

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda - Final

Wednesday, January 18, 2023 1:30 PM

****This meeting is being held both in person at 625 Burnell Street, Napa and remotely via Zoom****

NVTA Board of Directors

*****COVID-19 SPECIAL NOTICE*****

PUBLIC MEETING GUIDELINES FOR PARTICIPATING VIA PHONE/VIDEO CONFERENCING

Consistent with California Assembly Bill 361 and Government Code Section 54953, due to the COVID-19 State of Emergency and the recommendations for physical distancing, the Napa Valley Transportation Authority (NVTA) Board meeting will be held remotely via Zoom and in person at the JoAnn Busenbark Boardroom located at 625 Burnell Street, Napa, Ca 94559. Members of the public may observe and participate in the meeting from home or in person. The public is invited to participate telephonically or electronically via the methods below:

- 1) To join the meeting via Zoom video conference from your PC, Mac, iPad, iPhone or Android: go to <https://zoom.us/join> and enter meeting ID 997 5007 2830
- 2) To join the Zoom meeting by phone: dial 1-669-900-6833, enter meeting ID: 997 5007 2830 If asked for the participant ID or code, press #.
- 3) Watch live on YouTube: <https://www.youtube.com/channel/UCrpjLcW9uRmA0EE6w-eKZyw?app=desktop>

Public Comments: Members of the public may comment on matters within the subject matter of the Board's jurisdiction that are not on the meeting agenda during the general public comment item at the beginning of the meeting. Comments related to a specific item on the agenda must be reserved until the time the agenda item is considered and the Chair invites public comment. (Members of the public are welcome to address the Board, however, under the Brown Act Board members may not deliberate or take action on items not on the agenda, and generally may only listen.)

Instructions for submitting a Public Comment are on the next page.

Members of the public may submit a public comment in writing by emailing info@nvta.ca.gov by 10:00 a.m. on the day of the meeting with PUBLIC COMMENT as the subject line (for comments related to an agenda item, please include the item number). All written comments should be 350 words or less, which corresponds to approximately 3 minutes or less of speaking time. Public comments emailed to info@nvta.ca.gov after 10 a.m. the day of the meeting will be entered into the record but not read out loud. If authors of the written correspondence would like to speak, they are free to do so and should raise their hand and the Chair will call upon them at the appropriate time.

1. To comment during a virtual meeting (Zoom), click the "Raise Your Hand" button (click on the "Participants" tab) to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself when it is your turn to make your comment for up to 3 minutes. After the allotted time, you will then be re-muted. Instructions for how to "Raise Your Hand" are available at <https://support.zoom.us/hc/en-us/articles/205566129-Raise-Hand-In-Webinar>.

2. To comment by phone, press "*9" to request to speak when Public Comment is being taken on the Agenda item. You must unmute yourself by pressing "*6" when it is your turn to make your comment, for up to 3 minutes. After the allotted time, you will be re-muted.

Instructions on how to join a Zoom video conference meeting are available at: <https://support.zoom.us/hc/en-us/articles/201362193-Joining-a-Meeting>

Instructions on how to join a Zoom video conference meeting by phone are available at: <https://support.zoom.us/hc/en-us/articles/201362663-Joining-a-meeting-by-phone>

Note: The methods of observing, listening, or providing public comment to the meeting may be altered due to technical difficulties or the meeting may be cancelled, if needed.

All materials relating to an agenda item for an open session of a regular meeting of the NVTA-TA are posted on the NVTA website 72 hours prior to the meeting at: <https://nctpa.legistar.com/Calendar.aspx> or by emailing info@nvta.ca.gov to request a copy of the agenda.

Materials distributed to the members of the Committee present at the meeting will be available for public inspection after the meeting. Availability of materials related to agenda items for public inspection does not include materials which are exempt from public disclosure under Government Code sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22.

Americans with Disabilities Act (ADA): This Agenda shall be made available upon request in alternate formats to persons with a disability. Persons requesting a disability-related modification or accommodation should contact Laura Sanderlin, NVTA Board Secretary, at (707) 259-8633 during regular business hours, at least 48 hours prior to the time of the meeting.

Note: Where times are indicated for agenda items, they are approximate and intended as estimates only, and may be shorter or longer as needed.

Acceso y el Título VI: La NVTA puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Autoridad. Para solicitar asistencia, por favor llame al número (707) 259-8633. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Ang Accessibility at Title VI: Ang NVTA ay nagkakaloob ng mga serbisyo/akomodasyon kung hilingin ang mga ito, ng mga taong may kapansanan at mga indibiduwal na may limitadong kaalaman sa wikang Ingles, na nais na matugunan ang mga bagay-bagay na may kinalaman sa NVTA-TA. Para sa mga tulong sa akomodasyon o pagsasalin-wika, mangyari lang tumawag sa (707) 259-8633. Kakailanganin namin ng paunang abiso na tatlong araw na may pasok sa trabaho para matugunan ang inyong kahilingan.

1. Call to Order
2. Roll Call
3. Adoption of the Agenda
4. Public Comment
5. Chairperson's, Board Members', Metropolitan Transportation Commissioner's, and Association of Bay Area Governments Update
6. Executive Director's Update
7. Caltrans' Update

Note: Where times are indicated for the agenda items, they are approximate and intended as estimates only and may be shorter or longer as needed.

8. PRESENTATIONS

8.1 Project Update (Grant Bailey)

Estimated Time: 2:00 p.m.

8.2 Update on the Regional Network Management Approach (Kate Miller)

Estimated Time: 2:15 p.m.

9. CONSENT AGENDA ITEMS

9.1 AB 361 Requirements for Remote Public Meetings (Osman Mufti) (Pages 10-15)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board approve Resolution 23-01 making findings and declaring it intent to continue remote teleconference meetings in accordance with Government Code section 54953(e) due to the Governor's COVID-19 State of Emergency Proclamation.

Estimated Time: 2:25 p.m.

Attachments: [Staff Report](#)

9.2 Meeting Minutes of December 21, 2022 (Laura Sanderlin) (Pages 16-18)

Recommendation: Board action will approve the minutes of December 21, 2022 regular meeting.

Estimated Time: 2:25 p.m.

Attachments: [Draft Minutes](#)

9.3 Citizens Advisory Committee (CAC) Member Appointments (Laura Sanderlin) (Pages 19-28)

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board approve the appointments of Ron Richardson and Gary Woodruff to the Citizen Advisory Committee for a two (2) year term.

Estimated Time: 2:25 p.m.

Attachments: [Staff Report](#)

9.4 Federal Transit Administration (FTA) Fiscal Years (FY) 2022-2025 Disadvantage Business Enterprise (DBE) Triennial Goal and Policy (Antonio Onorato) (Pages 29-68)

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board approve Resolution No. 23-02 adopting the Disadvantaged Business Enterprise (DBE) program with a proposed triennial DBE goal of two point six percent (2.6%) for Federal Transit Administration (FTA) projects for Fiscal Years 2023-25.

Estimated Time: 2:25 p.m.

Attachments: [Staff Report](#)

10. REGULAR AGENDA ITEMS**10.1 Napa Valley Transportation Authority (NVTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2022 and 2021 and Single Audit Report of Uniform Guidance (Antonio Onorato) (Pages 69-168)**

- Recommendation:** That the Napa Valley Transportation Authority (NVTA) Board:
- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2022 and 2021 (Attachment 2) and the NVTA Single Audit Report of the Uniform Guidance (formerly Office of Management and Budget (OMB) Circular A-133) for the Year Ended June 30, 2022 (Attachment 3); and
 - (2) Return an allocation surplus of \$163,517 to the Local Transportation Fund (LTF) Trust Fund

Estimated Time: 2:30 p.m.

Attachments: [Staff Report](#)

10.2 Termination Fee Exposure in the Power Purchase Agreement (PPA) between the Seller (127Energy LLC) and the Napa Valley Transportation Authority (NVTA) (Kate Miller) (Pages 169-172)

- Recommendation:** That the Napa Valley Transportation Authority (NVTA) Board accept and acknowledge the possible risk exposure and subsequent termination payment amount.

Estimated Time: 2:45 p.m.

Attachments: [Staff Report](#)

**10.3 Amending Contract with Kleinfelder for Construction Services
(Grant Bailey) (Pages 173-180)**

Recommendation: Staff recommends the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute and make minor modifications to Amendment #1 to Agreement 21-20-CM01 for construction management and material testing services with Kleinfelder Construction Services, increasing the contract value by \$736,564.00 for an amount not to exceed \$1,596,563.00.

Estimated Time: 2:55 p.m.

Attachments: [Staff Report](#)

**10.4 Amendment Contract with Sequoia Ecological Consulting Inc. for
Biological Monitoring and Archeological Services for the Napa
Valley Vine Trail - St Helena to Calistoga Project (Grant Bailey)
(Pages 181-186)**

Recommendation: Staff recommends the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute and make minor modifications to Amendment 2 with Sequoia Ecological Consulting, Inc. (Sequoia) Agreement No. 21-22-CM02 for Biological Monitoring and Archeological Services in an amount not to exceed \$53,287.00 which brings the total contract amount to \$150,567.00.

Estimated Time: 3:05 p.m.

Attachments: [Staff Report](#)

**10.5 Appointment of Two NVTA Board Members and One Alternate
NVTA Board Member to Participate on the County Wide Vision
Zero Stakeholder Working Group (Diana Meehan) (Pages 187-190)**

Recommendation: That the Napa Valley Transportation Authority Board appoint two (2) NVTA Board members and one (1) alternate NVTA Board member representing three jurisdictions to serve as Ad Hoc members on the Vision Zero Stakeholder Working Group.

Estimated Time: 3:15 p.m.

Attachments: [Staff Report](#)

10.6 Federal and State Legislative Update (Kate Miller) (Pages 191-201)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board receive the Federal Legislative update prepared by K&L Gates and Platinum Advisors and the State Legislative update prepared by Platinum Advisors.

Estimated Time: 3:30 p.m.

Attachments: [Staff Report](#)

11. FUTURE AGENDA ITEMS**12. ADJOURNMENT****12.1 The next Regular Meeting is February 15, 2023 and Adjournment.**

I hereby certify that the agenda for the above stated meeting was posted at a location freely accessible to members of the public at the NVTA Offices, 625 Burnell Street, Napa, CA by 5:00 p.m. by Friday, January 13th.

Laura Sanderlin

Laura M. Sanderlin, NVTA Board Secretary

Glossary of Acronyms

AB 32	Global Warming Solutions Act	FAS	Federal Aid Secondary
ABAG	Association of Bay Area Governments	FAST	Fixing America's Surface Transportation Act
ACFR	Annual Comprehensive Financial Report	FHWA	Federal Highway Administration
ADA	American with Disabilities Act	FTA	Federal Transit Administration
APA	American Planning Association	FY	Fiscal Year
ATAC	Active Transportation Advisory Committee	GHG	Greenhouse Gas
ATP	Active Transportation Program	GGRF	Greenhouse Gas Reduction Fund
BAAQMD	Bay Area Air Quality Management District	GTFS	General Transit Feed Specification
BAB	Build America Bureau	HBP	Highway Bridge Program
BART	Bay Area Rapid Transit District	HBRR	Highway Bridge Replacement and Rehabilitation Program
BATA	Bay Area Toll Authority	HIP	Housing Incentive Program
BIL	Bipartisan Infrastructure Law (IIJA)	HOT	High Occupancy Toll
BRT	Bus Rapid Transit	HOV	High Occupancy Vehicle
CAC	Citizen Advisory Committee	HR3	High Risk Rural Roads
CAP	Climate Action Plan	HSIP	Highway Safety Improvement Program
CAPTI	Climate Action Plan for Transportation Infrastructure	HTF	Highway Trust Fund
Caltrans	California Department of Transportation	HUTA	Highway Users Tax Account
CASA	Committee to House the Bay Area	HVIP	Hybrid & Zero-Emission Truck and Bus Voucher Incentive Program
CBTP	Community Based Transportation Plan	IFB	Invitation for Bid
CEQA	California Environmental Quality Act	ITIP	State Interregional Transportation Improvement Program
CIP	Capital Investment Program	ITOC	Independent Taxpayer Oversight Committee
CMA	Congestion Management Agency	IS/MND	Initial Study/Mitigated Negative Declaration
CMAQ	Congestion Mitigation and Air Quality Improvement Program	JARC	Job Access and Reverse Commute
CMP	Congestion Management Program	LCTOP	Low Carbon Transit Operations Program
CalSTA	California State Transportation Agency	LIFT	Low-Income Flexible Transportation
CTA	California Transit Association	LOS	Level of Service
CTP	Countywide Transportation Plan	LS&R	Local Streets & Roads
CTC	California Transportation Commission	LTF	Local Transportation Fund
CY	Calendar Year	MaaS	Mobility as a Service
DAA	Design Alternative Analyst	MAP 21	Moving Ahead for Progress in the 21 st Century Act
DBB	Design-Bid-Build	MPO	Metropolitan Planning Organization
DBE	Disadvantaged Business Enterprise	MTC	Metropolitan Transportation Commission
DBF	Design-Build-Finance	MTS	Metropolitan Transportation System
DBFOM	Design-Build-Finance-Operate-Maintain	ND	Negative Declaration
DED	Draft Environmental Document	NEPA	National Environmental Policy Act
EIR	Environmental Impact Report	NOAH	Natural Occurring Affordable Housing
EJ	Environmental Justice	NOC	Notice of Completion
EPC	Equity Priority Communities	NOD	Notice of Determination
ETID	Electronic Transit Information Displays		

Glossary of Acronyms

NOP	Notice of Preparation	SHA	State Highway Account
NVTA	Napa Valley Transportation Authority	SHOPP	State Highway Operation and Protection Program
NVTA-TA	Napa Valley Transportation Authority-Tax Agency	SNTDM	Solano Napa Travel Demand Model
OBAG	One Bay Area Grant	SR	State Route
PA&ED	Project Approval Environmental Document	SRTS	Safe Routes to School
P3 or PPP	Public-Private Partnership	SOV	Single-Occupant Vehicle
PCC	Paratransit Coordination Council	STA	State Transit Assistance
PCI	Pavement Condition Index	STIC	Small Transit Intensive Cities
PCA	Priority Conservation Area	STIP	State Transportation Improvement Program
PDA	Priority Development Areas	STP	Surface Transportation Program
PID	Project Initiation Document	TAC	Technical Advisory Committee
PIR	Project Initiation Report	TCM	Transportation Control Measure
PMS	Pavement Management System	TCRP	Traffic Congestion Relief Program
Prop. 42	Statewide Initiative that requires a portion of gasoline sales tax revenues be designated to transportation purposes	TDA	Transportation Development Act
PSE	Plans, Specifications and Estimates	TDM	Transportation Demand Management Transportation Demand Model
PSR	Project Study Report	TE	Transportation Enhancement
PTA	Public Transportation Account	TEA	Transportation Enhancement Activities
RACC	Regional Agency Coordinating Committee	TEA 21	Transportation Equity Act for the 21 st Century
RAISE	Rebuilding American Infrastructure with Sustainability and Equity	TFCA	Transportation Fund for Clean Air
RFP	Request for Proposal	TIP	Transportation Improvement Program
RFQ	Request for Qualifications	TIFIA	Transportation Infrastructure Finance and Innovation Act
RHNA	Regional Housing Needs Allocation	TIRCP	Transit and Intercity Rail Capital Program
RM 2	Regional Measure 2 Bridge Toll	TLC	Transportation for Livable Communities
RM 3	Regional Measure 3 Bridge Toll	TLU	Transportation and Land Use
RMRP	Road Maintenance and Rehabilitation Program	TMP	Traffic Management Plan
ROW (R/W)	Right of Way	TMS	Transportation Management System
RTEP	Regional Transit Expansion Program	TNC	Transportation Network Companies
RTIP	Regional Transportation Improvement Program	TOAH	Transit Oriented Affordable Housing
RTP	Regional Transportation Plan	TOC	Transit Oriented Communities
SAFE	Service Authority for Freeways and Expressways	TOD	Transit-Oriented Development
SAFETEA-LU	Safe, Accountable, Flexible, and Efficient Transportation Equity Act-A Legacy for Users	TOS	Transportation Operations Systems
SB 375	Sustainable Communities and Climate Protection Act 2008	TPA	Transit Priority Area
SB 1	The Road Repair and Accountability Act of 2017	TPI	Transit Performance Initiative
SCS	Sustainable Community Strategy	TPP	Transit Priority Project Areas
		VHD	Vehicle Hours of Delay
		VMT	Vehicle Miles Traveled



Action Requested: APPROVE

NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

AB 361 Requirements for Remote Public Meetings

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve Resolution 23-01 making findings and declaring its intent to continue remote teleconference meetings in accordance with Government Code section 54953(e) due to the Governor's COVID-19 State of Emergency Proclamation.

EXECUTIVE SUMMARY

AB 361 allows local legislative bodies to hold remote meetings during a proclaimed state of emergency, if state or local officials have imposed or recommended measures that warrant holding meetings remotely.

In response to improving conditions, Governor Newsom issued Executive Order N-04-22 on February 25, 2022, which lifted many of the provisions related to the emergency while maintaining certain measures to support the ongoing response and recovery effort.

NVRTA staff is monitoring the status of the Governor's state of emergency proclamation, state and local orders related to social distancing, and health and safety conditions related to COVID-19, and confirm that said conditions continue to exist that warrant "hybrid" meetings to allow members of the Board and public to attend either in person or remotely.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Laura Sanderlin, Office Manager/Board Secretary
(707) 259-8633 / Email: lsanderlin@nvta.ca.gov
SUBJECT: AB 361 Requirements for Remote Public Meetings

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve Resolution 23-01 making findings and declaring its intent to continue remote teleconference meetings in accordance with Government Code section 54953(e) due to the Governor's COVID-19 State of Emergency Proclamation.

COMMITTEE RECOMMENDATION

None

BACKGROUND

AB 361 allows local legislative bodies to hold remote meetings during a proclaimed state of emergency, if state or local officials have imposed or recommended measures that warrant holding meetings remotely.

If the Board desires to continue to meet utilizing the relaxed teleconference meeting rules, AB 361 requires an ongoing finding every 30 days that the Board has reconsider the circumstances of the state of emergency and that the emergency continues to impact the ability to "meet safely in person," or that state or local officials continue to recommend measures to promote social distancing. Gov. Code § 54953(e)(3).

On September 27, 2021, the Napa County Executive Officer and Public Health Officer issued a recommendation that all public boards and commissions that wish to continue meeting remotely to help minimize the spread and transmission of COVID-19 be permitted to do so. This Local Order remains effective through June 30, 2022.

In response to improving conditions, Governor Newsom issued Executive Order N-04-22 on February 25, 2022, which lifted many of the provisions related to the emergency while

maintaining certain measures to support the ongoing response and recovery effort. Although a portion of the emergency provisions have been lifted the Governor's March 4, 2020 State of Emergency Proclamation as it related to the COVID-19 pandemic remains active.

NVTA staff is monitoring the status of the Governor's state of emergency proclamation, state and local orders related to social distancing, and health and safety conditions related to COVID-19, and confirm that said conditions continue to exist that warrant "hybrid" meetings to allow members of the Board and public to attend either in person or remotely. COVID cases are decreasing, and regulations are relaxing; however, there remains local and state recommendations for social distancing and remote meeting attendance and all are encouraged to isolate when not feeling well. Hybrid meetings allow for these precautions to be implemented.

Hybrid meetings are one of the least disruptive methods the Board can utilize to protect against the ongoing threat of COVID-19 transmission. COVID-19 spreads easily and quickly through airborne droplets. While face coverings, testing, and ventilating indoor spaces can reduce transmission, they cannot eliminate the threat. Conducting hybrid meetings allows attendees to fully participate in each meeting without requiring that they gather in the same indoor space. Further, it allows members of the public, staff, and members of the Board to participate in meetings even if they have been exposed to COVID-19 or are experiencing symptoms of COVID-19.

Staff recommends the Board extend the time during which it may continue to meet by teleconference without compliance with paragraph (3) of subdivision (b) of section 54953 of the Brown Act.

ALTERNATIVES

The Board could decide not to approve Resolution 23-01 which would put the NVTA Board of Director's meeting out of government compliance.

ATTACHMENT(S)

- 1) Resolution 23-01

RESOLUTION No. 23-01

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVRTA)
MAKING FINDINGS REAUTHORIZING REMOTE TELECONFERENCE MEETINGS
AND DECLARING ITS INTENT TO CONTINUE MEETING IN HYBRID FORMAT TO
ALLOW ATTENDANCE IN PERSON OR REMOTELY PURSUANT TO
GOVERNMENT CODE SECTION 54953**

WHEREAS, the Napa Valley Transportation Authority (NVRTA) is committed to preserving and nurturing public access and participation in meetings of the Board;

WHEREAS, all legislative body meetings of NVRTA are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and observe the Commission conduct its business; and

WHEREAS, Governor Newsom signed AB 361, amending the Brown Act, including Government Code section 54953(e), which makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition of AB 361 is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, such conditions now exist in the State, specifically, the Governor of the State of California proclaimed a state of emergency on March 4, 2020, related to the threat of COVID-19, which remains partially in effect ; and

WHEREAS, on September 27, 2021, the Napa County Executive Officer and Public Health Officer jointly recommended social distancing measures and that all boards and commissions continue meeting remotely, in whole or in part, in order to help minimize the spread and transmission of COVID-19 and its variants, and this local order remains effective through June 30, 2022; and

WHEREAS, the hybrid meeting model allows each individual attendee of the meeting to assess his or her own risk, and the risk they may pose to others, based on vaccination status, health conditions, age, or any other factor which may dissuade a person from attending an in-person meeting; and

WHEREAS, the hybrid meeting model also provides those that wish to attend meetings in-person the ability to do so; and

WHEREAS, the Board of Directors does hereby find that emergency conditions continue to persist within the County of Napa due to the COVID-19 emergency, the state of emergency continues to directly impact the ability of the members to meet safely in person, and the Governor's state of emergency proclamation, state regulations and local recommendations related to social distancing and remote meetings continue.

NOW, THEREFORE, BE IT RESOLVED THAT THE NAPA VALLEY TRANSPORTATION BOARD DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. The Board hereby finds that it has considered the state of the emergency and that meeting in person for meetings of all NVTa related legislative bodies subject to the Ralph M. Brown Act would present imminent risks to the health and safety of attendees.

3. Holding hybrid meetings will reduce the possibility of COVID-19 transmission during meetings by allowing those who are at risk or potentially suffering COVID-19 symptoms to participate in meetings without physically attending.

4. Staff is hereby directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings of the Board and all NVTa legislative bodies in accordance with Government Code section 54953, subdivision (e) and other applicable provisions of the Brown Act for hybrid meetings.

5. NVTa shall hold their meetings in hybrid format offering attendees both in-person and videoconference/teleconference access. Any public comment period during any such meeting shall be taken in the same form and fashion from in-person and remote attendees. If at any time during any such meeting the ability to broadcast the meeting and accept public comments from remote attendees through videoconference/teleconference is disrupted, the body holding the meeting shall recess until the disruption is resolved or continue the meeting to a later date when videoconference/teleconference participation can be restored.

6. Staff is further directed to continue to monitor the health and safety conditions related to COVID-19, the status of the Governor's state of emergency, the state regulations related to social distancing, and the local orders related to health and safety, and present to the Board at its next regularly scheduled meeting the related information and recommendations for hybrid meetings pursuant to the provisions of paragraph Government Code section 54953, subdivision (e)(3), and to consider extending the time during which the Commission may continue to meet by teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Directors of the Napa Valley Transportation Authority, at a regular meeting held on January 18, 2023, by the following vote:

Liz Alessio, NVTA Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura Sanderlin, NVTA Board Secretary

APPROVED:

Osman Mufti, NVTA Legal Counsel

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559

Meeting Minutes NVTB Board of Directors

Zoom

Wednesday, December 21, 2022

1:00 PM

1. Call to Order

Chair Alessio called the meeting to order at 1:01pm.

2. Pledge of Allegiance

Director Mohler recited the Pledge of Allegiance.

3. Roll Call

Alfredo Pedroza
Paul Dohring
Mark Joseph
Belia Ramos
Liz Alessio
Scott Sedgley
Donald Williams
Margie Mohler
Eric Knight
Anna Chouteau
Absent:
Leon Garcia
Doug Weir

4. Adoption of the Agenda

Motion **MOVED** by JOSEPH, **SECONDED** by MOHLER to **APPROVE** Adoption of the Agenda.
Motion carried by the following roll call vote:

Aye: 21 - Pedroza, Dohring, Joseph, Ramos, Alessio, Sedgley, Williams, Mohler, Knight, and Chouteau

Absent: 2 - Garcia, and Weir

5. Public Comment

None

6. Chairperson's, Board Members', Metropolitan Transportation Commissioner's, and Association of Bay Area Governments Update

Director Pedroza reported recent MTC activities.

Director Ramos reported recent ABAG updates.

7. Director's Update

Director Miller reported:

- Welcomed new NVTa Board members, Director Mohler, Director Knight and Director Williams
- California Transit Association (CTA) formed Transit Operations Funding Subcommittee
- Metropolitan Transportation Commission (MTC) hosting a webinar on the Regional Network

Management approach

- Staff updates
- Acorn planting volunteer updates
- NVTa staff will host informational meeting for newly elected officials on January 23

8. CONSENT AGENDA ITEMS

Motion **MOVED** by DOHRING, **SECONDED** by KNIGHT to **APPROVE** Consent Items 8.1-8.2. Motion carried by the following roll call vote:

Aye: 20 - Pedroza, Dohring, Joseph, Ramos, Alessio, Sedgley, Williams, Mohler, and Knight

Absent: 2 - Garcia, and Weir

Abstain: 1 - Chouteau

8.1 AB 361 Requirements for Remote Public Meetings (Osman Mufti) (Pages 7-12)

Attachments: [Staff Report](#)

8.2 Meeting Minutes of November 16, 2022 (Laura Sanderlin) (Pages 13-17)

Attachments: [Draft Minutes](#)

9. CLOSED SESSION

9.1 PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957(b)(1))

Title: Executive Director

CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6))

Authority Designated Representative: Authority Chair

Unrepresented Employee: Executive Director

Closed Session returned at 2:11pm. No reportable action.

10. REGULAR AGENDA ITEMS

10.1 Discussion and Possible Action Amending Employment Agreement with Napa Valley Transportation Authority Executive Director Catherine Miller, Agreement No. NVTa 12-08

Motion **MOVED** by JOSEPH, **SECONDED** by DOHRING to **APPROVE** modification of an existing employment agreement (12-08) with Kate Miller, Executive Director of the Napa Valley Transportation Authority. Pursuant to the motion the existing Employment Agreement with Kate

Miller to serve as NVTAs Executive Director is to be amended effective January 1, 2023, Ms. Miller is to receive an annual salary of \$256,117.05 for the 2023 calendar year and \$268,922.90 for the 2024 calendar year. Additionally, Ms. Miller is to receive an additional \$7,500 in 457 funds for up to a total of \$15,000 2023 and \$22,500 in 2024. Motion moved by the following roll call vote:

Aye: 21 - Pedroza, Dohring, Joseph, Ramos, Alessio, Sedgley, Williams, Mohler, Knight, and Chouteau

Absent: 2 - Garcia, and Weir

11. FUTURE AGENDA ITEMS

None

12. ADJOURNMENT

Chair Alessio adjourned the meeting at 2:16pm.

11.1 Next Regular Meeting Date is January 18, 2023.

Laura M. Sanderlin, NVTAs Board Secretary



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Citizen Advisory Committee (CAC) Member Appointments

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve the appointments of Ron Richardson and Gary Woodruff to the Citizen Advisory Committee for a two (2) year term.

EXECUTIVE SUMMARY

The CAC was formed by NVRTA to advise the NVRTA Board on specific modes, projects, and programs. The CAC composition is intended to ensure broad representation from communities in Napa Valley and to retain members to foster expertise and institutional knowledge about projects and programs. Board action would appoint two members to serve on the CAC for a two-year term.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Laura Sanderlin, Board Secretary (707) 259-8633 / Email: lsanderlin@nvta.ca.gov
SUBJECT: Citizen Advisory Committee (CAC) Member Appointments

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the appointments of Ron Richardson and Gary Woodruff to the Citizen Advisory Committee for a two (2) year term.

COMMITTEE RECOMMENDATION

None

BACKGROUND

Board action would appoint a new member Ron Richardson, as a member-at-large, and reappoint Gary Woodruff, representing the City of Napa to the Citizen Advisory Committee (CAC).

The CAC by-laws state that the committee structure and representation should strive to represent a diverse, cross-section of the community including members of underrepresented groups in Napa Valley.

The CAC is composed of 19 members of which six are currently vacant. Staff is actively recruiting to fill vacant positions. These include members representing the City of St. Helena, the City of Calistoga, Agriculture, Environmental Interest, Vintner, and Active Transportation.

City/Town/County members are appointed by their respective Councils or Board of Supervisors before being approved by the NVTA Board. If representation of a certain

group or jurisdiction cannot be filled after solicitation for that position, the vacancy may be filled with a member at-large.

ALTERNATIVES

The Board could decide not to approve these appointments and the positions would remain vacant.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 1 – Serve the transportation needs of the entire community regardless of age, income, or ability.

The CAC is comprised of members from the community representing various interests in Napa Valley. The purpose of the CAC is to advise the NVTA Board on projects and programs.

ATTACHMENTS

- 1) Gary Woodruff CAC City of Napa Appointment Letter and Application (Redacted)
- 2) Ron Richardson CAC Application (Redacted)



CITY CLERK

November 4, 2022

Danielle Schmitz
Director, Programs, Projects and Planning
Napa Valley Transportation Authority
625 Burnell Street
Napa, CA 94558

Dear Mrs. Schmitz:

At their meeting on September 20, 2022, City Council recommended the re-appointment of Gary Woodruff as the City of Napa Representative to the Napa Valley Transportation Authority (NVTa) Citizen Advisory Committee (CAC) for a term of two years to begin the date appointed by the NVTa Board of Directors. Once available, please email clerk@cityofnapa.org with Gary Woodruff's date of appointment. Thank you.

Sincerely,

Paulette Cooper
Office Assistant II

CC: Gary Woodruff
Encl: copy of Gary Woodruff's Application

Profile

Gary

First Name

L

Middle Initial

Woodruff

Last Name

woodrug@me.com

Email Address

[REDACTED]
Street Address

Suite or Apt

[REDACTED]
City[REDACTED]
State[REDACTED]
Postal Code**Mailing Address (if different than Resident Address above)**

[REDACTED]
Primary Phone[REDACTED]
Alternate Phone**Length of Residence in the City of Napa:**

32

Length of Residence in the County of Napa:

65

Registered to vote in the City of Napa?

☒ Yes ☐ No

Retired

Employer

[REDACTED]
Job Title**Ethnicity ***

None Selected

Interests & Experiences**Which Boards would you like to apply for?**

Napa Valley Transportation Authority (NVTa) Citizen Advisory Committee (CAC): Appointed

Community Service Experience:

I was on the committee for Two Years. I have extensive experience in space planning for mobile MRI and CT scanning. Hospital planning for many hospitals in the western states. I have been in the Long Term planning Architecture group within Sutter for Clinics and Hospitals. Workflow designs for staff both physical and processes for the past 19 years. I am a member of the School Board Citizens Bond Review Committee . I am on the County Grand Jury Alternate.

Education:

BA in Hospital Administration, AS in Radiology Technology.

Other relevant experience or expertise:

Have worked as primary coordinator for the Vintage High Band Review for bus parking system overview and the Downtown parade planner for 10 years.

Additional Questions

What is your understanding of the role and responsibility of this board?

Long term vision of how we should integrate multiple types of infrastructure for transportation needs of the city and valley. I have enjoyed the opportunity of adding in advice for certain directions

Have you ever attended a meeting of this board? If so, how many?

Been a member for the last two years

What duties of this board are most interesting to you?

All aspects Long term planning and visions

What activities of this board are least interesting to you?

The cross work with the Advisory Board.

What programs or projects would you like to see improved or implemented?

Secondary levels of transportation, bus, bike, communizing issues

How would you approach improving these project(s) or program(s)?

Possible business incentives

Are you involved in any organizations or activities that may result in a conflict of interest if you are appointed to this board?

No

Please list two local references and their phone numbers:

Kelli Abernathy city of napa, Ed Moore City of Napa.

How did you learn of this vacancy?

☒ Internet

Full Name *

Ronald L Richardson

Current Occupation: within the last 12 months) *

Currently Oversight Engineer for the Presidio Parkway Projects through Golden Link Concessionaire (GLC) on behalf of Caltrans.
Previously Project manager and Chief Engineer for the Presidio Parkway Projects as an employee for GLC - this was a P3 Project to Caltrans for 10 years.

Current License(s): (Professional or Occupational, date of issue and expiration including current status, if applicable)

Civil Engineer C35355

Education/Experience

BS Degree in Civil Engineering - majoring in Transportation Management and Bridge Engineering

Attach a resume containing this and any other information that would be helpful to the Board in evaluating your application. **Experience with other public sector Board/Commission/Committee on which you have served.**

As City Engineer for the City of Hercules I represented the City to the Contra Costa Transportation Authority as well as participation in the Engineering Oversight Committee for the County which assisted the Authority in review of projects and funding elements..

