

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559



Agenda - Final

Wednesday, October 18, 2023
1:30 PM

JoAnn Busenbark Board Room

NVT Board of Directors

All materials relating to an agenda item for an open session of a regular meeting of the NVT Board of Directors are posted on the NVT website at: <https://nctpa.legistar.com/Calendar.aspx>

This meeting will be conducted as an in-person meeting at the location noted above. Remote teleconference access is provided for the public's convenience and in the event a Board Member requests remote participation due to just cause or emergency circumstances pursuant to Government Code section 54953(f). Please be advised that if a Board Member is not participating in the meeting remotely, remote participation for members of the public is provided for convenience only and in the event that the Zoom teleconference connection malfunctions for any reason, the Board of Directors reserves the right to conduct the meeting without remote access and take action on any agenda item.

The public may 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 864 1754 4351

2) To join the Zoom meeting by phone: dial 1-669-900-6833, enter meeting ID: 864 1754 4351 If asked for the participant ID or code, press #.

3) Watch live on YouTube: <https://www.youtube.com/channel/UCrpjLcW9uRmA0EE6w-eKZyw?app=desktop>

The agenda will be posted 72 hours prior to the meeting and will be available for public inspection, on and after at the time of such distribution, in the office of the Secretary of the NVT Board of Directors, 625 Burnell Street, Napa, California 94559, Monday through Friday, between the hours of 8:00 a.m. and 4:30 p.m., except for NVT holidays. Should the office be closed or staff is working remotely due to a declared emergency, you may email info@nvt.ca.gov to request a copy of the agenda.

Public records related to an agenda item that are distributed less than 72 hours before this meeting are

available for public inspection during normal business hours at the NVTa office at 625 Burnell Street, Napa, CA 94559 and will be made available to the public on the NVTa website at nvta.ca.gov. 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.

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. While members of the public are welcome to address the Board, under the Brown Act, Board members may not deliberate or take action on items not on the agenda, and generally may only listen.

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 while attending via 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.

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.

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

Information on obtaining the agenda in an alternate format is noted below:

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.

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 Board. 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. Consideration and Approval of Board Member Requests for Remote Participation
3. Roll Call
4. Adoption of the Agenda
5. Public Comment
6. Chairperson's, Board Members', Metropolitan Transportation Commissioner's, and Association of Bay Area Governments Update
7. Executive Director's Update
8. 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.

9. PRESENTATIONS

9.1 NVTB Project Update (Grant Bailey)

Recommendation: Information Only

Estimated Time: 1:55 p.m.

10. CONSENT AGENDA ITEMS

10.1 Meeting Minutes of September 27, 2023 (Laura Sanderlin) (Pages 10-12)

Recommendation: Board action will approve the minutes of September 27th rescheduled regular meeting.

Estimated Time: 2:10 p.m.

Attachments: [Draft Minutes](#)

**10.2 Amendment to Agreement with Park Engineering for the St.
Helena to Calistoga Napa Valley Vine Trail Project (Grant Bailey)
(Pages 14-26)**

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment No. 1 to NVTB Agreement No. 21-21-CM02 with Park Engineering for Construction Management and Inspection Services in an amount not to exceed \$220,000 bringing the total contract amount to \$894,233.

Estimated Time: 2:10 p.m.

Attachments: [Staff Report](#)

**10.3 Fund Transfer Agreement with the State of California Department
of Transportation (Caltrans) for the Fiscal Year (FY) 2023-24
State Transportation Improvement Program (STIP)
Planning, Programming and Monitoring (PPM) Program
(Antonio Onorato) (Pages 27-36)**

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board approve Resolution No. 23-23 authorizing the Executive Director to execute a Fund Transfer Agreement with the State of California Department of Transportation (Caltrans) for Fiscal Year (FY) 2023-24 State Transportation Improvement Program (STIP) Planning, Programming and Monitoring (PPM) Program in the amount of \$51,000.

Estimated Time: 2:10 p.m.

Attachments: [Staff Report](#)

10.4 Amendment to the Cultural Resources Monitoring and Treatment Agreement for the St. Helena to Calistoga Napa Valley Vine Trail Project (Grant Bailey) (Pages 37-42)

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment 3 with Middletown Rancheria Agreement No. 22-C10 for Cultural Resources Monitoring and Treatment Services in an amount not to exceed \$71,500 bringing the total contract amount to \$247,000.

Estimated Time: 2:10 p.m.

