

AGENDA
PALOS VERDES PENINSULA TRANSIT AUTHORITY
REGULAR MEETING
October 20, 2016
ROLLING HILLS ESTATES CITY HALL, 4045 Palos Verdes Drive North
Rolling Hills Estates, CA 90274

Time Estimates: The time noted next to an agenda item is only an estimate of the amount of time that will be spent during the meeting on that particular item. Accordingly, these estimates should not be relied on in determining when a matter will be heard, especially since agenda items are often re-ordered during a meeting and may be discussed at any time.

6:00 P.M. REGULAR SESSION

(5 mins) **CALL TO ORDER:**

ROLL CALL:

FLAG SALUTE:

CONFIRM POSTING OF THE AGENDA BY ROLLING HILLS ESTATES CITY CLERK:

PUBLIC COMMENTS: (All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no discussion of these items unless members of the Board request specific items to be removed from the Consent Calendar for separate action.

(5 mins) **APPROVAL OF CONSENT CALENDAR:**

1. Minutes of the July 21, 2016 Board Meeting. Page 4
2. Register of Standing demands and Previously Authorized demands under Resolution 94/95-01 and per attached listing: Page 7

	Checks	Amount
July	5692-5709	\$226,593.11
August	5707-5728	\$76,530.69
TOTAL		\$303,123.80

If you need special assistance to participate in an Authority meeting under the Americans with Disabilities Act (ADA) or as a person with limited English proficiency (LEP) under Executive Order 13166, please contact the Secretary (310-544-7108) with request for reasonable accommodation at least forty-eight hours prior to the meeting.

3. Metro Hold Harmless Agreement

Page 9

4. Engagement Letter for FY 2016 Audit

Page 13

Recommendation: Approve Consent Calendar

(10 mins) **ADMINISTRATOR REPORT:**

(45 mins) **REGULAR BUSINESS:**

I. MONTHLY & REGULAR REPORTS

A. Operations Report

1. Review of ridership data for the period ending 09/30/16

Recommendation: Receive and file report

Hand out

B. Finance

1. Financial Statements as of September 30, 2016

Hand out

Recommendation: Receive and file statements.

II. NEW BUSINESS

1. TransMAC Agreement

Page 20

Recommendation: Approve TransMAC Agreement

2. Capital Improvement Plan

Page 37

Recommendation: Approve purchase of three buses from Creative Bus Sales for a price not to exceed \$476,988.

III. OLD BUSINESS

None

(5 mins) **FUTURE AGENDA ITEMS:** (This section of the agenda is designated for individual Board Members to request that an item be placed on a future PVPTA meeting agenda.)

(10 mins) CHAIR AND MEMBER ITEMS REPORT:

A. PVPUSD Update

Verbal

ADJOURNMENT: Rolling Hills Estates City Hall, January 19, 2017

DRAFT
MINUTES
PALOS VERDES PENINSULA TRANSIT AUTHORITY

Thursday, July 21, 2016

The meeting was called to order at 6:17 p.m. by Chairperson Goodhart at Rolling Hills Estates City Hall, 4045 Palos Verdes Drive North Rolling Hills Estates, CA 90274

REGULAR SESSION:

Board roll call was answered as follows:

PRESENT: Betty Peterson, PVE, Jerry Duhovic, RPV, Jim Goodhart, PVE;
Steve Zuckerman, RHE, Britt Huff, RHE

ABSENT: Susan Brooks, RPV

Also present were Martin Gombert, PVPTA; Greg Grammer, RHE; Nicole Jules, RPV, and Kristopher Manghera, Wells Fargo Bank.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chairperson Goodhart.

CONFIRM POSTING OF THE AGENDA BY ROLLING HILLS ESTATES CITY CLERK

City of Rolling Hills Estates confirmed the posting of the Authority Agenda.

APPROVAL OF CONSENT CALENDAR (1-2):

Member Duhovic moved approval of the Consent Calendar, seconded by Member Zuckerman, and approved by unanimous vote.

PUBLIC COMMENTS: (Audience Comments regarding Items not on the Agenda)

None

ADMINISTRATOR REPORT

Administrator Gombert reviewed several items including bus service to Marymount University, M.O.U. for the operation of Route 225-226, CSULD Aging in Place and Transportation Needs Assessment Survey, South Bay COG ride

share survey, and CalJPIA delegate. There was discussion regarding funding provided by Los Angeles County.

MONTHLY AND REGULAR REPORTS:

- A.1 Operations Report: Mr. Gombert presented the operations report for the period ending June 30, 2016. There were several comments by Board Members.

Member Duhovic moved to receive and file the Operations Report, seconded by Member Zuckerman and approved by unanimous vote.

- B.1 Financial Report: Mr. Martin Gombert, Administrator commented that the Financial Report was late due to the end of the fiscal year and the report would be forwarded to Board Members.

NEW BUSINESS

- II. A. PVPTA Title VI Program.

Administrator Gombert made a brief presentation on the staff report.

Member Duhovic moved approval of the PVPTA Title VI plan, seconded by Member Zuckerman, and approved by unanimous vote.

- II.B Fare Policy

Administrator Gombert made a brief presentation on the staff report.

Member Duhovic moved to approve the staff recommendation, seconded by Member Peterson, and approve by unanimous vote.

OLD BUSINESS

None

FUTURE AGENDA ITEMS

None

CHAIR AND MEMBER ITEMS

None

ADJOURNMENT

At 7:29 p.m. Member Duhovic moved to adjourn the Board Meeting until October 20, 2016 at 6 pm.

DRAFT

10:40 AM
 08/22/16
 Cash Basis

**Palos Verdes Peninsula Transit Authority
 Checks Written for Month
 July 2016**

Date	Num	Name	Memo	Original Amount	Paid Amount
Jul 16					
7/15/2016	5692	Wells Fargo	Acct 4484610002154188	-700.36	-700.36
7/22/2016	5693	Eric Turner	DAR Member Marvin Turner #6406/TC#15687	-114.00	-114.00
7/22/2016	5694	William Darling	DAR Member William Darling #5162/TC#04139	-30.00	-30.00
7/26/2016	5695	AT&T	Account No. 0206360576001	-139.62	-139.62
7/26/2016	5696	Frontier Communications7108	310 544-7108-062795-5	-329.35	-329.35
7/26/2016	5697	Lomita Business Machines	Invoice 51721 - copier repair	-99.00	-99.00
7/26/2016	5698	Mutual Liquid Gas & Equipment Co., Inc.	June 2016	-2,341.89	-2,341.89
7/26/2016	5699	MV Transportation, Inc.		-203,970.93	-203,970.93
7/26/2016	5700	Office Depot	Account 34585368	-62.41	-62.41
7/26/2016	5701	Pitney Bowes - Purchase Power	Acct. 8000-9090-0212-1536	-35.57	-35.57
7/26/2016	5702	PVPUSD	Utilities - 3/22/16-7/11/16	-682.22	-682.22
7/26/2016	5703	PVPUSD-Rent	July 2016	-50.00	-50.00
7/26/2016	5704	ReadyRefresh by Nestle	Account 0024293722	-77.14	-77.14
7/26/2016	5705	Transit Information Products	Invoice 12687	-163.50	-163.50
7/26/2016	5706	Xerox	Account 719892051	-337.51	-337.51
7/31/2016	5709	Mobility Advancement Group	Administrative Services for July 2016	-17,459.61	-17,459.61
Jul 16					-226,593.11