Experience in Community participation: (nature of activity and community location)

I have worked with both the Contra Costa Transportation Authority and Alameda County Transportation Authority as an advisor and as a direct oversight engineer during both design and construction phases of their projects.

Include three personal references with this application.

Individual 1	Individual 2
Name * [REDACTED]	Name * [REDACTED]
Address * [REDACTED]	Address * [REDACTED]
City * [REDACTED] State * CA Zip Code (#####) * 94558	City * [REDACTED] State * CA Zip Code (#####) * 94563
Telephone (###-###-####) * [REDACTED]	Telephone (###-###-####) * [REDACTED]

<p>Individual 1</p> <p>Name * <input style="width: 100%;" type="text"/></p> <p>Address * <input style="width: 100%;" type="text"/></p> <p>City * <input style="width: 150px;" type="text"/> State * <input style="width: 50px;" type="text" value="CA"/> Zip Code (#####) * <input style="width: 80px;" type="text" value="94558"/></p> <p>Telephone (###-###-####) * <input style="width: 120px;" type="text"/></p>	<p>Individual 2</p> <p>Name * <input style="width: 100%;" type="text"/></p> <p>Address * <input style="width: 100%;" type="text"/></p> <p>City * <input style="width: 150px;" type="text"/> State * <input style="width: 50px;" type="text" value="CA"/> Zip Code (#####) * <input style="width: 80px;" type="text" value="94563"/></p> <p>Telephone (###-###-####) * <input style="width: 120px;" type="text"/></p>
---	---

<p>Individual 3</p> <p>Name * <input style="width: 100%;" type="text"/></p> <p>Address * <input style="width: 100%;" type="text"/></p> <p>City * <input style="width: 150px;" type="text"/> State * <input style="width: 50px;" type="text" value="CA"/> Zip Code (#####) * <input style="width: 80px;" type="text"/> Telephone (###-###-####) * <input style="width: 120px;" type="text"/></p>

Please explain your reasons for wishing to serve and, in your opinion, how you feel you could contribute.

Transportation has been my passion for quite a long time and I have been blessed to have worked on many varied projects in the Bay Area during my career. I am hoping to bring my experience and knowledge to Napa Valley Transportation Authority to assist in the development and delivery of your Transportation Program for Napa County and the Cities in the County.

All applications will be kept on file for one year from the date of application.

PERSONAL INFORMATION

The following information is provided in confidence, but may be used by NCTPA when making the appointment, or be used by the Committee following appointment for purposes of communicating with the appointee.

Home Address			
Home Address	City	State	Zip Code (#####)

PERSONAL INFORMATION

The following information is provided in confidence, but may be used by NCTPA when making the appointment, or be used by the Committee following appointment for purposes of communicating with the appointee.

Home Address

Home Address City State Zip Code (#####)

[REDACTED]

Telephone (###-###-####)

[REDACTED]

Work Address

Work Address City State Zip Code (#####)

[REDACTED]

Telephone (###-###-####)

[REDACTED]

Signature Section

Full Name *

Ronald L Richardson

Email address *

[REDACTED]

CAPTCHA

This question is for testing whether or not you are a human visitor and to prevent automated spam submissions.

Math question *

4 + 13 =

Solve this simple math problem and enter the result. E.g. for 1+3, enter 4.

Submit



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Federal Transit Administration (FTA) Fiscal Years (FY) 2022-2025 Disadvantage
Business Enterprise (DBE) Triennial Goal and Policy

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve Resolution No. 23-02 (Attachment 1) adopting the Disadvantaged Business Enterprise (DBE) program (Attachment 2) with a proposed triennial DBE goal of two point eight percent 2.6% for Federal Transit Administration (FTA) projects for Fiscal Years 2022-25.

EXECUTIVE SUMMARY

As a recipient of federal financial assistance in excess of \$250,000 from the Federal Transit Administration (FTA), NVTA is required to submit its triennial plan for the FY 2022-25 with a proposed goal of 2.6%.

FISCAL IMPACT

No, not for the adoption of the program. However, contract DBE goals may influence cost of future transit federal funded contracts.



January 18, 2023
NVRTA Agenda Item 9.4
Continued From: New

Action Requested: APPROVE

NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVRTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Antonio Onorato, Director - Administration, Finance and Policy
(707) 259-8779 / Email: aonorato@nvta.ca.gov
SUBJECT: Federal Transit Administration (FTA) Fiscal Years (FY) 2022-2025
Disadvantage Business Enterprise (DBE) Triennial Goal and Policy

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve Resolution No.23-02 (Attachment 1) adopting the Disadvantaged Business Enterprise (DBE) program (Attachment 2) with a proposed triennial DBE goal of two point six percent (2.6%) for Federal Transit Administration (FTA) projects for Fiscal Years 2023-25.

COMMITTEE RECOMMENDATION

None

BACKGROUND

Department of Transportation (DOT) DBE regulations require state and local transportation agencies that receive DOT financial assistance to establish goals for participation of DBE's. The DBE program helps establish a level playing field for socially and economically disadvantaged firms to compete for transit contracting opportunities. The DBE program provides a vehicle for increasing participation by small firms, owned and controlled by a socially and economically disadvantaged individual(s), certified to participate as DBE's in Department of Transportation (DOT) federally assisted programs.

FTA regulations require grantees to establish a three-year DBE overall goal setting methodology and submitted to FTA by August 1, 2019. To that end, staff completed the FY 2023 through FY 2025 DBE Overall Goal and Goal Setting Methodology (DBE Program) and recommended a goal of 2.6% for FTA assisted contracts.

The goals are not quotas, but simply an estimate, based on relative availability, of what DBE participation would be expected in the absence of discrimination. NVTA's contractors must make good faith efforts to meet the overall agency DBE goal, and account for situations where they fall short of the DBE participation goal.

ALTERNATIVES

The DBE policy and goal submission to FTA is a requirement to receive federal funding assistance. Failing to do so jeopardizes the receipt of federal funding.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 4: Support Napa County's economic vitality. The DBE program grants additional leverage for socially and economically disadvantaged firms to work with NVTA and its contractors and consultants.

ATTACHMENT

- (1) Resolution 23-02
- (2) DBE Policy and Goal for Fiscal Year 2022-2025

RESOLUTION No. 23-02

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTB)
ADOPTING A DISADVANTAGED BUSINESS ENTERPRISE (DBE)
OVERALL GOAL FOR FISCAL YEAR (FY) 2023 THROUGH FISCAL YEAR 2025**

WHEREAS, the Napa Valley Transportation Authority (NVTB) is designated the countywide transportation planning agency responsible for Highway, Street and Road, transit, bicycle, and pedestrian planning and programming within Napa County; and

WHEREAS, NVTB is a sub-recipient of federal funding in excess of \$250,000 annually (excluding vehicle purchases) and therefore is required to establish a Disadvantaged Business Enterprise DBE program, established by 49 C.F.R. Part 26; and

WHEREAS, the U.S. Department of Transportation (DOT) issued Regulations (49 CFR Part 26), establishing Disadvantaged Business Enterprises (DBEs) participation in federally assisted contracts; and

WHEREAS, it is NVTB's policy to ensure that DBEs defined in 49 C.F.R. Part 26, have an equal opportunity to receive and participate in United States Department of Transportation (DOT) assisted contracts. It is also policy:

1. To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 C.F.R. Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT assisted contracts, and
6. To assist the development of firms that can compete successfully in the marketplace outside the DBE program.

WHEREAS, the Regulations require that NVTB establish a three-year DBE overall goal for FY 2023-2025; and

WHEREAS, the NVTB FY 2022 through FY 2025 DBE Overall Goal and Goal Setting Methodology (as set forth in the DBE Report) recommends the establishment of the DBE overall goal of two point seven percent (2.6%) applicable to contracting opportunities assisted by the U.S. DOT pursuant to requirements in the Regulations; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby adopts the 2.8% DBE overall goal for FY 2023 through FY 2025 applicable to U.S. DOT assisted contracts; and

BE IT FURTHER RESOLVED that the Board of Directors direct the Executive Director, or designee, to submit the DBE Report to the U.S. DOT through the Federal Transit Administration to assure continued eligibility for the receipt of federal financial assistance.

THE FOREGOING RESOLUTION WAS DULY AND REGULARLY ADOPTED by the Board of Directors of the Napa Valley Transportation Authority, at a regular meeting held on January 18, 2023, by the following vote:

Liz Alessio, NVTA Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura Sanderlin, NVTA Board Secretary

APPROVED:

Osman Mufti, NVTA Legal Counsel



FY2023-2025

Disadvantaged Business Enterprise Program

625 Burnell Street · Napa, CA 94559-3420

Tel: (707) 259-8631

Fax: (707) 259-8638

nvta.ca.gov

vinetransit.com

Napa Valley Transportation Authority

POLICY STATEMENT

Section 26.1, 26.23 Objectives / Policy Statement

The Napa Valley Transportation Authority (NVTA or Agency) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The NVTA has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, the NVTA has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of the NVTA to ensure that DBEs are defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also NVTA's policy:

1. To ensure nondiscrimination in the award and administration of DOT – assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT assisted contracts; and
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

Renée Kulick, Senior Administrative Technician, has been delegated as the DBE Liaison Officer. In that capacity, she is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by the NVTA in its financial assistance agreements with the Department of Transportation.

NVTA has disseminated this policy statement to the NVTA Board of Directors and to all of the departments within the Agency. NVTA has distributed this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts in the following manner:

1. A copy of the policy statement has been posted on NVTA's websites: www.nvta.ca.gov and www.vinetransit.com.
2. A copy of this policy statement is made available to each attendee of all pre-bid meetings dealing with covered contracting opportunities.
3. Distribution channels include trade associations, online publications, and electronic notification via stakeholder distribution lists.

Kate Miller, Executive Director

11/15/2022
Date



SUBPART A – GENERAL REQUIREMENTS

Section 26.1, 26.23 Objectives

The objectives are found in the policy statement on the first page of this program.

Section 26.3 Applicability

NVTA has established a Disadvantaged Business Enterprise (DBE) program in accordance with Title 49 Code of Federal Regulations, Part 26: Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. AVTA receives Federal financial assistance from the U.S. Department of Transportation (U.S. DOT) and as a condition of receiving this assistance; NVTA has signed an assurance that it will comply with Title 49 CFR Part 26. The DBE Program applies to all of AVTA's U.S. DOT-assisted projects.

It is the policy of NVTA to ensure that DBEs, as defined in Part 26, have an equitable opportunity to compete for and participate in the performance of all NVTA U.S. DOT-assisted contracts and subcontracts.

Section 26.5 Definitions

Any terms used in this DBE Program that are defined in 49 CFR § 26.5 or elsewhere in the Regulations shall have the meaning set forth in the Regulations. Some of the most common terms are defined below.

Disadvantaged Business Enterprise or DBE means a for-profit small business concern:

- That is at least 51 percent owned by one (1) or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one (1) or more such individuals; and
- Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it; and
- Has been certified as Disadvantaged in accordance with Title 49 CFR Part 26.

Socially and Economically Disadvantaged Individual: Any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is:

1. Found by AVTA to be socially and economically disadvantaged on a case by case basis by a certifying agency pursuant to the standards of the U.S. DOT Title 49 CFR Part 26.
2. A member of any one (1) or more of the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
 - (i) "Black Americans" which includes persons having origins in any of the Black racial groups of Africa;
 - (ii) "Hispanic Americans" which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - (iii) "Native Americans" which includes persons who are American Indians, Eskimos, Aleuts or Native Hawaiians;
 - (iv) "Asian Pacific Americans" which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories



of the Pacific Islands (Republic of Palau), the commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia or Hong Kong;

(v) "Subcontinent Asians Americans" which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;

(vi) Women; and

(vii) Any additional group whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.

NVTA has adopted and uses the definitions related to the DBE program found in 49 CFR Part 26.5.

Section 26.7 Non-discrimination Requirements

NVTA will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of age, disability, race, color, sex, or national origin.

In administering its DBE program, NVTA will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular age, disability, race, color, sex, or national origin.

Section 26.11 Record Keeping Requirements

Uniform Report of DBE Awards or Commitments and Payments - 26.11(a)

NVTA will report DBE participation to the relevant operating administration-*FHWA and/or FTA* using the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to the DBE regulation.

Division of Mass Transportation (DMT) sub-recipients of Federal Transit Administration (FTA) funds must report on Disadvantaged Business Enterprises (DBE) participation in their contracting opportunities. Twice yearly, sub-recipients must submit a completed Awards/Commitments and Actual Payments spreadsheet.

The spreadsheets are due to the transit program representative on April 15 for the period of October 1 to March 31 and October 15 for the period of April 1 to September 30. See Attachment 9 and 10 for reporting forms.

Bidders List - 26.11(c)

NVTA will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted contracts. The purpose of this requirement is to allow use of the bidder list approach to calculating overall goals. The bidder list will include the name, address, DBE non-DBE status, age, and annual gross receipts of firms.

We will collect this information in the following ways:



NVTA will collect this information by having bidders/proposers complete and submit to NVTA a bidders/proposers information form. See Attachment 8 for a sample form.

Section 26.13 Assurances

NVTA has signed the following assurances, applicable to all DOT assisted contracts and their administration:

Federal Financial Assistance Agreement Assurance - 26.13(a)

“NVTA shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR Part 26. The recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT assisted contracts. The recipient's DBE Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the NVTA of its failure to carry out its approved program, the Department may impose sanction as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).”

This language will appear in financial assistance agreements with sub-recipients.

Contract Assurance - 26.13b

We will ensure that the following clause is placed in every DOT assisted contract and subcontract:

“The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.”



SUBPART B – ADMINISTRATIVE REQUIREMENTS

Section 26.21 DBE Program Updates

Since the NVTa has received a grant of \$250,000 or more for FTA planning capital and maintenance in a federal fiscal year, and for FHWA authorized by the statute for which this part applies, NVTa will continue to carry out this program until all funds from DOT financial assistance have been expended. We will provide to DOT updates representing significant changes in the program.

Section 26.25 DBE Liaison Officer (DBELO)

NVTa has designated the following individual as the DBE Liaison Officer:

Renée Kulick
Senior Administrative Technician
625 Burnell Street
Napa, CA 94559-3420
T: (707) 259-8780
E: rkulick@nvta.ca.gov

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that the NVTa complies with all provision of 49 CFR Part 26. The DBELO has direct, independent access to the Executive Director concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in Attachment 1 to this program.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. The duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by DOT.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
5. Identifies contracts and procurements so that DBE goals are included in solicitations (both race-neutral methods and contract specific goals attainment and identifies ways to improve progress.
6. Analyzes NVTa's progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Advises the Executive Director\governing body on DBE matters and achievement.
9. Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance.
10. Plans and participates in DBE training seminars.
11. Certifies DBEs, if allowed, according to the criteria set by DOT and acts as liaison to the Uniform Certification Process in California.



12. Provides outreach to DBEs and community organizations to advise them of opportunities.
13. Maintains the NVTAs updated directory on certified DBEs.

NVTA Board of Directors

The Board of Directors ultimately is responsible for ensuring that the DBE Program has a high priority at NVTA.

Executive Director (ED)

The ED designates the DBELO, grants to that DBELO direct, independent access to him or her concerning DBE matters and ensures the DBELO has sufficient resources to implement the DBE program in compliance with the provisions of 49 CFR Part 26.

Chief Financial Officer (CFO) or equivalent and Grants Management

1. Contacts the DBELO for the names of DBE financial institutions, uses their services in connection with DOT assisted projects and periodically reports the level of use of DBE financial institutions to Board of Directors.
2. Assists the DBELO in compiling federal funding data to calculate NVTA's overall DBE goal.
3. Promotes a level playing field for DBE financial advisors, investment bankers and bond counsel.
4. Assists the DBELO in developing financing, bonding and insurance programs to help increase the number of DBEs participating in DOT assisted contracts.

Other Support Personnel

NVTA personnel from other departments share the responsibility for ensuring the effective implementation of the DBE Program. They are expected to give their full cooperation and active support to the DBELO in this effort. Following are the support personnel and examples of their respective responsibilities.

Project Managers

1. Provides the DBELO with draft scopes of work and engineering estimates to enable the DBELO to actively engage in goal setting, outreach and the development of appropriate DBE language in solicitation documents.
2. Develop a working knowledge of the DBE program's policies, practices and procedures including race neutral and race conscious methods of achieving DBE participation, by reading the DBE program, and/or the project's solicitation documents and/or the contract manual and by attending DBE orientation sessions presented by the DBELO and staff members.
3. Notify the DBELO in a timely manner of their project's Pre-Proposal or Pre-Bid Conferences and "Kick-Off" Meetings.
4. Structure individual contracting actions to create a level playing field and participation by DBE firms wherever possible. This includes dividing a contract statement of work, where possible, into portions that will enable DBE firms to compete as prime contractors. Proper use of this structuring for DBE participation



shall not result in the avoidance of proper approval authority. This also includes, if not prohibited by state law, waiving or reducing bonding requirements or allowing for incremental bonding.

5. Participate with the DBELO in monitoring that DBE firms are used and DBE records and reports are prepared and submitted in accordance with the terms of the contract.
6. Identify and refer potential DBE utilization problems promptly to the DBELO.

Client / Vendor Services

1. The NVTA website (www.nvta.ca.gov) provides up-to-date information electronically about NVTA contracting opportunities, upcoming events at NVTA and current program information.
2. Provides technical assistance over the telephone to firms requesting to be placed on the mailing list, provides NVTA vendor database information, including detailed step by step instructions on how to register on NVTA's vendor database, and responds to questions about doing business with NVTA.

Risk Management

1. Provides periodic reports on industry insurance and bonding standards and requirements to the DBELO. Provides information about insurance and bonding trends relevant to DBE firms for the coming year, if available, to the DBELO.
2. Participates with the DBELO and with legal counsel in the structuring of bonding and insurance requirements and standards in individual contracting actions to create a level playing field and participation by DBE firms wherever possible. This includes dividing a contract statement of work, where possible, into portions that will enable DBE firms to compete as prime contractors. Proper use of this structuring for DBE participation shall not result in the avoidance of proper approval authority. This also includes, if not prohibited by state law, waiving or reducing bonding requirements or allowing for incremental bonding.

General Counsel

1. Addresses small business matters relating to procurement and the implementation of the DBE program.
2. Renders legal opinions regarding the interpretation of DBE solicitation and contract provisions.
3. Advises the DBELO or his/her designees and the CEO regarding imposition of administrative sanctions against contractors that fail to comply with DBE requirements.
4. Represents NVTA in all legal actions involving DBE issues.
5. Provides the DBELO with legal opinions relevant to DBE certification.

Reconsideration Official

In accordance with 49 CFR §§ 26.53(d)(2) and 26.87(e), all proceedings by NVTA regarding the reconsideration of compliance with provisions of the DBE regulations concerning a



contract award or the DBE status of a firm shall be made by the Executive Director or his/her designated representative who did not take part in the original determination. This official shall preside over NVTA hearings that may be held pursuant to this DBE Program, including administrative reconsideration of the DBELO's determination of a bidder's or proposer's compliance with good faith efforts or the DBELO's proposal to remove certification from a DBE firm.

Section 26.27 DBE Financial Institutions

It is the policy of the NVTA to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT assisted contract to make use of these institutions. We have made the following efforts to identify and use such institutions:

NVTA staff completed a Federal Reserve Board website search www.fdic.gov/regulations/resources/minority/mdi.html and www.federalreserve.gov/publications/files/preserving-minority-depository-institutions-2019.pdf to identify the minority-owned banks derived from the Consolidated Reports of Condition and Income filed quarterly by banks. NVTA staff identified the following institution, listed in Attachment 7, titled "Minority Owned Banks."

NVTA will re-evaluate the availability of the DBE financial institutions on an annual basis. Information on the availability of such institutions is available upon request from the DBE Liaison Officer.

Section 26.29 Prompt Payment Mechanisms

Prompt Payment - 26.29(a)

The NVTA will include the following clause in each DOT assisted prime contract:

"The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment the prime contract receives from NVTA. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the NVTA."

This clause applies to both DBE and non-DBE subcontracts.

Retainage - 26.29(b)

"The prime contractor agrees to return retainage payments to each subcontractor within thirty (30) days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the NVTA."

This clause applies to both DBE and non-DBE subcontracts.

Monitoring and Enforcement - 26.29(d)

If NVTA determines that the prime contractor has failed to comply with the prompt payment provisions set forth above, NVTA may give written notice to the prime contractor



and the prime contractor's surety that, if the default is not remedied within thirty (30) days, the contract may be terminated. NVTa may also impose penalties and sanctions for non-compliance with the prompt payment clause contained in Section 26.37, Monitoring and Enforcement Mechanisms.

Section 26.31 Directory

NVTa use the California Unified Certification Program (CUCP) database directory identifying all firms eligible to participate as DBEs. The directory lists firms' names, addresses, phone numbers, dates of the most recent certification, and the type of work the firm has been certified to perform as a DBE. The CUCP website link is at <https://dot.ca.gov/programs/business-and-economic-opportunity/dbe>.

Section 26.33 Overconcentration

NVTa has not identified that overconcentration exists in the types of work that DBEs perform. However, if NVTa finds that DBE overconcentration has occurred to such an extent as to unduly burden the opportunity of non-DBE firms to participate in the highway design or construction program, it will develop procedures to address this. The procedures will be submitted to the appropriate operating administration for review and approval prior to implementation.

Section 26.35 Business Development Programs

NVTa has not established a business development program. We will re-evaluate the need for such a program every three (3) years.

Section 26.37 Monitoring and Enforcement Mechanisms

NVTa will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26. NVTa will implement appropriate mechanisms, including sanctions, suspension, debarment, and application of legal and contractual remedies available under federal, state, and local law, as deemed appropriate and necessary, to ensure compliance with the requirements by all program participants.

Specifically, NVTa will take the following monitoring and enforcement steps to ensure compliance with 49 CFR Part 26:

- Bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
- Consider similar action under its own legal authorities, including responsibility determinations in future contracts.
- Provide a monitoring and enforcement mechanism to verify that work committed to DBEs at contract award is actually performed by the DBEs. This will be accomplished via onsite visits conducted by NVTa Civil Rights and construction field personnel. Written certification of compliance will be provided for each onsite visit.
- Keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.



NVTA sub-recipients agree to work collaboratively with the California DOT to ensure monitoring and enforcement mechanisms take place on every federal aid project.

Section 26.39 Small Business Participation

NVTA has incorporated the following non-discriminatory element to its DBE program, in order to facilitate competition on DOT-assisted public works projects by small business concerns (both DBE and non-DBE small businesses):

NVTA will take all reasonable steps to eliminate obstacles to SBE participation, including unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors. The NVTA Civil Rights Office will work with affected program areas to ensure that technical staff members are aware of and have given consideration to eliminating obstacles to SBE participation.

NVTA will actively implement the program elements to foster small business participation. Doing so is a requirement of good faith implementation of NVTA's DBE program.

The small business element is included to ensure that small businesses have an equitable opportunity to participate and receive a fair share in procurement programs under NVTA's authority.

NVTA follows 49 CFR Part 26.5 in defining a Small Business Concern. This means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to Section 3 of the Small Business Act and Small Business Administration regulations implementing it that also does not exceed the cap on the average annual gross receipts specified in Section 26.65(b). By the use of this definition, it ensures that all small businesses are subject to the same size standards and can compete with similarly-sized businesses. According to the DOT, a small business is one that:

- Is organized for profit;
- Has a place of business in the United States;
- Makes a significant contribution to the U.S. economy by paying taxes or using American products, material or labor;
- Does not exceed the numerical size standard for its industry; and
- Can be a sole proprietorship, partnership, corporation, or any other legal form.

In order to prevent abuse and minimize fraud in determining eligibility of small businesses, firms will not be allowed to self-verify or self-certify themselves. NVTA will accept the certifications/verifications process used by another credible entity.

NVTA follows the Policies, Practices and Procedures Manual Section 5: Contracting and Procurement. The Policy governs the purchase of all goods, supplies, equipment, materials, construction and services for the Agency, regardless of funding sources, except as otherwise provided by law. Therefore, NVTA may not always have the authority to structure contracts to benefit small businesses.

NVTA is committed to maintaining the integrity of the process, maintaining favorable business relationships, fostering fair and open competition and maximizing value. In this



regard, NVTA will attempt to attract small business participation, including businesses owned by women, minorities, socially and economically disadvantage individuals, and service-disabled veterans. NVTA is aware that race or gender can not be used as an eligibility criteria for a small business concern. Race Neutral measures implemented include but not limited to:

- Recommend prime contracts provide subcontracting opportunities of a size that small businesses can reasonable perform, rather than self-performing all the work involved.
- Recommend large subcontractors who have won bids to provide opportunities for small businesses.
- Whenever practicable, remove unnecessary burdens i.e. bonding, insurance, etc. so that competition is encouraged.
- Post solicitations online at www.nvta.ca.gov and www.publicpurchase.com so that local vendors have an equal opportunity.
- NVTA's online bid distribution system provides equal access to all solicitations (formal and informal) at no cost to vendors. Interested parties are required to register for access to the procurement information, but there is no fee and all interest parties have free access.
- Utilize unbundling by including line items in some construction grants for materials and labor.
- Attempt to identify alternative acquisition strategies and structure procurements to facility the ability for small businesses, including DBE's to compete for and perform prime contracts.

As several of the above listed steps have already been implemented, NVTA will take steps to implement the remainder as purchasing/bidding opportunities become available. NVTA staff will meet annually with procurement and fiscal staff to assess and discuss the types of contracts that will be available and what actions will need to be taken to meet the above listed steps. Since NVTA does not use set-asides, other strategies will be utilized to assist small businesses. NVTA will collect data on small business participation for review at triennial audits.

Although NVTA is a government agency with few construction projects, in order to meet the requirements of Section 26.39, NVTA will implement the following program initiatives to increase small business participation:

- Partner with other regional transit agencies to increase small business enterprise participation.
- List upcoming contracting opportunities on the NVTA website.
- Participate in pre-bid or pre-proposal meetings.
- Search the California UCP for small businesses when making purchases within their field of products/services.
- Participate in vendor workshops to raise awareness and encourage small business vendors to participate.
- Constantly reviewing solicitation requirements (bid and performance surety; insurance coverage limits, etc.) to make sure they are practical and not unduly burdensome.
- Post small business workshop notices on NVTA's website calendar.



- Email notices to all major and local Chamber of Commerce and other service groups that have expressed interest over the years to reach out to small businesses.
- Conduct training for vendors, as requested, to educate them about the processes and assist them with setting up access to the online procurement system.
- Advertising all formal solicitations in local newspapers, including Spanish language papers, and for specialized contracts, in trade magazines that may have a larger audience and glean additional responses.
- When services/products are needed, NVTA staff will attempt to contact businesses on the current DBE/Small Business listing that are coded under that particular category. These DBEs and small businesses are all given opportunities to quote their prices for any given service/product.

As mentioned above, NVTA is a small government agency. As opportunities become available, within its authority, NVTA will encourage and allow small businesses to partake in any bids for future construction projects or other services required to expand its service offerings.



SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 26.43 Set-asides or Quotas

The NVTA does not use quotas in any way in the administration of this DBE program.

Section 26.45 Overall Goals

A description of the methodology to calculate the overall goal and the goal calculations can be found in Attachment 4 to this program. This section of the program will be updated tri-annually.

In accordance with Section 26.45 NVTA will submit its overall goal to DOT on August 1 every third year specified by DOT. Before establishing future goals, NVTA will consult with the any new DBEs or DBE groups in the area, to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and NVTA's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, a notice of the proposed overall goals, will be published informing the public that the proposed goal and its rational are available for inspection during normal business hours at NVTA's administrative offices for thirty (30) days following the date of the notice, and informing the public that comments will be accepted on the goals for 45 days from the date of the notice. Normally, the notice will be issued by June 1 every three (3) years thereafter. The notice will include addresses to which comments may be sent and addresses where the proposal may be reviewed. These notices will be published in local newspapers, including Spanish language publications, and trade media.

NVTA's overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses. We will begin using our overall goal on October 1 of each year, unless other instructions are received from DOT. If we establish a goal on a project basis, we will begin using our goal by the time of the first solicitation for a DOT-assisted contract for the project.

Our overall goal submission to DOT will include: the goal (including the breakout of estimated race-neutral and race-conscious participation, as appropriate); a copy of the methodology, worksheets, etc., used to develop the goal; a summary of information and comments received during this public participation process and our responses; and proof of publication of the goal in media outlets listed above.

NVTA will begin using its overall goal on October 1 of the specified year, unless alternative instructions from DOT are received. If NVTA establishes a goal on a project basis, it will begin using the established goal by the time of the first solicitation for a DOT-assisted contract for the project. Our goal will remain effective for the duration of the three-year period established and approved by FTA or FHWA.



Section 26.47 Goal Setting and Accountability

If the awards and commitments shown on NVTAs Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall applicable to that fiscal year, NVTAs will:

1. Analyze in detail the reason for the difference between the overall goal and the actual awards/commitments.
2. Establish specific steps and milestones to correct the problems identified in the analysis.
3. As NVTAs does not have one of the 50 largest transit service providers, NVTAs will conduct an annual analysis on whether or not it is meeting its DBE goal. If the goal is not being met, NVTAs will establish and implement a corrective action plan. This information will be kept for review should FTA request it during its triennial review.

Section 26.49 Transit Vehicle Manufacturers Goals

Each transit vehicle manufacturer shall establish and submit an annual DBE goal for the NVTAs approval. In setting the annual goal, the manufacturer should be guided by the provisions in Title 49 CFR Part 26.49. NVTAs will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA assisted transit vehicle procurements, to certify that it has complied with the requirements of Section 26.49. Alternatively, NVTAs may, at its discretion and with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of the transit vehicle manufacturer complying with this element of the Program. Work performed outside the United States and its territories and commonwealths shall be excluded. NVTAs will complete the Vehicle Award Report and notify FTA of the vehicle purchase within 30 days of contract award in accordance with 49 CFR 26.49(a)(4).

Section 26.51(a-c) Breakout of Estimated Race-Neutral & Race Conscious Participation

NVTAs will meet the maximum feasible portion of its overall goal using race-neutral means of facilitating DBE participation. In order to do so, NVTAs will use contract goals to help meet any portion of the overall goal NVTAs does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

In order to ensure that our DBE program will be narrowly tailored to overcome the effects of discrimination, if we use contract goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation and we will track and report race-neutral and race conscious participation separately.

For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.



NVTA will maintain data separately on DBE achievements in those contracts with and without contract goals, respectively.

Section 26.51(d-g) Meeting Overall Goals / Contract Goals

NVTA will use contract goals to meet any portion of the overall goal the Agency does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

NVTA will establish contract goals only on those DOT assisted contracts that have subcontracting possibilities. It is not necessary to establish a contract goal on every DOT contract, and the size of contract goals will be adapted to the circumstances of each such contract; e.g., type and location of work, availability of DBEs to perform the particular type of work. NVTA will express our contract goals as a percentage of total amount of a DOT assisted contract.

NVTA will express our contract goals as a percentage of the Federal share of a DOT-assisted contract.

The following language shall be incorporated in all specifications for formal bids of activities identified for a DBE goal:

"Bidders are hereby advised that NVTA has adopted a Disadvantage Business Enterprise (DBE) program which established a goal for maximizing participation of disadvantage business enterprises in all contracts and subcontract projects. Each bidder should become aware of the percentage goal for DBE opportunities currently applicable to the proposed bid. It shall be the responsibility of the successful bidder to take affirmative action and to assist NVTA in complying with the meeting its DBE goal."

Section 26.53 Good Faith Efforts Procedures

Award of Contracts with a DBE Contract Goal - 26.53(a)

In those instances where a contract-specific DBE goal is included in a procurement/solicitation, NVTA will not award the contract to a bidder who does not either: (1) meet the contract goal with verified, countable DBE participation; or (2) documents it has made adequate good faith efforts to meet the DBE contract goal, even though it was unable to do so. It is the obligation of the bidder to demonstrate it has made sufficient good faith efforts prior to submission of its bid.

Demonstration of Good Faith Efforts - 26.53(a) & (c)

The obligation of the bidder/proposer is to make good faith efforts. The bidder/proposer can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26.



The DBELO Officer is responsible for determining whether a bidder/proposer who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsible.

We will ensure that all information is complete and accurate and adequately documents the bidder/offer's good faith efforts before we commit to the performance of the contract by the bidder/proposer.

Information to be Submitted - 26.53(b)

NVTA treats bidder/proposers' compliance with good faith efforts' requirements as a matter of responsibility.

Each solicitation for which a contract goal has been established will require the bidders/offers' to submit the following information:

1. The names and addresses of DBE firms that will participate in the contract;
2. A description of the work that each DBE will perform;
3. The dollar amount of the participation of each DBE firm participating;
4. Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractors commitment; and
6. If the contract goal is not met, evidence of good faith efforts.

