

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: City Council Members

FROM: Council Member Sherry Marquez
Council Member Marvin Crist

DATE: April 12, 2011

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 March 22, 2011, 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 serve on the AVTA Board for the City of Lancaster.

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

- The Board heard a report from a representative of Mayer Hoffman McCann on the draft fiscal year 2009/2010 financial audit. In a separate new business item, the Board approved the interim executive director to issue a Request for Proposals (RFP) for Audit Services for the fiscal years ending on June 30th of 2011, 2012, and 2013. The release of the RFP will not have any fiscal impacts to the AVTA.

While the audit at a base level will test financial systems, programs, and policies, the final version will include requirements for compliance audits, Proposition 1B (PTMISEA and Homeland Security) audit, and a requirement for the auditor to prepare the Transit Operators Financial Transactions Report (State Controller's Report), and a review of selected procedures including travel and conference expenses, credit card use and petty cash.

- The Board approved the interim executive director to issue a RFP for Legal Services. The release of the RFP will not have any fiscal impact to the AVTA. As presented by AVTA consultant Michael Busch, the ideal firm should have extensive transit experience and be able to provide a full range of legal services. The position reports directly to the Board of Directors.
- The Board heard a presentation by Dan Nichols with PB Americas on the results of the maintenance review. The Fleet & Facilities Division of PB Americas, Inc. conducted an on-site review of the AVTA maintenance program beginning January 31, 2011. The purpose of the review was to evaluate performance and identify opportunities to improve efficiency and overall performance of the maintenance functions, which were transferred from Veolia to AVTA staff in August of 2010.