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11:55 AM
 09/17/16
 Cash Basis

**Palos Verdes Peninsula Transit Authority
 Checks Written for Month
 August 2016**

Date	Num	Name	Memo	Original Amount	Paid Amount
Aug 16					
8/11/2016	5707	Administrative Services Co-Op	Invoice for May 2016 Dial-A-Ride Service	-16,039.68	-16,039.68
8/11/2016	5708	CKG Communications	Invoice PVPTA 107	-3,600.00	-3,600.00
8/20/2016	5710	Martin Camargo	Plexiglass schedule holder covers	-200.00	-200.00
8/25/2016	5711	Gail Takeuchi	12 DAR Rides refunded Lillian Aoki #5935/TC...	-60.00	-60.00
8/25/2016	5712	A-Z Bus Sales, Inc.		-190.40	-190.40
8/25/2016	5713	Administrative Services Co-Op	July 2016	-14,774.29	-14,774.29
8/25/2016	5714	AT&T	Account No. 0206360576001	-169.67	-169.67
8/25/2016	5715	Clean Energy	CE11893097 June 2016	-8,552.02	-8,552.02
8/25/2016	5716	County Sanitation Districts of LA County	September 2016	-7,287.67	-7,287.67
8/25/2016	5717	MFR Graphics	Invoice 25152	-1,209.90	-1,209.90
8/25/2016	5718	Mutual Liquid Gas & Equipment Co., Inc.	July 2016	-1,419.36	-1,419.36
8/25/2016	5719	Palos Verdes Peninsula Directory	Senior Transportation Services	-525.00	-525.00
8/25/2016	5720	PC Parlor		-622.49	-622.49
8/25/2016	5721	Pitney Bowes - Purchase Power	Acct. 8000-9090-0212-1536	-300.00	-300.00
8/25/2016	5722	PitneyBowes Global Financial Services	Quarterly Lease 7/20/16-10/19/16	-286.67	-286.67
8/25/2016	5723	ReadyRefresh by Nestle	Account 0024293722	-11.98	-11.98
8/25/2016	5725	White Wings Cleaning Service	Invoice 6943	-110.00	-110.00
8/25/2016	5726	Xerox	Account 719892051	-312.30	-312.30
8/31/2016	5727	Mobility Advancement Group	Administrative Services for August 2016	-17,400.50	-17,400.50
8/31/2016	5728	Mutual Liquid Gas & Equipment Co., Inc.	May 2016	-3,458.76	-3,458.76
Aug 16					-76,530.69

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MEMORANDUM

TO: AUTHORITY MEMBERS
FROM: Martin Gombert, Administrator
DATE: September 29, 2016
SUBJECT: Hold Harmless Agreement with the Los Angeles County
Metropolitan Transportation Authority (Metro)

BACKGROUND

PV Transit shares several bus stops with Metro along Hawthorne Boulevard. Metro is requesting that the Authority approve an Access, Use and Indemnity Agreement that would allow the Authority to install PV Transit bus stop signs on Metro signposts.

The Agreement has been reviewed by the Authority's legal counsel.

RECOMMENDATION

Approve the Access, Use and Indemnity Agreement.

ACCESS, USE AND INDEMNITY AGREEMENT

THIS AGREEMENT is made and entered into as of February 1, 2016 by and between the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (Metro) and PALOS VERDES PENINSULA TRANSIT AUTHORITY (PVPTA).

In consideration of the mutual promises set forth herein and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, Metro and PVPTA agree as follows:

1. Use of Signposts.

Metro grants to PVPTA and its officers, employees, agents and contractors (collectively, "Personnel") during the term of this Agreement, reasonable nonexclusive access and use of Metro's signposts at the following locations in Rancho Palos Verdes, California for the exclusive purpose of allowing Personnel to install and maintain a sign for PVPTA's municipal bus operations, subject to reasonable notice and limitations:

Jose_ID	ST_DIR	ON STREET	AT_BET	AT STREET	BETWEEN STREET	NEAR_FAR
00059234	W	HAWTHORNE	A	SILVER SPUR		F
00059200	E	HAWTHORNE	A	INDIAN PEAK		F
00059201	W	HAWTHORNE	A	INDIAN PEAK		N
00059190	E	HAWTHORNE	A	HIGHRIDGE		F

While installing and/or maintaining its signs on Metro's signposts, Personnel shall comply with generally accepted safety procedures.

2. Use of Metro Bus Stops.

PVPTA shall not allow its vehicles to spend more time at Metro's bus stop than the dwell time necessary to board and alight passengers. PVPTA may not use Metro's bus stop as a layover stop.

3. Term.

The term of the Agreement shall commence February 1, 2016 and continue until either party terminates the Agreement upon 30 days written notice.

4. Indemnification.

PVPTA shall indemnify, defend and hold harmless Metro, its directors, officers, representatives, agents and employees from all claims, demands, cost, damages or expenses, direct or indirect, and liability arising out of claims for bodily injury, wrongful death, or property damage caused by or related to PVPTA's use of Metro's signposts or bus stops. PVPTA expressly agrees that the foregoing indemnity is intended to be as broad and inclusive as is permitted by the law of the State of California, and includes claims by patrons of PVPTA vehicles using Metro's bus stop

that the location of one or more bus stops identified in Section 1 above constitute a dangerous condition of public property.

5. General Provisions.

a. Entire Agreement. This Agreement contains the entire agreement between the parties respecting the subject matter of this Agreement and supersedes all prior understandings and agreements, whether oral or in writing, between the parties respecting the subject matter of this Agreement.

b. Choice of Law. This Agreement shall be governed by the laws of the State of California.

c. Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the terms, covenants, conditions or provisions of the Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

d. Waiver of Covenants, Conditions, or Remedies. The waiver by one party of the performance of any covenant or condition under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by it of any other covenant or condition under the Agreement.

e. Amendment. This Agreement may be amended at any time by the written agreement of Metro and PVPTA. All amendments, changes, revisions, and discharges of this Agreement in whole or in part, and from time to time, shall be binding upon the parties despite any lack of legal consideration, so long as the same shall be in writing and executed by the parties hereto.

f. Manner of Giving Notice. All notices and demands which either party is required or desires to give to the other shall be given in writing by personal delivery, by express courier service or by certified mail, return receipt requested, to the address set forth below for the respective party, provided that if either party gives notice of a change of name or address, notice to that party shall thereafter be given as demanded in that notice; all notices given by mail shall be effective on the third business day after mailing.