Administrative Reconsideration - 26.53(d)

Within ten (10) days of being informed by NVTA that it is not responsible because it has not documented sufficient good faith efforts, a bidder/offer may request administrative reconsideration. Bidder/proposer's should make this request in writing to the following reconsideration official: Kate Miller, Executive Director, 625 Burnell Street, Napa, CA 94559-3420, telephone (707) 259-8631 or email kmiller@nvta.ca.gov. The reconsideration official will not have played any role in the original determination that the bidder/proposer did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/proposer will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/proposer will have the opportunity to meet in person with our reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do. We will send the bidder/proposer a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts when a DBE is Terminated/Replaced on a Contract with Contract Goals - 26.53(f)

NVTA requires that prime contractors not terminate a DBE subcontractor listed on a bid/contract with a DBE contract goal without NVTA's prior written consent. Prior written consent will only be provided where there is "good cause" for termination of the DBE firm, as established by Section 26.53(f)(3) of the DBE regulation.



Before transmitting to NVTa its request to terminate, the prime contractor must give notice in writing to the DBE of its intent to do so. A copy of this notice must be provided to NVTa prior to consideration of the request to terminate. The DBE will then have five (5) days to respond and advise NVTa of why it objects to the proposed termination. *Note: The five (5) day period may be reduced if the matter is one of public necessity i.e., safety.*

In those instances where "good cause" exists to terminate a DBE's contract, NVTa will require the prime contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. We will require the prime contractor to notify the DBELO immediately of the DBE's inability or unwillingness to perform and provide reasonable documentation.

In this situation, we will require the prime contractor to obtain our prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

Sample Bid Specification:

"The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of NVTa to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification. These requirements apply to all bidders/proposer's, including those who qualify as a DBE. A DBE contract goal of ____ percent has been established for this contract. The bidder/proposer shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26 (Attachment 1), to meet the contract goal for DBE participation in the performance of this contract.

The bidder/proposer will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) Written documentation of the bidder/proposer's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal; (5) Written confirmation from the DBE that it is participating in the contract as provided in the commitment made under (4); and (5) if the contract goal is not met, evidence of good faith efforts."

The sample specification is intended for use in both non-construction and construction contracts for which a contract goal has been established. Thus, it can be included in invitations for bid for construction, in requests for proposals for architectural/engineering and other professional services, and in other covered solicitation documents. A bid specification is required only when a contract goal is established.



Section 26.55 Counting DBE Participation

We will count DBE participation toward overall and contract goals as provided in 49 CFR Part 26.55.

Section 26.81 Unified Certification Programs

NVTA is the member of a California Unified Certification Program (CUCP) administered by California Department of Transportation and members of the CUCP. The CUCP will meet all of the requirements of this section. NVTA will use and count for DBE credit only those DBE firms certified by the CUCP.

The CUCP provides "one-stop shopping" certification services to small, minority and women businesses seeking to participate as a Disadvantaged Business Enterprise (DBE) on contracts funded by the United States Department of Transportation. The CUCP also provides one-stop shopping certification services for businesses seeking to participate as an Airport Concessionaire Disadvantaged Business Enterprise (ACDBE) on airport concessions and leases.

The CUCP is charged with the responsibility of certifying firms and compiling and maintaining a single statewide database of certified DBEs, pursuant to 49 CFR Part 26. The database is intended to expand the use of DBE firms by maintaining complete and current information on those businesses and the products and services they can provide to all U.S. DOT grantees in California. For more information on the CUCP, see website at Caltrans Officer of Business Economic Opportunity at <https://californiaucp.dbesystem.com/?TN=californiaucp>.

Section 26.83 (a-c) Procedures for Certification Decisions

Re-certifications: NVTA is not a certifying agency. For information about the certification process or to apply for certification, firms should visit the California Unified Certification Program (CUCP) website: <https://californiaucp.dbesystem.com/?TN=californiaucp>

"No Change" Affidavits and Notices of Change (Section 26.83(j)): NVTA is not a certifying agency. For information about the certification process or to apply for certification, firms should visit the California Unified Certification Program (CUCP) website: <https://californiaucp.dbesystem.com/?TN=californiaucp>

Section 26.85 Denials of Initial Requests for Certification

NVTA is not a certifying agency. For information about the certification process or to apply for certification, firms should visit the California Unified Certification Program (CUCP) website: <https://californiaucp.dbesystem.com/?TN=californiaucp>

Section 26.87 Removal of a DBE's Eligibility



NVTA is not a certifying agency. For information about the certification process or to apply for certification, firms should visit the California Unified Certification Program website:

<https://californiaucp.dbesystem.com/?TN=californiaucp>

Section 26.89 Certification Appeals

NVTA is not a certifying agency. For information about the certification process or to apply for certification, firms should visit the California Unified Certification Program (CUCP) website:

<https://californiaucp.dbesystem.com/?TN=californiaucp>

Any firm or complainant may appeal the CUCP's decision in a certification matter to DOT. Such appeals may be sent to:

U.S. Department of Transportation
Departmental Office of Civil Rights
Disadvantaged Business Enterprise Division (S-33)
1200 New Jersey Avenue, S.E.
Washington, DC 20590

We will promptly implement any DOT certification appeal decisions affecting the eligibility of DBEs for our DOT assisted contracting (e.g., certify a firm if DOT has determined that our denial of its application was erroneous).



SUBPART F – COMPLIANCE AND ENFORCEMENT

Section 26.109 Information, Confidentiality, Cooperation

NVTA will safeguard from disclose to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law

Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Monitoring Payments to DBEs

NVTA will require prime contractors to maintain records and documents of payments to DBEs for three (3) years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of the NVTA or DOT. This reporting requirement also extends to any certified DBE subcontractor.

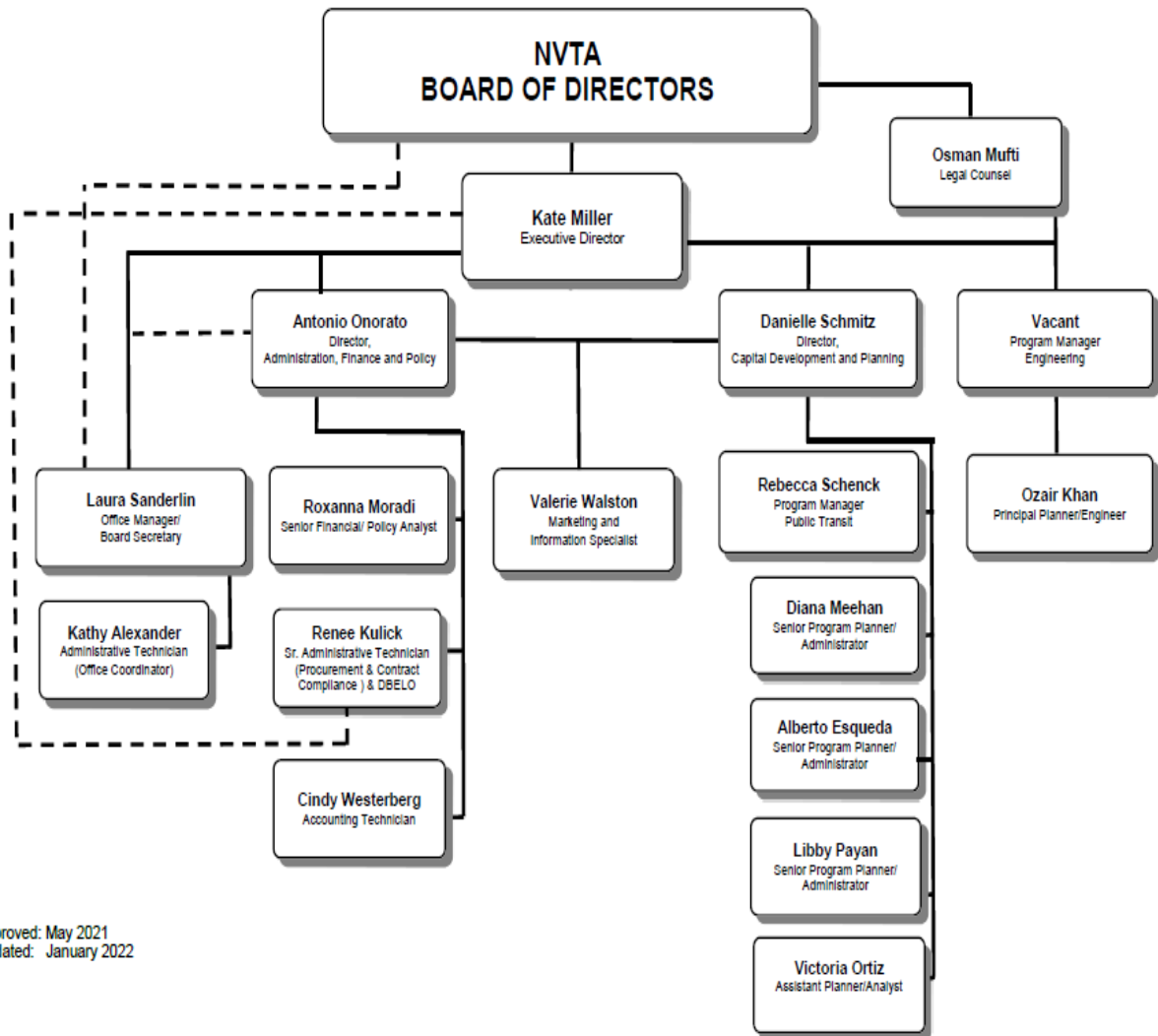
NVTA will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts states in the schedule of DBE participation.

ATTACHMENTS

- Attachment 1: Organizational Chart
- Attachment 2: DBE Directory
- Attachment 3: Monitoring and Enforcement Mechanisms/Legal Remedies
- Attachment 4: Goal Setting Methodology
- Attachment 5: Good Faith Efforts Forms
- Attachment 6: DBE Regulation - 49 CFR Part 26
- Attachment 7: Minority Owned Banks
- Attachment 8: General Information Form (Bidders Information)
- Attachment 9: FTA – DBE Reporting Procedure
- Attachment 10: FTA DBE Semi-Annual Report Deadline Calendar for FFY 2023-2025



NVTA Organizational Chart



Approved: May 2021
Updated: January 2022

ATTACHMENT 2

DBE Directory

Caltrans DBE Certification Information

<https://dot.ca.gov/programs/civil-rights/dbe-certification-information>

Caltrans Unified Certification Program

<https://californiaucp.dbesystem.com/?TN=californiaucp>

US Census Bureau Data

<https://data.census.gov>

ATTACHMENT 3

Monitoring and Enforcement Mechanisms/Legal Remedies

Regulator Provisions

NVTA has available several remedies to enforce the DBE requirements contained in its contracts, including, but not limited to, the following:

- Breach of contract action, pursuant to the terms of the contract.
- 49 CFR Part 26 – Participation by Disadvantage Business Enterprises in Department of Transportation Financial Assistance Programs, particularly Subpart F, Compliance and Enforcement.
- 49 CFR Part 29 – Government-wide Debarment and Suspension (Non-Procurement) and Government-wide requirements for Drug Free Workplace.
- 49 CFR Part 31 – Program Fraud Civil Remedies.

Enforcement Mechanisms

In addition, the federal government has available several **enforcement mechanisms** that it may apply to firms participating in the DBE problem, including, but not limited to, the following:

- Suspension or debarment proceedings pursuant to 49 CFR Part 26.
- Enforcement action pursuant to 49 CFR Part 31.
- Prosecution pursuant to 18 USC 1001.

Legal and Contract Remedies

If at any time NVTA has reason to believe that the successful proposer is in violation of its obligations under the DBE contract provisions, or has otherwise failed to comply with the provisions thereof, NVTA may, in addition to pursuing any other available legal remedy, commence proceedings to impose sanctions on the successful proposer. Such sanctions may include, but are not limited to, one of more of the following:

1. The suspension of any payment of part thereof until such time that compliance is demonstrated.
2. The termination or cancellation of the contract in whole or in part unless compliance is demonstrated within a reasonable time.
3. The denial of that contractor to participate in any further DOT contracts awarded by NVTA.

Section 26.45 - Overall Goal Calculation

Amount of Goal

1. NVTA's overall goal for FFY 2023-2025 is the following: 2.6 % of the Federal Financial assistance we will expend in DOT-assisted contracts exclusive of FTA funds to be used for the purchase of transit vehicles.

or

1. NVTA's overall goal for the following time period 2023-2025 is 2.6% of the Federal financial assistance we will expend in DOT assisted contracts *exclusive of FTA funds to be used for the purchase of transit vehicles.*

2. \$33,322,800 is the dollar amount of DOT assisted contracts that NVTA expects to award during FFY 2023-2025. This means that NVTA has set a goal of expending \$866,393 with DBEs during this fiscal year/project.

Methodology used to Calculate Overall Goal

Step 1 - 26.45(c)

Determine the base figure for the relative availability of DBEs.

The base figure for the relative availability of DBE's was calculated as follows:

$$\text{Base figure} = \frac{\text{Ready, willing and able DBEs}}{\text{All firms ready, willing and able}}$$

The data source or demonstrable evidence used to derive the numerator was:

When we divided the numerator by the denominator we arrived at the base figure for our overall goal and that number was ____.

Step 2 - 26.45(d)

After calculating a base figure of the relative availability of DBEs, evidence was examined to determine what adjustment was needed to the base figure in order to arrive at the overall goal.

In order to reflect as accurately as possible the DBE participation we would expect in the absence of discrimination we have adjusted our base figure by __%.

The data used to determine the adjustment to the base figure was:

The reason we chose to adjust our figure using this data

was because: From this data, we have adjusted our

base figure to:

No.	CONTRACT DESCRIPTION	ESTIMATED PROGRAM COST	ESTIMATED FEDERAL DOLLAR MATCH
1	Vine Transit Operations	\$ 33,201,700	\$ 7,120,000
2	Vine Base Maintenance Facility	\$ 29,609,500	\$ 25,245,800
3	Imola Park and Ride	\$ 2,174,700	\$ 957,000
TOTAL		\$ 64,985,900	\$ 33,322,800

No.	NAICS Code	PROJECT DESCRIPTION	NUMER OF DBEs AVAILABLE TO PERFORM THE WORK	NUMBER OF ALL FIRMS AVAILABLE (INCL. DBEs)	RELATIVE AVAILABILITY
Vine Transit Operations					
1	485113	Fixed Route, Commuter & Shuttle Services	1	36	0.0278
	485991	Paratransit Services	6	82	0.0732
Vine Bus Maintenance Facility					
2	238110	Concrete	1	279	0.0036
	238140	Masonry	13	279	0.0466
	238210	Electrical/Comm	96	1,983	0.0484
	238220	Plumbing/HVAC	9	2,245	0.0040
	238910	Site Prep/Earthwork	2	500	0.0040
	331221	Metals - Rebar	0	3	0.0000
	561730	Landscaping	33	2,427	0.0136
	562119	Haul-Trucking	2	17	0.1176
Imola Park and Ride					
3	237110	Utilities - Storm Drain	74	179	0.4134
	237310	Paving-Asphalt-Sidewalk	178	204	0.8725
	238210	Electric Lighting	96	1,983	0.0373
	238910	Site Prep/Earthwork	2	500	0.0040
	561730	Landscaping	33	2427	0.0136
	562119	Demo-Removal-Truck	2	17	0.1176
COMBINED TOTALS			548	13,161	1.7972
					OVERALL AVAILABILITY OF DBEs

NO.	NAICS CODE	PROJECT DESCRIPTION	WEIGHT	X	AVAILABILITY	WEIGHTED BASE FIGURE
Vine Transit Operations						
1	485113	Fixed Route, Commuter & Shuttle Services	0.79490	X	0.02778	0.0221
	485991	Paratransit Services	0.20506	X	0.07317	0.0150
Vine Bus Maintenance Facility						
2	238110	Concrete	0.19210	X	0.00358	0.0007
	238140	Masonry	0.16490	X	0.04659	0.0077
	238210	Electrical/Comm	0.13230	X	0.04841	0.0064
	238220	Plumbing/HVAC	0.12240	X	0.00401	0.0005
	238910	Site Prep/Earthwork	0.08540	X	0.00400	0.0003
	331221	Metals - Rebar	0.19800	X	0.00000	0.0000
	561730	Landscaping	0.07250	X	0.01360	0.0010
	562119	Demo-Removal-Haul	0.03240	X	0.11765	0.0038
Imola Park and Ride						
3	237110	Utilities - Storm Drain	0.08359	X	0.41341	0.0346
	237310	Paving-Asphalt-Sidewalk	0.41797	X	0.87255	0.3647
	238210	Electrical/Lighting	0.16719	X	0.04841	0.0081
	238910	Site Prep/Earthwork	0.09404	X	0.00400	0.0004
	561730	Landscaping	0.05747	X	0.01360	0.0008
	562119	Demo-Removal-Haul	0.17973	X	0.11765	0.0211
TOTAL						0.4872
					EXPRESSED AS A % (*100)	4.87%
					ROUNDED, WEIGHTED BASE FIGURE	4.9%

Base Figure 4.9% plus median of Past Participation of 0.3% divided by 2 = **2.6%**

Public Participation

NVTA published its goal information in these publications: nvta.ca.gov (website)

NVTA received comments from these individuals or organizations: Awaiting comments

Summaries of these comments are as follows: Awaiting comments

Our responses to these comments are: Awaiting comments

Section 26.51- Breakout of Estimated Race-Neutral & Race Conscious Participation

NVTA will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The NVTA uses the following race-neutral means to increase DBE participation:

- Arranging solicitations, time of bids, quantities, etc., to facilitate DBEs
- Assistance to DBEs for bonding, financing, and surety costs.
- Technical assistance and other services to DBEs
- Providing DBEs information on contract opportunities
- DBE supportive services program

- Services to help DBEs expand and achieve self sufficiency
- Assist DBE start-up firms in fields with low participation.
- Ensure adequate knowledge regarding the State of California UCP

NVTA estimates that, in meeting our overall goal of 2.6%; NVTA will obtain 2.6% from race-neutral participation and 0% through race-conscious measures.

In order to ensure that our DBE program will be narrowly tailored to overcome the effects of discrimination, if NVTA uses contract goals the Agency will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and the Agency will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures;
- DBE participation through a subcontract on a prime contract that does not carry DBE goal;
- DBE participation on a prime contract exceeding a contract goal; and
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

NVTA will maintain data separately on DBE achievements in those contracts with and without contract goals, respectively.

ATTACHMENT 5

Demonstration of Good Faith Efforts **Forms 1 and 2**

(Forms 1 and 2 should be provided as part of the solicitation documents)

FORM 1: DISADVANTAGED BUSINESS ENTERPRISE (DBE) UTILIZATION

The undersigned bidder/proposer has satisfied the requirements of the bid specification in the following manner (please check the appropriate space):

_____ The bidder/proposer is committed to a minimum of _____ % DBE utilization on this contract.

_____ The bidder/proposer (if unable to meet the DBE goal of ____%) is committed to a minimum of ____% DBE utilization on this contract a submits documentation demonstrating good faith efforts.

Name of Bidder/Proposer's Firm: _____

State Registration No. _____

By _____
(Signature)

(Name and Title)

FORM 2: LETTER OF INTENT

Name of Bidder/Proposer's Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of DBE Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Description of work to be performed by DBE firm:

The bidder/proposer is committed to utilizing the above-named DBE firm for the work described above. The estimated dollar value of this work is \$ _____

Affirmation

The above named DBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above.

By _____
(Signature) (Title)

If the bidder/proposer does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

(Submit this page for each DBE subcontractor.)

ATTACHMENT 6

Regulations - 49 CFR Part 26

To view or download the Federal Register for 49 CFR Part 26 go to:

<https://www.transit.dot.gov/regulations-and-guidance/civil-rights-ada/dba-regulations>

or Electronic Code of Federal Regulations (e-CFR) at

<https://www.ecfr.gov/current/title-49/subtitle-A/part-26>

ATTACHMENT 7

Minority Owned Banks

We have identified the following such institutions from the Federal Reserve Board website at <https://www.fdic.gov/regulations/resources/minority/mdi.html> or <https://www.federalreserve.gov/publications/files/preserving-minority-depository-institutions-2019.pdf> Check websites often for updates.

MINORITY DEPOSITORY INSTITUTIONS (MDIs)

PACIFIC CITY BANK	LOS ANGELES	CA
PREFERRED BANK	LOS ANGELES	CA
ROYAL BUSINESS BANK	LOS ANGELES	CA
LEGACY BANK	MURRIETA	CA
GENESIS BANK	NEWPORT BEACH	CA
GATEWAY BANK, F.S.B.	OAKLAND	CA
METROPOLITAN BANK	OAKLAND	CA
EAST WEST BANK	PASADENA	CA
EVERTRUST BANK	PASADENA	CA
FIRST GENERAL BANK	ROWLAND HEIGHTS	CA
BANK OF THE ORIENT	SAN FRANCISCO	CA
CALIFORNIA PACIFIC BANK	SAN FRANCISCO	CA
MISSION NATIONAL BANK	SAN FRANCISCO	CA
ASIAN PACIFIC NATIONAL BANK	SAN GABRIEL	CA
MEGA BANK	SAN GABRIEL	CA
PACIFIC ALLIANCE BANK	SAN GABRIEL	CA
UNIVERSAL BANK	WEST COVINA	CA
CALIFORNIA INTERNATIONAL BANK, N.A.	WESTMINSTER	CA
BANK OF WHITTIER, NATIONAL ASSOCIATION	WHITTIER	CA

FDIC Region: San Francisco, CA

as of June 30, 2022

Source: FDIC –MDI Quarterly Report 2022

ATTACHMENT 8

GENERAL INFORMATION FORM

(To be completed by the Proposer and placed at the front of the proposal)

Legal Name of Proposer :

Date:

Street Address:

Telephone Number:

City/State/Zip:

Proposer's Fax Number:

NVTA DBE ☐ DBE ☐ SBE ☐ None ☐ Other ☐ _____

Type of Organization:
(Corporation, LPA, Sole Proprietorship, Partnership, etc.)

Business License (documented):
(Federal):

Taxpayer ID Number

Name and Title of Manager:

**Name, Title, e-mail address, and Phone Number of Person Correspondence
should be directed to:**

NVTA DBE ☐ DBE ☐ SBE ☐ None ☐ Other ☐ _____

Signature, Name and Title of Person Signing

ATTACHMENT 9

FTA - DBE Reporting Procedure

In accordance with the Department of Transportation (DoT) regulation 49 CFR Part 26 there are two (2) reporting periods per federal fiscal year (FFY) for the submittal of the DBE Semi-Annual Report. This report must be submitted by the agency to FTA if federal funds are received in support of projects within that FFY. *It is pertinent that the reporting deadlines established by FTA are met in order to prevent delays or even the disapproval of current or future FTA funded projects.*

Below is a synopsis of the internal office procedures on how the semi-annual report is generated and submitted electronically to FTA via TrAMS entry.

- FTA filing deadlines:
 - June 1 (reporting period October – March 31)
 - December 1 (reporting period April 1 – September 30)
- TrAMS report entry should be made no later than:
 - May 15 (for reporting period June 1)
 - November 15 (for reporting period December 1)
- A detailed DBE Semi-Annual Report Calendar for FFY 20230-2025 is available at Attachment 10.
- The DBELO will receive the monthly FTA funded payment amount(s) made to qualified DBE(s) from the NVTAFinance Officer or his/her designee by the end of each month.
- The reported amount(s) are captured in a spread sheet that can be easily monitored and transferred into FTA's electronic reporting form (TrAMS). The spread sheet is available on NVTAFinance's shared drive at H:\NCTPA\FINANCE\CONTRACT ADMIN\15_ADA-Title VI-DBE-LEP\02_DBE\DBE_Reports_FTA.
- Enter the funding amounts, contract and applicable race/gender information for current and closed contracts utilizing DBEs during that time period into the electronic filing report under TrAMS. For proper entry assistance go to www.transit.dot.gov/funding/grantee-resources/teamtrams/trams-guidance-training.
- Relay any message(s) you wish to inform FTA of in the "Grantee's Remark" block.
- Review entries made in the report, make any necessary corrections, press "save" and then "submit".
- A confirmation notification will appear on the screen when the report was successfully submitted.
- Print reports and save to file

ATTACHMENT 10

FTA DBE SEMI-ANNUAL REPORT DEADLINE CALENDAR **FOR FFY 2023-2025**

REPORTING PERIOD	SUBMIT TO FTA BY	DEADLINE DUE AT FTA
October 1, 2022 - March 31, 2023 April 1, 2023 - September 30, 2023	May 15, 2023 November 1, 2023	June 1, 2023 December 1, 2023
October 1, 2023 – March 31, 2024 April 1, 2024 - September 30, 2024	May 15, 2024 November 1, 2024	June 1, 2024 December 1, 2024
October 1, 2024 - March 2025 April 1, 2025 - September 30, 2025	May 15, 2025 November 1, 2025	June 1, 2025 December 1, 2025



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Napa Valley Transportation Authority's (NVTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2022 and 2021 and Single Audit Report of Uniform Guidance

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board:

- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2022 and 2021 (Attachment 2) and the NVTA Single Audit Report of the Uniform Guidance (formerly Office of Management and Budget (OMB) Circular A-133) for the Year Ended June 30, 2022 (Attachment 3); and
- (2) Return an allocation surplus of \$163,517 to the Local Transportation Fund (LTF) Trust Fund

EXECUTIVE SUMMARY

The certified public accounting firm, Brown Armstrong Incorporated, completed NVTA's annual financial audit for the years ended June 30, 2022 and 2021 and federal Single Audit Report of Uniform Guidance for the fiscal year ended June 30, 2022. This report summarizes NVTA's financial position at the end of the fiscal year.

FISCAL IMPACT

\$163,517 will be returned to the Local Transportation Fund for reallocation, which will be made available for future allocation to NVTA when requested.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors

FROM: Kate Miller, Executive Director

REPORT BY: Antonio Onorato, Director - Administration, Finance and Policy
(707) 259-8779 / Email: aonorato@nvta.ca.gov

SUBJECT: Napa Valley Transportation Authority's (NVTA) Annual Financial Statement with Independent Auditor's Report for the Years Ended June 30, 2022 and 2021 and Single Audit Report of Uniform Guidance

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board:

- (1) Accept and file the Financial Statements with Independent Auditor's Report for Fiscal Years Ending June 30, 2022 and 2021 (Attachment 2) and the NVTA Single Audit Report of the Uniform Guidance (formerly Office of Management and Budget (OMB) Circular A-133) for the Year Ended June 30, 2022 (Attachment 3); and
- (2) Return an allocation surplus of \$163,517 to the Local Transportation Fund (LTF) Trust Fund

COMMITTEE RECOMMENDATION

None

BACKGROUND

NVTA Financial Activities

NVTA financial activities are separated into three (3) fund types:

1. **Governmental Fund:** This fund type accounts for all of the non-trust, non-transit, non-capital activities of NVTA, also known as the General Fund. It includes agency administration, salaries, pass through activities, and planning costs.

The Governmental activities Net Position increased by \$459,275 from \$1,949,552 in FY2020-21 to \$2,408,827 in FY2022-21. The reason was advances of funds for the Vine Trail and Soscol Junction that were accumulated over the previous fiscal year.

2. **Proprietary Fund (or Enterprise Fund):** This fund accounts for the financial activity of all public transit service programs. At the end of FY 2022-21, the enterprise fund net position increased by \$10,247,583 from \$21,348,255 to \$31,595,838.

The enterprise fund significantly increased assets due to the construction of the Imola Park and Ride and Vine Bus Maintenance Facility.

NVTA will also return an allocation surplus back to the Local Transportation Fund (LTF) trust account of \$163,517. These funds were allocated as stop-gap solutions to federal appropriations and grant approval delays and are no longer needed for expenses incurred in the fiscal year. These dedicated funds will be available for reallocation in a future period should NVTA request the funds. This amount is significantly lower than in previous years - \$1,107,126 and \$617,772 due to federal stimulus funds augmenting LTF funding for transit operations and the use of the TIFIA financing for the Vine Bus Maintenance Facility.

3. **Fiduciary Funds:** This fund type accounts for the Bay Area Air Quality Management's (BAAQMD) Transportation for Clean Air Fund. The funds pass through NVTA to other governments. NVTA collects an administration fee from the BAAQMD program up to five percent (5%). At the end of FY 2020-21, the Fiduciary Fund Type shows net assets of \$591,436 due to the carryover of projects into later years.

Farebox Ratio

Due to the COVID-19 pandemic, transit agencies statewide, including Vine Transit, have experienced significant declines in local and farebox revenues. In response, the State of California has provided statutory and administrative/regulatory relief for public transportation agencies. Assembly Bill No. 149 (AB 149) was approved by the Governor that temporarily suspends the financial penalties associated with the TDA's requirements that transit agencies obtain specified fixed percentages of their operating budgets from passenger fares through the FY2022-23 budget years. As such, for the year ended June 30, 2021, the farebox recovery ratios were suspended.

Single Audit Report of Uniform Guidance (formerly Office of Management and Budget Announcement 133 OMB A-133)

NVTA is required to undergo a Single Audit, known as the Uniform Guidance for receiving funds in excess of \$750,000. A Single Audit encompasses an examination of the agency's

financial records, financial statements, federal award transactions and expenditures, general management of its operations, internal control systems, and federal assistance received during the audit period. Findings during the audit period ending June 30, 2022:

Financial: There were no financial findings.

Federal Award Findings and Questioned Costs: There were no findings.

Material Weakness: No material weaknesses were noted.

Recommendations: There were no recommendations noted.

The complete audits are available on request and will be distributed to Board members at the meeting. The financial audit and single audit are also available on NVTa's website at <http://www.nvta.ca.gov/fiscal-audits-single-audits>.

ALTERNATIVES

None. Financial audits are a statutory requirement.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently. A financial audit is an objective examination and evaluation of NVTa's financial statements to ensure the financial records are a fair and accurate representation of the transactions of the agency.

ATTACHMENTS

- (1) Brown Armstrong CPA's Letter to NVTa's Board of Directors dated December 16, 2022 (SAS 114)
- (2) NVTa Audit Report for Fiscal Years Ended June 30, 2022 and 2021
- (3) NVTa Single Audit Report for Fiscal Years Ended June 30, 2022



www.ba.cpa
661-324-4971

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited the financial statements of Napa Valley Transportation Authority (NVTa) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 28, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by NVTa are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by NVTa during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the NVTa's financial statements were:

Management's estimate of the useful lives of capital assets for the purposes of calculation of annual depreciation expense. Estimated useful lives range from one to twenty years. We evaluated the key factors and assumptions used to develop the estimate of the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Postemployment Benefits Other than Pensions (OPEB) is based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to annual OPEB estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimates of the net pension liability, related expense, and deferred outflows of resources and inflows of resources are based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to develop the estimates of the net pension liability, related expense, and deferred outflows and inflows of resources in determining that they are reasonable in relation to the financial statements taken as a whole.

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95219
209-451-4833

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosures of Capital Assets, Pension Plan, and OPEB in Notes 4, 8, and 9 to the financial statements, respectively.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached material misstatements detected as a result of audit procedures were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 16, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to NVTa's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as NVTa's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Governmental Fund – Planning Fund; Schedule of Changes in Net OPEB Asset and Related Ratios; Schedule of Contributions – OPEB; Schedule of NVTa's Proportionate Share of the Net Pension Liability; and Schedule of Contributions – Pension, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information

complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of NVTa and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 16, 2022

Napa Valley Transportation Authority
Journal Entries
June 30, 2022

Account No.	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To reclass GASB 75 balances for financial statement presentation purposes.			
18110	Deferred Outflow - OPEB	\$ 166,734	\$ -
28500	Net OPEB Obligation/(Asset)	73,294	-
8301001 26300	Deferred Inflows - Pension	69,702	-
18110-1	Deferred Inflow - OPEB	-	69,702
8301001 18110	Deferred Outflows-Contribution	-	166,734
8301001 28500	Net Pension Obligation-NC	-	73,294
Total		\$ 309,730	\$ 309,730



**NAPA VALLEY
TRANSPORTATION AUTHORITY

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED
JUNE 30, 2022 AND 2021**

**NAPA VALLEY TRANSPORTATION AUTHORITY
JUNE 30, 2022 AND 2021**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis.....	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statements of Net Position	12
Statements of Activities	14
Fund Financial Statements:	
Planning Fund:	
Balance Sheets	16
Reconciliation of the Planning Fund Balance Sheets to the Statements of Net Position.....	17
Statements of Revenues, Expenditures, and Changes in Fund Balance	18
Reconciliation of the Statements of Revenues, Expenditures, and Changes in Fund Balance of the Planning Fund to the Government-Wide Statements of Activities – Governmental Activities	19
Transit Fund:	
Statements of Fund Net Position	20
Statements of Revenues, Expenses, and Changes in Fund Net Position	21
Statements of Cash Flows	22
Air Quality Management Fund:	
Statements of Fiduciary Net Position	24
Statements of Changes in Fiduciary Net Position.....	25
Notes to the Basic Financial Statements	26
Required Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Governmental Fund – Planning Fund	58
Note to Required Supplementary Information:	
Budgets and Budgetary Accounting	60
Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Asset and Related Ratios	61
Schedule of Contributions – OPEB.....	62
Schedule of NVRTA's Proportionate Share of the Net Pension Liability	63
Schedule of Contributions – Pension.....	64
Supplementary Information:	
Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation	65
Other Reports:	
Independent Auditor's Report on Compliance Over Financial Reporting Based on an Audit of Basic Financial Statements Performed in Accordance with the Statutes, Rules, and Regulations of the California Transportation Development Act and the Allocation Instructions and Resolutions of the Metropolitan Transportation Commission	69
Independent Auditor's Report on State Compliance	71

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of Napa Valley Transportation Authority (NVTa) as of and for the years ended June 30, 2022 and 2021, and the related notes to the basic financial statements, which collectively comprise NVTa's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of NVTa, as of June 30, 2022 and 2021, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NVTa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about NVTa's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of NVTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about NVTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, Schedule of Changes in the Net Other Postemployment Benefit (OPEB) Asset and Related Ratios, Schedule of Contributions – OPEB, Schedule of NVTA's Proportionate Share of the Net Pension Liability, and Schedule of Contributions – Pension, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

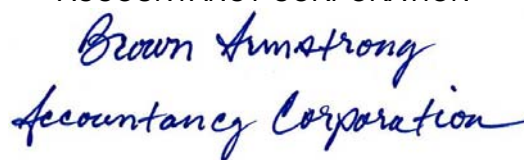
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise NVTAs's basic financial statements. The accompanying Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Statements of Revenues, Expenses, and Changes in Fund Net Position – Enterprise Fund – Transit Related by Operation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2022, on our consideration of NVTAs's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NVTAs's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 16, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**NAPA VALLEY TRANSPORTATION AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

This section of the Napa Valley Transportation Authority's (NVTA) annual financial report presents our discussion and analysis of NVTA's financial performance during the years ended June 30, 2022 and 2021. It should be read in conjunction with the basic financial statements contained in the independent auditor's report.