Attachments: [Staff Report](#)

10.5 Updates to NVTB Policy, Practices and Procedures Manual Chapter 7: Financial Management (Antonio Onorato) (Pages 43-239)

Recommendation: That the Napa Valley Transportation Authority (NVTB) Board approve and authorize the executive director to make minor modifications to its Financial Management policies.

Estimated Time: 2:10 p.m.

Attachments: [Staff Report](#)

11. REGULAR AGENDA ITEMS

**11.1 Imola Park and Ride Construction Contract Budget Increase
(Grant Bailey) (Pages 240-242)**

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board:

1) approve an additional \$50,000 in construction contingency for Construction Agreement No. 21-19 with O.C. Jones & Sons, Inc for construction of the Imola Park and Ride improvement project for an amount not to exceed \$479,309; and

2) authorize the Executive Director to issue change orders for Construction Agreement No. 21-19 in an amount not to exceed \$479,309.

Estimated Time: 2:15 p.m.

Attachments: [Staff Report](#)

11.2 Regional Measure 3 Priorities (Danielle Schmitz) (Pages 243-248)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board approve the updated Regional Measure 3 (RM 3) project priorities.

Estimated Time: 2:30 p.m.

Attachments: [Staff Report](#)

11.3 Countywide Vision Zero Adoption (Diana Meehan) (Pages 249-257)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board approve the NVTA Vision Zero Plan and adopt Resolution 23-24.

Estimated Time: 2:45 p.m.

Attachments: [Staff Report](#)

11.4 Approval of Revised Passenger Code of Conduct (Rebecca Schenck) (Pages 258-269)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board approve revisions to Chapter 9 - NVTA Policies, Practices, and Procedures Manual, to Update Section 9.2. Passenger Code of Conduct.

Estimated Time: 3:00 p.m.

Attachments: [Staff Report](#)

11.5 Purchase of Eight - 40' Zero-Emission, Battery-Electric Buses (Rebecca Schenck) (Pages 270-285)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute Purchase Order 23-P3020 to acquire eight (8) zero-emission battery-electric low-floor forty (40) foot buses from Gillig in an amount not to exceed \$10,000,000.

Estimated Time: 3:10 p.m.

Attachments: [Staff Report](#)

11.6 Resolution 23-25 Amending NVTA Agreement No. 21-12 with Transdev Services Inc. (Rebecca Schenck) (Pages 286-297)

Recommendation: That the NVTA Board approve Amendment No. 2 to the Transit Operations Services Agreement No. 21-12 for moving and other costs associated with the new Vine Bus Maintenance Facility.

Estimated Time: 3:20 p.m.

Attachments: [Staff Report](#)

11.7 Federal and State Legislative Update (Kate Miller) (Pages 298-319)

Recommendation: That the Napa Valley Transportation Authority (NVTA) Board receive the Federal Legislative update, State Legislative Update and State Bill Matrix Update prepared by Platinum Advisors.

Estimated Time: 3:30 p.m.

Attachments: [Staff Report](#)

12. FUTURE AGENDA ITEMS**12. ADJOURNMENT****12.1 The next Regular Meeting is November 15, 2023.**

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, October 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

Rescheduled Regular Meeting

Napa Valley Transportation Authority

625 Burnell Street
Napa, CA 94559

Meeting Minutes NVTB Board of Directors

Wednesday, September 27, 2023

1:30 PM

JoAnn Busenbark Board Room

1. Call to Order

Chair Alessio called the meeting to order at 1:52pm.

2. Consideration and Approval of Board Member Requests for Remote Participation

None

3. Roll Call

Leon Garcia
Paul Dohring
Mark Joseph
Liz Alessio
Scott Sedgley
Eric Knight
Margie Mohler
Kevin Eisenberg
Anna Chouteau
Ryan Gregory
Absent:
Alfredo Pedroza
Donald Williams

4. Adoption of the Agenda

**Motion MOVED by GARCIA, SECONDED by KNIGHT to APPROVE Item 4 Adoption of the agenda.
Motion passed unanimously.**

Aye: 21 - Garcia, Dohring, Joseph, Alessio, Sedgley, Knight, Mohler, Eisenberg, Chouteau, and Gregory

Absent: 3 - Pedroza, and Williams

5. Public Comment

None

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

Rescheduled Regular Meeting

Executive Director Miller reported on recent MTC activities.

7. Executive Director's Update

Director Miller reported:

- Staffing updates
- Resilient State Route 37 project awarded \$155 million
- Clipper card updates for 2024
- V-Commute Challenge is running between September 1-October 31.
- Soscol Junction Tour October 4th.

8. Caltrans' Update

None

Director Sedgley and Director Gregory reported on recent Hwy 37 project tour.