To Metro:

Woody Yee, Facilities Maintenance Manager
Metro-Stops and Zones Department
470 Bauchet Street Mail Stop 30-1-6
Los Angeles, California 90012-2952

To PVPTA:

Martin Gombert, Administrator

Palos Verdes Peninsula Transit Authority
38 Crest Road West
Rolling Hills, CA 90274

5. Conflict of Interest.

The parties hereto agree that to their knowledge, no Board member, officer or employee of Metro has any interest, whether contractual, non-contractual, financial, or otherwise, in the subject matter of the Agreement, and that if any such interest arises during the term of this Agreement, the party learning of such information shall disclose it in writing to the other party, even if such interest would not be considered a conflict of interest under the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By _____
Brady Branstetter
Director, Facilities Maintenance

APPROVED AS TO FORM
Office of County Counsel

By _____
Ronald W. Stamm
Principal Deputy County Counsel
Transportation Division

PALOS VERDES PENINSULA TRANSIT AUTHORITY

By _____
Martin Gombert
Administrator

APPROVED AS TO FORM

By _____
PVPTA Attorney

MEMORANDUM

TO: AUTHORITY MEMBERS
FROM: Martin Gombert, Administrator
DATE: September 29, 2016
SUBJECT: Fiscal Year 2015-16 Audit

BACKGROUND

A copy of Macias Gini & O'Connell's proposal to perform FY 2015-16 audit services is attached. Their proposed fee of \$19,000 is a slight increase over current year totals.

RECOMMENDATION

Approve engagement of Macias Gini & O'Connell to perform FY 2015-16 audit services for a price not-to-exceed \$19,000.



January 26, 2016

To Members of the Audit Committee and Martin Gombert, Administrator
Palos Verdes Peninsula Transit Authority
P.O. Box 2656
Palos Verdes Peninsula, CA 90274

We are pleased to confirm our understanding of the services we are to provide to the Palos Verdes Transit Authority (Authority) for the year ended June 30, 2016. We will audit the financial statements of the Authority, including the related notes to the financial statements, which collectively comprise the basic financial statements of Authority as of and for the year ended June 30, 2016. We will assist management in the preparation of the draft financial statements and notes from your trial balance and other records. The financial statements will be presented in comparative form for two years.

We have also been engaged to report on supplementary information that accompanies the Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole.

1) Schedule of Revenues and Expenses by Category

We will also prepare the State Controller's Report in accordance with the requirements as prescribed by the California State Controller for the following:

- 1) Palos Verdes Peninsula Transportation Authority
- 2) Palos Verdes Peninsula Transportation Authority- Specialized Service

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the Authority and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Authority's financial statements. Our report will be addressed to Board of Directors of the Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding

sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of the Macias Gini & O'Connell, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Federal Agencies or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of the Macias Gini & O'Connell, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Federal agencies. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately December 15, 2016 and to issue our reports no later than January 31, 2017. James V. Godsey is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$19,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



James V. Godsey, *Partner*
Macias Gini & O'Connell LLP

RESPONSE:

This letter correctly sets forth the understanding of the Palos Verdes Peninsula Transit Authority.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

MEMORANDUM

TO: AUTHORITY MEMBERS

FROM: Martin Gombert, Administrator

DATE: September 29, 2016

SUBJECT: Transit Mutual Assistance Compact Agreement for Public Transit Providers (TransMAC)

INTRODUCTION

Over the last twenty years PV Transit has assisted with several emergencies at Peninsula schools as well as held buses on standby during a fire emergency. The Authority is not part of a mutual assistance agreement would allow our Agency to request transit vehicles from other agencies or assist others during an emergency.

ANALYSIS

The Transit Mutual Assistance Compact Agreement for Public Transit Providers (TransMAC) is a mutual assistance agreement consisting of numerous transit agencies including Metro, Foothill Transit, Montebello Bus Lines, Culver City Bus, Big Blue Bus (Santa Monica), Orange County Transit Authority (OCTA), City of Los Angeles, and several other agencies.

TransMAC facilitates rapid, short-term deployment of emergency support (personnel, equipment, materials and other associated services) prior to, during, and/or after an incident or pre-planned event among its membership. TransMAC establishes the framework for activation, withdrawal, member responsibilities, reimbursement, documentation, legal and liability issues; yet provides great flexibility for members to negotiate terms appropriate to the situation at the time of activation.

This Agreement has been reviewed by the Authority's legal counsel.

FINANCIAL IMPACT

There is no financial impact to this recommendation. The Agreement does establish a legal basis for the Authority to request reimbursement from other agencies, including FEMA, for providing service during an emergency.

RECOMMENDATION

Approve the Transit Mutual Assistance Compact (TransMAC).

STATE OF CALIFORNIA
**TRANSIT MUTUAL
ASSISTANCE COMPACT
(TransMAC)**
MAY 2013

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**STATE OF CALIFORNIA
TRANSIT MUTUAL ASSISTANCE COMPACT (TransMAC)**

PREAMBLE

This Transit Mutual Assistance Compact (TransMAC) and its Members have established a formal process whereby they may receive and provide Mutual Assistance to each other in the form of personnel, services, and equipment as deemed to be necessary or advisable in an emergency. The Mutual Assistance Agreement contained herein, sets forth the terms and conditions under which the undersigned Members agree to provide or receive Mutual Assistance. However, if a Requesting Member and one or more Providing Members are parties to another mutual assistance agreement at the time the Mutual Assistance is requested, such other mutual agreement shall govern the Mutual Assistance among those Members insofar as the previous agreements are not inconsistent with this Agreement.

In consideration of the foregoing, the TransMAC Member hereby agrees as follows:

- A. When providing Mutual Assistance to, or receiving Mutual Assistance from, another Member, the Member will adhere to these written principles to govern Mutual Assistance arrangements that are in effect as of the date of a specific request for Mutual Assistance, unless otherwise agreed to in writing by each Member.
- B. With respect to each Period of Assistance, Requesting Members agree that they will provide appropriate reimbursement to the Providing Member regarding all costs and expenses incurred by the Providing Member in furnishing Mutual Assistance as identified under the articles of this Agreement, unless otherwise agreed to in writing by each Member. Entities must maintain auditable records in a manner consistent with generally accepted practices and in a manner consistent with the Member's adopted practices and methods of record keeping and retention.
- C. During each Period of Assistance, the conduct of the Requesting Member and the Providing Member shall be subject to the liability and indemnification provisions set forth herein.
- D. A Member may withdraw from this Agreement at any time. In such an event, the Member should provide written notice to the Chairperson of the TransMAC Steering Committee.
- E. The TransMAC Steering Committee Chairperson shall maintain a current list of Members, which shall be distributed to all Members no less than twice annually; however, a Member may at any time request a copy of the signed Agreement of another Member prior to providing or receiving Mutual Assistance.

**ARTICLE I.
PURPOSE**

Recognizing that emergencies and other events may overwhelm the resources and capabilities of transit agencies, and that transit agencies may require assistance in the form of personnel, services, and equipment to continue to deliver critical services, the TransMAC Members hereby establish an intrastate program for Mutual Assistance. Through the TransMAC, Members

coordinate response activities and share resources when deemed to be necessary or advisable in an emergency. This Agreement sets forth the policies and standards for the administration of the TransMAC.

This Agreement shall be in accordance with the California Emergency Services Act, the California Disaster and Civil Defense Master Mutual Aid Agreement, the State Emergency Plan, and other existing state and local emergency operations plans, and shall be by and among Member transportation providers in the State of California.