NVTA serves as the countywide transportation planning agency for the incorporated and unincorporated areas within Napa County (the County) and is responsible for programming State and Federal funding for transportation projects within the County. NVTA is responsible for coordinating short and long term planning and funding within an intermodal policy framework including highways, streets and roads, transit and paratransit, and bicycle and pedestrian network improvements. NVTA also provides fixed route and on-demand transit services in the County including Napa Vine, American Canyon Transit, Calistoga Shuttle, Yountville Trolley, St. Helena Shuttle, and Vine Go paratransit services.

NVTA was established on September 3, 1991, as the County's congestion management agency, under a joint exercise of power. The joint powers agreement was updated in May 1998 to provide public transportation services in the County. The NVTA Board of Directors (the Board) adopted a name change from the Napa County Transportation and Planning Agency (NCTPA) to the new name at its February 17, 2016 meeting. NVTA is considered a primary government since it has a separate governing body, is legally separate, and is fiscally independent of other state and local governments. NVTA is not subject to income tax.

Financial Highlights

- At the close of the fiscal year 2021-2022, total assets and deferred outflows of resources of NVTA exceeded liabilities and deferred inflows of resources of NVTA by \$34,004,665. Of this amount, \$27,601,150 is the net investment in capital assets. The remaining \$6,403,515 represents unrestricted net position.
- At the close of the fiscal year 2020-2021, total assets and deferred outflows of resources of NVTA exceeded liabilities and deferred inflows of resources of NVTA by \$23,297,807. Of this amount, \$19,430,818 is the net investment in capital assets. The remaining \$3,866,989 represents unrestricted net position.
- As of June 30, 2022, NVTA's Governmental Activities reported an ending net position of \$2,408,827 or 43% of total governmental fund expenditures.
- As of June 30, 2021, NVTA's Governmental Activities reported an ending net position of \$1,949,552 or 24% of total governmental fund expenditures.
- Capital contributions in the form of grants from the Federal and State governments increased from \$465,998 in fiscal year 2020-2021 to \$11,390,446 in fiscal year 2021-2022. Capital purchases for the year were for construction in progress expenses, zero emission buses, and transit related equipment.
- Capital contributions in the form of grants from the Federal and State governments decreased from \$2,098,284 in fiscal year 2019-2020 to \$465,998 in fiscal year 2020-2021. Capital purchases for the year were for construction in progress expenses.
- NVTA continues to improve operation performance, compliance, and accountability during fiscal year 2021-2022 by making investments in professional management, fiscal controls, and accounting.

Overview of the Basic Financial Statements

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of NVTa's financial position and activity.

- The first two statements are *government-wide* financial statements that provide both *long-term* and *short-term* information about NVTa's overall financial status.
- The remaining statements are *fund* financial statements that focus on individual parts of NVTa's organization. These statements report NVTa's financial position and activity. The annual report also includes notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that includes budgetary comparison information for NVTa's governmental fund.

Government-Wide Financial Statements

The government-wide financial statements report information about NVTa as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of NVTa's assets and liabilities, deferred outflows of resources and deferred inflows of resources, and long-term obligations. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide financial statements report NVTa's net position and how it has changed. Net position – the difference between NVTa's assets and liabilities – is one way to measure NVTa's financial health, or position. Over time, increases or decreases in NVTa's net position are indicators of whether its financial health is improving or deteriorating, respectively.

Fund Financial Statements

The fund financial statements provide a detailed short-term view and do not include information related to NVTa's long-term liabilities. Additional information is provided on separate schedules that reconcile the differences between the government-wide financial statements and the fund financial statements.

A component unit is included in the basic financial statements and is a legally separate entity for which NVTa is financially accountable. If a component unit's total debt is expected to be repaid entirely by NVTa, if the component unit provides services entirely to NVTa, or if the component unit has substantially the same governing board as NVTa and there is a financial benefit or burden relationship or NVTa management has operational responsibility for a component unit, then the component will be classified as a blended component unit. If a component unit does not meet any of the preceding requirements, it will be presented as a discrete component unit. NVTa – Tax Agency is reported as NVTa's discretely presented component unit.

Financial Analysis of NVTa

Net Position

In the current fiscal year, the governmental activities net position increased by \$459,275. The business-type activities net position increased \$10,247,583. The result is an overall increase in net position of \$10,706,858 or 46% in fiscal year 2021-2022 from fiscal year 2020-2021.

However, in the prior fiscal year, the governmental activities net position decreased by \$536,907 due to expenditures in excess of revenues. The business-type activities net position decreased \$2,019,752. The result is an overall decrease in net position of \$2,556,659 or 10% in fiscal year 2020-2021 from fiscal year 2019-2020.

The following schedule is a summary of NVTa's Statement of Net Position.

	As of June 30, 2022			As of June 30, 2021			As of June 30, 2020 (Restated)		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 8,753,888	\$ 11,925,277	\$ 20,679,165	\$ 4,300,242	\$ 5,902,908	\$ 10,203,150	\$ 4,193,160	\$ 6,635,103	\$ 10,828,263
Capital assets	-	31,633,675	31,633,675	-	19,430,818	19,430,818	-	21,450,570	21,450,570
Total assets	8,753,888	43,558,952	52,312,840	4,300,242	25,333,726	29,633,968	4,193,160	28,085,673	32,278,833
Deferred outflows of resources	573,293	-	573,293	630,778	-	630,778	630,324	-	630,324
Current and other liabilities	6,534,782	7,930,589	14,465,371	2,929,061	3,985,471	6,914,532	2,293,713	4,717,666	7,011,379
Noncurrent liabilities	-	4,032,525	4,032,525	-	-	-	-	-	-
Total liabilities	6,534,782	11,963,114	18,497,896	2,929,061	3,985,471	6,914,532	2,293,713	4,717,666	7,011,379
Deferred inflows of resources	383,572	-	383,572	52,407	-	52,407	43,312	-	43,312
Net position:									
Net investment in capital assets	-	27,601,150	27,601,150	-	19,430,818	19,430,818	-	21,450,570	21,450,570
Unrestricted net position	2,408,827	3,994,688	6,403,515	1,949,552	1,917,437	3,866,989	2,486,459	1,917,437	4,403,896
Total net position	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 1,949,552	\$ 21,348,255	\$ 23,297,807	\$ 2,486,459	\$ 23,368,007	\$ 25,854,466

Changes in Net Position

A summary of NVTa's Statement of Activities recapping NVTa's revenues earned during the years ended June 30, 2022, 2021, and 2020, and the expenses incurred is as follows:

	As of June 30, 2022			As of June 30, 2021			As of June 30, 2020 (Restated)		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:									
Program revenues:									
Fees, fines, and charges for services	\$ -	\$ 580,477	\$ 580,477	\$ -	\$ 515,553	\$ 515,553	\$ -	\$ 993,746	\$ 993,746
Operating grants and contributions	5,960,968	14,065,603	20,026,571	7,488,188	9,207,193	16,695,381	5,569,375	11,185,967	16,755,342
Capital grants and contributions	-	11,390,446	11,390,446	-	465,998	465,998	-	2,098,284	2,098,284
General revenues:									
Unrestricted interest and investment earnings	35,995	23,256	59,251	16,569	57,058	73,627	60,803	32,208	93,011
Loss from disposal of property	-	(2,062,247)	(2,062,247)	-	-	-	-	-	-
Miscellaneous	-	197,426	197,426	-	-	-	-	(624,814)	(624,814)
Total revenues	5,996,963	24,194,961	30,191,924	7,504,757	10,245,802	17,750,559	5,630,178	13,685,391	19,315,569
Expenses:									
Transportation planning	5,537,688	-	5,537,688	8,041,664	-	8,041,664	5,783,949	-	5,783,949
Transit	-	13,947,378	13,947,378	-	12,265,554	12,265,554	-	14,064,048	14,064,048
Total expenses	5,537,688	13,947,378	19,485,066	8,041,664	12,265,554	20,307,218	5,783,949	14,064,048	19,847,997
Change in net position	459,275	10,247,583	10,706,858	(536,907)	(2,019,752)	(2,556,659)	(153,771)	(378,657)	(532,428)
Net position, beginning	1,949,552	21,348,255	23,297,807	2,486,459	23,368,007	25,854,466	2,640,230	23,746,664	26,386,894
Net position, ending	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 1,949,552	\$ 21,348,255	\$ 23,297,807	\$ 2,486,459	\$ 23,368,007	\$ 25,854,466

Governmental Activities

NVTa's governmental activities financial reports capture the financial information for NVTa's administration, transportation planning, coordinating of transportation, and land use in the region and programming of regional funding activities.

Governmental activities expenses decreased from \$8,041,664 in fiscal year 2020-2021 to \$5,537,688 in fiscal year 2021-2022. Governmental activities expenses increased from \$5,783,949 in fiscal year 2019-2020 to \$8,041,664 in fiscal year 2020-2021.

Governmental activities are supported by a variety of funding sources which include:

- Federal Highway Administration (FHWA) Funds
- Federal Transit Administration (FTA) Funds
- State Programming, Planning, and Monitoring (PPM) Funds
- Transportation Development Act (TDA) Funds
- One Bay Area Grant (OBAG) Funds
- Local Support from Member Agencies
- Various Special and One-Time Grants

Congestion Management Agency (CMA)

The CMA is dedicated to addressing the County's most urgent transportation needs by:

- Pursuing funding for highway and safety improvements;
- Providing equitable and accessible mobility choices for seniors, low income and minority populations, and people with disabilities;
- Expanding travel options for commuters;
- Supporting local projects such as road safety and maintenance, transit facilities and Safe Routes to School (SRTS) initiatives.

In a year focused on recovery and resiliency, fiscal year 2022 ended on a positive note. The last half of the year saw a huge leap forward for several large, transformative projects. While funding is always a major challenge to see through transportation projects, the year brought a flurry of legislative activity, and, with it, sorely needed funding.

Last year, NVTa celebrated huge milestones for several large-scale capital projects. The Soscol Junction project procured a construction contractor, the Imola Park and Ride began construction in January, the Vine Bus Maintenance Facility funding was approved in November with construction also commencing in January.

NVTa is looking toward a more optimistic future. The Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL), made historic investments in our nation's public transportation infrastructure that will shape our future for decades to come. The BIL provides more than \$108 billion for public transit over the next five years. These bold investments in public transportation will help our communities and nation tackle climate change, advance equity, meet growing and evolving mobility demands, and create jobs. With enactment of the BIL, the NVTa is uniquely positioned to address these challenges head on. Among the most notable provisions, the BIL will continue the existing transit programs; make new investment of \$39 billion to modernize transit; expand public transit options across every state; replace thousands of deficient transit vehicles, including buses, with zero emission vehicles; and improve accessibility for the elderly and people with disabilities.

At the state level, Governor Newsom is making billions of dollars available for investment in zero-emission vehicles and infrastructure. In concert with the state, NVTa will do its part to tackle climate change and reduce greenhouse gases. NVTa has already procured seven electric zero emission vehicles and hopes to accelerate its transition to a fully electric fleet prior to the California Air Resources Board Innovative Clean Transit mandate.

With the assistance of federal stimulus funding through Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Recovery Plan, Vine Transit entered this period of extraordinary disruption and uncertainty in a healthy financial position. Recent years of strong economic growth enabled the NVTa to fully fund transit operations and maintain healthy reserves. The federal stimulus packages provided a much needed relief for essential service industries such as public transit. However, these federal stimulus packages are one-time revenues and NVTa cannot depend on further federal aid. Although these rounds of assistance is a recognition from the federal government that public transit provides an essential service, sustained economic recovery and return of passengers is needed for transit operations to succeed once again.

In terms of planning and capital development, NVTa has been able to progress on several active projects in the pipeline hitting several key milestones. Noteworthy project and program developments during the year include:

Imola Avenue and State Route 29 (SR-29) Express Bus Improvements

Construction began on the Imola Park and Ride in early January. Among other enhancements, the project includes infrastructure upgrades and installing lighting on the southbound and northbound ramps. Pedestrian friendly sidewalks, bicycle storage and bike lanes connecting both ramps were also constructed under Highway 29 on the south side of Imola Avenue.

The improvements will allow riders to get to the corridor and the Route 29 bus via walking, cycling, transit, and driving to the fully upgraded park and ride adjacent to the highway. The project will include stop facilities, sidewalks and waiting area with lighting, wayfinding, shelter, seating, Wi-Fi, and additional bike storage. Next to the park-and-ride lot is a new bus stop along the on-ramp to Highway 29 where express buses going to the El Cerrito del Norte BART station and Vallejo ferry terminal will begin service in October 2022.

Substantial completion of the project is expected to occur in October 2022. Future upgrades include signage directing vehicles to the park and ride and the installation of additional electric vehicle charging stations.

This project will improve express bus run times by allowing the bus to serve passengers on the on/off ramps without deviating off the highway. Bus service to/from the Imola Park and Ride will begin in October 2022 which is expected to reduce running times by twenty minutes.

Soscol Junction

The shovel finally hit dirt for Napa County's biggest road project in years that will turn the primary, but traffic-clogged highway into the City of Napa into a \$54 million interchange. Persistent congestion has meant commuters must endure up to 225 hours of delay in the morning and 630 hours of delay in the evening at Soscol Junction annually. The Soscol Junction project will improve traffic flows at the State Route 29 (SR-29)/ State-Route 221 (SR-221)/ and the Soscol Ferry road intersection.

The project incorporates roundabouts underneath SR-29 to allow for continuous north-south movement of vehicles. Two roundabouts will be located on SR-221 north of SR-29 and on Soscol Ferry Road south of SR-29. The roundabouts will accommodate turning movements on and off the highways. The project is designed to remove a signalized intersection that will cut rush-hour delays from several minutes to a few seconds. SR-29 will be elevated and free-flowing. Two roundabouts created underneath SR-29 will allow for access to SR-221 and Soscol Ferry Road. The goal is for drivers to spend less time sitting in traffic.

The project is sponsored by the California Department of Transportation (Caltrans), the Federal Highway Administration (FHWA), and NVTa which is the project implementing agency. The California Transportation Commission approved the Solutions for Congested Corridors Program (SCCP) in the amount of \$25 million in December 2020. A construction contract was awarded in April 2022 and a groundbreaking occurred in June 2022. Soscol Junction is in the final funding phase at the end of the fiscal year with construction commencing in July 2022. Construction is expected to be complete in 2024.

Napa Valley Vine Trail-St. Helena to Calistoga

The Napa Valley Vine Trail (Vine Trail) is a visionary and connective multiuse path that will extend from the City of Calistoga to the Vallejo Ferry terminal in Solano County. The Vine Trail route incorporates several existing paved pathways in the cities of Calistoga, Napa, American Canyon, St. Helena, Vallejo, the Town of Yountville, and the County of Napa. When it is fully completed, the 47-mile paved trail will involve land controlled by twelve separate public agencies.

The next portion of the trail set for construction is an 8-mile segment that will connect the City of St. Helena and the City of Calistoga. The segment parallels SR-29 and connects to Bothe Napa Valley State Park. This project provides economic viability to the surrounding area while providing a safe alternative for individuals using active transportation, such as biking or walking, by reducing motorized traffic on SR-29 and Silverado Trail. NVTa awarded a construction contract in March 2022 with construction commencing in July. Construction is scheduled to begin in 2022 and residents, workers, tourists, and recreational enthusiasts will be able to access this portion of the trail in early 2024.

The Metropolitan Transportation Commission (MTC) provides NVTa with FHWA funds to support regional transportation planning and programming and to support the coordination of transportation and land use activities throughout the County. In fiscal year 2021-2022, the level of this funding was \$958,000.

TDA funds derive from ¼ cent of the local sales tax collected. TDA funds are used to support transit planning, administration, and mobility services. TDA funds which are not spent within the year they are drawn must either be returned to the Napa County Local Transportation Fund (LTF), which is a trust account for TDA; or alternatively, the TDA balances may be designated as advances for a specific project. Funds returned to the LTF become available to NVTA again in the fiscal year following their return. The LTF is administered by the MTC through the Napa County Auditor-Controller; the LTF is not a fund under NVTA's control.

Local funds which are provided by the member agencies are unrestricted and may be placed in Net Position balance if not used in the fiscal year they are collected. Currently, NVTA has a Net Position balance of \$2,408,827 which is held in reserve for future regional planning projects or necessary administrative costs.

Business-Type Activities

NVTA's business-type activities encompass the financial reports for public transit services provided by NVTA including the Vine (fixed route transit), Vine Go (complimentary Americans with Disabilities Act (ADA) required paratransit service), American Canyon Transit (dial-a-ride transit), the Yountville Trolley (dial-a-ride transit), the St. Helena Shuttle (dial-a-ride transit), the Calistoga Shuttle (dial-a-ride transit), and a Taxi Scrip program. Each of the community shuttles are dial-a-ride transit services.

Business-type activity expenses increased from \$12,265,554 in fiscal year 2020-2021 to \$13,947,378 in fiscal year 2021-2022 which is an overall increase of 14%. The increase is accounted for by the execution of a new purchase transportation contract and the restoration of some services that were reduced due a lack of demand from the COVID-19 pandemic.

Business-type activities expenses decreased from \$14,064,048 in fiscal year 2019-2020 to \$12,265,554 in fiscal year 2020-2021 which is an overall decrease of 12.8%. The decrease is accounted for by a decrease in operations due to the COVID-19 pandemic.

Transit operating expenses are supported by a variety of funding sources which include:

- Transportation Development Act (TDA) funds
- Federal Transit Administration (FTA) funds
- Fare revenues collected
- Regional Measure 2 (RM2) funds
- Various grants and contributions

Any TDA operating revenue received which is not spent on transit operations is returned to the LTF trust fund for future allocations as described in the Governmental Activities section.

Vine Transit System

The pandemic led almost 90 percent (90%) in ridership and a massive reduction of service levels. The diminished demand for services coupled with trying to avoid economic losses from declining tax revenues and fare revenues, and staff sickness related to COVID-19 compelled NVTA to take drastic action. NVTA switched its local fixed route system to on-demand.

Many people kept riding. Indeed, riders with lower incomes remained the core customers. In the past fiscal year, transit ridership actually increased in neighborhoods with relatively low incomes, while it declined in wealthier neighborhoods (median household incomes of \$55,000 or more).

The three rounds of federal stimulus was a lifeline for Vine Transit. However, it's not enough to plug current and future funding shortages exacerbated by the pandemic. Even with running routes that are relatively productive, they still aren't producing the same level of ridership that they were producing pre-pandemic, and so at some point that has longer-term financial and structural consequences that transit planners are starting to grapple with now. We want to serve as many people as possible, and that comes down to numbers, but at the same time, some decisions make sense whether you have the numbers to back it up or not. When you look at these numbers from 2018 and 2019, it seems like a long time ago, but they're the last two years we've had normal ridership. It's so hard to estimate what it will be like two years from now.

Many Vine Transit services experienced passenger increases from the previous fiscal year as the transit system focused on resiliency efforts while working with the Metropolitan Transportation Commission. All Vine Transit services experienced an increase from the previous year. Year-over-year passenger counts on the Vine increased by 37%, Vine Go by 91%; Calistoga by 77%; St. Helena by 26%, Yountville by 11%, and American Canyon by 135%.

As Vine Transit is looking at the pandemic in the rear view mirror, NVTA, in collaboration with MTC is embarking on identifying high priority, customer facing improvements to the Bay Area's transit network stem the tide of falling ridership despite funding challenges faced by transit operators. NVTA and Vine Transit is committed on finding ways to make the Vine Transit experience more attractive for the riding public.

Vine Bus Maintenance Facility

The fiscal year saw the Vine Bus Maintenance Facility take a shape. NVTA staff, in concert with financial and legal advisors, Federal Transit Administration Region IX, and the Build America Bureau was able to secure financing from the U.S. Department of Transportation's Transportation Infrastructure and Innovation Act (TIFIA) program. The financing program allows up to 49% of total project costs financed for transportation infrastructure projects in rural areas. The 35-year loan closed at an interest rate of 1.01% on November 23, 2021. Construction began in January 2022 with a projected completion date in the fall of 2023 with service commencing shortly thereafter.

When completed, the eight-acre property to feature a 20,000 sq. ft. maintenance building with six service bays, an 8,000 sq. ft. administration building and regional meeting center, modern bus wash, secured parking for up to 100 transit vehicles, and parking area for employees and visitors. Total project costs is approximately \$41 million which includes purchasing the real estate.

BUDGETARY HIGHLIGHTS

NVTA adopts a biannual operating budget that includes proposed expenditures and the means of financing them. NVTA's budget is adopted by the Board before June 30th of each even-numbered fiscal year. Subsequent increases to the original budget must be approved by the Board. Page 58 provides a budget to actual comparison of the Governmental Fund.

For NVTA's Governmental Fund for the year ended June 30, 2022, the budget for revenues was \$13,932,200 and for expenditures was \$14,132,200. For NVTA's Governmental Fund for the year ended June 30, 2021, the budget for revenues was \$20,772,600 and for expenditures was \$20,223,600. When comparing actual expenditures and revenue to the final budget for both fiscal years, NVTA was within budget.

CAPITAL ASSETS

The governmental activities financial statements include capital assets of \$0 for fiscal years 2021-2022 and 2020-2021. Capital assets in total are composed of office furniture located at NVTA's administrative offices at the Soscol Gateway Transit Center.

The business-type activities financial statements include capital assets of \$31,633,675 and \$19,430,818 in fiscal years 2021-2022 and 2020-2021, respectively. Capital assets in total are predominantly made up of buses and other transit related equipment as well as the Soscol Gateway Transit Center facility and construction in progress for the new Vine Bus Maintenance Facility and Imola Park and Ride projects.

Major additions during the year included purchases of transit related equipment and the bus maintenance facility in fiscal year 2021-2022. Major additions during the year included purchases of transit related equipment in fiscal year 2020-2021.

For additional information on NVTA's capital assets and capital asset activity, please refer to Note 4 in the notes to the basic financial statements.

DEBT ADMINISTRATION

As of June 30, 2022, NVTA had debt of \$4,032,525 and recorded long-term obligations for compensated absences in the amount of \$193,764. As of June 30, 2021, NVTA had debt of \$0, and recorded long-term obligations for compensated absences in the amount of \$176,602. For additional information on NVTA's debt activity, please refer to Note 5 in the notes to the basic financial statements.

CONTACTING NVTA

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of NVTA's finances and to demonstrate NVTA's accountability for the money it receives. For questions about this report or any additional information needed, contact NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

A separately issued financial report for NVTA's discretely presented component unit, NVTA – Tax Agency, can be obtained by contacting NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

**BASIC FINANCIAL STATEMENTS –
GOVERNMENT-WIDE FINANCIAL STATEMENTS**

NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			Discrete Component Unit
	Governmental Activities	Business-Type Activities	Totals	NVTA - Tax Agency
<u>ASSETS</u>				
Cash and Investments in County Treasury	\$ 7,999,298	\$ -	\$ 7,999,298	\$ 3,947,719
Imprest Cash	500	-	500	-
Investments	-	466,101	466,101	-
Due from Other Government Agencies	489,924	11,162,758	11,652,682	-
Intergovernmental Receivables	-	-	-	4,876,204
Prepaid Expenses	190,872	98,934	289,806	-
Inventory	-	197,484	197,484	-
Net Other Postemployment Benefits (OPEB) Asset	73,294	-	73,294	-
Capital Assets, Net of Accumulated Depreciation	-	31,633,675	31,633,675	-
Total Assets	8,753,888	43,558,952	52,312,840	8,823,923
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
OPEB	166,734	-	166,734	-
Pension Adjustments	406,559	-	406,559	-
Total Deferred Outflows of Resources	573,293	-	573,293	-
<u>LIABILITIES</u>				
Cash Overdraft	-	773,959	773,959	-
Accounts Payable	430,074	5,780,799	6,210,873	8,400,736
Accrued Salaries	100,142	-	100,142	-
Unearned Revenue	5,451,250	1,202,075	6,653,325	-
Unearned Revenue - State of Good Repair	-	10,239	10,239	-
Due to Other Government Agencies	-	163,517	163,517	-
Net Pension Liability	359,552	-	359,552	-
Compensated Absences	193,764	-	193,764	-
Loan Payable	-	4,032,525	4,032,525	-
Total Liabilities	6,534,782	11,963,114	18,497,896	8,400,736
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	69,702	-	69,702	-
Pension Adjustments	313,870	-	313,870	-
Total Deferred Inflows of Resources	383,572	-	383,572	-
<u>NET POSITION</u>				
Net Investment in Capital Assets	-	27,601,150	27,601,150	-
Unrestricted	2,408,827	3,994,688	6,403,515	423,187
Total Net Position	\$ 2,408,827	\$ 31,595,838	\$ 34,004,665	\$ 423,187

The accompanying notes are an integral part of these basic financial statements.

NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Discrete Component Unit
	Governmental Activities	Business-Type Activities	Totals	NVTA - Tax Agency
<u>ASSETS</u>				
Cash and Investments in County Treasury	\$ 2,680,430	\$ 1,820,585	\$ 4,501,015	\$ 3,066,250
Imprest Cash	500	-	500	-
Investments	-	2,075,257	2,075,257	-
Due from Other Government Agencies	1,515,929	1,724,619	3,240,548	-
Intergovernmental Receivables	-	-	-	4,555,216
Prepaid Expenses	60,799	55,051	115,850	-
Inventory	-	227,396	227,396	-
Net Other Postemployment Benefits (OPEB) Asset	42,584	-	42,584	-
Capital Assets, Net of Accumulated Depreciation	-	19,430,818	19,430,818	-
Total Assets	4,300,242	25,333,726	29,633,968	7,621,466
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
OPEB	157,199	-	157,199	-
Pension Adjustments	473,579	-	473,579	-
Total Deferred Outflows of Resources	630,778	-	630,778	-
<u>LIABILITIES</u>				
Accounts Payable	1,305,804	1,144,712	2,450,516	7,377,947
Accrued Salaries	84,628	-	84,628	-
Unearned Revenue	551,250	2,157,079	2,708,329	-
Unearned Revenue - State of Good Repair	-	65,908	65,908	-
Due to Other Government Agencies	-	617,772	617,772	-
Net Pension Liability	810,777	-	810,777	-
Compensated Absences	176,602	-	176,602	-
Total Liabilities	2,929,061	3,985,471	6,914,532	7,377,947
<u>DEFERRED INFLOWS OF RESOURCES</u>				
OPEB	46,624	-	46,624	-
Pension Adjustments	5,783	-	5,783	-
Total Deferred Inflows of Resources	52,407	-	52,407	-
<u>NET POSITION</u>				
Net Investment in Capital Assets	-	19,430,818	19,430,818	-
Unrestricted	1,949,552	1,917,437	3,866,989	243,519
Total Net Position	\$ 1,949,552	\$ 21,348,255	\$ 23,297,807	\$ 243,519

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discrete Component Unit
Functions/Programs	Expenses				Governmental Activities	Business-Type Activities	Total	NVTA - Tax Agency
Primary Government:								
Governmental Activities:								
Transportation Planning	\$ 5,537,688	\$ -	\$ 5,960,968	\$ -	\$ 423,280	\$ -	\$ 423,280	\$ -
Business-Type Activities:								
Transit	13,947,378	580,477	14,065,603	11,390,446	-	12,089,148	12,089,148	-
Total Primary Government	<u>\$ 19,485,066</u>	<u>\$ 580,477</u>	<u>\$ 20,026,571</u>	<u>\$ 11,390,446</u>	423,280	12,089,148	12,512,428	-
Discrete Component Unit:								
NVTA - Tax Agency	<u>\$ 24,644,437</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	(24,644,437)
General Revenues								
		Taxes			-	-	-	24,799,376
		Unrestricted Interest and						
		Investment Earnings			35,995	23,256	59,251	24,729
		Loss from Disposal of Property			-	(2,062,247)	(2,062,247)	-
		Miscellaneous			-	197,426	197,426	-
		Total General Revenues			35,995	(1,841,565)	(1,805,570)	24,824,105
		Change in Net Position			459,275	10,247,583	10,706,858	179,668
		Net Position July 1, 2021			<u>1,949,552</u>	<u>21,348,255</u>	<u>23,297,807</u>	<u>243,519</u>
		Net Position June 30, 2022			<u>\$ 2,408,827</u>	<u>\$ 31,595,838</u>	<u>\$ 34,004,665</u>	<u>\$ 423,187</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions/Programs	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Discrete Component Unit
					Governmental Activities	Business-Type Activities	Total	NVTA - Tax Agency
Primary Government:								
Governmental Activities:								
Transportation Planning	\$ 8,041,664	\$ -	\$ 7,488,188	\$ -	\$ (553,476)	\$ -	\$ (553,476)	\$ -
Business-Type Activities:								
Transit	12,265,554	515,553	9,207,193	465,998	-	(2,076,810)	(2,076,810)	-
Total Primary Government	<u>\$ 20,307,218</u>	<u>\$ 515,553</u>	<u>\$ 16,695,381</u>	<u>\$ 465,998</u>	(553,476)	(2,076,810)	(2,630,286)	-
Discrete Component Unit:								
NVTA - Tax Agency	<u>\$ 20,412,362</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	-	-	(20,412,362)
General Revenues								
		Taxes			-	-	-	20,427,402
		Unrestricted Interest and						
		Investment Earnings			16,569	57,058	73,627	26,959
		Miscellaneous			-	-	-	-
		Total General Revenues			16,569	57,058	73,627	20,454,361
		Change in Net Position			(536,907)	(2,019,752)	(2,556,659)	41,999
		Net Position July 1, 2020			2,486,459	23,368,007	25,854,466	201,520
		Net Position June 30, 2021			<u>\$ 1,949,552</u>	<u>\$ 21,348,255</u>	<u>\$ 23,297,807</u>	<u>\$ 243,519</u>

The accompanying notes are an integral part of these basic financial statements.

**BASIC FINANCIAL STATEMENTS –
FUND FINANCIAL STATEMENTS**

**NAPA VALLEY TRANSPORTATION AUTHORITY
BALANCE SHEETS
GOVERNMENTAL FUND – PLANNING FUND
JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ 7,999,298	\$ 2,680,430
Imprest Cash	500	500
Grants Receivable	489,924	1,515,929
Prepaid Expenses	<u>190,872</u>	<u>60,799</u>
Total Current Assets	<u>8,680,594</u>	<u>4,257,658</u>
Total Assets	<u><u>\$ 8,680,594</u></u>	<u><u>\$ 4,257,658</u></u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable	\$ 430,074	\$ 1,305,804
Accrued Salaries and Benefits	100,142	84,628
Unearned Revenue	<u>5,451,250</u>	<u>551,250</u>
Total Current Liabilities	<u>5,981,466</u>	<u>1,941,682</u>
Total Liabilities	<u>5,981,466</u>	<u>1,941,682</u>
<u>FUND BALANCE</u>		
Nonspendable	190,872	60,799
Unassigned	<u>2,508,256</u>	<u>2,255,177</u>
Total Fund Balance	<u>2,699,128</u>	<u>2,315,976</u>
Total Liabilities and Fund Balance	<u><u>\$ 8,680,594</u></u>	<u><u>\$ 4,257,658</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
RECONCILIATION OF THE PLANNING FUND
BALANCE SHEETS TO THE STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Total Fund Balance - Governmental Fund	\$ 2,699,128	\$ 2,315,976

Amounts reported for governmental activities in the Statement of Net Position are different because:

Long-term assets and liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund.

Compensated absences	(193,764)	(176,602)
Net pension liability	(359,552)	(810,777)
Net OPEB asset	73,294	42,584

Deferred outflows of resources are not current assets or financial resources and deferred inflows of resources are not due and payable in the current period and, therefore, not reported in the governmental fund.