9. CONSENT AGENDA ITEMS

Motion MOVED by JOSEPH, SECONDED by CHOUTEAU to APPROVE Consent Agenda items 9.1-9.5. Motion passed unanimously.

Aye: 21 - Garcia, Dohring, Joseph, Alessio, Sedgley, Knight, Mohler, Eisenberg, Chouteau, and Gregory

Absent: 3 - Pedroza, and Williams

9.1 Meeting Minutes of July 19, 2023 (Laura Sanderlin) (Pages 9-11)

Attachments: [Draft Minutes](#)

9.2 Paratransit Coordinating Council (PCC) Member Appointment (Kathy Alexander) (Pages 12-17)

Attachments: [Staff Report](#)

9.3 Resolution No. 20-15, Revised, certifying Napa Valley Transportation Authority's Public Transit Agency Safety Plan (PTASP) (Rebecca Schenck) (Pages 18-48)

Attachments: [Staff Report](#)

9.4 Amendment to the Cultural Resources Monitoring and Treatment Agreement for the St. Helena to Calistoga Napa Valley Vine Trail Project (Grant Bailey) (Pages 49-54)

Attachments: [Staff Report](#)

9.5 Citizen Advisory Committee (CAC) Member Appointments (Laura Sanderlin) (Pages 55-60)

Attachments: [Staff Report](#)

10. REGULAR AGENDA ITEMS

Rescheduled Regular Meeting

10.1 Vine Trail St. Helena to Calistoga Construction Contract Budget Increase (Grant Bailey) (Pages 61-66)

Attachments: [Staff Report](#)

Motion MOVED by EISENBERG, SECONDED by DOHRING to APPROVE Item 10.1 Vine Trail St. Helena to Calistoga Construction Contract Budget Increase. Motion passed unanimously.

Aye: 21 - Garcia, Dohring, Joseph, Alessio, Sedgley, Knight, Mohler, Eisenberg, Chouteau, and Gregory

Absent: 3 - Pedroza, and Williams

10.2 Purchase Order 23-P3018 to Purchase Electric Vehicle Charging Stations from Contractor's Electrical Distributors (CED) for Future Electric Vehicles (Rebecca Schenck) (Pages 67-97)

Attachments: [Staff Report](#)

Motion MOVED by GARCIA, SECONDED by JOSEPH to APPROVE Item 10.2 Purchase Order 23-P3018. Motion passed unanimously.

Aye: 21 - Garcia, Dohring, Joseph, Alessio, Sedgley, Knight, Mohler, Eisenberg, Chouteau, and Gregory

Absent: 3 - Pedroza, and Williams

10.3 Vine Transit Update (Rebecca Schenck) (Pages 98-104)

Attachments: [Staff Report](#)

Information only/No action taken

10.4 Purchase Orders 23-P3017 and 23-P3019 to purchase Two (2) Vehicles from AZ Bus Sales and Two (2) Model 1 Commercial Vehicles for Vine Transit (Rebecca Schenck) (Pages 105-138)

Attachments: [Staff Report](#)

Motion MOVED by JOSEPH, SECONDED by EISENBERG to APPROVE Item 10.4 Purchase Orders 23-P3017 and 23-P3019. Motion passed unanimously.

{Director Knight departed at 2:45pm}

Aye: 21 - Garcia, Dohring, Joseph, Alessio, Sedgley, Knight, Mohler, Eisenberg, Chouteau, and Gregory

Absent: 3 - Pedroza, and Williams

10.5 Federal and State Legislative Update (Kate Miller) (Pages 139-157)

Attachments: [Staff Report](#)

Information only/No action taken

11. FUTURE AGENDA ITEMS

Rescheduled Regular Meeting

None

12. ADJOURNMENT

Chair Alessio adjourned the meeting at 2:57pm.

12.1 The next Regular Meeting is Wednesday, October 18th.

Laura M. Sanderlin, NVTA Board Secretary



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Amendment to Agreement with Park Engineering for the St Helena to Calistoga Napa Valley Vine Trail Project

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment No. 1 to NVTA Agreement No. 21-21-CM02 with Park Engineering for Construction Management and Inspection Services (Attachment 1) in an amount not to exceed \$220,000 bringing the total contract amount to \$894,233.

EXECUTIVE SUMMARY

NVTA staff is managing and delivering the St. Helena to Calistoga Napa Valley Vine Trail Project, but additional oversight and resources are needed for construction management and inspection services. On March 16, 2022, the NVTA Board approved a contract with Park Engineering for \$674,233. Construction was originally scheduled to be completed in June 2023 with construction management and inspection services wrapping up shortly thereafter. However, due to ongoing issues with utility conflicts, archeological finds and an unusually wet winter season, completion of construction has been delayed. To ensure continuity of construction management and inspection services, staff is requesting the Board authorize additional funding for this contract.