ARTICLE II. DEFINITIONS

- A. **Associate Member** – Any non-transit providers, approved by the TransMAC Steering Committee, which play a supporting role for the TransMAC program. For example, the U.S. Department of Transportation (U.S. DOT), Federal Transit Administration (FTA), California Department of Transportation (CalTrans), California Emergency Management Agency (CalEMA), local emergency management organizations, and/or others who are not signatories to the TransMAC, but manifest the intent to offer support or coordination.
- B. **Authorized Official** – An employee or officer of a Member who is empowered and legally authorized to: (1) request assistance; (2) offer assistance; (3) refuse to offer assistance; (4) cancel a request or release assistance; or (5) withdraw assistance under this Agreement.
- C. **Emergency** – A natural or human caused event or circumstance causing, or imminently threatening to cause, impact to the operations of a Member, loss of life, injury to person or property, human suffering or financial loss, and includes, but is not limited to, fire, flood, severe weather, earthquake, civil disturbance, riot, explosion, drought, volcanic activity, spills or releases of oil or hazardous material, utility interruption, transportation emergencies, disease, blight, infestation, intentional acts, sabotage, declaration of war, or other conditions which are, or are likely to exceed, the resources of a Member and requires Mutual Assistance.
- D. **Founding Members** – The original agencies that coordinated and drafted this Agreement, which include: Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, Foothill Transit, SunLine Transit, Omnitrans, Long Beach Transit, California Emergency Management Agency, and the Orange County Sheriff-Coroner Department - Emergency Management Division.
- E. **Incident Command System (ICS)** – A management system designed to enable effective and efficient domestic incident management by integrating a combination of facilities, equipment, personnel, procedures, and communications operating within a common organizational structure.
- F. **Independent Contractor** – Independent entity that agrees to furnish certain number or quantity of goods, materials, equipment, personnel, and/or services, at a mutually agreed upon price and within a specified timeframe to Members.
- G. **Member** – Any public or private transit provider who participates in the transit mutual assistance program by executing the TransMAC Agreement.

- H. **Mutual Assistance** – Any assistance provided under this Agreement. Mutual assistance is to be provided to a Requesting Member with the expectation of cost reimbursement as negotiated with the Providing Member.
- I. **Mutual Assistance Agreement** – A written agreement between and among Members that provides a mechanism to quickly obtain Mutual Assistance in the form of personnel, services, and equipment. The primary objective is to facilitate rapid, short-term deployment of emergency support prior to, during, and/or after an emergency.
- J. **National Incident Management System (NIMS)** – A national, standardized approach to incident management and response that sets uniform processes and procedures for emergency response operations.
- K. **Period of Assistance** – A specified period of time when a Providing Member assists a Requesting Member. The period shall commence when personnel and/or equipment expenses are initially incurred by the Providing Member in response to the official request of the Requesting Member and shall end upon agreement of the parties.
- L. **Providing Member** – A Member that responds to a Requesting Member by agreeing to provide personnel, services, equipment, etc. under the terms and conditions of this Agreement.
- M. **Requesting Member** – A Member who requests Mutual Assistance under this Agreement.
- N. **Sensitive Security Information** – Any document marked Sensitive Security Information (SSI), including but not limited to any map, report, notes, papers, plans, opinion, or e-mail, which relates to the system vulnerabilities of a Member or Associate Member, shall be handled consistent with proper protocols for Sensitive Security Information under 49 CFR Parts 15 and 1520.
- O. **Standardized Emergency Management System (SEMS)** – A standardized approach to command and jurisdictional management and response set forth by State of California Code of Regulations for multi-agency or multi-jurisdictional response to an emergency.

ARTICLE III. ADMINISTRATION

The administration of the TransMAC will be through the TransMAC Steering Committee and ad hoc project committees as designated by the Steering Committee.

The Steering Committee will be established by representatives from the Members to the TransMAC Agreement and will be originally comprised of the Founding Members that established this Agreement. Membership in the Steering Committee will be by nomination of the current Steering Committee membership from among the Members and Associate Members to this Agreement. The Steering Committee shall be comprised of no more than sixteen (16) Members and no more than eight (8) Associate Members. Steering Committee Members will have full voting rights. Associate Members will serve as advisors and will not have voting rights. A Chair and Vice-Chair will be elected by majority vote for a period of two (2) years and will act as administrators for the TransMAC during that time.

At a minimum, the Steering Committee will meet twice each year and issue a list of current Members and Associate Members. The Steering Committee will also address administrative issues such as database and document management, communications, funding, organization, and annual membership events.

In the event membership to this Agreement grows beyond the original region, comprised of the Counties of Los Angeles, Orange, San Bernardino, and Riverside, to include Members throughout the State of California, then the Steering Committee will explore options for establishing Regional Steering Committees and a State Steering Committee.

ARTICLE IV. PROCEDURES

An Operational Guide, detailing the processes for implementing this Agreement will be developed and adopted by majority vote of the Steering Committee. The Operational Guide will be reviewed and updated at least annually to reflect new material, processes, and to remove obsolete materials and processes. The document and revisions and updates will be reviewed and approved by the Steering Committee prior to publication and dissemination to the Members.

- A. In coordination with local and state emergency management organizations, the TransMAC Steering Committee shall develop operational and planning processes for the implementation of the TransMAC that shall be consistent with the California Emergency Services Act, SEMS, the State Emergency Plan, and the NIMS, reviewed annually and updated as needed by the Steering Committee.
- B. Requests for Mutual Assistance under this Agreement shall be directed to appropriate Authorized Official(s) from the list of Members.
- C. Any private sector Member to this Agreement shall be requested and tasked by a public sector Member before furnishing Mutual Assistance. Private sector Members may not be eligible to receive Mutual Assistance from public sector Members.
- D. Consistent with SEMS, when more than one County is impacted by a disaster, requests for mutual assistance under this Agreement may be channeled through the Regional Emergency Operations Centers and/or the State Operations Center to ensure maximum effectiveness in allocating resources to the highest priority needs.

ARTICLE V. MEMBER RESPONSIBILITIES

- A. Consistent with the NIMS, SEMS, and this Agreement, each Member shall develop a plan providing for the effective mobilization of its resources and personnel, both public and private, to cope with emergencies.
- B. Each Member agrees to furnish personnel, services, and/or equipment to each and every other Member to this Agreement to prevent and/or respond to any type of emergency in accordance with duly adopted plans, whether heretofore or hereafter adopted, detailing the method and manner by which such personnel, services, and equipment are to be made available and furnished; provided, however, that no Member shall be required to unreasonably deplete its own personnel, services, and/or equipment in furnishing such Mutual Assistance.