Deferred outflows of resources - Pension	406,559	473,579
Deferred outflows of resources - OPEB	166,734	157,199
Deferred inflows of resources - Pension	(313,870)	(5,783)
Deferred inflows of resources - OPEB	<u>(69,702)</u>	<u>(46,624)</u>

Total Net Position - Governmental Activities	<u><u>\$ 2,408,827</u></u>	<u><u>\$ 1,949,552</u></u>
---	----------------------------	----------------------------

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>REVENUES</u>		
Local Transportation Fund Allocation	\$ 3,159,928	\$ 1,746,100
Federal Highway Allocations	1,064,273	899,263
Programming, Planning, and Monitoring	1,008,446	4,084,848
Other Grants	160,602	79,373
Local Support	201,321	14,040
Interest	35,995	16,569
Other Revenues	<u>366,398</u>	<u>664,564</u>
Total Revenues	<u>5,996,963</u>	<u>7,504,757</u>
<u>EXPENDITURES</u>		
Communications	34,922	29,664
Insurance	55,657	38,243
Office Expense	82,355	39,145
Rents and Leases	7,466	6,399
Transportation	3,504	335
Salaries and Benefits	1,981,237	1,997,561
Miscellaneous Expense	304,930	426,981
Professional Services	<u>3,143,740</u>	<u>5,328,506</u>
Total Expenditures	<u>5,613,811</u>	<u>7,866,834</u>
Net Change in Fund Balance	<u>383,152</u>	<u>(362,077)</u>
Fund Balance, Beginning of Year	<u>2,315,976</u>	<u>2,678,053</u>
Fund Balance, End of Year	<u><u>\$ 2,699,128</u></u>	<u><u>\$ 2,315,976</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF THE PLANNING FUND
TO THE GOVERNMENT-WIDE STATEMENTS OF ACTIVITIES –
GOVERNMENTAL ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Net Change in Fund Balance - Governmental Fund	\$ 383,152	\$ (362,077)

Amounts reported for governmental activities in the Statement of Activities are different because:

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund.

Pension expense - GASB Statement No. 68	76,118	(150,507)
OPEB expense - GASB Statement No. 75	17,167	12,584

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.

This change reflects an increase in compensated absences that occurred during the year.

	<u>(17,162)</u>	<u>(36,907)</u>
Total Change in Net Position - Governmental Activities	<u>\$ 459,275</u>	<u>\$ (536,907)</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF FUND NET POSITION
TRANSIT FUND
JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ -	\$ 1,820,585
Investments	466,101	2,075,257
Grants Receivable	11,162,758	1,724,619
Prepaid Expenses	98,934	55,051
Inventory	197,484	227,396
	<u>11,925,277</u>	<u>5,902,908</u>
Total Current Assets		
Noncurrent Assets		
Land	5,535,633	5,535,633
Construction in Progress	12,562,895	412,291
Capital Assets, Net of Accumulated Depreciation	13,535,147	13,482,894
	<u>31,633,675</u>	<u>19,430,818</u>
Total Noncurrent Assets		
Total Assets	<u><u>\$ 43,558,952</u></u>	<u><u>\$ 25,333,726</u></u>
<u>LIABILITIES</u>		
Current Liabilities		
Cash Overdraft	\$ 773,959	\$ -
Accounts Payable	5,780,799	1,144,712
Unearned Revenue	1,202,075	2,157,079
Unearned Revenue - State of Good Repair	10,239	65,908
Due to Other Government Agencies	163,517	617,772
	<u>7,930,589</u>	<u>3,985,471</u>
Total Current Liabilities		
Noncurrent Liabilities		
Loan Payable	4,032,525	-
	<u>4,032,525</u>	<u>-</u>
Total Noncurrent Liabilities		
Total Liabilities	<u>11,963,114</u>	<u>3,985,471</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	27,601,150	19,430,818
Unrestricted	3,994,688	1,917,437
	<u>31,595,838</u>	<u>21,348,255</u>
Total Net Position		
Total Liabilities and Net Position	<u><u>\$ 43,558,952</u></u>	<u><u>\$ 25,333,726</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
<u>OPERATING REVENUES</u>		
Farebox Revenues	\$ 580,477	\$ 515,553
Total Operating Revenues	<u>580,477</u>	<u>515,553</u>
<u>OPERATING EXPENSES</u>		
Marketing	27,960	61,807
Vehicle Maintenance	331,885	161,171
Other Maintenance	699	7,883
Fuel and Lubricants	1,395,071	824,387
Insurance	372,459	400,259
Planning and Administration	1,086	-
Security	25,589	11,705
Services	162,249	142,720
Supplies	74,266	19,426
Purchased Transportation	9,400,384	7,726,000
Rents and Leases	20,899	-
Utilities	20,174	11,429
Miscellaneous Expense	10,336	4,418
Depreciation	1,725,069	2,576,209
Personnel Costs	379,252	318,140
Total Operating Expenses	<u>13,947,378</u>	<u>12,265,554</u>
Operating Loss	<u>(13,366,901)</u>	<u>(11,750,001)</u>
<u>NONOPERATING REVENUE, NET</u>		
Local Transportation Fund	4,175,400	3,387,740
Loss: Returned Local Transportation Fund Allocations	(163,517)	(617,772)
State Transit Assistance	2,006,251	1,054,172
Federal Transit Assistance Grant Revenues - Operating	6,809,336	4,938,515
Other Operating Grants	1,238,133	444,538
Interest Income	23,256	57,058
Other Revenues	197,426	-
Loss from Disposal of Property	(2,062,247)	-
Total Nonoperating Revenue, Net	<u>12,224,038</u>	<u>9,264,251</u>
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	<u>(1,142,863)</u>	<u>(2,485,750)</u>
Capital Contributions		
Federal Transit Assistance	4,867,978	-
State Transit Assistance	3,071,132	-
Local Transportation Fund	3,451,336	465,998
Total Capital Contributions	<u>11,390,446</u>	<u>465,998</u>
Change in Net Position	10,247,583	(2,019,752)
Net Position, Beginning of Year	<u>21,348,255</u>	<u>23,368,007</u>
Net Position, End of Year	<u>\$ 31,595,838</u>	<u>\$ 21,348,255</u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Passengers	\$ 580,477	\$ 515,553
Cash Payments for General and Administrative Expenses	(968,595)	(934,631)
Cash Payments to Suppliers for Operations	(6,631,598)	(9,037,095)
Net Cash Used in Operating Activities	(7,019,716)	(9,456,173)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Local Transportation Fund	1,982,810	2,295,848
Federal Operating Grants	1,719,427	7,391,993
State Transit Assistance	(1,795,892)	1,018,605
State of Good Repair	18,058	18,058
Other Operating Grants	1,435,559	444,538
Net Cash Provided by Noncapital Financing Activities	3,359,962	11,169,042
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds From Sale of Property and Equipment	(2,062,247)	-
Capital Contributions	11,390,446	465,998
Payments for the Acquisition of Capital Assets	(11,972,652)	(556,457)
Gain on Sale of Property and Equipment	2,077,251	-
Net Cash Used in Capital and Related Financing Activities	(567,202)	(90,459)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investments	1,609,156	(1,355,000)
Interest Received	23,256	57,058
Net Cash Provided by (Used in) Investing Activities	1,632,412	(1,297,942)
Net (Decrease) Increase in Cash and Investments in County Treasury	(2,594,544)	324,468
Cash and Investments in County Treasury at Beginning of Year	1,820,585	1,496,117
Cash and Investments in County Treasury at End of Year	\$ (773,959)	\$ 1,820,585

The accompanying notes are an integral part of these basic financial statements.

NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CASH FLOWS (Continued)
TRANSIT FUND
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating Loss	\$ (13,366,901)	\$ (11,750,001)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	1,725,069	2,576,209
Changes in Assets and Liabilities:		
Decrease in Inventory	29,912	1,086
(Increase) in Prepaid Expenses	(43,883)	(5,015)
Increase (Decrease) in Accounts Payable	<u>4,636,087</u>	<u>(278,452)</u>
Net Cash Used in Operating Activities	<u><u>\$ (7,019,716)</u></u>	<u><u>\$ (9,456,173)</u></u>
Reconciliation of Cash and Investments Per Statement of Cash Flows to the Statement of Net Position		
Cash and Investments in County Treasury	\$ -	\$ 1,820,585
Cash Overdraft	<u>(773,959)</u>	<u>-</u>
Cash and Investments per Statement of Cash Flows	<u><u>\$ (773,959)</u></u>	<u><u>\$ 1,820,585</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF FIDUCIARY NET POSITION
AIR QUALITY MANAGEMENT FUND
JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current Assets		
Cash and Investments in County Treasury	\$ 489,000	\$ 542,389
Due from Other Government Agencies	<u>102,436</u>	<u>115,105</u>
Total Current Assets	<u>591,436</u>	<u>657,494</u>
Total Assets	<u><u>\$ 591,436</u></u>	<u><u>\$ 657,494</u></u>
<u>LIABILITIES</u>		
Current Liabilities		
Accounts Payable	<u>\$ -</u>	<u>\$ 8,105</u>
Total Current Liabilities	<u>-</u>	<u>8,105</u>
Total Liabilities	<u>-</u>	<u>8,105</u>
<u>NET POSITION</u>		
Net Position Held in Trust for Other Purposes	<u>591,436</u>	<u>649,389</u>
Total Net Position	<u>591,436</u>	<u>649,389</u>
Total Liabilities and Net Position	<u><u>\$ 591,436</u></u>	<u><u>\$ 657,494</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
AIR QUALITY MANAGEMENT FUND
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
ADDITIONS		
Aid from Other Government Agencies	\$ 189,053	\$ 189,540
Interest Income	<u>4,808</u>	<u>6,273</u>
Total Additions	<u>193,861</u>	<u>195,813</u>
DEDUCTIONS		
Program Expenses	<u>251,814</u>	<u>185,271</u>
Total Deductions	<u>251,814</u>	<u>185,271</u>
CHANGE IN NET POSITION	(57,953)	10,542
Net Position, Beginning of Year	<u>649,389</u>	<u>638,847</u>
Net Position, End of Year	<u><u>\$ 591,436</u></u>	<u><u>\$ 649,389</u></u>

The accompanying notes are an integral part of these basic financial statements.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Napa Valley Transportation Authority (NVTA), formerly known as the Napa County Congestion Management Agency and Napa County Transportation and Planning Agency, was formed on September 3, 1991, under a Joint Powers Agreement to provide coordinated, continuous, and comprehensive transportation planning for the County of Napa (the County) and the cities of the County. NVTA consists of six member agencies with the voting power of each in parenthesis: the Cities of American Canyon (4), Calistoga (2), Napa (10), and St. Helena (2); the Town of Yountville (2); and the County (4).

The work program for the activities of NVTA is defined by the Board of Directors (the Board) made up of elected officials from the respective member agencies and a member of the Paratransit Coordinating Council (PCC). The PCC member is ex-officio and does not have a vote.

NVTA was formed to serve as the countywide transportation planning body for the incorporated and unincorporated areas of the County. NVTA is charged with coordinating short and long-term planning and funding within an intermodal policy framework in the areas of highways, streets and roads, transit and paratransit, and bicycle path improvements.

NVTA's Joint Powers Agreement was amended effective January 1, 2001, to facilitate the consolidation of transit planning and to allow transfer of Transportation Development Act (TDA) funds directly to NVTA as claimant for transit use to the extent allowed by TDA regulations. The amendment enables NVTA to claim all TDA funds under Articles 4, 4.5, and/or 8 of Chapter 4 of the Public Utilities Code apportioned within the County by the Metropolitan Transportation Commission (MTC). NVTA is authorized to claim all apportionments to transit services on behalf of the jurisdictions of the County. In January 2007, the agreement was amended further to change NVTA's name from Napa County Congestion Management Agency to Napa County Transportation and Planning Agency. In February 2016, the name was changed to the Napa Valley Transportation Authority.

Beginning July 1, 2001, NVTA began administering all transit-related activities on behalf of the Cities of Calistoga, Napa, and St. Helena; the Town of Yountville; and the County. Effective July 1, 2006, NVTA assumed direct management of American Canyon Transit.

B. Basis of Presentation

The basic financial statements of NVTA and its discrete component unit are prepared in accordance with accounting principles generally accepted in the United States of America.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the primary government (NVTA) and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of NVTA. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function, and allocated indirect expenses. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including taxes and unrestricted interest earnings, are presented instead as general revenues.

When both restricted and unrestricted net position are available, restricted resources for the purpose intended are used first then unrestricted resources as they are needed.

Fund Financial Statements

The fund financial statements provide information about NVTA's funds, including fiduciary funds. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds. For the years ended June 30, 2022 and 2021, NVTA did not have any nonmajor funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Proprietary fund *operating* revenues result from exchange transactions. Exchange transactions are those in which each party receives and gives up essentially equal values. Operating revenues generally result from charges to passengers for public transit services. Operating expenses include the cost of transit service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting the definition of operating revenues and expenses are reported as nonoperating.

NVTA reports the following major governmental fund:

Planning Fund is used as the general fund for NVTA and all planning and administrative activities are accounted for in this fund.

NVTA reports the following major enterprise fund:

Transit Fund is used to account for the revenues and expenses necessary to provide public transit services. Transit operations include the Vine, Vine Go, American Canyon Transit, the Yountville Trolley, the St. Helena Shuttle, the Calistoga Shuttle, and the Taxi Scrip program.

NVTA reports the following additional fund types:

Private Purpose Trust Funds account for assets, primarily cash and investments, held by NVTA in a trustee capacity for other governmental agencies. NVTA is responsible for the administration of two private purpose trust funds. They are used to account for activities of the Abandoned Vehicle Abatement Authority trust fund and the Bay Area Air Quality Management trust fund.

Discrete Component Unit - NVTA - Tax Agency (NVTA-TA) is the local transportation sales tax authority. NVTA-TA is responsible for the oversight and administration of the Napa Countywide Maintenance Act, commonly known as Measure T, the 25-year, ½% sales tax for street and road improvements approved by the voters on November 6, 2012. Measure T became effective on July 1, 2018. NVTA-TA is discretely presented because the ordinance is a legally separate, stand-alone entity administered by the NVTA. The operations of NVTA-TA are not included in the NVTA's reporting entity since the entity is responsible for conducting its own day-to-day operations and is compelled to answer to its own separately elected governing board. A separately issued financial report can be obtained by contacting NVTA's administrative office at 625 Burnell Street, Napa, California 94559-3420.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Nonexchange transactions, in which NVTA gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Interest; state, federal, and local grants; and charges for services are accrued when their receipt occurs within one year after the end of the accounting period so as to be measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

D. Cash and Investments

NVTA maintains nearly all of its cash and investments with the County Treasurer in a cash and investment pool. A small independent bank account is used to pay some employee benefits. On a quarterly basis, the County Treasurer allocates interest to investment pool participants based upon their average daily balances. For purposes of the accompanying Statement of Cash Flows, the enterprise fund considers all highly liquid investments with a maturity of three months or less when purchased, and its equity in the County Treasurer's investment pool, to be cash equivalents. The fair value of investments is obtained by using quotations obtained from independent published sources.

Required disclosure information regarding the categorization of investments and other deposit and investment risk disclosures can be found in the County's financial statements. The County's financial statements may be obtained by contacting the County's Auditor-Controller's office at 1195 Third Street, Room B-10, Napa, California 94559. The County Treasury Oversight Committee oversees the Treasurer's investments and policies.

E. Receivables

NVTA's receivables are mostly related to grants. Management has determined NVTA's receivables to be fully collectable. Accordingly, no allowance for doubtful accounts has been made.

F. Inventories

On January 1, 2022, NVTA executed a new multiyear agreement (the Agreement) with the purchased transportation contractor (the Contractor) provided the Contractor with an initial inventory of equipment, tools, and other property to be used to provide services with a value of \$170,948. The Contractor shall be responsible for returning to NVTA, at the termination of the Agreement, property and equipment of equivalent type and value (as of date acquired) and conditions as that identified in the updated initial inventory list, subject to normal wear and tear.

During the last month of the Agreement, NVTA shall conduct a final inventory. The Contractor will be responsible for either replacing property or equipment determined from the inventory list to be missing, damaged, or otherwise unavailable for use, or in a condition that is in excess of ordinary wear and tear or compensating NVTA for its replacement value. These parts are not included in the Agreement with the Contractor. Farebox inventory parts will be tracked separately.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets

Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair value on the date contributed. NVTa defines capital assets as assets with an initial, individual cost of more than \$10,000, an estimated useful life in excess of one year, and not a component of another asset. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Structures	20 years
Vehicles	1-12 years
Equipment	1-5 years

NVTa has acquired certain assets with funding provided by federal assistance from various grant programs. NVTa holds title to these assets; however, the federal government retains an interest in these assets should the assets no longer be used for transit purposes.

H. Compensated Absences

NVTa has adopted Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*. The earned vacation payable upon termination is reported at the current balance of the liability, and may be accumulated up to a maximum of 600 hours by personnel.

I. Interfund Transactions

Interfund transactions are reflected either as loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

J. Advances

Advances arise when resources are received by NVTa before it has a legal claim to them, e.g., when grant monies are received prior to the incurrence of qualifying expenses. In subsequent periods, when both revenue recognition criteria are met, or when NVTa has a legal claim to the resources, the liability is removed from the Balance Sheet and revenue is recognized.

K. Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the basic financial statements and the reported amount of revenue and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Reclassifications

Certain amounts in the prior year basic financial statements have been reclassified for comparative purposes to conform with the presentation in the current year basic financial statements.

M. Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the asset.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments, of which NVTa has none.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

N. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which NVTa is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of NVTa's highest level of decision-making authority (the Board) and that remain binding unless removed in the same manner. Committed fund balance does not lapse at year-end. The formal action must occur prior to the end of the reporting period. However, the amount which will be subject to the constraint may be determined in the subsequent period. The formal action required to commit fund balance shall be Board resolution.
- *Assigned fund balance* – amounts that are constrained by NVTa's *intent* to be used for specific purposes. The intent can be established at either the highest level of decision-making authority, or by a body or an official designated for that purpose. The Board delegated authority to assign fund balance for a specific purpose to the Manager of Finance.
- *Unassigned fund balance* – the residual classification for NVTa's Planning Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is NVTa's policy to use restricted resources first, followed by the unrestricted committed, assigned, and unassigned resources as they are needed.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balance (Continued)

Minimum Fund Balance Policy:

NVTA has adopted a minimum fund balance policy. Planning Fund cash reserves should be at a minimum of \$500,000 per fiscal year. The proprietary cash reserve should be at least 25% of non-restricted funds of the current fiscal year operating budget.

O. New Accounting Pronouncements – Implemented

GASB Statement No. 87 – Leases. The requirements of this standard are effective for periods beginning after June 15, 2021. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period. The requirements of this standard are effective for periods beginning after December 15, 2020. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 92 – Omnibus 2020. The requirements of this statement for paragraphs related to GASB Statement No. 87 and implementation guide 2019-3, reinsurance recoveries, to implement with GASB Statement No. 87 are effective upon issuance; all others are effective for periods beginning after June 15, 2021. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 93 – Replacement of Interbank Offered Rates. The requirements of this statement are effective for periods beginning after June 15, 2021. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans. The requirements in paragraph 4 as it applies to defined contribution plans, defined contribution OPEB plans, and other employee benefit plans, and paragraph 5 are effective immediately. All other requirements are applicable for periods beginning after June 15, 2021. There was no effect on NVTA's accounting and financial reporting as a result of implementing this standard.

P. Future Accounting Pronouncements

GASB Statement No. 91 – Conduit Debt Obligations. The requirements of this statement are effective for periods beginning after December 15, 2021. NVTA will implement GASB Statement No. 91 if and when applicable.

GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The requirements of this statement are effective for periods beginning after June 15, 2022. NVTA will implement GASB Statement No. 94 if and when applicable.

GASB Statement No. 96 – Subscription-Based Information Technology Arrangements. The requirements of this statement are effective for periods beginning after June 15, 2022. NVTA will implement GASB Statement No. 96 if and when applicable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Future Accounting Pronouncements (Continued)

GASB Statement No. 99 – Omnibus 2022. The requirements of this statement are effective as follows:

- The requirements related to the extension of the use of London Interbank Offered Rate (LIBOR), accounting for Supplemental Nutrition Assistance Program (SNAP) distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance.
- The requirements related to leases, public-private and public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

NVTA will implement GASB Statement No. 99 if and when applicable.

GASB Statement No. 100 – Accounting Changes and Error Corrections. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. NVTA will implement GASB Statement No. 100 if and when applicable.

GASB Statement No. 101 – Compensated Absences. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. NVTA will implement GASB Statement No. 101 if and when applicable.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of NVTA's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of NVTA's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Accounting principles generally accepted in the United States of America require that the reported results must pertain to liability and asset information within certain defined timeframes.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH

General

NVTA has adopted GASB Statement No. 31 which requires investments of governmental agencies to be reported at fair value. However, investment pools, such as a state or county treasury, may report the value of short-term investments with remaining maturities of less than 90 days at amortized cost. The majority of the County Treasury investments have a remaining maturity of less than 90 days. In addition, GASB Statement No. 31 does not apply to immaterial cost/value differences.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)

NVTA has adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. GASB Statement No. 40 requires governmental entities to assess categories of risk associated with their deposits and disclose these risks.

Cash and investments are reported in the accompanying basic financial statements as follows:

	June 30, 2022				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Statement of Net Position:					
Cash	\$ 7,999,298	\$ -	\$ 7,999,298	\$ 3,947,719	\$ 489,000
Imprest Cash	500	-	500	-	-
Cash Overdraft	-	(773,959)	(773,959)	-	-
Investments	-	466,101	466,101	-	-
	<u>\$ 7,999,798</u>	<u>\$ (307,858)</u>	<u>\$ 7,691,940</u>	<u>\$ 3,947,719</u>	<u>\$ 489,000</u>
	June 30, 2021				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Statement of Net Position:					
Cash	\$ 2,680,430	\$ 1,820,585	\$ 4,501,015	\$ 3,066,250	\$ 542,389
Imprest Cash	500	-	500	-	-
Investments	-	2,075,257	2,075,257	-	-
	<u>\$ 2,680,930</u>	<u>\$ 3,895,842</u>	<u>\$ 6,576,772</u>	<u>\$ 3,066,250</u>	<u>\$ 542,389</u>

Cash and investments consisted of the following at June 30, 2022 and 2021:

	June 30, 2022				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Cash on Hand and in Banks	\$ 5,076	\$ -	\$ 5,076	\$ -	\$ -
Pooled Investments	7,994,722	-	7,994,722	3,947,719	489,000
Cash Overdraft	-	(773,959)	(773,959)	-	-
Investments	-	466,101	466,101	-	-
	<u>\$ 7,999,798</u>	<u>\$ (307,858)</u>	<u>\$ 7,691,940</u>	<u>\$ 3,947,719</u>	<u>\$ 489,000</u>
	June 30, 2021				
	Governmental Activities	Business-Type Activities	Government-Wide Totals	Discrete Component Unit	Fiduciary Funds
Cash on Hand and in Banks	\$ 35,127	\$ 33,840	\$ 68,967	\$ -	\$ -
Pooled Investments	2,645,803	1,786,745	4,432,548	3,066,250	542,389
Investments	-	2,075,257	2,075,257	-	-
	<u>\$ 2,680,930</u>	<u>\$ 3,895,842</u>	<u>\$ 6,576,772</u>	<u>\$ 3,066,250</u>	<u>\$ 542,389</u>

All deposits are fully collateralized in accordance with Section 53652 of the California Government Code. The California Government Code requires California banks and savings and loan associations to secure NVTA's deposits by pledging government securities as collateral.

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)

The fair value of pledged securities must equal at least 110% of NVTA's deposits. California law also allows financial institutions to secure NVTA's deposits by pledging first trust deed mortgage notes having a value of 150% of NVTA's total deposits.

Collateral is held by the pledging financial institution's trust department and is considered held in NVTA's name. NVTA may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). NVTA has \$250,000 that is covered by the FDIC as of June 30, 2022 and 2021.

NVTA had no deposit or investment policy that addressed a specific type of risk. Required disclosures for NVTA's deposit and investment risks held in the County's investment pool at June 30, 2022 and 2021, were as follows:

Credit risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law and the County's Investment Policy limit investments in commercial paper to the rating of A1 by Standard & Poor's or P-1 by Moody's Investors Service.

State law and the County's Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor's and Moody's Investors Service. NVTA establishes its credit limits based on the County's Investment Policy.

Presented below is the minimum rating required by (where applicable) NVTA's investment policy and the actual rating as of year-end for each investment type.

2022

<u>Investments type</u>	<u>Total</u>	<u>Minimum legal rating</u>	<u>Ratings as of year-end</u>	<u>Not rated</u>
Pooled investments	\$ 11,942,441	N/A	N/A	\$ 11,942,441
Held by trustee:				
Certificates of deposit	<u>466,101</u>	N/A	N/A	<u>466,101</u>
	<u><u>\$ 12,408,542</u></u>			<u><u>\$ 12,408,542</u></u>

2021

<u>Investments type</u>	<u>Total</u>	<u>Minimum legal rating</u>	<u>Ratings as of year-end</u>	<u>Not rated</u>
Pooled investments	\$ 7,498,798	N/A	N/A	\$ 7,498,798
Held by trustee:				
Certificates of deposit	<u>2,075,257</u>	N/A	N/A	<u>2,075,257</u>
	<u><u>\$ 9,574,055</u></u>			<u><u>\$ 9,574,055</u></u>

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)Custodial credit risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

For investments and deposits held with fiscal agents, custodial credit risk is the risk that, in the event of the failure of the counterparty, NVTa will not be able to recover the value of its investments or deposits that are in the possession of an outside party. At year-end, NVTa's funds in the County's investment pool and cash with fiscal agents had no securities exposed to custodial credit risk.

At June 30, 2022 and 2021, in accordance with State law and the County's Investment Policy, NVTa did not have 5% or more of its net investment in commercial paper, corporate bonds, or medium-term notes of a single organization, nor did it have 10% or more of its net investment in any one money market mutual fund within the County's Investment Pool. Investments in obligations of the U.S. government, U.S. government agencies, or government-sponsored enterprises are exempt from these limitations.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages NVTa's exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to five years or less in accordance with the County's Investment Policy.

Investments held in the County's investment pool are available on demand and are stated at cost plus accrued interest, which approximates fair value.

2022

<u>Investments type</u>	<u>Total</u>	<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 60 months</u>	<u>More than 60 months</u>
Pooled investments	\$ 11,942,441	\$ 11,942,441	\$ -	\$ -	\$ -
Held by trustee:					
Certificates of deposit	466,101	466,101	-	-	-
	<u>\$ 12,408,542</u>	<u>\$ 12,408,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2021

<u>Investments type</u>	<u>Total</u>	<u>12 months or less</u>	<u>13 to 24 months</u>	<u>25 to 60 months</u>	<u>More than 60 months</u>
Pooled investments	\$ 7,498,798	\$ 7,498,798	\$ -	\$ -	\$ -
Held by trustee:					
Certificates of deposit	2,075,257	2,075,257	-	-	-
	<u>\$ 9,574,055</u>	<u>\$ 9,574,055</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)General (Continued)Interest rate risk (Continued)

Information about the sensitivity of the fair values of NVTAs' investments to market interest rate fluctuations is provided by the following table that shows the distribution of NVTAs' investments by maturity:

Investment in the County Investment Pool

NVTA maintains all of its cash and investments with the County Treasurer in a cash and investment pool. NVTA is considered to be an involuntary participant in the external investment pool. On a quarterly basis, the County Treasurer allocates interest to investment pool participants based upon their average daily balances. For purposes of the accompanying Statement of Cash Flows, the enterprise fund considers all highly liquid investments with a maturity of three months or less when purchased, and its equity in the County Treasurer's investment pool, to be cash equivalents. The fair value of investments is obtained by using quotations obtained from independent published sources.

The table below identifies the investment types that are authorized for NVTA by the California Government Code (or the County's Investment Policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the County's Investment Policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
State of California Obligations	5 years	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper - Select Agencies	180 days	25%	10%
Commercial Paper - Other Agencies	180 days	40%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	30 days	5%	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds/Money Market			
Mutual Funds	N/A	20%	10%
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	None
Time Deposits	5 years	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Agreement (JPA) Pools (other investment pools)	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

NOTE 2 – CASH AND INVESTMENTS IN COUNTY TREASURY/IMPREST CASH (Continued)Fair Value Measurements

NVTA categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and
- Level 3: Investments reflect prices based upon unobservable sources.

NVTA has the following recurring fair value measurements as of June 30, 2022 and 2021:

2022		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Held by trustee:				
Certificates of deposit	\$ 466,101	\$ 466,101	\$ -	\$ -
	<u>\$ 466,101</u>	<u>\$ 466,101</u>	<u>\$ -</u>	<u>\$ -</u>
2021		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Held by trustee:				
Certificates of deposit	\$ 2,075,257	\$ 2,075,257	\$ -	\$ -
	<u>\$ 2,075,257</u>	<u>\$ 2,075,257</u>	<u>\$ -</u>	<u>\$ -</u>

Investments in the County investment pool totaling \$7,994,722 and \$4,432,548 as of June 30, 2022 and 2021, respectively, are measured at amortized cost, which approximates fair value.

NOTE 3 – DUE FROM OTHER GOVERNMENT AGENCIES

Amounts due from other government agencies consisted of the following at June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Federal (Federal Transit Administration (FTA))		
Operating	\$ 5,266,650	\$ 1,119,995
Capital	1,179,836	-
Caltrans	6,273	-
State		
Caltrans	1,192,892	1,398,529
TDA	2,815,188	465,998
Other	102,436	115,105
State Transit Assistance (STA)	29,297	25,356
Regional Measure 2	378,308	-
Local		
Local Transportation Fund (LTF)	60,000	-
Cities	109,480	121,824
Local - Other	614,758	108,846
Total	<u>\$ 11,755,118</u>	<u>\$ 3,355,653</u>
Reconciliation to Financial Statements	<u>2022</u>	<u>2021</u>
Planning Fund Due from Other Government Agencies	\$ 489,924	\$ 1,515,929
Transit Fund Due from Other Government Agencies	<u>11,162,758</u>	<u>1,724,619</u>
Total per Statement of Net Position	11,652,682	3,240,548
Fiduciary Funds Due from Other Government Agencies	<u>102,436</u>	<u>115,105</u>
Total including Fiduciary Funds	<u>\$ 11,755,118</u>	<u>\$ 3,355,653</u>

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, was as follows:

	Balance July 1, 2021	Additions	Disposals	Balance June 30, 2022
Governmental Activities:				
Capital Assets, Being Depreciated				
Vehicles and Equipment	\$ 224,814	\$ -	\$ (17,438)	\$ 207,376
Less Accumulated Depreciation for:				
Vehicles and Equipment	(224,814)	-	17,438	(207,376)
Governmental Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated				
Land	\$ 5,535,633	\$ -	\$ -	\$ 5,535,633
Construction in Progress	412,291	12,150,604	-	12,562,895
Total Capital Assets, Not Being Depreciated	<u>5,947,924</u>	<u>12,150,604</u>	<u>-</u>	<u>18,098,528</u>
Capital Assets, Being Depreciated:				
Vehicles and Equipment	31,092,046	3,854,573	(4,303,897)	30,642,722
Less Accumulated Depreciation for:				
Vehicles and Equipment	(17,609,152)	(1,725,069)	2,226,646	(17,107,575)
Total Capital Assets, Being Depreciated, Net	<u>13,482,894</u>	<u>2,129,504</u>	<u>(2,077,251)</u>	<u>13,535,147</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 19,430,818</u>	<u>\$ 14,280,108</u>	<u>\$ (2,077,251)</u>	<u>\$ 31,633,675</u>
Total Government-Wide Capital Assets, Net	<u>\$ 19,430,818</u>	<u>\$ 14,280,108</u>	<u>\$ (2,077,251)</u>	<u>\$ 31,633,675</u>

Government-wide depreciation expense for the year ended June 30, 2022, was \$1,725,069.

NOTE 4 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Disposals	Balance June 30, 2021
Governmental Activities:				
Capital Assets, Being Depreciated				
Vehicles and Equipment	\$ 224,814	\$ -	\$ -	\$ 224,814
Less Accumulated Depreciation for:				
Vehicles and Equipment	(224,814)	-	-	(224,814)
Governmental Activities Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-Type Activities:				
Capital Assets, Not Being Depreciated				
Land	\$ 5,535,633	\$ -	\$ -	\$ 5,535,633
Construction in Progress	-	412,291	-	412,291
Total Capital Assets, Not Being Depreciated	<u>5,535,633</u>	<u>412,291</u>	<u>-</u>	<u>5,947,924</u>
Capital Assets, Being Depreciated:				
Vehicles and Equipment	31,007,286	144,166	(59,406)	31,092,046
Less Accumulated Depreciation for:				
Vehicles and Equipment	(15,092,349)	(2,576,209)	59,406	(17,609,152)
Total Capital Assets, Being Depreciated, Net	<u>15,914,937</u>	<u>(2,432,043)</u>	<u>-</u>	<u>13,482,894</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 21,450,570</u>	<u>\$ (2,019,752)</u>	<u>\$ -</u>	<u>\$ 19,430,818</u>
Total Government-Wide Capital Assets, Net	<u>\$ 21,450,570</u>	<u>\$ (2,019,752)</u>	<u>\$ -</u>	<u>\$ 19,430,818</u>

Government-wide depreciation expense for the year ended June 30, 2021, was \$2,576,209.

