

**MEMORANDUM
CITY OF LANCASTER, CA**

TO: Mayor Parris and City Council Members

FROM: Council Member Sherry Marquez
Council Member Marvin Crist

DATE: July 26, 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 June 28, 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 June Board meeting:

- The Board approved the FY 11/12 Business Plan (Budget.) AVTA estimates the annual fare revenues and operating subsidies at \$23.39 million and operating expenses of \$22.64 million. This would result in an annual surplus of \$751,000. The operating budget includes \$9.09 million in purchased transportation. The capital program totals \$15.14 million for bus purchases, data and communication, phase II facility improvements, and a continuation of the bus stop improvement program. Similar to the member jurisdictions, AVTA employees will not receive a cost of living increase. Merit increases can be up to 3% of the base salary.
- The Board adopted a local business outreach policy. AVTA desires “to foster an environment where highly skilled suppliers/vendors may compete successfully for a fair share of AVTA’s procurement on their own merits; and encourage large businesses to increase subcontracting opportunities for local businesses.” AVTA will accomplish this goal by marketing the bid openings and conducting vendor outreach sessions.
- The Board awarded the financial audit service contract to Windes and McClaughry Accountancy Corporation for three years with two one-year options. Three firms submitted proposals and those were evaluated and independently scored by four staff members. Windes & McClaughry was the only firm that proposed the entire scope of work as identified in the request for proposals. The proposed contract cost is a total of \$177,700 for three years. \$60,000 is budgeted in FY 12.
- The Board voted 2-1 with 3 abstentions to keep Norm Hickling, a Los Angeles County representative as Board Chair and Mike Dispenza from the City of Palmdale as Vice-Chair. These are the same Board appointments as last fiscal year.