- C. It is expressly understood that any Mutual Assistance extended under this Agreement and the operational plans adopted pursuant thereto, is furnished in accordance with the California Emergency Services Act and other applicable provisions of law.
- D. Members shall identify an Authorized Official and alternates; provide contact information including 24-hour access; and maintain resource information made available by the Member for Mutual Assistance purposes, as allowed by the Member's policies. Such information shall be updated annually or as changes occur (whichever is sooner) and shall be provided to the TransMAC Steering Committee.
- E. Personnel of the Providing Member shall at all times during the Period of Assistance continue to be personnel of the Providing Member and shall not be deemed personnel of the Requesting Member for any purpose. Wages, hours, and other terms and conditions of employment of the Providing Member shall remain applicable to its personnel during the Period of Assistance.
- F. The Providing Member shall make available a sufficient number of Supervisors during its provision of Mutual Assistance consistent with the Providing Member's policies for personnel. All instructions for work to be done by Providing Member's personnel shall be given by Requesting Member to Providing Member supervisor(s); or when Providing Member personnel are to work in separate areas, to such of Providing Member's supervisors as may be designated for the purpose by Providing Member's policies/management.
- G. Unless otherwise agreed, the Requesting Member shall be responsible for supplying and/or coordinating support functions such as travel, lodging, meals, materials, etc. from the time Mutual Assistance arrives to the time of release when it is reasonably able to do so. The Providing Member shall normally be responsible for arranging travel, lodging and meals en route to the Requesting Member and for the return trip home.
- H. The Providing Member's safety and security rules, procedures, policies, guidelines, regulations, and laws shall apply to all work done by its personnel unless as mutually agreed otherwise. Any conflict, disagreement, questions and/or concerns arising about any safety and security rules and/or procedures should be brought to the Authorized Officials for prompt resolution between the Requesting Member and Providing Member.
- I. All time sheets and work records pertaining to the Providing Member's personnel furnishing Mutual Assistance shall be kept by the Providing Member.

ARTICLE VI.
REQUESTS FOR ASSISTANCE

In general, Mutual Assistance will be in the form of resources, such as personnel, services equipment, and/or supplies. Mutual Assistance shall be given only when Providing Member, in its sole and absolute discretion, determines that its own needs can be met while rendering Mutual Assistance. The execution of this Agreement shall not create any duty to furnish Mutual Assistance on the part of any Member hereto.

- A. **Member Request** – In the event of an emergency, a Member's Authorized Official may request Mutual Assistance from another Member. Requests for Mutual Assistance may be made orally or in writing. When made orally, the request for Mutual Assistance shall

also be prepared in writing and submitted to the Member as soon as possible, but in no event longer than forty-eight (48) hours after the oral request was made. Requests for Mutual Assistance shall be directed to the Authorized Official of the other Member.

- B. **Response to a Request for Assistance** – After a Member receives a request for Mutual Assistance, the Authorized Official evaluates whether or not to respond, whether resources are available to respond, and/or if other circumstances will hinder response. Following the evaluation, the Authorized Official shall inform, as soon as possible, the Requesting Member of its decision.
- C. **Discretion of Providing Member's Authorized Official** – Execution of this Agreement does not create any duty to furnish Mutual Assistance. When a Member receives a request for Mutual Assistance, the Authorized Official shall have sole and absolute discretion as to whether or not to furnish Mutual Assistance, or the availability of resources to be furnished in such response. A potential Providing Member shall not be held liable for refusing to provide Mutual Assistance. An Authorized Official's decisions on the availability of resources and the furnishing of Mutual Assistance shall be final.
- D. **Specifying Type and Quantity of Mutual Assistance Resources** – The Requesting Member shall indicate to the Providing Member the number and specific types of resources desired, but the extent to which the Providing Member makes available such resources shall be at the Providing Member's sole discretion. Every effort will be made, to the extent reasonably possible, to accommodate the Providing Member's personnel with assigned work in their job classification.
- E. **Period of Assistance** – The Period of Assistance shall commence when personnel, services and/or equipment expenses are initially incurred by the Providing Member in response to the official request of the Requesting Member. This may include any request for the Providing Member to prepare its personnel, services, and/or equipment for transport and/or to prepare them for the Mutual Assistance assignment, and/or while awaiting further instructions before departing. The Period of Assistance shall terminate when such personnel and/or equipment have returned to the Providing Member, and may include any mandated U.S. Department of Transportation rest time resulting from the Mutual Assistance provided and reasonable time required to prepare the equipment for return to normal activities (e.g., cleaning, repair of vehicles, restocking parts).

The Requesting Member and Providing Member should reach a mutual understanding and agreement in advance as to the anticipated length, in general, of the Period of Assistance. For extended Periods of Assistance, there should be agreement on the process for replacing or providing extra rest for the Providing Member's personnel. It is understood and agreed that if, in the Providing Member's judgment, such action becomes necessary; the decision to terminate the assistance and recall personnel and equipment lies solely with the Providing Member. The Requesting Member will take the necessary action to return such personnel and equipment promptly (See Right to Withdraw Resources).

ARTICLE VII. COST REIMBURSEMENT

Except as herein otherwise provided, the Requesting Member shall reimburse the Providing Member for each of the following categories of costs and expenses incurred by the Providing

Member as a result of furnishing Mutual Assistance during the specified Period of Assistance, as set forth below, or by written mutual agreement reached at the time the request for assistance is agreed to by the Providing Member. Members will use their respective documented financial, accounting, and procurement policies in managing costs and coordinating reimbursement and payment.

- A. **Personnel** – Providing Member's fully burdened personnel costs (i.e., equal to the personnel's applicable salary or hourly wage plus fringe benefits and overhead, and consistent with Providing Member's collective bargaining agreements or other prescribed conditions). All personnel costs incurred for work performed during the specified Period of Assistance will be included. The Requesting Member shall be responsible for all direct and indirect labor costs.
- B. **Equipment** – Use of equipment, including construction equipment, revenue and/or non-revenue vehicles, or any other equipment, shall be at Providing Member's current equipment rates and subject to the following conditions:
1. The Requesting Member shall reimburse the Providing Member for the use of equipment during the specified Period of Assistance, including, but not limited to, any rental rates, fuel, lubrication, maintenance, transportation, and loading/unloading of equipment furnished for Mutual Assistance. Alternatively, Requesting Member may, at its own expense, provide fuel, lubrication and maintenance for furnished equipment until such time as the equipment is returned to the Providing Member.
 2. Providing Member's costs related to the transportation, handling and loading/unloading of equipment shall be chargeable to the Requesting Member.
 3. In the event equipment is damaged while being dispatched to the Requesting Member, or while in the custody and use of the Requesting Member, the Requesting Member shall reimburse the Providing Member for the reasonable cost of repairing said damaged equipment. If the equipment cannot be repaired, then the Requesting Member shall reimburse the Providing Member for the cost of replacing said equipment with equipment that is of at least equal capability as determined by the Providing Member. If the Providing Member must lease equipment while the equipment furnished to the Requesting Member is being repaired or replaced; then the Requesting Member shall reimburse the Providing Member for such lease costs.
- C. **Materials and Supplies** – Requesting Member shall reimburse the Providing Member in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. Other supplies and reusable items that are returned to the Providing Member in a clean, damage-free condition shall not be charged to the Requesting Member and no rental fee will be charged; otherwise, they shall be treated as expendable supplies. Supplies that are returned to the Providing Member with damage must be treated as expendable supplies for purposes of cost reimbursement.
- D. **Payment Period** – Providing Member shall provide an itemized invoice to the Requesting Member for all expenses incurred by the Providing Member while furnishing Mutual Assistance. The Providing Member shall send the itemized invoice not later than ninety (90) days following the end of the Period of Assistance. The Providing Member may request additional periods of time within which to submit the itemized invoice, and Requesting Member shall not unreasonably withhold consent to such requests. The

Requesting Member agrees to reimburse the Providing Member within sixty (60) days from receipt of an invoice for Mutual Assistance furnished under this Agreement. The Requesting Member may request additional periods of time within which to pay the itemized invoice, and Providing Member shall not unreasonably withhold consent to such requests, provided, however, that all payments shall occur no later than one (1) year after the date a final itemized invoice was submitted to the Requesting Member.