NOTE 5 – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the years ended June 30:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Transportation Infrastructure Finance and Innovation Act (TIFIA) loan	\$ -	\$ 3,982,524	\$ -	\$ 3,982,524
Loan payable	-	50,001	-	50,001
Compensated absences	176,602	46,503	(29,341)	193,764
	<u>\$ 176,602</u>	<u>\$ 4,079,028</u>	<u>\$ (29,341)</u>	<u>\$ 4,226,289</u>
	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Compensated absences	\$ 139,695	\$ 50,204	\$ (13,297)	\$ 176,602
	<u>\$ 139,695</u>	<u>\$ 50,204</u>	<u>\$ (13,297)</u>	<u>\$ 176,602</u>

NOTE 5 – LONG-TERM LIABILITIES (Continued)

On November 23, 2021, NVTA entered into a loan agreement with the US Department of Transportation for a principal amount not to exceed \$19,917,401 to be used to pay a portion of eligible project costs for the Vine Bus Maintenance Facility Project. As of June 30, 2022, the Authority has drawn down \$3,982,524. The loan bears a fixed interest rate of 1.01%. The maturity date is May 1, 2057.

Additionally, on November 23, 2021, NVTA entered into a loan agreement with the Bank of Marin for a principal amount not to exceed \$5,000,000 to be used to pay a portion of eligible project costs for the Vine Bus Maintenance Facility Project. As of June 30, 2022, the Authority has drawn down \$50,001. The loan bears a variable interest rate during the drawdown period and a fixed rate on the effective date of the conversion of the loan. The maturity date is November 1, 2032.

NOTE 6 – DUE TO OTHER GOVERNMENT AGENCIES**Business-Type Activities – Due to the Local Transportation Fund (LTF)**

TDA funds are apportioned, allocated, and disbursed in accordance with allocation instructions from the MTC for specific transportation purposes. The LTF allocates monies to the transit system to support operations. The TDA, which governs the use of these funds, requires that any funds not used must be returned to their sources. LTF allocations are considered earned when they are properly spent for operations by the transit system.

It is the current practice of NVTA to have excess revenue returned to the funding agency. NVTA had excess revenues of \$163,517 and \$617,772 at June 30, 2022 and 2021, respectively. Money returned to LTF will be reallocated for future capital purchases or operating assistance.

Allocations received but not earned were recorded as Due to Other Government Agencies as follows:

	<u>2022</u>	<u>2021</u>
Balance - Beginning of Year	\$ 617,772	\$ 2,486,395
LTF - Operating	4,175,400	3,387,740
LTF - Capital	<u>3,451,336</u>	<u>465,998</u>
Total LTF	<u>7,626,736</u>	<u>3,853,738</u>
Operating Expenses	13,947,378	12,265,554
Adjustments:		
Add Back Depreciation	(1,725,069)	(2,576,209)
Farebox Revenues	(580,477)	(515,553)
STA	(2,006,251)	(1,054,172)
Other Revenues	(4,506,691)	(444,538)
Interest Income	(23,256)	(57,058)
FTA Grant Revenues - Operating	(6,809,336)	(4,938,515)
Other Federal Grants	(4,867,978)	-
Capital Asset Outlays	3,854,573	144,166
Capital Asset Outlays - Not Capitalized	12,150,604	412,291
TIFIA/Bank of Marin Loan Financing	(4,032,525)	-
Property Disposal	<u>2,062,247</u>	<u>-</u>
Net Operating Expenses	<u>7,463,219</u>	<u>3,235,966</u>
Net Increase (Decrease)	163,517	617,772
Return of LTF Capital	<u>(617,772)</u>	<u>(2,486,395)</u>
Balance - End of Year	<u><u>\$ 163,517</u></u>	<u><u>\$ 617,772</u></u>

NOTE 7 – AGREEMENTS AND COMMITMENTS

Bay Area Air Quality Management District Agreement

NVTA entered into an agreement with the Bay Area Air Quality Management District (the District) to implement specified measures to improve air quality in the County. The funding for this agreement comes from Assembly Bill (AB) 434 allowing the District to levy a surcharge on motor vehicle registration fees. Quarterly, the District must transfer 40% of the surcharge, less management fees and audit costs, to NVTA, as the selected Program Manager. However, the agreement may be terminated at any time by either party and there are no assurances of annual renewal. As program manager, NVTA allocates 5% of these funds to itself to administer the program.

Metropolitan Transportation Commission

NVTA received a federal highway administration planning grant from the MTC. The purpose of the grant was to implement congestion planning and programming activities for the County and its surrounding cities. Amounts received or receivable from the MTC are subject to audit and adjustment by the MTC. Any disallowed claims including amounts already collected, may constitute a liability of NVTA. The amount, if any, of expenditures which may be disallowed by MTC cannot be determined at this time, although NVTA expects such amounts, if any, to be immaterial.

NOTE 8 – PENSION PLAN

A. General Information about the Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in NVTA's Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by CalPERS. The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the risk pool. Accordingly, rate plans within the pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous pool. NVTA sponsors three rate plans. Benefit provisions under the Plan are established by State statute and NVTA resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments (COLA), and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members (Tier 1) with five years of total service are eligible to retire at age 55 with statutorily reduced benefits (2.5% @ Age 55). Members hired after May 21, 2011, (Tier 2) with five years of total service are eligible to retire at age 60 with statutorily reduced benefits (2% @ Age 60). The California Public Employees' Pension Reform Act (PEPRA) established a separate tier for members hired after January 1, 2013. PEPRA Members with five years of total service are eligible to retire at age 62 with statutorily reduced benefits (2% @ Age 62). All members are eligible for non-duty disability benefits after 5 years of service. The COLAs for the Plan are applied as specified by the California Public Employees' Retirement Law.

The rate plan provisions and benefits in effect at June 30, 2022 and 2021, are summarized as follows:

NOTE 8 – PENSION PLAN (Continued)A. General Information about the Pension Plan (Continued)

2022	Prior to May 21, 2011 (Tier I)	On or after May 21, 2011 (Tier II)	On or after January 1, 2013 (PEPRA)
Hire Date			
Benefit Formula	2.5%@55	2%@60	2%@62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Eligible Compensation	2.5%	2%	2%
Required Employee Contribution Rates	8.000%	7.000%	6.250%
Required Employer Contribution Rates	11.590%	8.650%	7.590%
2021	Prior to May 21, 2011 (Tier I)	On or after May 21, 2011 (Tier II)	On or after January 1, 2013 (PEPRA)
Hire Date			
Benefit Formula	2.5%@55	2%@60	2%@62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	55	60	62
Monthly Benefits, as a Percentage of Eligible Compensation	2.5%	2%	2%
Required Employee Contribution Rates	8.000%	7.000%	6.250%
Required Employer Contribution Rates	11.742%	8.794%	7.732%

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. NVTA's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pools' costs of benefits earned by employees during the year, and any unfunded accrued liability. NVTA is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. NVTA's contributions to the Plan for the years ended June 30, 2022 and 2021, were \$195,723 and \$185,716, respectively.

As of June 30, 2022 and 2021, NVTA reported a net pension liability for its proportionate share of the net pension liability of the Plan in the amount of \$359,552 and \$810,777, respectively.

NVTA's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021 and 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 and 2019, rolled forward to June 30, 2021 and 2020, using standard update procedures. NVTA's proportion of the net pension liability was based on a projection of NVTA's long-term share of contributions to the Plan relative to the projected contributions of all participating employers, actuarially determined. NVTA's proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2020, was as follows:

Proportion - June 30, 2020	0.00745%
Proportion - June 30, 2021	<u>0.00665%</u>
Change - Increase (Decrease)	<u><u>-0.000800%</u></u>

NOTE 8 – PENSION PLAN (Continued)**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

For the years ended June 30, 2022 and 2021, NVTA recognized pension expense of \$119,605 and \$336,223, respectively. At June 30, 2022 and 2021, NVTA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Actual and Expected Experience	\$ 40,320	\$ -
Changes in Assumptions	-	-
Net Differences between Projected and Actual Earnings on Plan Investments	-	313,870
Change in Employer's Proportion	133,246	-
Differences between the Employer's Contributions and the Employer's Proportionate Share of Contributions	37,270	-
Pension Contributions Subsequent to Measurement Date	195,723	-
Total	<u>\$ 406,559</u>	<u>\$ 313,870</u>
2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Actual and Expected Experience	\$ 41,781	\$ -
Changes in Assumptions	-	5,783
Net Differences between Projected and Actual Earnings on Plan Investments	24,085	-
Change in Employer's Proportion	184,939	-
Differences between the Employer's Contributions and the Employer's Proportionate Share of Contributions	37,058	-
Pension Contributions Subsequent to Measurement Date	185,716	-
Total	<u>\$ 473,579</u>	<u>\$ 5,783</u>

\$195,723 and \$185,716 reported as deferred outflows of resources related to contributions subsequent to the measurement date during the years ended June 30, 2022 and 2021, respectively, will be recognized as a reduction of the net pension liability in the years ended June 30, 2023 and 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2023	\$ 53,398
2024	(18,155)
2025	(51,540)
2026	(86,737)
2027	-
Thereafter	-
Total	<u>\$ (103,034)</u>

NOTE 8 – PENSION PLAN (Continued)**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions** (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Projected Salary Increase	Varies ⁽¹⁾	Varies ⁽¹⁾
Investment Rate of Return	7.15% ⁽²⁾	7.15% ⁽²⁾
Mortality	CalPERS ⁽³⁾	CalPERS ⁽³⁾

⁽¹⁾ Depending on age, service, and type of employment.

⁽²⁾ Net of pension plan investment expenses, including inflation.

⁽³⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 and 2019 valuations were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for June 30, 2021 and 2020, was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rates for 2021 and 2020, are applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB Statement No. 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

NOTE 8 – PENSION PLAN (Continued)**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions** (Continued)

The expected real rates of return by asset class are as follows:

2022	Current Target Allocation	Real Return Years 1 - 10 ^(b)	Real Return Years 11+ ^(c)
Asset Class ^(a)			
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

^(a) In the CalPERS' Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

^(b) An expected inflation of 2.00% used for this period.

^(c) An expected inflation of 2.92% used for this period.

2021	Current Target Allocation	Real Return Years 1 - 10 ^(b)	Real Return Years 11+ ^(c)
Asset Class ^(a)			
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

^(a) In the CalPERS' Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

^(b) An expected inflation of 2.00% used for this period.

^(c) An expected inflation of 2.92% used for this period.

NOTE 8 – PENSION PLAN (Continued)**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions** (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents NVTa's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what NVTa's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2022	2021
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 933,924	\$ 1,334,238
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 359,552	\$ 810,777
1% Increase	8.15%	8.15%
Net Pension Liability (Asset)	\$ (115,273)	\$ 378,258

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports

C. Payable to the Pension Plan

At June 30, 2022 and 2021, NVTa had no outstanding amounts for contributions to the Plan required for the years then ended.

NOTE 9 – OPEB**A. General Information about the OPEB Plan**

Plan Description – NVTa participates in the California Employers' Retiree Benefit Trust (CERBT), a trust established by Chapter 331 of the 1988 Statutes and initially funded in 2007. The purpose of the trust is to receive contributions from participating employers and establish separate employer prefunding accounts to pay for OPEB. The CERBT is an agent multiple-employer plan and is administered by CalPERS. A new OPEB Plan was adopted by the Board with an effective measurement date of June 30, 2018. The OPEB Plan provides postretirement health care benefits to all employees meeting certain selected criteria. Employees on the payroll as of June 30, 2022 and 2021, who retire from NVTa with 10 years of NVTa service and 20 years of CalPERS service will receive a percentage of \$500 cap (\$750 for dual coverage) based on years of service at NVTa. The PEMHCA minimum is paid for those retiring with less than 10 years of service at NVTa.

The following is a description of the current retiree benefit plan:

Benefit Types Provided	Medical only
Duration of Benefits	Lifetime
Required Service	CalPERS retirement and 10 years NVTa
Minimum Age	50
Dependent Coverage	Family eligible
NVTa Contribution %	Up to 100%
NVTa Cap Highest	\$500 (\$750 for dual coverage)

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

Employees Covered – As of the June 30, 2021 and 2020 valuations, the following current and former employees were covered by the benefit terms for the OPEB Plan:

	2021	2020
Inactive Employees or Beneficiaries Currently Receiving Benefits	3	2
Inactive Employees Entitled to but not yet Receiving Benefits	2	3
Active Employees	14	14
Total	19	19

Contributions – The contribution requirements of plan members and NVTa are established and may be amended by NVTa's Board. These contributions are neither mandated nor guaranteed. NVTa has retained the right to unilaterally modify its payment for retiree health care benefits. Refer to the table above for the contribution requirements. For the years ended June 30, 2022 and 2021, NVTa contributed \$55,329 and \$59,458, respectively. Employees are not required to contribute to the OPEB Plan.

Net OPEB Asset – NVTa's net OPEB asset was measured as of June 30, 2021 and 2020, and the total OPEB asset used to calculate the net OPEB asset was the Plan Fiduciary Net Position of the OPEB trust held with CalPERS. The following actuarial methods and assumptions were used:

2022	
Reporting Date	June 30, 2022
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Assumptions:	
Discount Rate	5.00%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	5.50%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds ⁽¹⁾
	Non-Medicare - 7% for 2022, decreasing to an ultimate rate of 4% in 2076;
	Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076;
Healthcare Cost Trend Rates	Medicare (Kaiser) - 5% for 2022, decreasing to an ultimate rate of 4% in 2076

⁽¹⁾ Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study dated December 2017 and post-retirement mortality information was derived from the 1997 to 2015 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

2021	
Reporting Date	June 30, 2021
Valuation Date	June 30, 2020
Measurement Date	June 30, 2020
Actuarial Assumptions:	
Discount Rate	5.50%
Inflation	2.75%
Salary Increases	3.00%
Investment Rate of Return	5.50%
Mortality Rate	Derived using CalPERS' Membership Data for all Funds ⁽¹⁾ Non-Medicare - 7% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076; Medicare (Kaiser) - 5% for 2022, decreasing to an ultimate rate of 4% in 2076
Healthcare Cost Trend Rates	

⁽¹⁾ Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study dated December 2017 and post-retirement mortality information was derived from the 1997 to 2015 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

The long-term expected rate of return on OPEB Plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

2022		
	Asset Class	Long-Term Expected Real Rate of Return
	Target Allocation	
Global Equity	22.00%	4.56%
Fixed Income	49.00%	0.78%
Treasury Inflation Protected Securities	16.00%	-0.08%
Commodities	5.00%	1.22%
REITs	8.00%	4.06%
Total	100.00%	

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

2021		
	Asset Class	Target Allocation
		Long-Term Expected Real Rate of Return
	Global Equity	22.00%
	Fixed Income	49.00%
	Treasury Inflation Protected Securities	16.00%
	Commodities	5.00%
	REITs	8.00%
	Total	100.00%

Discount Rate – The discount rate used to measure the total OPEB liability was 5.0% and 5.5% for 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that NVTa contributions will be sufficient to fully fund the obligation over a period not to exceed 30 years. Historic 30 year real rates of return for each asset class along with the assumed long-term inflation assumption were used to set the discount rate. The expected investment return was offset by the investment expenses of 15 basis points. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Asset – The changes in the net OPEB asset for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Balance at June 30, 2021	\$ 401,357	\$ 443,941	\$ (42,584)
Changes in the Year:			
Service Cost	37,189	-	37,189
Interest	23,613	-	23,613
Actual vs. Expected Experience	-	-	-
Assumption Changes	28,092	-	28,092
Contribution - Employer	-	59,458	(59,458)
Net Investment Income	-	60,338	(60,338)
Administrative Expenses	-	(192)	192
Benefit Payments	(18,423)	(18,423)	-
Net Changes	70,471	101,181	(30,710)
Balance at June 30, 2022	\$ 471,828	\$ 545,122	\$ (73,294)

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Balance at June 30, 2020	\$ 315,978	\$ 380,838	\$ (64,860)
Changes in the Year:			
Service Cost	42,375	-	42,375
Interest	19,391	-	19,391
Actual vs. Expected Experience	68,869	-	68,869
Assumption Changes	(33,649)	-	(33,649)
Contribution - Employer	-	50,607	(50,607)
Net Investment Income	-	24,293	(24,293)
Administrative Expenses	-	(190)	190
Benefit Payments	(11,607)	(11,607)	-
Net Changes	85,379	63,103	22,276
Balance at June 30, 2021	\$ 401,357	\$ 443,941	\$ (42,584)

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate – The following presents the net OPEB asset of NVTA if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement periods ended June 30, 2021 and 2020:

2021

1% Decrease	4.00%
Net OPEB Asset	\$ (8,648)
Current Discount Rate	5.00%
Net OPEB Asset	\$ (73,294)
1% Increase	6.00%
Net OPEB Asset	\$ (127,058)

2020

1% Decrease	4.50%
Net OPEB Asset	\$ 10,771
Current Discount Rate	5.50%
Net OPEB Asset	\$ (42,584)
1% Increase	6.50%
Net OPEB Asset	\$ (87,129)

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rates – The following presents the net OPEB asset of NVTa if it were calculated using health care cost trend rates that are percentage point lower or one percentage point higher than the current rates, for measurement periods ended June 30, 2021 and 2020:

2021

1% Decrease	4.00%
Net OPEB Asset	\$ (104,038)

Current Health Care Cost Trend Rates	5.00%
Net OPEB Asset	\$ (73,294)

1% Increase	6.00%
Net OPEB Asset	\$ (24,715)

2020

1% Decrease	4.50%
Net OPEB Asset	\$ (65,124)

Current Health Care Cost Trend Rates	5.50%
Net OPEB Asset	\$ (42,584)

1% Increase	6.50%
Net OPEB Asset	\$ (7,143)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Recognition of Deferred Outflows and Deferred Inflows of Resources – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

NOTE 9 – OPEB (Continued)A. General Information about the OPEB Plan (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the years ended June 30, 2022 and 2021, NVTA recognized OPEB expense of \$38,162 and \$46,874, respectively. For the years ended June 30, 2022 and 2021, NVTA reported deferred outflows of resources related to OPEB from the following sources:

2022	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 55,329	\$ -
Differences between Actual and Expected Experience	56,115	9,740
Changes in Assumptions	55,290	27,417
Net Differences between Projected and Actual Earnings on Plan Investments	-	32,545
Total	<u>\$ 166,734</u>	<u>\$ 69,702</u>
2021	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 59,458	\$ -
Differences between Actual and Expected Experience	62,492	11,420
Changes in Assumptions	35,249	30,533
Net Differences between Projected and Actual Earnings on Plan Investments	-	4,671
Total	<u>\$ 157,199</u>	<u>\$ 46,624</u>

The \$55,329 and \$59,458 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 and 2020 measurement dates will be recognized as an increase to the net OPEB asset during the years ending June 30, 2023 and 2022, respectively. In addition, future recognition of the deferred inflows of resources and deferred outflows of resources is shown below:

Year Ended June	
2023	\$ 1,065
2024	612
2025	1,832
2026	2,474
2027	9,632
Thereafter	<u>26,088</u>
	<u>\$ 41,703</u>

NOTE 10 – EMPLOYEE BENEFITS – DEFERRED COMPENSATION PLAN

Employees of NVTA may participate in a deferred compensation plan adopted under the provisions of the Internal Revenue Code (IRC) Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

NOTE 10 – EMPLOYEE BENEFITS – DEFERRED COMPENSATION PLAN (Continued)

The deferred compensation plan is available to all employees of NVTa. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The deferred compensation plan is administered by an unrelated financial institution through CalPERS. Under the terms of the IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution, until paid or made available to the employees or beneficiaries, are the property of the employee.

NOTE 11 – INSURANCE AND RISK OF LOSS

NVTa is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. NVTa maintains various insurance policies for directors and officers, property and liability, commercial liability, and workers' compensation against potential risk of loss through private insurance carriers. NVTa secures vehicular and liability coverage for business-type activities of up to \$5,000,000 per incident through its purchased transportation contractor.

NOTE 12 – RELATED PARTY TRANSACTIONS

County personnel provide administration services to NVTa. The County also provides legal counsel. During the years ended June 30, 2022 and 2021, NVTa paid to the County, a related party, the following amounts:

	<u>2022</u>	<u>2021</u>
Accounting and Legal Services	\$ 14,563	\$ 13,556
Other Services and Supplies	<u>140,576</u>	<u>153,791</u>
Total Related Party Transactions	<u>\$ 155,139</u>	<u>\$ 167,347</u>

NOTE 13 – FAREBOX RATIO

Article 4

Article 4 transit operations include Vine and American Canyon Transit (ACT). As agreed to by MTC, the combined farebox ratio requirement is 15%. The farebox ratio for the years ended June 30, 2022 and 2021, was 8.99% and 8.61%, respectively, as follows:

<u>Article 4</u>	June 30, 2022		
	Total Article 4 Services	Vine	ACT
Farebox Subject to Farebox Ratio	\$ 912,888	\$ 903,269	\$ 9,619
Operating Cost, Net of Depreciation	\$ 10,149,104	\$ 9,635,514	\$ 513,590
Farebox Ratio	8.99%		
June 30, 2021			
<u>Article 4</u>	Total Article 4 Services	Vine	ACT
Farebox Subject to Farebox Ratio	\$ 681,077	\$ 652,477	\$ 28,600
Operating Cost, Net of Depreciation	\$ 7,912,633	\$ 7,611,857	\$ 300,776
Farebox Ratio	8.61%		

Farebox revenue and operating cost used for farebox ratio calculation will not agree to the Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary Fund (see page 18). The sales of non-federal assets are eligible as farebox revenues. Supplies not directly used for transit have been removed from operating costs.

Recent changes to the TDA statutes allow for the inclusion of local funds to calculate statutory farebox ratio. California Public Utilities Code (PUC) Section 99268.19 states that: "If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by supplementing its fare revenues with local funds. As used in this section, "local funds" means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator."

Due to the COVID-19 pandemic, transit agencies statewide, including Vine Transit, have experienced significant declines in local and farebox revenues. In response, the State of California has provided statutory and administrative/regulatory relief for public transportation agencies. Assembly Bill No. 90 (AB 90) was approved by the Governor on June 29, 2020. AB 90 contains changes to transportation statutes, in particular relief for public transit operators. The bill temporarily suspends the financial penalties associated with the TDA's requirements that transit agencies obtain specified fixed percentages of their operating budgets from passenger fares for the 2020-2021 and 2021-2022 budget years. As transit ridership has declined due to the COVID-19 pandemic, this language would prevent agencies from being penalized due to the ongoing public health crisis.

For the year ended June 30, 2022, the farebox recovery ratios were suspended due to the effects of the COVID-19 health pandemic.

For the year ended June 30, 2021, the farebox recovery ratios were suspended due to the effects of the COVID-19 health pandemic.

NOTE 13 – FAREBOX RATIO (Continued)**Article 4** (Continued)

Without the use of local funds, sale of asset revenue, and chargebacks to meet statutory requirements, operation farebox for the years ended June 30, 2022 and 2021, would be 4.54% and 4.81%, respectively.

Article 8

Article 8 transit operations include Vine Go, Calistoga Shuttle, St. Helena Shuttle, Yountville Trolley, and the Taxi Scrip program. TDA Section 6633.2 requires NVTa to meet a 10% farebox revenue to total operating expenses ratio. The farebox revenue ratio for the years ended June 30, 2022 and 2021, for Article 8 transit operations was 4.60% and 6.88%, respectively, as follows:

	June 30, 2022		
<u>Article 8</u>	Total Article 8 Services	Taxi Scrip and Vine Go	Calistoga, Yountville, and St. Helena
Farebox Subject to Farebox Ratio	\$ 92,848	\$ 40,483	\$ 52,365
Operating Cost, Net of Depreciation	\$ 2,017,385	\$ 857,484	\$ 1,159,901
Farebox Ratio	4.60%		
	June 30, 2021		
<u>Article 8</u>	Total Article 8 Services	Taxi Scrip and Vine Go	Calistoga, Yountville, and St. Helena
Farebox Subject to Farebox Ratio	\$ 135,087	\$ 14,858	\$ 120,229
Operating Cost, Net of Depreciation	\$ 1,963,501	\$ 790,270	\$ 1,173,231
Farebox Ratio	6.88%		

For the year ended June 30, 2022, NVTa was not in compliance with the minimum farebox ratio required for Article 8 transit operations. For the year ended June 30, 2021, NVTa was not in compliance with the minimum farebox ratio required for Article 8 transit operations. NVTa was not required to meet the farebox ratio due to the COVID-19 pandemic.

NOTE 14 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the years ended June 30, 2022 and 2021, expenditures exceeded appropriations in the Planning Fund as follows:

Appropriations Category		Excess Expenditures	
		2022	2021
Planning Fund:	Office Expense	\$ 16,355	\$ -
	Rents and Leases	466	-
	Miscellaneous Expense	35,230	49,581

NOTE 15 – STATE OF GOOD REPAIR (SGR)

SGR funds of \$17,776 and \$17,792 were received during 2022 and 2021, respectively. Unspent SGR funds of \$10,239 and \$65,908 are included in unearned revenue for the years ended June 30, 2022 and 2021, respectively.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 16, 2022, which is the date the basic financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local Transportation Fund Allocation	\$ 2,865,100	\$ 2,865,100	\$ 3,159,928	\$ 294,828
Federal Highway Allocations	790,000	4,327,100	1,064,273	(3,262,827)
Programming, Planning, and Monitoring	70,000	3,070,000	1,008,446	(2,061,554)
Other Grants	400,000	1,900,000	160,602	(1,739,398)
Local Support	-	-	201,321	201,321
Interest	20,000	20,000	35,995	15,995
Other Revenues	250,000	1,750,000	366,398	(1,383,602)
Total Revenues	4,395,100	13,932,200	5,996,963	(7,935,237)
Expenditures				
Communications	40,800	40,800	34,922	5,878
Insurance	60,000	60,000	55,657	4,343
Office Expense	66,000	66,000	82,355	(16,355)
Rents and Leases	7,000	7,000	7,466	(466)
Transportation	16,000	16,000	3,504	12,496
Salaries and Benefits	2,776,300	3,091,000	1,981,237	1,109,763
Miscellaneous Expense	229,600	269,700	304,930	(35,230)
Professional Services	1,399,400	10,581,700	3,143,740	7,437,960
Total Expenditures	4,595,100	14,132,200	5,613,811	8,518,389
Other Finance Sources				
Transfers	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balance	(200,000)	(200,000)	383,152	(583,152)
Fund Balance, Beginning of Year	2,678,053	3,227,053	2,315,976	911,077
Fund Balance, End of Year	<u>\$ 2,478,053</u>	<u>\$ 3,027,053</u>	<u>\$ 2,699,128</u>	<u>\$ 327,925</u>

See accompanying note to required supplementary information.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GOVERNMENTAL FUND – PLANNING FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local Transportation Fund Allocation	\$ 1,746,100	\$ 1,746,100	\$ 1,746,100	\$ -
Federal Highway Allocations	8,997,000	8,997,000	899,263	(8,097,737)
Programming, Planning, and Monitoring	6,936,200	6,936,200	4,084,848	(2,851,352)
Other Grants	-	-	79,373	79,373
Local Support	-	-	14,040	14,040
Interest	20,000	20,000	16,569	(3,431)
Other Revenues	3,073,300	3,073,300	664,564	(2,408,736)
Total Revenues	20,772,600	20,772,600	7,504,757	(13,267,843)
Expenditures				
Communications	40,000	40,000	29,664	10,336
Insurance	60,000	60,000	38,243	21,757
Office Expense	88,000	131,000	39,145	91,855
Rents and Leases	7,000	7,000	6,399	601
Transportation	16,000	16,000	335	15,665
Salaries and Benefits	2,622,000	2,622,000	1,997,561	624,439
Miscellaneous Expense	257,400	377,400	426,981	(49,581)
Professional Services	17,682,200	16,970,200	5,328,506	11,641,694
Total Expenditures	20,772,600	20,223,600	7,866,834	12,356,766
Net Change in Fund Balance	-	549,000	(362,077)	911,077
Fund Balance, Beginning of Year	2,678,053	2,678,053	2,678,053	-
Fund Balance, End of Year	\$ 2,678,053	\$ 3,227,053	\$ 2,315,976	\$ 911,077

See accompanying note to required supplementary information.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

BUDGETS AND BUDGETARY ACCOUNTING

Formal budgetary accounting is employed as a management control by Napa Valley Transportation Authority (NVTA). A biennial budget is adopted each even-numbered fiscal year by the Board of Directors (the Board). The accounting method used to prepare the budget is consistent with accounting principles generally accepted in the United States of America. All changes or amendments to the budget require prior approval of the Board. Unused appropriations lapse at the end of the fiscal year.

NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CHANGES IN THE NET OTHER POSTEMPLOYMENT BENEFITS (OPEB)
ASSET AND RELATED RATIOS
FOR THE MEASUREMENT PERIOD ENDED JUNE 30

<i>Measurement Period</i>	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 37,189	\$ 42,375	\$ 41,141	\$ 31,966	\$ 31,035
Interest	23,613	19,391	16,632	10,999	8,924
Actual and Expected Experience Difference	-	68,869	-	(16,460)	-
Changes in Assumptions	28,092	(33,649)	-	50,801	-
Changes in Benefit Terms	-	-	-	20,429	-
Benefit Payments	(18,423)	(11,607)	(6,087)	(2,930)	(3,400)
Net Change in Total OPEB Liability	70,471	85,379	51,686	94,805	36,559
Total OPEB Liability - Beginning	401,357	315,978	264,292	169,487	132,928
Total OPEB Liability - Ending (a)	<u>\$ 471,828</u>	<u>\$ 401,357</u>	<u>\$ 315,978</u>	<u>\$ 264,292</u>	<u>\$ 169,487</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ 59,458	\$ 50,607	\$ 44,087	\$ 25,930	\$ 34,400
Net Investment Income	60,338	24,293	23,900	13,303	10,318
Benefit Payments	(18,423)	(11,607)	(6,087)	(2,930)	(3,400)
Administrative Expenses	(192)	(190)	(70)	(522)	(128)
Net Change in Plan Fiduciary Net Position	101,181	63,103	61,830	35,781	41,190
Plan Fiduciary Net Position - Beginning	443,941	380,838	319,008	283,227	242,037
Plan Fiduciary Net Position - Ending (b)	<u>\$ 545,122</u>	<u>\$ 443,941</u>	<u>\$ 380,838</u>	<u>\$ 319,008</u>	<u>\$ 283,227</u>
Net OPEB Asset - Ending [(a) - (b)]	<u>\$ (73,294)</u>	<u>\$ (42,584)</u>	<u>\$ (64,860)</u>	<u>\$ (54,716)</u>	<u>\$ (113,740)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.53%	110.61%	120.53%	120.70%	167.11%
Covered Payroll	\$ 1,738,478	\$ 1,661,705	\$ 1,621,492	\$ 1,621,492	\$ 1,870,622
Net OPEB Asset as a Percentage of Covered Payroll	-4.22%	-2.56%	-4.00%	-3.37%	-6.08%

Notes to the Schedule:

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CONTRIBUTIONS – OPEB
AS OF JUNE 30, 2022
LAST 10 YEARS***

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Actuarially Determined Contributions	\$ 35,000	\$ 41,000	\$ 39,000	\$ 38,000	\$ 23,000
Contributions in Relation to the Actuarially Determined Contributions	<u>(55,329)</u>	<u>(59,458)</u>	<u>(50,607)</u>	<u>(44,087)</u>	<u>(25,930)</u>
Contribution Deficiency (Excess)	<u>\$ (20,329)</u>	<u>\$ (18,458)</u>	<u>\$ (11,607)</u>	<u>\$ (6,087)</u>	<u>\$ (2,930)</u>
Covered Payroll	\$ 1,649,016	\$ 1,738,478	\$ 1,611,705	\$ 1,621,492	\$ 1,870,622
Contributions as a Percentage of Covered Payroll	3.36%	3.42%	3.14%	2.72%	1.39%

Notes to the Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2022, were from the June 30, 2019 actuarial valuation.

Methods and Assumptions Used to Determine Contributions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	5.00%
Inflation	2.75%
Salary Increases	3.00%
Healthcare Cost Trend Rates	6.5% in 2020, fluctuating down to 4% by 2076
Mortality Rate	CalPERS 1997-2015 Experience Study; Projected with Scale MP- 2017

* Fiscal year 2018 was the 1st year of implementation; therefore, only five years are shown.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF NVTa'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, 2022
LAST 10 YEARS***

	2022	2021	2020	2019
Proportion of the Net Pension Liability	0.006650%	0.007450%	0.006870%	0.003700%
Proportionate Share of the Net Pension Liability	\$ 359,552	\$ 810,777	\$ 703,771	\$ 356,433
Covered Payroll	\$ 1,597,412	\$ 1,546,016	\$ 1,515,963	\$ 1,436,566
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	22.51%	52.44%	46.42%	24.81%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.29%	75.10%	75.26%	75.26%
	2018	2017	2016	2015
Proportion of the Net Pension Liability	0.003785%	0.003379%	0.003120%	0.003084%
Proportionate Share of the Net Pension Liability	\$ 375,403	\$ 292,430	\$ 214,127	\$ 191,920
Covered Payroll	\$ 1,392,133	\$ 1,116,442	\$ 1,100,512	\$ 1,014,983
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	26.97%	26.19%	19.46%	18.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.31%	74.06%	78.40%	79.82%

* Fiscal year 2015 was the 1st year of implementation; therefore, only eight years are shown.

