

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: City Council Members

FROM: Council Member Sherry Marquez
Council Member Marvin Crist

DATE: June 28, 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 May 24, 2011, regular Board of Directors meeting of the Antelope Valley Transit Authority (AVTA) and the June 14, 2011 Budget Workshop.

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 April Board meeting:

- The Board authorized amending the current fee schedule for Public Records Requests in order to recover the costs incurred by providing copies of public documents.
- The Board approved the executive director to issue an Invitation for Bids (IFB) for the AVTA Facility Phase II Construction. Funding for this project was approved as part of the FY2010/2011 budget including several grants and Proposition 1B and Proposition A Local Return for the local match. Construction is anticipated to begin in August or September and be complete by December 2012. The Board also authorized the release of a RFP for Paratransit and Fixed Route Transit Services.
- In response to local vendors' requests, the Board requested the RFP for AVTA's Website Redesign be canceled and re-bid. Although AVTA's current bidding policy was followed, several local vendors said they were not aware of the RFP. The Board has also requested to review the bidding advertising policy and discussed ways to better reach our local businesses to make them aware of future bid opportunities.
- Upon the recommendation of Carl Warren & Company, the third-party administrator for AVTA's insurer, and the General Counsel, the Board has voted to deny the legal claim of Randy Floyd, previous Executive Director, and Esmyrna Agustin-Jorge, previous Finance Director. Denial of the claim will not have any immediate fiscal impact but may result in litigation being filed against AVTA.

- The Board adopted a resolution to support the Central Committee's position that Lancaster and Palmdale remain in the same Assembly, Senate, Congressional and Board of Equalization Districts.
- The Board welcomed Gail Charles-Wright as the new Director of Finance and Administration. Ms. Charles-Wright already provided tremendous assistance and relief for the Executive Director, Julie Austin in financial matters, policies, bid and RFP development and contracts.
- The Fiscal Year 2011-2012 Draft Business Plan was presented and discussed at the June 14, 2011 AVTA Budget Workshop.

The theme for this budget is Customer Service and Accountability with the following initiatives:

- Updating Agency policies to meet Board objectives
- Maintain financial strength of AVTA including analysis of policy for operating and capital reserves and conducting a Fare Study to address declining trends
- Manage costs and maintain reliable, quality service
- Maintain and improve AVTQ's facilities and equipment
- Upgrade and combine positions to meet functional needs
- Define roles, responsibilities, expectations and lines of authority

The proposed budget includes:

- Expenses of approximately \$22.6 million
- Operating Reserve of approximately \$5.6 million (three months of operating expenditures)
- Capital Budget of approximately \$15.1 million
- Revenue at approximately \$23.4 million

The proposed budget will be presented at the June 28, 2011 AVTA Board Meeting.