FISCAL IMPACT

Yes. The additional \$220,000 for construction management and inspection services will come out of the project's construction budget. NVTA continues to track costs incurred because of PGE's gas main replacement project and will pursue recovering some of those costs by submitting reimbursement requests to PGE.



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 to Agreement with Park Engineering for the St Helena to Calistoga Napa Valley Vine Trail Project

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment No. 1 to NVTA Agreement No. 21-21-CM02 with Park Engineering for Construction Management and Inspection Services (Attachment 1) in an amount not to exceed \$220,000 bringing the total contract amount to \$894,233.

COMMITTEE RECOMMENDATION

None

BACKGROUND

In March 2022, Park Engineering was awarded a contract to provide construction management and inspection services for the Vine Trail – St Helena to Calistoga project. The original contract amount was \$674,233.

The Vine Trail project has experienced ongoing construction issues from the beginning of construction. This includes multiple, instances of underground utilities in conflict with the trail alignment and trail facilities, archaeological discoveries, design errors, and an unusually wet winter season. These issues have led to increased costs to complete construction activities as well as delayed the contractor in completing their work. NVTA & Park Engineering have worked together to coordinate with the various agencies and organizations to mitigate and resolve construction issues as they arise. Staff has determined that the original Construction Management and Inspection budget is not

sufficient due to the additional effort necessary to respond, coordinate, and resolve the ongoing issues as well as continue work well beyond the original construction schedule.

To ensure construction management and inspection services are maintained for the Vine Trail project, staff is recommending the Board authorize a contract amendment with Park Engineering to increase the contract value by \$220,000. This amendment will bring the total contract amount to \$894,233. The amount includes a small contingency for additional work if needed.

ALTERNATIVES

Not amending the Construction Management and Inspection contract with Park Engineering will require NVTa staff to assume construction management and inspection responsibilities to ensure administrative function of the contract and quality of the work are not compromised. NVTa does not currently have adequate staff or the expertise to perform these duties and would likely need to release a request for proposals seeking construction management services, delaying project even further.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently.

Continuing to use Park Engineering as a consultant is more economically viable than hiring full time employees with the qualifications needed to perform construction management and inspection.

Goal 5: Minimize the energy and other resources required to move people and goods.

The construction of the Napa Valley Vine Trail Calistoga to St. Helena segment will reduce greenhouse gas emissions by providing an alternative form of transportation.

ATTACHMENTS

- (1) Amendment No. 1 to Construction Management Services Agreement No. 21-21-CM02 with Park Engineering



**PROJECT WORK ORDER NO. 21-21-CM02
ON-CALL CONSTRUCTION MANAGEMENT/
BIOLOGIST/ARCHEOLOGIST AND MATERIAL
TESTING SERVICES**

PROJECT NAME: NAPA VALLEY VINE TRAIL – ST HELENA TO CALISTOGA

PROJECT MANAGER: GRANT BAILEY, PE, Program Manager - Engineer
E gbailey@nvta.ca.gov | T 707.259.5951

CONSULTANT DESIGNATED TEAM MEMBERS:

- PARK ENGINEERING, INC. - See Fee Schedule/Cost Proposal (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.

SCOPE OF SERVICE: Provide professional construction management and inspection services for the Napa Valley Vine Trail – St Helena to Calistoga project (RFP #21-08) as described in the scope of services (EXHIBIT A) of the Agreement.

- WHEREAS IN JANUARY 2023 THE BOARD APPROVED A REVISION TO THE PROJECT BUDGET BY OPTING OUT OF THE AGREED TO MATERIAL TESTING AND REDUCING THE NOT-TO-EXCEED PROJECT AMOUNT TO \$674,233;
- WHEREAS NVTa REQUIRES CONTRACTOR TO PROVIDE CONTINUED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES TO COMPLETE THE PROJECT THROUGH DECEMBER 31, 2024;
- WHEREAS CONTRACTOR CAN PROVIDE THE REQUESTED SERVICES (EXHIBIT A-1) IN THE AMOUNT OF \$220,000 (SEE EXHIBIT B-1); AND
- 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: MAY 1, 2022

COMPLETION DATE: DECEMBER 31, 2024

NOT-TO-EXCEED AMOUNT FOR THIS PROJECT: NTE \$674,233

NEW NOT-TO EXCEED AMOUNT FOR THIS PROJECT: \$894,233

CHARGE NUMBER FOR PAYMENT: CMA 8300 8309000 55 CIP #22303
ACCOUNT INFO TBD AND ENTERED UPON RECEIPT OF INVOICE

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
Park Engineering, Inc.