- E. **Records** – Each Providing Member and Requesting Member and their duly authorized representatives shall have access to books, documents, notes, reports, papers and records, which are directly pertinent to this Agreement and the Period of Assistance for the purposes of reviewing the accuracy of an invoice or making a financial, maintenance or regulatory audit. Such records shall be maintained in a manner consistent with the Member's records retention policy for at least three (3) years after the close of the Period of Assistance or longer where required by law and as needed for federal reimbursement practices.
1. The Providing Member shall furnish documentation of expenses to the Requesting Member when it submits its invoice. Such documented costs and expenses shall include, but not be limited to the following:
 - a. Employees' wages and salaries for time during the Period of Assistance spent in Requesting Member's service, and time during travel to and from such service area, plus the Providing Member's standard payable additives to cover all personnel benefits and allowances for vacation, sick leave and holiday pay, social and retirement benefits, all payroll taxes, workers' compensation, employer's liability insurance, and other contingencies and benefits imposed by applicable law or regulation.
 - b. Personnel travel and support functions such as lodging, meals, materials, etc.
 - c. Replacement costs of expendable materials and supplies furnished.
 - d. Repair or replacement costs of equipment damaged or lost.
 - e. Charges for the use of vehicles and other equipment furnished.
 - f. Administrative and general costs, which are properly allocated to Mutual Assistance, to the extent such costs are not chargeable pursuant to the foregoing subsections.

ARTICLE VIII. **RESPONSE COORDINATION**

When providing assistance under this Agreement, the Requesting Member and Providing Member shall be organized by and shall function under the NIMS and SEMS protocols and procedures.

- A. **Resources** – Providing Member retains the right to identify the resources that are available for Mutual Assistance.

- B. **Control** – While personnel furnished through Mutual Assistance shall remain under the employment and supervision of the Providing Member, the Providing Member's personnel come under the direction and control of the Requesting Member when providing Mutual Assistance, consistent with the NIMS and the ICS to address the needs of the Requesting Member and/or as deemed appropriate by the Incident Commander. The Requesting Member's Authorized Official shall coordinate Mutual Assistance activities with the designated supervisor(s) of the Providing Member(s). The Providing Member's designated supervisor(s) must keep accurate records, consistent with Federal Emergency Management Agency (FEMA) standards, of work performed by personnel during the specified Period of Assistance.
- C. **Lodging and Meals** – As set forth in Article V Section I of this Agreement or unless otherwise agreed to in writing by the Requesting and Providing Members, the Requesting Member remains responsible for reimbursing the Providing Member for all reasonable and necessary costs associated with providing lodging and meals, if such resources are not provided.
- D. **Communications** – The Requesting Member shall provide the Providing Member's personnel with communications equipment such as radio equipment as available, or radio frequency information to program existing radios, in order to facilitate communications with local responders and/or the Requesting Member's command and control structure.
- E. **Status** – Unless otherwise provided by law, the Providing Member's officers and personnel retain the same privileges, immunities, rights, duties and benefits as provided in their respective home jurisdictions.
- F. **Licenses and Permits** – To the extent permitted by law, Providing Member personnel who hold licenses, certificates, or permits evidencing professional, mechanical, or other skills shall be allowed to carry out activities and tasks relevant and related to their respective credentials while providing Mutual Assistance during the specified Period of Assistance.
- G. **Right to Withdraw Resources** – The Providing Member's Authorized Official retains the right to withdraw some or all of its resources at any time for any reason in the Providing Member's sole and absolute discretion. Notice of intention to withdraw resources must be communicated by the Providing Member to the Requesting Member's Authorized Official as soon as possible under the circumstances. Actual release of the Providing Member's furnished resources shall be made as soon as it is safe and practicable as determined by the Requesting Member's Authorized Official. All resources shall be returned to the Providing Member as soon as is practicable and reasonable under the circumstances.
- H. **Right to Cancel a Request for Mutual Assistance or Release Resources** – The Requesting Member's Authorized Official retains the right to cancel a request for Mutual Assistance at any time for any reason prior to the deployment of Mutual Assistance resources by a Providing Member. The Requesting Member also retains the right to release the Providing Member's furnished resources at any time, including when they are en route, for any reason so long as it is safe and practicable to do so. In accordance with Article VII of this Agreement, all policies related to cost reimbursement still apply to the Period of Assistance even if that Period of Assistance is terminated early. Notice of

intention to release resources must be communicated by the Requesting Member to the Providing Member's Authorized Official as soon as possible under the circumstances.

ARTICLE IX.
ARBITRATION

If any controversy or claim arises out of, or relates to, this Agreement, including, but not limited to an alleged breach of the Agreement, the disputing Members shall first attempt to resolve the dispute by negotiation, followed by mediation or arbitration in accordance with the Rules of the American Arbitration Association. Each Member reserves the right at any time after mediation or arbitration to pursue its rights and remedies in a court of law.

ARTICLE X.
REQUESTING MEMBER'S DUTY TO INDEMNIFY

The Requesting Member shall indemnify, hold harmless, and defend the Providing Member from and against any and all liability for loss, damage, cost, or expense which the Providing Member may incur by reason of bodily injury, including death, to any person or persons, or by reason of damage to or destruction of any property, including the loss of use thereof, which result from furnishing Mutual Assistance and whether or not due in whole or in part to any act, omission, or negligence of the Providing Member, except to the extent that such death or injury to person, or damage to property, is caused by the willful or wanton misconduct and/or gross negligence of the Providing Member, its employees, officers, contractors, or agents. Where payments are made by the Providing Member under a workers' compensation or disability benefits law or any similar law for bodily injury or death resulting from furnishing or Mutual Assistance, the Requesting Member shall reimburse the Providing Member for such payments, except to the extent that such bodily injury or death is caused by the willful or wanton misconduct and/or gross negligence of the Providing Member, its employees, officers, contractors, or agents.

In the event any claim or demand is made, or suit or action is filed against the Providing Member alleging liability for which the Requesting Member shall indemnify and hold harmless the Providing Member under the above paragraph, the Providing Member shall promptly notify the Requesting Member thereof; and the Requesting Member, at its sole cost and expense, shall settle, compromise, or defend the same in such manner as it deems necessary or prudent. The Requesting Member shall consult the Providing Member on all such litigation and will not compromise any issue or claim without the concurrence of the Providing Member, which will not be unreasonably withheld. The Providing Member shall cooperate with the Requesting Member's reasonable efforts to investigate, defend, and settle the claim or lawsuit.

ARTICLE XI.
SIGNATORY INDEMNIFICATION

In the event of a liability, claim, demand, action or proceeding, of whatever kind or nature arising out of the rendering of Mutual Assistance through this Agreement, the parties involved in rendering or receiving Mutual Assistance agree to indemnify and hold harmless all Members whose only involvement is the execution and approval of this Agreement, in the transaction or occurrence which is the subject of such claim, action, demand or other proceeding. Such indemnification shall include indemnity for all claims, demands, liability, damages and costs, including reasonable attorneys' fees and other costs of defense, for injury, property damage and workers' compensation.