Notes to Schedule:

Benefit changes. The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014, as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions. GASB Statement No. 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expenses but without reduction for pension plan administrative expenses. The discount rate of 7.15 percent used for the June 30, 2018 measurement date was net of administrative expenses.

NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF CONTRIBUTIONS – PENSION
AS OF JUNE 30, 2022
LAST 10 YEARS*

	2022	2021	2020	2019
Contractually Required Contribution (Actuarially Determined)	\$ 195,723	\$ 185,716	\$ 161,492	\$ 142,748
Contributions in Relation to the Actuarially Determined Contributions	195,723	185,716	161,492	142,748
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,655,616	\$ 1,597,412	\$ 1,546,016	\$ 1,515,963
Contributions as a Percentage of Covered Payroll	11.82%	11.63%	10.45%	9.42%
	2018	2017	2016	2015
Contractually Required Contribution (Actuarially Determined)	\$ 124,099	\$ 117,333	\$ 91,990	\$ 130,432
Contributions in Relation to the Actuarially Determined Contributions	124,099	117,333	91,990	130,432
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 1,436,566	\$ 1,392,113	\$ 100,512	\$ 1,014,983
Contributions as a Percentage of Covered Payroll	8.64%	8.43%	91.52%	12.85%

* Fiscal year 2015 was the 1st year of implementation; therefore, only eight years are shown.

Notes to Schedule:

Valuation Date	June 30, 2020	June 30, 2019
Measurement Date	June 30, 2021	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Projected Salary Increase	Varies ⁽¹⁾	Varies ⁽¹⁾
Investment Rate of Return	7.15% ⁽²⁾	7.15% ⁽²⁾
Mortality	CalPERS ⁽³⁾	CalPERS ⁽³⁾

⁽¹⁾ Depending on age, service, and type of employment.

⁽²⁾ Net of pension plan investment expenses, including inflation.

⁽³⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

SUPPLEMENTARY INFORMATION

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2022**

	Vine Go	Vine	Taxi	American Canyon	Yountville
Operating Revenues:					
Farebox Revenues	\$ 40,492	\$ 478,001	\$ -	\$ 9,619	\$ -
Operating Expenses:					
Marketing	-	27,960	-	-	-
Vehicle Maintenance	9,156	276,338	-	11,598	11,598
Other Maintenance	-	699	-	-	-
Fuel and Lubricants	146,632	1,176,124	-	22,078	7,371
Insurance	26,639	286,655	-	19,405	12,262
Planning and Administration	-	1,086	-	-	-
Security	-	25,589	-	-	-
Services	37,371	120,497	-	977	1,181
Supplies	531	73,469	-	266	-
Purchased Transportation	637,154	7,336,874	-	459,267	284,331
Rents and Leases	-	20,899	-	-	-
Utilities	-	20,174	-	-	-
Miscellaneous Expense	-	6,428	-	-	-
Depreciation	57,182	1,651,442	-	-	16,445
Personnel Costs	34,113	230,816	32,800	20,814	13,573
Total Operating Expenses	948,778	11,255,050	32,800	534,405	346,761
Operating Loss	(908,286)	(10,777,049)	(32,800)	(524,786)	(346,761)
Nonoperating Revenues (Expenses):					
Local Transportation Fund	594,297	2,510,236	-	-	370,147
State Transit Assistance	156,900	1,319,351	-	-	150,000
Federal Transit Assistance					
Grant Revenues - Operating	663,841	4,272,242	-	1,344,344	165,000
Other Operating Grants	32,800	1,205,333	-	-	-
Interest Income	5,014	11,044	-	1,653	2,814
Other Revenues	2,401	180,184	-	-	11,423
Returned Local Transportation					
Fund Allocations	-	(163,517)	-	-	-
Loss on Disposal of Property	-	(2,062,247)	-	-	-
Total Nonoperating Revenues	1,455,253	7,272,626	-	1,345,997	699,384
Change in Net Position Before Contributions	546,967	(3,504,423)	(32,800)	821,211	352,623
Capital Contributions:					
Federal Transit Assistance	-	4,867,978	-	-	-
State Transit Assistance	-	3,071,132	-	-	-
Local Transportation Fund	-	3,451,336	-	-	-
Change in Net Position	546,967	7,886,023	(32,800)	821,211	352,623
Net Position, Beginning of Year	(22,672)	22,478,091	(56,553)	(81,217)	(523,660)
Net Position, End of the Year	\$ 524,295	\$ 30,364,114	\$ (89,353)	\$ 739,994	\$ (171,037)

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (Continued)
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2022**

	St. Helena	Calistoga	Totals
Operating Revenues:			
Farebox Revenues	\$ 2,738	\$ 49,627	\$ 580,477
Operating Expenses:			
Marketing	-	-	27,960
Vehicle Maintenance	11,597	11,598	331,885
Other Maintenance	-	-	699
Fuel and Lubricants	19,184	23,682	1,395,071
Insurance	11,668	15,830	372,459
Planning and Administration	-	-	1,086
Security	-	-	25,589
Services	1,129	1,094	162,249
Supplies	-	-	74,266
Purchased Transportation	285,854	396,904	9,400,384
Rents and Leases	-	-	20,899
Utilities	-	-	20,174
Miscellaneous Expense	65	3,843	10,336
Depreciation	-	-	1,725,069
Personnel Costs	14,666	32,470	379,252
Total Operating Expenses	344,163	485,421	13,947,378
Operating Loss	(341,425)	(435,794)	(13,366,901)
Nonoperating Revenues (Expenses):			
Local Transportation Fund	340,000	360,720	4,175,400
State Transit Assistance	150,000	230,000	2,006,251
Federal Transit Assistance			
Grant Revenues - Operating	165,000	198,909	6,809,336
Other Operating Grants	-	-	1,238,133
Interest Income	2,731	-	23,256
Other Revenues	-	3,418	197,426
Returned Local Transportation			
Fund Allocations	-	-	(163,517)
Loss on Disposal of Property	-	-	(2,062,247)
Total Nonoperating Revenues	657,731	793,047	12,224,038
Change in Net Position Before Contributions	316,306	357,253	(1,142,863)
Capital Contributions:			
Federal Transit Assistance	-	-	4,867,978
State Transit Assistance	-	-	3,071,132
Local Transportation Fund	-	-	3,451,336
Change in Net Position	316,306	357,253	10,247,583
Net Position, Beginning of Year	(260,835)	(184,899)	21,348,255
Net Position, End of the Year	\$ 55,471	\$ 172,354	\$ 31,595,838

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2021**

	Vine Go	Vine	Taxi	American Canyon	Yountville
Operating Revenues:					
Farebox Revenues	\$ 14,858	\$ 351,866	\$ -	\$ 28,600	\$ 38,971
Operating Expenses:					
Marketing	-	61,807	-	-	-
Vehicle Maintenance	6,149	102,561	-	11,598	13,621
Other Maintenance	-	7,883	-	-	-
Fuel and Lubricants	77,204	709,180	-	2,645	10,617
Insurance	44,124	237,485	-	23,096	30,357
Security	-	11,705	-	-	-
Services	3,866	131,794	-	1,715	1,885
Supplies	-	12,677	-	-	-
Purchased Transportation	454,280	6,078,807	-	240,484	305,033
Utilities	-	11,429	-	-	-
Miscellaneous Expense	-	4,418	-	-	-
Depreciation	93,394	2,441,553	-	24,817	16,445
Personnel Costs	17,859	252,226	-	11,124	11,751
Total Operating Expenses	696,876	10,063,525	-	315,479	389,709
Operating Loss	(682,018)	(9,711,659)	-	(286,879)	(350,738)
Nonoperating Revenues (Expenses):					
Local Transportation Fund	978,972	1,052,773	-	562,435	299,676
State Transit Assistance	100,000	702,172	-	-	75,000
Federal Transit Assistance					
Grant Revenues - Operating	89,968	4,381,443	-	-	105,551
Other Operating Grants	-	444,538	-	-	-
Interest Income	(60)	49,911	93	5,945	231
Returned Local Transportation Fund Allocations	-	(617,772)	-	-	-
Total Nonoperating Revenues	1,168,880	6,013,065	93	568,380	480,458
Change in Net Position Before Contributions	486,862	(3,698,594)	93	281,501	129,720
Capital Contributions:					
Local Transportation Fund	-	465,998	-	-	-
Change in Net Position	486,862	(3,232,596)	93	281,501	129,720
Net Position, Beginning of Year	(509,534)	25,710,687	(56,646)	(362,718)	(653,380)
Net Position, End of the Year	\$ (22,672)	\$ 22,478,091	\$ (56,553)	\$ (81,217)	\$ (523,660)

**NAPA VALLEY TRANSPORTATION AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION (Continued)
ENTERPRISE FUND – TRANSIT RELATED
BY OPERATION
FOR THE YEAR ENDED JUNE 30, 2021**

	St. Helena	Calistoga	Totals
Operating Revenues:			
Farebox Revenues	\$ 37,417	\$ 43,841	\$ 515,553
Operating Expenses:			
Marketing	-	-	61,807
Vehicle Maintenance	13,621	13,621	161,171
Other Maintenance	-	-	7,883
Fuel and Lubricants	10,518	14,223	824,387
Insurance	28,198	36,999	400,259
Security	-	-	11,705
Services	1,705	1,755	142,720
Supplies	-	6,749	19,426
Purchased Transportation	283,820	363,576	7,726,000
Utilities	-	-	11,429
Miscellaneous Expense	-	-	4,418
Depreciation	-	-	2,576,209
Personnel Costs	10,970	14,210	318,140
Total Operating Expenses	348,832	451,133	12,265,554
Operating Loss	(311,415)	(407,292)	(11,750,001)
Nonoperating Revenues (Expenses):			
Local Transportation Fund	202,301	291,583	3,387,740
State Transit Assistance	75,000	102,000	1,054,172
Federal Transit Assistance			
Grant Revenues - Operating	184,500	177,053	4,938,515
Other Operating Grants	-	-	444,538
Interest Income	672	266	57,058
Returned Local Transportation			
Fund Allocations	-	-	(617,772)
Total Nonoperating Revenues	462,473	570,902	9,264,251
Change in Net Position Before Contributions	151,058	163,610	(2,485,750)
Capital Contributions:			
Local Transportation Fund	-	-	465,998
Change in Net Position	151,058	163,610	(2,019,752)
Net Position, Beginning of Year	(411,893)	(348,509)	23,368,007
Net Position, End of the Year	\$ (260,835)	\$ (184,899)	\$ 21,348,255

OTHER REPORTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND
REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT
ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF
THE METROPOLITAN TRANSPORTATION COMMISSION**

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Napa Valley Transportation Authority (NVTa) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 16, 2022.

Compliance

As part of obtaining reasonable assurance about whether NVTa's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the financial statements. Additionally, we performed tests to determine that allocations made and expenditures paid by NVTa were made in accordance with the allocation instructions and resolutions of the Metropolitan Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to NVTa. Based on our procedures, no instances of noncompliance with applicable statutes, rules, and regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Metropolitan Transportation Commission were noted. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements.

Purpose of this Report

The purpose of this report is solely to describe the scope of our internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NVTa's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, the California Department of Transportation, the State Controller's Office, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
December 16, 2022

INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

To the Honorable Members
of the Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on Compliance with Transportation Development Act Requirements

We have audited Napa Valley Transportation Authority's (NVTa) compliance with Transportation Development Act (TDA) requirements that funds allocated to and received by NVTa were expended in conformance with applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the Metropolitan Transportation Commission as required by Section 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations during the year ended June 30, 2022.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the applicable statutes, rules, and regulations of the TDA.

Auditor's Responsibility

Our responsibility is to express an opinion on each of NVTa's compliance requirements referred to in Section 6667, which requires that for a transit claimant, the independent auditor will perform at least the following tasks:

- (a) Determine whether the claimant was an entity eligible to receive the funds allocated to it,
- (b) Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller, pursuant to Public Utilities Code Section 99234,
- (c) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 99263 for operators receiving funds under Article 4; Sections 99275, 99275.5, and 99277 for Article 4.5 claimants; Section 99400(c), (d), and (e) for Article 8 claimants for service provided under contract; and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000,
- (d) Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions,
- (e) Determine whether interest earned on funds received by the claimant, pursuant to the TDA, were expended only for those purposes for which the funds were allocated in accordance with Public Utilities Code Sections 99234.1, 99301, 99301.5, and 99301.6,
- (f) Verify the amount of the claimant's operating cost for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in the Section 6633.2,

- (g) Verify the amount of the claimant's actual fare revenues for the fiscal year,
- (h) Verify the amount of the claimant's actual local support for the fiscal year,
- (i) Verify the amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with Sections 6634 and 6649,
- (j) Verify, if applicable, the amount of the operator's expenditure limitation in accordance with Section 6633.1,
- (k) In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272, and 99273,
- (l) In the case of an operator, determine whether the operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251,
- (m) In the case of an operator, verify, if applicable, its State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7, and
- (n) In the case of a claimant for community transit services, determine whether it is in compliance with Public Utilities Code Sections 99155 and 99155.5.

Opinion on Compliance

In our opinion, NVTA complied, in all material respects, with the compliance requirements referred to above that are applicable to NVTA for the year ended June 30, 2022.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 16, 2022



**NAPA VALLEY
TRANSPORTATION AUTHORITY
SINGLE AUDIT REPORT
FOR THE YEAR ENDED
JUNE 30, 2022**

**NAPA VALLEY TRANSPORTATION AUTHORITY
JUNE 30, 2022**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	3
Schedule of Expenditures of Federal Awards	6
Notes to Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8
Summary Schedule of Prior Audit Findings	10

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors
Napa Valley Transportation Authority
Napa, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Napa Valley Transportation Authority (NVTa), as of and for the year ended June 30, 2022, and the related notes to the basic financial statements, which collectively comprise the NVTa's basic financial statements, and have issued our report thereon dated December 16, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the NVTa's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NVTa's internal control. Accordingly, we do not express an opinion on the effectiveness of the NVTa's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NVTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the NVTA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the NVTA's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive, flowing style.

Bakersfield, California
December 16, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Napa Valley Transportation Authority
Napa, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Napa Valley Transportation Authority's (NVTa) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the NVTa's major federal programs for the year ended June 30, 2022. The NVTa's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the NVTa complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the NVTa and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the NVTa's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the NVTa's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the NVTa's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the NVTa's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the NVTa's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the NVTa's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the NVTa's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the NVTa, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the NVTa's basic financial statements. We issued our report thereon dated December 16, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 16, 2022

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Disbursements/ Expenditures
<u>U.S. Department of Transportation</u>				
Direct Programs:				
Federal Transit Formula Grant	20.507	CA-2022-154	\$ -	\$ 2,213,030
Federal Transit Formula Grant	20.507	CA-2016-014	-	100,000
Bus and Bus Facilities Formula Program	20.526	CA-2018-032	-	164,747
Federal Transit Formula Grant	20.507	CA-2019-119	-	205,812
Federal Transit Formula Grant	20.507	CA-2020-166	-	214,207
Federal Transit Formula Grant	20.507	CA-2021-210	-	2,197,802
Federal Transit Formula Grant	20.507	CA-2017-061	-	28,205
Federal Transit Formula Grant	20.507	CA-2019-024	-	507,131
Federal Transit Formula Grant	20.507	CA-2021-128	-	300,000
Bus and Bus Facilities Formula Program	20.526	CA-2018-140	-	224,681
Federal Transit Formula Grant	20.507	CA-2022-111	-	150,398
Low or No Emission Vehicle Program	20.526	CA-2018-103	-	903,200
Subtotal Federal Transit Formula Grants			-	7,209,213
Subtotal Federal Transit Cluster			-	7,209,213
Transportation Infrastructure Finance and Innovation Act - 3rd Party Loan	20.223		-	3,982,524
Passed through Metropolitan Transportation Commission (MTC)				
Highway Planning and Construction	20.205	--	-	958,000
Subtotal Metropolitan Transportation Commission			-	958,000
Passed through State Department of Transportation (Caltrans)				
Federal Grants to Rural Areas	20.509	64BO21-01727	-	227,053
COVID-19 CARES Act - Federal Grants to Rural Areas	20.509	64RO21-01649	-	301,856
COVID-19 CARES Act - Federal Grants to Rural Areas	20.509	64KO20-01372	-	178,677
Subtotal Federal Transit for Rural Areas			-	707,586
Highway Planning and Construction	20.205	ATPSB1NI-6510 (001)	6,273	6,273
Total U.S. Department of Transportation			6,273	12,863,596
<u>U.S. Department of the Treasury</u>				
Direct Programs:				
Coronavirus Relief Fund	21.019	CA-2021-073	-	1,539,743
Coronavirus State and Local Fiscal Recovery Funds	21.027	CA-2021-246	-	2,320,772
Total U.S. Department of the Treasury			-	3,860,515
Total Expenditures of Federal Awards			\$ 6,273	\$ 16,724,111
Federal Loan Balances Carried Forward from Prior Year				
Transportation Infrastructure Finance and Innovation Act (TIFIA) Program	20.223		\$ -	-
Total Federal Loan Balances			\$ -	-
Total Expenditures of Federal Awards, Including Federal Loan Balances			\$ -	\$ 16,724,111

See Accompanying Notes to the Schedule of Expenditures of Federal Awards.

**NAPA VALLEY TRANSPORTATION AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget (OMB) *Compliance Supplement*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2 – INDIRECT COST RATE

The Napa Valley Transportation Authority (NVTA) has elected not use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 3 – LOANS OUTSTANDING

The following program had federally-funded loans outstanding at June 30, 2022:

Assistance Listing Number	Program Title	Amount Outstanding				
		July 1, 2021	New Loans	Loan Payments	Forgiven	June 30, 2022
20.223	TIFIA	\$ -	\$ 3,982,524	\$ -	\$ -	\$ 3,982,524

**NAPA VALLEY TRANSPORTATION AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION I

Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|------------|
| 1. Internal controls over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? | No |

4. Identification of major programs:

Assistance Listing Number

Name of Federal Program

20.507
20.526

Federal Transit Cluster
Federal Transit Formula Grant
Bus and Bus Facilities Formula Grant

20.205
21.027

Highway Planning and Construction
Coronavirus State and Local Fiscal
Recovery Funds

21.223

Transportation Infrastructure Finance
and Innovation Act

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and Type B programs: | \$750,000 |
| 6. Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |

SECTION II

Financial Statement Findings

No matters were reported.

SECTION III

Federal Award Findings and Questioned Costs

No matters were reported.

**NAPA VALLEY TRANSPORTATION AUTHORITY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2022**

No matters were reported.



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Termination Fee Exposure in the Power Purchase Agreement (PPA) between the Seller (127Energy LLC) and the Napa Valley Transportation Authority (NVTA)

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board accept and acknowledge the risk exposure and subsequent termination payments to 127Energy in the amounts listed under Exhibit 3, Attachment A of the PPA (Table 1).

EXECUTIVE SUMMARY

NVTA is currently negotiating with 127Energy on a Power Purchase Agreement (PPA) for the installation, operations, and maintenance of a photovoltaic system at the new Vine Bus Maintenance Facility. The “Default, Remedies, and Damages” portion of the contract provides terms and conditions of a termination payment due to the 127Energy in the event of catastrophic destruction rendering the system inoperable. 127Energy is unwilling to remove this provision from the contract. A risk exposure of this type is effectively uninsurable and NVTA may not have the funds to pay the seller if such an event were to occur. The probability of such a catastrophe rendering the equipment inoperable is extremely low.

FISCAL IMPACT

Up to \$5,830,942.26 in the first year, discounted gradually each year for the life of the 20-year agreement.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors

FROM: Kate Miller, Executive Director

REPORT BY: Antonio Onorato, Director - Administration, Finance and Policy
(707) 259-8779 / Email: aonorato@nvta.ca.gov

SUBJECT: Termination Fee Exposure in the Power Purchase Agreement (PPA)
between the Seller (127Energy) LLC and the Napa Valley
Transportation Authority (NVTA)

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board accept and acknowledge the risk exposure and subsequent termination payments to 127Energy in the amounts listed under Exhibit 3, Attachment A of the PPA (Table 1).

COMMITTEE RECOMMENDATION

None

BACKGROUND

At its November 16, 2022 meeting, the Board authorized the Executive Director to negotiate and execute a twenty-year Power Purchase Agreement (PPA) with 127Energy (the Seller) for the installation, operation, and maintenance of a photovoltaic system ("System") at the new Vine Bus Maintenance Facility ("Facility"). Staff has been working with Regatta Solutions, the coordinating consultant facilitating the PPA, 127Energy, Récolte Engineering, NVTA's consultant, and NVTA legal counsel to iron out the terms of the PPA. NVTA was able to address most areas of risk exposure to protect the agency's interest by modifying the terms of the agreement as well as insuring against other risks.

The agreement includes a termination payment, which is discounted annually, for risks associated with the complete destruction of the Facility that impact the operation of the System if the destruction is caused by casualty or any other occurrence other than 127Energy's gross negligence or willful misconduct. Such an event would occur if an uninsured party damaged the Facility beyond repair and render it incapable of generating

electricity. This provision exposes the Agency to a certain level of risk if the Agency decides not to repair the Facility, however, such an incident has a very low probability of occurring.

NVTA staff had limited success acquiring insurance to cover the termination payment that would be owed to 127Energy resulting from such a catastrophic event. One underwriter was willing to cover the termination payments, but the annual premium was estimated to \$3 million over the life of the contract, which would significantly offset the projected benefits that the Agency is expecting to receive by entering into the PPA.

It should be noted that “force majeure” events (e.g., act of God or Act of War, etc.) is addressed elsewhere in the agreement and would not trigger the termination payments.

Table 1: Termination Payments included in Exhibit 3 Attachment A of the PPA

Contract Year	Termination Payment Amount
1	\$5,830,942.26
2	\$5,539,395.15
3	\$5,262,425.51
4	\$4,999,304.15
5	\$4,749,338.98
6	\$4,321,898.46
7	\$3,932,927.45
8	\$3,578,964.08
9	\$3,256,857.33
10	\$2,963,740.21
11	\$2,697,003.60
12	\$2,454,273.32
13	\$2,233,388.62
14	\$2,032,383.63
15	\$1,849,469.05
16	\$1,683,016.98
17	\$1,531,545.33
18	\$1,393,706.31
19	\$1,268,272.80
20	\$1,154,128.26
After Year 20	Fair Market Value

ALTERNATIVES

The Seller is unwilling to remove this provision from the PPA contract. If the Board does not accept this provision, then negotiations with 127Energy will cease without any alternative options.

NVTA may self-insure by setting aside general funds to safeguard itself. However, the amount of funds needed to protect the agency would be restricted from use and other projects would be deferred indefinitely.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently.

By accepting and acknowledging the termination fee cannot be reasonably mitigated, the Board is taking a calculated risk that a catastrophic event has an extremely low probability of occurrence and significantly reducing costs to the agency.

ATTACHMENTS

None



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Amending Contract with Kleinfelder for Construction Services

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board authorize the Executive Director to execute and make minor modifications to Amendment #1 to Agreement 21-20-CM01 for construction management and material testing services with Kleinfelder Construction Services (KCS), increasing the contract amount by \$736,564 for an amount not to exceed \$1,636,564.

EXECUTIVE SUMMARY

The NVRTA Board previously approved contracts with Kleinfelder Construction Services, Inc. (KCS), Park Engineering, and Sequoia Ecological Services, Inc. for a total of \$1,700,000 to provide construction management, materials testing and inspection, and biological and archeological monitoring services for the Vine Transit Maintenance Facility, Napa Valley Vine Trail – St Helena to Calistoga, and Imola Park and Ride projects. At the time of approval, staff made the Board aware that the total cost for these services is estimated at \$3,500,000 and an amendment to increase the original contract would be necessary once construction began and total work effort to provide these services could be realized.

Now that construction is substantially complete for the Imola Park and Ride project and ongoing for the Vine Trail and Vine Bus Maintenance Facility, staff is returning to the Board to request authorization to increase the KCS contract value by \$734,564 to provide construction management and material testing and inspection services for the remainder of the Vine Trail and Vine Bus Maintenance Facility construction projects.

FISCAL IMPACT

Yes. Up to \$736,564. However, no additional appropriation is needed. Funds will be transferred from unused tasks in Park Engineering's contract to the KCS contract pending item approval. Additional cost for the construction management and materials testing and inspection services on the Vine Transit Maintenance Facility project will be funded by the project contingency, which was previously approved by the Board.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVRTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Grant Bailey, Program Manager – Engineer
(707) 259-5951 / Email: gbailey@nvta.ca.gov
SUBJECT: Amending Contract with Kleinfelder for Construction Services

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board authorize the Executive Director to execute and make minor modifications to Amendment #1 to Agreement 21-20-CM01 for construction management and material testing services with Kleinfelder Construction Services, increasing the contract value by \$736,564 for an amount not to exceed \$1,636,564.

COMMITTEE RECOMMENDATION

None

BACKGROUND

In August 2021, the Board authorized three contracts for on-call services with Kleinfelder Construction Services (KCS), Park Engineering, Inc. and Sequoia Ecological Consulting for construction management, materials testing, and biological and archeological monitoring services required for the Napa Valley Vine Trail – St Helena to Calistoga, Vine Transit Maintenance Facility, and Imola Park and Ride Improvement projects.

When the Board authorized these contracts, staff noted the total contract value for these services was anticipated to cost approximately \$3,500,000. However, staff only requested the Board authorize \$1,700,000 to initiate consultant work and informed the board an amendment to one or more of these contracts would be necessary once full and final costs were realized, approximately half-way through construction of each project. A subsequent work order to KCS was issued for \$900,000 of the \$1,700,000 approved in the August 2021 Board authorization.

The Imola Park and Ride Improvements project is substantially complete while the Vine Trail and Vine Transit Maintenance Facility projects are presently in construction. Park Engineering currently has sufficient funding for construction management services on the Imola Park and Ride and Vine Trail projects, however, KCS has identified a need to amend their contract fee to ensure there is adequate budget to complete their scope of services for the Vine Trail project (materials testing) and the Vine Transit Maintenance Facility project (construction management and materials testing).

A breakdown of additional KCS fee is as follows:

Contract	Scope	Fee
Napa Valley Vine Trail	Materials Testing	\$82,833
Vine Transit Maintenance Facility	Construction Management	\$274,253
Vine Transit Maintenance Facility	Materials Testing	\$379,478
Total		\$734,564

Park Engineering's base contract for the Vine Trail included \$95,000 for materials testing services however, all testing has been performed by KCS for the project. Since KCS has ostensibly completed materials testing for the Vine Trail project, Park has agreed to remove the materials testing scope from their contract and transfer this budget to fund the KCS amendment. Additional fee for construction management and materials testing for the Vine Transit Maintenance Facility project is available from the project's construction contingency fund.

ALTERNATIVES

The Board could decide not to approve this amendment and transition construction management and inspection duties to NVTA staff which will limit the agency's ability to effectively manage and deliver other ongoing projects. Materials testing scope cannot be transitioned to NVTA staff as testing and inspection are highly specialized. This option would likely halt construction of the Transit Maintenance Facility since materials inspections are required for intermediate construction permit approvals.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 5: Minimize the energy and other resources required to move people and goods.

The construction of the Bus Maintenance Facility and the Vine Trail Calistoga to St. Helena segment will reduce mobile emissions.

Goal 3: Use taxpayer dollars efficiently.

Hiring short-term consultants with expertise in a variety of fields is more economically viable than hiring full time employees with the qualifications needed to manage the construction of these capital projects.

ATTACHMENTS

(1) Amendment #1 Construction Management and Materials Testing and Inspection Services Agreement No. 21-20-CM01 – Kleinfelder Construction Services Inc.

**PROJECT WORK ORDER NO. 21-20-CM01
ON-CALL CONSTRUCTION MANAGEMENT
BIOLOGIST/ARCHEOLOGIST & MATERIAL TESTING
SERVICES**

PROJECT NAME: BUS MAINTENANCE FACILITY – SHEEHY COURT, VINE TRAIL ST
HELENA TO CALISOGA, AND IMOLA PARK AND RIDE

PROJECT MANAGER: Grant Bailey, PE, Program Manager – Engineer
gbailey@nvta.ca.gov | 707.259.5951

CONSULTANT DESIGNATED TEAM MEMBERS:

- Kleinfelder Construction Services, Inc. – see fee schedule/cost proposal (EXHIBIT B)

Consultant will independently and at its own discretion and liability enter into agreement with sub-consultant(s) listed in their proposal for any services required to complete the project as described in the scope of work.

SCOPE OF SERVICE: Provide professional construction management, inspection, and materials testing services for the Bus Maintenance Facility – Sheehy Court, and materials testing services for the Vine Trail St Helena to Calistoga, Imola Park and Ride projects as described in the scope of services of the Agreement.

- **WHEREAS NVTA REQUIRES CONTRACTOR TO PERFORM ADDITIONAL UNFORESEEN SERVICES/HOURS IN SUPPORT OF THE BUS MAINTENANCE FACILITY AND VINE TRAIL - ST HELENA TO CALISOGA PROJECTS;**
- **WHEREAS CONTRACTOR IS ABLE TO PROVIDE THE ADDITIONAL SERVICES TO COMPLETE THE PROJECTS IN THE TOTAL AMOUNT OF \$736,564 (SEE EXHIBIT B-1), INCREASING THE TOTAL WORK ORDER NTE AMOUNT TO \$1,636,564; AND**
- **WHEREAS NVTA WILL NEED TO EXTEND THE TERM DATE TO SEPTEMBER 30, 2023, TO ACCOMMODATE ADDITIONAL SERVICE PERFORMANCE TO COMPLETE THE PROJECT.**
- **WITH THE EXCEPTION OF THE ABOVE ALL TERMS AND CONDITIONS AS AGREED TO IN THE PROJECT WORK ORDER REMAIN IN FULL FORCE AND EFFECT.**

START DATE: *November 1, 2021*

COMPLETION DATE: *JUNE 30, 2023*

NEW COMPLETION DATE: *SEPTEMBER 30, 2023*

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: \$900,000

NEW NOT –TO-EXCEED AMOUNT FOR THIS PROJECT: *NTE \$1,636,564*

CHARGE NUMBER FOR PAYMENT: 8300 830_000 5____ FTA/STATE 83010 PROJECT CODE
ACCOUNT INFO TO BE DETERMINED AND ENTERED AT TIME OF INVOICE RECEIPT

TERMS AND CONDITIONS: This Amendment No. 1 to Project Work Order is issued and entered into as of the last date written below in accordance with the terms and conditions set forth in the Master Agreement with CONTRACTOR dated *NOVEMBER 1, 2021*, which terms are hereby incorporated and made part of this Project Work Order.

NVTA

By: _____
KATE MILLER, Executive Director Date

CONTRACTOR
Kleinfelder Construction Services, Inc.

By: _____
DAVID WATSON, President Date

Approved as to Form	
By:	_____
NVTA General Counsel	
Date:	_____

EXHIBIT A-1

SCOPE OF WORK

The scope of work as defined in EXHIBIT A of the Project Work Order remain unchanged.

EXHIBIT B-1

COST SHEET / FEE SCHEDULE

see attached schedules/cost proposal

Subject to Agreement, CONTRACTOR shall periodically invoice NVT A based on progress towards completion of the projects.

CONTRACTOR shall not perform any additional services and/or tasks as outlined in EXHIBIT A without prior approval by NVT A.

The total amount to be paid to the CONTRACTOR for the scope of work defined under EXHIBIT A and A-1 shall not exceed \$1,636,564.

Kleinfelder Construction Services

Estimate to Complete November 2022 through September 2023

NVTA No. 21-20 ON-Call Construction Management, Soil Testing & Inspection

Bus Maintenance and Vine Bike Trail

Construction Management Bus Maintenance

Facility

KCS Current Budget	\$ 649,870
KCS Invoiced thru 10/31/22	\$ (488,011)
KCS Remaining Budget	\$ 161,859
KCS Estimate to Complete	\$ 436,112
KCS Estimated Additional Budget	\$ 274,253
KCS Budget at Completion	\$ 924,123

- See Breakdown of Hours for Bus Maintenance Construction Management - Sheet CM Bus Maint

- Current Construction Completion is 8/15/2023

- Estimate to complete is through 9/30/2023

- Forecast is from 11/1/2022 through 9/30/2023

T&I Bus Maintenance Facility

KLF Current Budget	\$ 150,129
KCS Invoiced thru 9/30/22	\$ (150,129)
KLF Remaining Budget	\$ -
KLF Estimate to Complete	\$ 379,478
KCS Estimated Additional Budget	\$ 379,478
KLF Budget at Completion	\$ 529,607

- See Breakdown of Hours for Bus Maintenance Soils Testing and Inspection - Sheet T&I Bus Maint

KCS/KLF Combined Added Budget	\$653,731
--------------------------------------	------------------

T&I Vine Bike Trail

KLF Current Budget	\$ 60,000
KCS Invoiced	\$ -
KLF Remaining Budget	\$ 60,000
KLF Estimate to Complete	\$ 82,833
KCS Estimated Additional Budget	\$ 82,833
KLF Budget at Completion	\$ 142,833

-See Breakdown of Hours for Vine Bike Trail Soils Testing and Inspection - Sheet T&I Vine Bike Trail

KCS/KLF Combined Added Budget	\$736,564
--------------------------------------	------------------

EXHIBIT B – WO TOTAL AMOUNT \$900,000

NEW WO NTE TOTAL AMOUNT \$1,636,564



NAPA VALLEY TRANSPORTATION AUTHORITY

COVER MEMO

SUBJECT

Amendment Contract with Sequoia Ecological Consulting Inc. for Biological Monitoring and Archeological Services Agreement for the Napa Valley Vine Trail – St Helena to Calistoga Project

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTa) Board authorize the Executive Director to execute and make minor modifications to Amendment #2 with Sequoia Ecological Consulting, Inc. (Sequoia) Agreement No. 21-22-CM02 for Biological Monitoring and Archeological Services (Attachment 1) in an amount not to exceed \$53,287 which brings the total contract amount to \$150,567.

