services with AVTA employed staff. AVTA will now hire 33 new employees to perform maintenance on agency owned buses and other vehicles. Veolia Transportation had managed the operation and maintenance of the fleet. There will be a reduction of approximately \$3,132,000 to the Veolia contract and an increase of approximately \$3,350,850 in AVTA costs. Staff says a portion of their cost can be covered by federal grants.
- Regarding the composition of the agency's technical advisory committee (TAC), the Board voted to increase the committee size to six total members. Each jurisdiction will provide an additional staff member.
- The Board heard a report on the FY 2010-11 budget process. The budget is balanced and does not contain salary increases for employees consistent with the policies of the member jurisdictions. Jurisdictional contributions are projected at the same amount as the two previous fiscal years. The cost associated with taking the parts operation in-house is included in the budget. The projected operating reserve balance will be \$10.1 million which is nearly twice the desired minimum reserve level established by the member jurisdictions.

All other items approved were routine.