**ARTICLE XII.
WORKERS' COMPENSATION CLAIMS**

The Providing Member and Requesting Member are responsible for providing workers' compensation benefits and administering workers' compensation for their respective personnel.

**ARTICLE XIII.
NOTICE**

Each Member hereto shall give to the others prompt and timely written notice, within fifteen (15) business days of any claim made or any suit instituted coming to its knowledge, which in any way, directly or indirectly, contingently or otherwise, affects or might affect them, and each Member shall have the right to participate in the defense of the same, as it considers necessary to protect its own interests.

**ARTICLE XIV.
INSURANCE**

Members shall maintain an insurance policy or maintain a self-insurance program that covers activities that it may undertake by virtue of membership in the TransMAC. Proof of General Liability and Workers' Compensation coverage must be provided to any Requesting or Providing Member or the Steering Committee upon request.

**ARTICLE XV.
SENSITIVE SECURITY INFORMATION**

To the extent allowed by law, any Member or Associate Member shall maintain in the strictest confidence and shall take all reasonable steps necessary to prevent the disclosure of any confidential or Sensitive Security Information provided to it by another Member pursuant to this Agreement. If any Member, Associate Member, or third party requests or demands, by subpoena or otherwise, that a Member or Associate Member disclose any confidential or Sensitive Security Information provided to it under this Agreement, the Member or Associate Member shall immediately notify the owner of the confidential or Sensitive Security Information and shall take all reasonable steps necessary to prevent the disclosure of any confidential or Sensitive Security Information by asserting all applicable rights and privileges with respect to such information and shall cooperate fully in any judicial or administrative proceeding relating thereto.

**ARTICLE XVI.
EFFECTIVE DATE**

This Agreement shall take effect for a new Member immediately upon its execution by said Member.

**ARTICLE XVII.
WITHDRAWAL**

Any Member may terminate its participation in this Agreement by written notice to the Chair of the TransMAC Steering Committee. Withdrawal takes effect sixty (60) days after the appropriate officials receive notice. Withdrawal from this Agreement shall in no way affect a Requesting

Member's duty to reimburse a Providing Member for costs incurred during a Period of Assistance, which duty shall survive such withdrawal.

**ARTICLE XVIII.
MODIFICATION**

No provision of this Agreement may be modified, altered or rescinded by individual Members to the Agreement. Modifications to this Agreement require a simple majority vote of Members. The TransMAC Steering Committee will notify all parties of modifications to this Agreement in writing and those modifications shall be effective upon sixty (60) days written notice to the Members.

**ARTICLE XIX.
SEVERABILITY**

If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

**ARTICLE XX.
PRIOR AGREEMENTS**

To the extent that prior mutual assistance agreements among Members are inconsistent with this Agreement, such agreements are hereby superseded.

**ARTICLE XXI.
PROHIBITION ON THIRD PARTIES AND ASSIGNMENT OF RIGHTS/DUTIES**

This Agreement is for the sole benefit of the Members and no other person or entity has rights under this Agreement as a third party beneficiary. Assignment of benefits or delegation of duties created by this Agreement to third parties that are not Members is prohibited and without effect.

**ARTICLE XXII.
TORT CLAIMS**

This Agreement in no way abrogates or waives any immunity or defense available under Federal laws and/or the laws of the State of California.

**ARTICLE XXIII.
INTRASTATE AND INTERSTATE MUTUAL ASSISTANCE PROGRAMS**

To the extent practicable, Members retain the right to participate in mutual assistance activities conducted under the State of California Civil Defense and Master Mutual Aid Agreement, the TransMAC, and the interstate Emergency Management Assistance Compact (EMAC) and similar programs.

**STATE OF CALIFORNIA
TRANSIT MUTUAL ASSISTANCE COMPACT (TransMAC)
EXECUTION OF THE AGREEMENT**

Name of Organization

Authorized Signature

Printed Name: _____

Title: _____

Date: _____

Note: Upon obtaining proper signatures, this form must be returned to the TransMAC Chairperson at the regular business address of the Chairperson's agency.

MEMORANDUM

TO: AUTHORITY MEMBERS
FROM: Martin Gombert, Administrator
DATE: September 29, 2016
SUBJECT: Capital Improvement Program

INTRODUCTION

Staff is proposing to purchase three new small transit buses to replace existing equipment.

ANALYSIS

Replacement Buses

It is recommended that the Authority purchase three replacement buses through the MBTA/CalACT Cooperative Bid (RFP #15-03). The Cooperative is the development of a **Local Government Purchasing Schedule** as defined in the Federal Transit Administration's (FTA) Circular 4220.1F Chapter V, Part 4.

Three new buses would replace vehicles 1030-1032. These buses were purchased in 2003 and have exceeded their useful life span. Bus #1032 was declared surplus by the Board in July 2015.

A summary of vehicle specifications is shown below:

- Make and Model: Startrans, 27.5 Foot
- Twenty-two passenger capacity
- Wheelchair Lift with seating positions for two wheelchairs
- Powered by compressed-natural-gas (CNG)
- Electronic Destination Signs
- Bike Racks

Detailed vehicle specifications and drawings are attached.

Current and Proposed Fleet

Shown below is the current and proposed PV Transit bus fleet.

Vehicle Type	Current	Proposed
Large Bus	5	3
Mid-Size Bus	3	1
Cutaway	17	20
TOTAL	25	24

The new fleet would include seven propane (LPG) powered vehicles and 17 CNG powered vehicles.

FINANCIAL IMPACT

Shown below is the estimated cost and funding source for the replacement vehicle purchase. Quotes for both projects are attached.

Replacement Buses

Price	\$158,996
Number	3
Subtotal	\$476,988
Contingency	\$23,849
TOTAL	\$500,838

Funding Source

Capital Reserves \$500,838

There are sufficient capital reserves to fund the \$500,838 of the Capital Improvement Program funding request.

RECOMMENDATION

Approve the capital improvement program consisting of the purchase of three (3) replacement buses from Creative Bus Sales (quote dated 9-14-16) for a price not to exceed \$476,988 plus a project contingency of 5%.