EXECUTIVE SUMMARY

NVTa staff is overseeing and delivering the Napa Valley Vine Trail – St. Helena to Calistoga segment, but additional expertise is required for biological and archeological monitoring. Sequoia's work is focused on observation for, and preservation of, flora, fauna, and archeologically significant specimens unearthed during ground disturbing activities, as well as making arboricultural recommendations when tree removal may be necessary. On March 16, 2022, the NVTa Board approved a contract with Sequoia for an amount not to exceed \$97,280. An amendment to the contract was approved in November 2022. Due to construction delays and additional construction contract work associated with unknown utility conflicts, additional monitoring efforts are required.

FISCAL IMPACT

Yes- \$53,287. However, an additional appropriation is not needed. Costs will be funded by the contingency budget. Including all previous consultant contract amendments and construction contract change orders issued and pending to date, the available project contingency is \$744,433. Additionally, NVTa has submitted a claim to PG&E in an effort to recoup costs associated with delays related to PG&E's Napa Bundle gas line replacement project.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Grant Bailey, Program Manager - Engineer
(707) 259-5951 / Email: gbailey@nvta.ca.gov
SUBJECT: Amendment Contract with Sequoia Ecological Consulting Inc. for
Biological Monitoring and Archeological Services for the
Napa Valley Vine Trail - St Helena to Calistoga Project

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute and make minor modifications to Amendment #2 with Sequoia Ecological Consulting, Inc. (Sequoia) Agreement No. 21-22-CM02 for Biological Monitoring and Archeological Services (Attachment 1) in an amount not to exceed \$53,287 bringing the total contract amount to \$150,567.

COMMITTEE RECOMMENDATION

None

BACKGROUND

The Napa Valley Vine Trail – St. Helena to Calistoga segment involves constructing approximately 8-miles of class one bike and pedestrian facility between the cities of St Helena and Calistoga in Napa County. This segment of the Vine Trail passes through multiple jurisdictions including County of Napa, City of Calistoga, Caltrans, and California State Parks. NVTA staff has managed this project through all prior phases, including environmental, right of way and design, and the project is currently in construction. To begin construction of the project, NVTA was required to create a mitigation monitoring and reporting plan (MMRP) under CEQA and obtain several environmental permits.

In August 2022 construction activities were suspended while NVTa and Pacific Gas and Electric (PG&E) coordinated a resolution to significant utility conflicts encountered throughout the project. During this activity, Sequoia provided additional monitoring services outside their original scope which led to budget overruns. This resulted in two amendments; Amendment 1 shifted funds within the contract from Sequoia to their subcontractor, which did not require Board approval, and Amendment 2 will increase the contract budget by \$53,287 for monitoring efforts necessary to complete the project. This will bring the total cost of the contract to \$150,567.

ALTERNATIVES

Without an amendment to the contract the project will be indefinitely suspended or cease altogether. The biological and archeological monitoring is required by the projects Mitigation Monitoring and Reporting Plan required by California Environmental Quality Act (CEQA) and environmental permits.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently.

Hiring consultants for a short-term with expertise in a variety of fields is more economically viable than hiring full-time employees with the qualifications needed to perform cultural resource monitoring

Goal 5: Minimize the energy and other resources required to move people and goods.

The construction of the Vine Trail Calistoga to St. Helena segment provides alternative transportation to auto use which will reduce mobile emissions.

ATTACHMENTS

- (1) Amendment #2 Biological Monitoring and Archeological Services Agreement No. 21-22-CM02 Sequoia Ecological Consulting, Inc.



DRAFT

AMENDMENT #2

**PROJECT WORK ORDER NO. 21-22-CM02
ON-CALL CONSTRUCTION MANAGEMENT/
BIOLOGIST/ARCHEOLOGIST AND MATERIAL
TESTING SERVICES**

PROJECT NAME: NAPA VALLEY VINE TRAIL – ST HELENA TO CALISTOGA

PROJECT MANAGER: Rebecca Schenck, Manager for Public Transit
E rschenck@nvta.ca.gov | T 707.259.8636

CONSULTANT DESIGNATED TEAM MEMBERS:

- SEQUOIA – Staff see Exhibit B of the Agreement

Consultant will independently and at its own discretion and liability enter into agreement with sub-consultant(s) listed in their proposal for any services required to complete the project as described in the scope of work. Sub-consultants listed are:

- PALEOWEST – Staff see Exhibit B of the Agreement

SCOPE OF SERVICE: Provide professional services and the delivery of pre-construction surveys, biological monitoring and archaeological/paleontological services for the Napa Valley Vine Trail - St Helena to Calistoga.

- WHEREAS IN NOVEMBER 2022 NVTA EXECUTED A BUDGET ADJUSTMENT (A#1) BETWEEN TASKS 3.2 AND 4.2B WITH NO CHANGE TO THE PROJECT WORK ORDER AMOUNT;
- WHEREAS NVTA REQUIRES CONTRACTOR TO PERFORM ADDITIONAL MONITORING SERVICES TO COMPLETE THE PROJECT; AND
- WHEREAS CONTRACTOR AGREED TO PERFORM THE SERVICES IN THE AMOUNT OF \$53,287, INCREASING THE PROJECT WORK ORDER NTE AMOUNT TO \$150,567.
- WITH THE EXCEPTION OF THE ABOVE, ALL TERMS AND CONDITIONS AS AGREED TO IN THE PROJECT WORK ORDER REMAIN IN FULL FORCE AND EFFECT.

START DATE: MARCH 1, 2022

COMPLETION DATE: JUNE 30, 2023

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: NTE \$ 97,280

NEW NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: NTE \$150,567

CHARGE NUMBER FOR PAYMENT: 8301001-52310 NVT_VineTr-Constctn **CIP:** see chrg #

TERMS AND CONDITIONS: This Amendment No. 2 to Project Work Order is issued and entered into as of the last date written below in accordance with the terms and conditions set forth in the Master Agreement with CONTRACTOR dated JANUARY 5, 2022, which terms are hereby incorporated and made part of this Project Work Order.

NVTA

By: _____
KATE MILLER, Executive Director Date

Contractor
SEQUOIA Ecological Consulting, Inc.

By: _____
JESSE REEBBS Date
Sr. Biologist/Sr. Project Manager

Approved as to Form	
By:	_____
	NVTA General Counsel
Date:	_____

EXHIBIT A-2
SCOPE OF WORK

The scope of work as defined in EXHIBIT A and A-1 of the Project Work Order remain unchanged.

EXHIBIT B-2

COST SHEET / FEE SCHEDULE (Revised)

Task	Cost Type	2022 Unit Cost	2023 Unit Cost	Quantity* 2022/2023	Total Cost
Task 1. Project Kickoff and Coordination					
1.1 – Project Coordination & Agency Coordination	Unit	\$3,787	-	1	\$3,787
1.2 – Environmental Awareness Training	Unit	\$888	-	1	\$888
Task 2. Preconstruction Surveys and Reporting					
2.1 – Preconstruction Surveys and Reporting	Unit	\$2,520	-	6	\$15,120
Task 3. Biological Services					
3.1 – Biological Monitoring (Half-Day Rate)	Unit	\$1,006	-	5	\$5,030
3.2 – Biological Monitoring (Full-Day Rate) (B-1)	Unit	\$1,374	-	4.6	\$6,310
3.3 – Final Reporting	Unit	\$1,846	-	1	\$1,846
3.4 – Additional Biological Support	T&M	-	-	-	\$2,000
Task 4. Archaeological/Paleontological Services					
4.1 – WEAP	Unit	\$3,064	-	1	\$3,064
4.2a – Archaeological Construction Monitoring (Half-Day Rate)	Unit	\$1,045	-	5	\$5,225
4.2b – Archaeological Construction Monitoring (Full-Day Rate) (B-1)	Unit	\$1,430		26	\$37,180
4.3a – Paleontological Construction Monitoring	Unit	\$1,430	-	1	\$1,430
4.3b – Fossil Excavation Plan	Unit	\$2,750		1	\$2,750
4.4 – Archaeological Monitoring Reporting	Unit	-	\$12,650	1	\$12,650
TOTAL					\$97,280
AMENDMENT No. 1 Budget Adjustment (Task 3.2 & 4.2b)					\$ -0-
AMENDMENT No. 2 Additional Funding					\$ 53,287
NEW NTE TOTAL					\$150,657

The total amount to be paid to the CONTRACTOR for the scope of work defined under EXHIBIT A, A-1, and A-2 of the Project Work Order shall not exceed \$150,567. The maximum not-to-exceed amount shall not be construed as guaranteed sums, and compensation shall be based upon services actually rendered.

Other Expenses: Mileage reimbursement will be authorized at the standard GSA IRS Rate(s).



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Appointment of Two NVTA Board Members and One Alternate NVTA Board Member to Participate on the Vision Zero Stakeholder Working Group

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board appoint two (2) NVTA Board members and one (1) alternate NVTA Board member from three jurisdictions to serve on the Vision Zero Stakeholder Working Group.

EXECUTIVE SUMMARY

A critical component of the Napa Valley Vision Zero Plan is bringing together technical and stakeholder working groups to help guide the policies and outcomes of the Plan. It is anticipated there will be six meetings of the Stakeholder Working Group (SWG) over the course of the year. NVTA is asking the NVTA Board to nominate two (2) of its members and one (1) alternate member from three jurisdictions to serve as representatives on the SWG for the 12-month planning period. In the event an appointed member is unable to participate in a meeting, the alternate member will participate.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Diana Meehan, Senior Planner/Program Administrator
(707) 259-8327 / Email: dmeehan@nvta.ca.gov
SUBJECT: Appointment of Two Members and One Alternate to Participate on the Vision Zero Stakeholder Working Group

RECOMMENDATION

That the Napa Valley Transportation Authority Board appoint two (2) NVTA Board members and one (1) alternate NVTA Board member from three jurisdictions to serve as Ad Hoc members on the Vision Zero Stakeholder Working Group.

COMMITTEE RECOMMENDATION

None

BACKGROUND

To advance the goal of improving roadway safety for all modes countywide, and to support the requirement under multiple grant funding programs, the Napa Valley Transportation Authority (NVTA) with the assistance of Fehr and Peers, a consultant with expertise in roadway safety planning, will develop a Countywide Vision Zero plan over the next year. This effort will be data-driven, complement recent Local Roadway Safety Plans (LRSP) completed by the County of Napa and Cities of Napa and American Canyon, and will help meet safety plan requirements for up valley communities without an LRSP.

One task in the process is to create Stakeholder and Technical Advisory Committee Outreach and Engagement program, which will include a Technical Advisory Working Group (TAWG), Stakeholder Working Group (SWG) and community outreach program. The SWG will include representatives from the business community, health community, walking and biking advocates, jurisdiction advisory committee members and elected

officials. The working groups will be tasked with providing recommendations for vision zero policies and programs to be included in the Plan. Having elected officials participate in this process from the inception is important to promote adoption of the policies and programs by the jurisdictions.

The SWG will meet up to 6 times throughout the course of the plan development, which will take between 8-12 months. The SWG will provide feedback on plan elements, goals, objectives and policies to NVTa staff and its consultants. With the goal of promoting focused and inclusive conversations for this effort, these meetings may be jointly held with TAWG participants. Meetings will be held virtually. The proposed project timeline with milestones is included in Attachment 1.

ALTERNATIVES

The Board may choose not to appoint its members to serve on the Vision Zero SWG, and leave the group without the representation of elected officials.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 2: Improve system safety in order to support all modes and serve all users

A Countywide Vision Zero Plan will set the framework for reducing severe and fatal injuries Napa County roadways to zero by 2035, which will create the safest roadway system possible for all users.

ATTACHMENT(S)

(1) Vision Zero Plan Project Timeline

As shown in the proposed schedule below, we expect to complete the Final Vision Zero Plan by end of August 2023, assuming an early-November kick-off.

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
1 Project Initiation											
1.1 Scope of Work Finalization											
1.2 Project Kick-Off											
1.3 Project Management											
2 Stakeholder Engagement											
2.1 Stakeholder & TAC Contact List											
2.2 Stakeholder & TAC Outreach & Engagement Program											
2.3 Stakeholder Committee											
2.4 Technical Advisory Committee											
3 Review & Evaluate Existing Materials											
3.1 Review & Update Existing Data											
3.2 Countywide Collision Landscape Analysis											
3.3 Countywide High Injury Network											
4 Implementation & Evaluation Strategies											
4.1 Collision Profiles											
4.2 Countermeasure Research											
4.3 Engineering Action Plan											
4.4 Education Action Plan											
4.5 Enforcement Action Plan											
4.6 Develop A Funding Plan											
5 Vision Zero Plan											
5.1 Napa Valley Vision Zero Plan Outline											
5.2 Administrative & Stakeholder Draft w/ Appendices											
5.3 Final Plan & VZ Policy & Resolution Templates											
5.4 PowerPoints for Presentation											
6 Plan Presentation & Adoption											
6.1 Presentation to NVTA Board of Directors											
6.2 Final Plan & Accompanying Analysis											
7 Vision Zero Data Dashboard											
7.1 Evaluation with External-Facing Data Dashboard											



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Federal and State Legislative Update

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board receive the Federal Legislative update prepared by K&L Gates and Platinum Advisors and the State Legislative update prepared by Platinum Advisors.

EXECUTIVE SUMMARY

The attached memo from Platinum Advisor/K&L Gates summarize recent federal and state legislative activities respectively.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Kate Miller, Executive Director
(707) 259-8634 / Email: kmiller@nvta.ca.gov
SUBJECT: Federal and State Legislative Update

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board receive the Federal Legislative update prepared by K&L Gates and Platinum Advisors (Attachment 1), the State Update prepared by Platinum Advisors (Attachment 2).

EXECUTIVE SUMMARY

Federal Update:

Congress released the FY 2023 Omnibus Appropriation bill - a \$1.7 trillion spending package that will fund the government through September 30, 2023. The package includes 12 appropriations bills including Transportation, Housing and Urban Development (THUD). The bill also includes a list of Congressionally Directed Grant program-funded projects, including a \$4 million award to the Vine Trail Coalition for preconstruction of the St. Helena to Yountville segment.

On December 8th, the Senate confirmed Shailen Bhatt as Administrator of the Federal Highway Administration (FHWA). He will be the first person of Indian descent to lead the FHWA. Bhatt served as a FHWA associate administration in the Obama Administration

State Update

The legislature reconvened on December 5th for the swearing in of newly elected and re-elected members and to introduce new bills. Democrats retained a supermajority in both the Senate and Assembly. Senator Toni Atkins was re-elected as the Senate Pro-Tempore. Assemblymember Anthony Rendon was re-elected as the Speaker of the

Assembly which will change on July 1st when it is presumed that Assemblyman Robert Rivas will assume the Speaker role.

The Governor will release his budget on January 10th and staff will provide additional information at the Board meeting. The Legislative Analyst Office has projected a \$25 billion deficit, however, the magnitude of the problem will not be known until May when the April tax receipts are counted.

Governor's Newsome's Executive Secretary, Jim DeBoo, has stepped down and has been replaced by Dana Williamson who served as former Cabinet secretary to Governor Jerry Brown.

A special session was also opened on December 5 to address price gouging by oil companies. Governor Newsom's proclamation referred to "a financial penalty on excessive margins," not a "tax," with "any penalties collected to be returned to Californians." Senator Nancy Skinner introduced SBX 2 on January 3rd to enact the Governor's proposed price gouging penalty. SBX 2 only requires a majority vote for passage.

Some transportation-related spot bills have been released, including AB 6 (Friedman) and AB 7 (Friedman) which would further restrict freeway capacity projects and limit regional investments to meet goals established in a region's sustainable communities strategy and to meet the state's climate goals.

ATTACHMENTS

- (1) January 2, 2023 Federal Update (K&L Gates and Platinum Advisors)
- (2) January 3, 2023 State Update (Platinum Advisors)

K&L GATES

PLATINUM | ADVISORS

MEMO

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority (NVTA)

FROM: George Riccardo, K&L Gates
Jess Aune, Platinum Advisors

DATE: January 2, 2023

RE: December Monthly Report

State of Play and Congressional Update

December was a busy month on Capitol Hill as Congress negotiated the details of the National Defense Authorization Act (NDAA) and a spending bill; the last two must pass items before the 117th Congress adjourned.

A compromised version of the NDAA was introduced in early December for consideration. This legislation includes \$858 billion for national defense, \$817 billion for the Pentagon, and \$30 billion for national security projects at the Department of Energy. The final amount authorized for defense spending was \$45 billion more than what President Biden requested from Congress. The NDAA also repealed a COVID-19 vaccine requirement for members of the military after Republicans campaigned for its inclusion in the final package. As one of the last must pass items of the year, many legislators pushed to include their priorities in the NDAA. The Financial Data Transparency Act, which amends securities and banking laws to make the information reported to these agencies electronically searchable, is one example that was included in the NDAA. The legislation includes a provision that mandates that the Municipal Securities Rulemaking Board must develop data standards for financial reporting including universal reporting standards and categories.

Once the NDAA passed Congress, all attention on Capitol Hill turned towards appropriations. Leader Kevin McCarthy stated that his preference would be passing another Continuing Resolution (CR) that would last until early 2023 and negotiate an omnibus once Republicans controlled the House of Representatives. As a result, Speaker Nancy Pelosi, Majority Leader Chuck Schumer, Minority Leader Mitch McConnell as well as Appropriations Chairman Patrick Leahy, Ranking Member Richard Shelby and Chairwoman Rosa DeLauro were the main negotiators of the package. The main point of contention in these negotiations was spending parity regarding defense and non-defense programs. Republican Leadership argued that there should not be parity because there were already significant increases in non-defense programs, such as

investments in climate, in the Inflation Reduction Act that passed over the summer. However, in mid-December, the lead negotiators felt confident that a deal could be reached, and Congress passed a short-term CR through December 23.

On December 20, the FY 2023 Omnibus Appropriation bill was released. The \$1.7 trillion omnibus package will fund the government until September 30, 2023 and includes \$858 billion in defense spending and \$772.5 billion in non-defense spending. The package includes all 12 appropriation bills, \$45 billion in aid to Ukraine, and \$40 billion for disaster relief. The legislation also includes a ban on using TikTok on federal owned devices as well as the Electoral Count Act, which will set higher thresholds for challenging presidential election results. The package also includes \$4 million for the Napa Valley Vine Trail Coalition for the planning, engineering, and environmental work related to closing the 10-mile gap between the existing 12-mile Vine Trail from Napa to Yountville as well as the nine-mile segment between St. Helena and Calistoga.

Majority Leader Chuck Schumer and Minority Leader Mitch McConnell both urged their caucus to pass this legislation quickly before the holidays. Senate Leadership reached a time agreement to hold a vote on the omnibus, which included voting on eighteen amendments. One of the amendments was S. 5323, the State, Local, Tribal and Territorial Fiscal Recovery, Infrastructure and Disaster Relief Flexibility Act which was introduced by Senator Alex Padilla and Senator John Cornyn. This legislation gives states and local governments flexibility to use unspent pandemic relief funding for other purposes such as infrastructure projects. This amendment passed and was included in the final appropriations package which passed the Senate and House by December 23.

The end of the 117th Congress also brings with it the likely end of the January 6th Committee. One of the committee's final acts was voting to refer criminal charges against President Donald Trump for multiple offenses including insurrection. The committee also recommended Minority Leader Kevin McCarthy and several other lawmakers for ethics violations because they did not comply with the committee's subpoenas. The committee released a final report summarizing their findings from their investigation into the attack on the Capitol on January 6th as well as the testimonies from numerous witnesses.

Department of Transportation (DOT) Updates

Last month, as part of the second Tribal Nations Summit, Secretary Pete Buttigieg [announced](#) a slate of actions to build on DOT's ongoing work to deliver infrastructure funding to Indian Country. Among the highlights: the Federal Highway Administration (FHWA) is re-establishing six regional centers that will assist Tribal communities as they draw upon billions of dollars in infrastructure. DOT is supporting the Administration's electric vehicle (EV) initiative to ensure that Tribal Nations and Native communities are part of the EV future of the country. DOT will host its first-ever Tribal Transit Symposium in 2023. The Maritime Administration (MARAD) will also host its first-ever Tribal Maritime Roundtable. NHTSA is leading a multi-agency effort to address highway safety in Indian Country and will expand the initiative in 2023.

The DOT has [published](#) a Notice of Funding Opportunity for \$1.5 billion in grant funding through the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program for 2023. RAISE discretionary grants help project sponsors at the State and local levels, including municipalities, Tribal governments, counties, and others complete critical freight and passenger transportation infrastructure projects. Recent examples of funded projects include a critical bridge replacement in Tucson, new berth construction at Port Tampa Bay, a new pontoon bridge in Lafourche Parish, Louisiana, and a new snowmelt system in Berlin, New Hampshire. In 2022, RAISE funded 166 projects in all 50 states. The deadline for applications is February 28, 2023.

Federal Highway Administration (FHWA)

Earlier this month, FHWA [announced](#) the seventh round of transportation innovations through the Every Day Counts (EDC) Program. EDC is a successful state-based program that helps identify and rapidly deploy proven, yet underutilized, innovations that facilitate greater efficiency in project delivery at the state, local, and Tribal levels. As part of the White House's Action Plan for Accelerating Infrastructure, the DOT recently committed to expanding the EDC model to more modes of transportation. This year's innovations are being promoted by FHWA and the Federal Transit Administration (FTA), and will improve project delivery across highway, rail, and transit agencies at the state and local level. EDC-7 innovations will improve safety for all road users, build a sustainable infrastructure for the future, and grow an inclusive workforce. Notably, some of the EDC-7 innovations were chosen with multimodal state transportation agencies in mind and are of interest to transit and rail agencies.

Additionally, the Senate confirmed Shailen Bhatt as Administrator of the Federal Highway Administration, securing his confirmation by voice vote.

National Highway Traffic Safety Administration (NHTSA)

NHTSA announced that Subaru of America has [issued a recall](#) on select Model Year 2019-2022 Subaru Ascent vehicles due to increased fire risk. Owners are urged to park their vehicles outside away from structures and avoid leaving the vehicle unattended while the engine is running. The recall affects 271,694 vehicles. According to the manufacturer, the positive temperature coefficient heater's wiring connection may have a production-related defect that can cause a fire while the heater is in operation. So far, two fires have been reported, but there are no reported injuries or crashes.

Federal Railroad Administration (FRA)

The DOT [has issued](#) a Notice of Funding Opportunity announcing the availability of almost \$2.3 billion in funding to expand and modernize intercity passenger rail nationwide through the Federal-State Partnership for Intercity Passenger Rail Grant Program. The FRA-administered program has long funded the revitalization of rail assets, such as fixing track, structures, and grade crossings. The funding announcement comes after DOT and

FRA made available over \$1.4 billion in Consolidated Rail Infrastructure and Safety Improvement funds in September for projects that improve the freight and passenger rail network and strengthen supply chains. Grant applications are due no later than March 7, 2023.

Additionally, DOT [has granted](#) an unprecedented \$4.3 billion in funding to Amtrak this fall to modernize the intercity passenger rail network, most immediately funding improvements to Amtrak-served stations to meet ADA standards, as well as fleet upgrades. Over the next five years, the Bipartisan Infrastructure Law will invest a total of \$22 billion in Amtrak, improving and expanding intercity passenger rail services nationwide, addressing long-delayed repairs and maintenance, and bringing more than 280 Amtrak-served stations across the country into compliance with ADA standards. Funding will also be used to replace Amtrak's existing fleet of over 1,000 railcars and locomotives with accessible, comfortable, state-of-the-art equipment. Portions of the new fleet will enter service this year, and over 525 new railcars and locomotives will begin service by the end of the decade.

Department of Homeland Security (DHS)

DHS has [announced](#) its intent to extend the REAL ID full enforcement date by 24 months, from May 3, 2023 to May 7, 2025. Under the new regulations published to execute this change, states will now have additional time to ensure their residents have driver's licenses and identification cards that meet the security standards established by the REAL ID Act. As required by the law, following the enforcement deadline, federal agencies, including the Transportation Security Administration (TSA), will be prohibited from accepting driver's licenses and identification cards that do not meet these federal standards. The extension is necessary, in part, to address the lingering impacts of the COVID-19 pandemic on the ability to obtain a REAL ID driver's license or identification card.

Additionally this month, Security Mayorkas convened a meeting of the Homeland Security Advisory Council to discuss how DHS can continually improve the public's experience when engaging with DHS, as well as the delivery of its key services such as trade and travel facilitation, immigration benefits processing, and aviation security screening. During the meeting, the Customer Experience and Service Delivery Subcommittee presented its final report outlining how DHS can modernize and streamline its customer-facing processes, ensure adequate front-line resources, increase transparency, and continue to build trust and accountability with the public. The report noted the significant work DHS has already undertaken in this regard and provided key recommendations to build on that progress.

The DHS announced that it will be [issuing](#) a temporary final rule that makes available 64,716 additional H-2B temporary nonagricultural worker visas for FY23. These supplemental H-2B visas are for U.S. employers seeking to petition for additional workers at certain periods of the fiscal year before Sept. 15, 2023. The supplemental H-2B visa allocation consists of roughly 44,700 visas available to returning workers who received

an H-2B visa or were otherwise granted H-2B status during one of the last three fiscal years. The remaining 20,000 visas are reserved for nationals of El Salvador, Guatemala, Honduras, and Haiti, regardless of whether they are returning workers.

Environmental Protection Agency (EPA)

Earlier this month, the EPA [released](#) its annual Automotive Trends Report, which shows that Model Year 2021 vehicle fuel economy remained at a record high while emission levels reached a record low. The report also shows all 14 large automotive manufacturers achieved compliance with the Light-duty Greenhouse Gas standards through at least MY2020. For MY 021, vehicle fuel economy remained at an all-time high of 25.4 miles per gallon, and new vehicle real-world carbon dioxide emissions decreased to a record low of 347 grams per mile. All vehicle types are at record low CO2 emissions; however, the market shift away from cars and towards sport utility vehicles and pickups has offset some of the fleetwide benefits. Since MY 2004, average fuel economy in the U.S. has increased by 32%, or 6.1 mpg.

Department of Energy (DOE)

The DOE [announced](#) the launch of four programs that will help build a commercially viable, just, and responsible carbon dioxide removal industry in the United States. The programs, funded with \$3.7 billion from the Bipartisan Infrastructure Law, will help accelerate private-sector investment, spur advancements in monitoring and reporting practices for carbon management technologies, and provide grants to state and local governments to procure and use products developed from captured carbon emissions. Since January 2021, DOE has invested more than \$250 million in 62 research and development projects and front-end engineering design studies to advance carbon management approaches that include carbon dioxide removal and carbon utilization projects.

PLATINUM | ADVISORS

January 3, 2023

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority

FR: Steve Wallauch
Platinum Advisors

RE: Legislative Update

New Session: The legislature reconvened on December 5 to swear-in the newly elected and re-elected members, elect leadership, and introduce new bills for the 2023-24 legislative session. While there were a few districts where party representation flipped, the Democrats continue to hold roughly 3 out of 4 seats in both the Senate and Assembly – more than enough to maintain their super majorities that give them immense power over spending and legislation.

- **35** is the number of new legislators, including Assembly members moving to the Senate, meaning nearly a third of the seats feature fresh faces.
- **62** and **32** -- The number of Democrats in the Assembly and the Senate, respectively. That puts Assembly Democrats **8** votes above the two-thirds threshold and Senate Dems **5** over.
- **51** -- the number of women legislators — an all-time high but still short of the 60 seats needed for gender parity. Speaking of diversity: We count at least **12** LGBTQ legislators; **12** African American lawmakers; **37** Latino lawmakers; **13** API lawmakers.
- The number of Republicans in the state Legislature has fallen to its lowest level in more than a century.

In the Senate, Senator Toni Atkins was re-elected to lead the Senate as President Pro Tempore. Senator Atkins is in her final term in the Senate, but Senate leadership is not expected to change until late in the 2024 session. In the Assembly a change in Speakers is scheduled for later this year. Assemblyman Anthony Rendon was re-elected as Speaker of the Assembly, and pursuant to the resolution electing Speaker Rendon, Assemblyman Robert Rivas is scheduled to take control of the Assembly on July 1, 2023.

Budget: We are less than a week away from the January 10th deadline for the Governor to release his proposed 2023-24 budget. A deficit consistent with the LAO's outlook of \$25 billion is expected. While existing reserves and the ability to delay some of the one-time spending included in the current budget make the deficit manageable, the true scope of the problem will not be known until May after the April tax receipts are tallied.

One of the inside baseball budget factors that will compound budget negotiations is funding for the state retirement system. The stock market slide in 2022 resulted in revenue losses of \$30 billion for CalPERS. Continued weak markets and slow economic growth will impact CalPERS returns, forcing the state to pick-up a larger chunk.

Horseshoe Changes: Immediately following the November election, news broke that Governor Newsom's Executive Secretary Jim DeBoo will step down, to be succeeded by Dana Williamson, a Sacramento political strategist and former Cabinet secretary to Gov. Jerry Brown.

Williamson operates her own firm, Grace Public Affairs, where she works as a government relations consultant and political strategist on ballot measure campaigns, including the online sports betting Proposition 27 on the 2022 ballot, and local and statewide races. Her history of clients includes California Insurance Commissioner Ricardo Lara, former Atty. Gen. Xavier Becerra, Comcast and Californians for Safety and Justice. She has also worked in-house as a director of public affairs at Pacific Gas and Electric Co.

Williamson walks in at a time of transition from years of flush budgets to potential economic turmoil with signs of a national downturn on the horizon. Governor Newsom has said he plans to continue to try to chip away at the issues of homelessness, housing and crime in his second term, while also focusing on carrying out the major policies he and the Legislature enacted in his first four years, which includes implementing a series of tough climate bills, expanding Medi-Cal to all immigrants and establishing CARE Court to require treatment for unhoused Californians struggling with mental illness and drug addiction.

Special Session: Concurrent with the start of the new session, a special session was also opened on December 5. Governor Newsom issued a proclamation calling for a special session to address price gouging by oil companies. The scope of the special session should be limited to the following topics, but experience has illustrated legislation tends to creep beyond these issues.

- Deter price gouging by oil companies by imposing a financial penalty on excessive margins, with any penalties collected to be returned to Californians.
- Empower the Energy Commission and the Department of Tax and Fee Administration to review and evaluate costs, profits, and pricing in the refining, distribution, and retail segments of the market for gasoline in California more closely.
- Provide for greater regulatory oversight of the refining, distribution, and retail segments of the market to prevent avoidable supply shortages and excessive price increases.

Governor Newsom's [proclamation](#) referred to "a financial penalty on excessive margins," not a "tax," with "any penalties collected to be returned to Californians." That is not just a semantic distinction. Taxes require 2/3 votes while penalties need a simple majority. That is the difference between **54** and **41** Assembly votes, or **27** and **21** Senate votes. That could drastically ease the path to passage.

Senator Nancy Skinner introduced SBX 2 yesterday to enact the Governor's proposed price gouging penalty. SBX 2 only requires a majority vote for passage. Pursuant to SBX 2 excessive refinery margins (i.e., Profits) would be subject to a civil penalty imposed by the California Energy Commission. The bill does not currently specify the maximum amount of margin and it does not specify the amount of the civil penalty. These missing pieces will be determined through the legislative process. Any penalties collected would be placed in the Price Gouging Penalty Fund. The bill states that the funds in the Penalty Fund would be returned to the residents of California but the bill does not specify an allocation process.

New Legislation: With the start of the session comes new legislation. The introduction of new bills started to trickle in on December 5 and will continue until mid-February when a wave of new legislation will hit as we approach the February 17 introduction deadline. This year we expect a significant number of bills on transit operations and planning. Assemblywoman Laura Friedman has introduced two spot bills outlined below, and she is expected to introduce legislation on transit performance measures.

- AB 6 (Friedman) is a spot bill that contains language stating it is the intent of the legislature to enact legislation to require regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a region's sustainable communities strategy and the state's climate goals.
- AB 7 is another spot bill introduced by Assemblywoman Friedman. This measure currently contains legislative intent language to enact legislation that would eliminate freeway capacity projects, but allow capacity projects only for bus rapid transit, rail, active transportation purposes, as well as projects that significantly improve safety, and projects that significantly reduce congestion.

Both measures will be closely watched in anticipation of substantive amendments. Once these bills are amended, and others introduced, we will work with NVTa on bringing these measures to the Board for consideration.