Creative Bus Sales

13501 Benson Avenue · Chino, CA 91710 800.326.2877



Creative Bus Sales
The Nation's Largest Bus Dealer
(888) 633-8380

Ca/ACT RFP #15-03 - Class E Ford (F550) - Quote Sheet (Rev 6-22-16)

Vehicle Type:	Class E - Ford (F550) Medium Duty			Ford GPC #:	
Contact:	Martin Gombert			Type of Lift:	<input checked="" type="checkbox"/> Braun <input type="checkbox"/> Ricon
Agency:	Palos Verdes Peninsula Transit Authority			Lift Location:	<input type="checkbox"/> Front <input checked="" type="checkbox"/> Rear
Address:	38 Crest Road West			Seat Material D-90:	<input checked="" type="checkbox"/> Vinyl <input type="checkbox"/> Cloth
City, State, Zip:	Rolling Hills, CA 90274			Seat Color:	
Phone:	(310) 544-7108			Reflective Stripes:	<input type="checkbox"/> Yes (2) 5" <input type="checkbox"/> No
Fax:				Stripe Color:	
E-Mail:	pvttransit@palosverdes.com			Salesperson:	Don White
Quantity:		Description	Price	Ext. Price	ADA
1		Class E - Ford (F550) - Startrans (27')	\$87,904.00	\$87,904.00	\$9,200.00
Published Options					
1		AM/FM/CD Per Spec	\$0.00	\$0.00	\$0.00
1		Spare Tire - (Loose, Full Size, To Match OEM Chassis)	\$0.00	\$0.00	\$0.00
1		Freedman Foldaway Seat - (Double)	\$1,050.00	\$1,050.00	\$1,050.00
2		Freedman Flip Seat - (Double)	\$640.00	\$1,280.00	\$1,280.00
1		Drivers Seat - USSC G2E	\$0.00	\$0.00	\$0.00
1		Roof Vent - (Transpec 1070)	\$495.00	\$495.00	\$495.00
1		Telma Driveline Brake Retarder	\$9,390.00	\$9,390.00	\$9,390.00
1		Sportworks Bike Rack - (Black 2-Bike)	\$1,883.00	\$1,883.00	\$1,883.00
1		Dialight Exterior LED	\$675.00	\$675.00	\$675.00
1		"Stop Request" System - (w/ADA Buttons on Seat & WC/Sign/Chime)	\$1,500.00	\$1,500.00	\$1,500.00
1		Hanover Electronic Signs - (Front / Side)	\$4,400.00	\$4,400.00	\$4,400.00
1		CNG Conversion - (35gpg)	\$18,200.00	\$18,200.00	\$18,200.00
1		CNG Conversion - (Increase to 45gpg)	\$8,300.00	\$8,300.00	\$8,300.00
1		Amerex Fire Suppression System - (AFSS)	\$6,500.00	\$6,500.00	\$6,500.00

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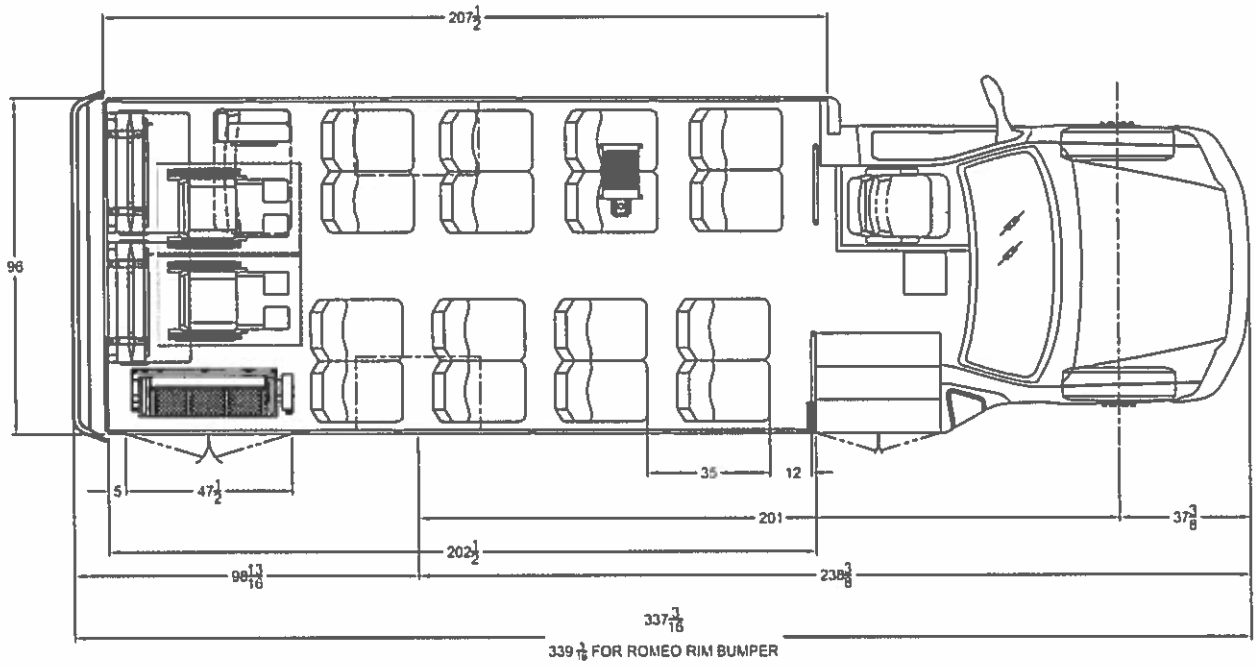
Non-Published Options

1	Mor/Ryde Suspension System	\$1,150.00	\$1,150.00
1	Braun - Century Lift - (Standard)	\$0.00	\$0.00
1	TransAir TA77R90 Super 13 with R90 Roof Mount Condensers	\$2,020.00	\$2,020.00
1	Lift - Pad Cover	\$395.00	\$395.00
Class E F550 - Base Price		\$87,904.00	
Published Options		\$53,673.00	
Non-Published Options		\$3,565.00	
Total		\$145,142.00	\$17,825.00
Doc Prep Fee		\$80.00	
Non-Taxable		\$17,825.00	
Taxable Amount		\$128,397.00	
Tax Total		\$11,555.73	9.000%
Sub-Total		\$156,777.73	
CalACT Fee		\$2,177.13	
DMV E-File Fee:		\$29.00	
DMV Fee		\$0.00	(Estimated)
Tire Fee		\$12.25	
Local Delivery		\$0.00	0
Total		\$158,996.11	<i>Insert Miles</i>
Number of Units		3	
Final Total		\$476,988.33	

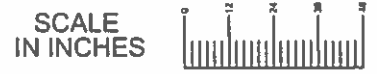
Local Delivery Up To 100 Miles at No Charge

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CLASS E 27.5' REAR LIFT FORD F550



NOTE: SHOWN WITH MID HI FREEDMAN SEATS
 ALLSTAR XL F-550 19 500 GVWR
 THIS FLOOR PLAN IS FOR ILLUSTRATION PURPOSES ONLY
 A WEIGHT ANALYSIS HAS NOT YET BEEN PERFORMED.
 FINAL APPROVAL WITH A WEIGHT ANALYSIS IS REQUIRED UPON RECEIPT OF A
 COMPLETED ORDER WITH ALL OPTIONS SHOWN
 OPTIONAL EQUIPMENT MAY BE SHOWN
 THE SALES ORDER PLACED DICTATES ACTUAL OPTION CONTENT



DEALER APPROVAL

APPROVED

 CUSTOMER SIGNATURE

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TOLERANCE UNLESS OTHERWISE SPECIFIED WOOD ± 1/8" OTHER ± 1/16" NAME JPC DATE 06/26/14 TITLE 16 2 WC 201 WB 202 BDY				
A PRELIM PACKET REV 1/14	JPC	06/26/14	ECH No.	DWG. No. 16 2 WC 201 WB 202-1 BDY
DESCRIPTION OF CHANGE	CHK	DATE	ECH No.	DWG. No.