By: _____
JAEMIN PARK, PE, President Date

EXHIBIT A-1
SCOPE OF WORK

The scope of work as defined in EXHIBIT A of the Project Work Order remain unchanged.



October 2, 2023

Mr. Grant Bailey
Napa Valley Transportation Authority
625 Burnell Street
Napa, CA 94559

Dear Grant,

As previously discussed, Park Engineering CM & Inspection Services revised budget for the NVTAs Vine Trail Project, St Helena to Calistoga (Federal Project ATPL-6510(003)) will not be sufficient for completion of the project work.

Our original construction management, inspection and materials testing budget was based on the contract's 240 working day duration, with an allowance of overtime. However, as you know, the project has experienced multiple and significant delays caused by PG&E related to their new and existing gas transmission line throughout most of the project limits. The PG&E delays have extended the overall progress and completion of the project work which has created the need for extended construction management and inspection services.

The delays to impact the project completion date were not anticipated in the original cost proposal, please find an additional budget estimate of \$220,000 to be added to our revised budget amount for continued services to ensure the project's contract compliance. This estimate includes additional time for the completion of all item and extra work, as well as some hours to complete final payment to the Contractor and overall project files / documentation.

If there are any questions, or if any additional information is needed, please contact me on my mobile at 510-701-0319 or at spatterson@park-eng.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Patterson", with a stylized flourish at the end.

Steve Patterson, P.E.
Vice President

Attachment

Orinda Office
372 Village Square
Orinda, CA 94563
Tel: 925-257-2508
Fax: 925-401-7030

Emeryville Office
3960 Adeline Street, #3
Emeryville, CA 94608
Tel: 925-257-2508
Fax: 925-401-7030

EXHIBIT B-1

COST SHEET / FEE SCHEDULE

SEE ATTACHED

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, and EXHIBIT A-1 without prior approval by NVT A.

The total amount to be paid to the CONTRACTOR for the scope of work defined under EXHIBIT A-1, of the Project Work Order shall not exceed \$894,233.

The maximum not-to-exceed amount shall not be construed as guaranteed sums, and compensation shall be based upon services actually rendered.



Napa Valley Transportation Authority
Napa Valley Vine Trail - St. Helena to Calistoga
Cost Proposal for Construction Inspection & Materials Testing Services

Name/Classification	Rates			Hours		Total Regular Hours	Total Overtime Hours	Cost
	Base Rate	Regular Loaded Rate	Overtime Rate	Construction	Close-out			
Napa Valley Vine Trail - St. Helena to Calistoga								
Steve Mellon, PE Resident Engineer	\$ 86.06	\$ 195.75	\$ 195.75	960	40	1,000	0	\$ 195,750.00
John Santos Construction Inspector	\$ 65.00	\$ 147.85	\$ 221.78	1,920	20	1,940	30	\$ 293,482.40
Paul Krukar Construction Inspector	\$ 76.34	\$ 184.08	\$ 276.13	960	0	960	30	\$ 185,000.59
BSK Associates, Materials Testing	(Estimate - As Needed)							\$ 95,000.00
Total =							\$ 769,232.99	

1. Rate includes vehicle, mobile phone, laptop and all equipment necessary to perform required duties.
2. Based on 180 Working Days per Contract Documents.

REVISION - BOARD 01/18/2023

REMOVE/OPT OUT OUT OF MATERIALS TESTING SERVICES IN THE AMOUNT OF

AS OF 01/18/2023 TOTAL \$ (95,000.00)
\$ 674,233.00

AMENDMENT No. 1

ADD \$220,000.00 FOR CONTINUED SERVICES TO COMPLETE PROJECT

NEW TOTAL \$ 220,000.00
\$ 894,233.00

EXHIBIT 10-H2 COST PROPOSAL

SPECIFIC RATE OF COMPENSATION (USE FOR ON-CALL OR AS-NEEDED CONTRACTS)
(CONSTRUCTION ENGINEERING AND INSPECTION CONTRACTS)

Note: Mark-ups are Not Allowed

Consultant Park Engineering, Inc.☒ Prime Consultant☐ Subconsultant☐ 2nd Tier SubconsultantProject No. 21-08 Contract No. TBD Participation Amount \$ TBD Date 7/21/2021

For Combined Rate					
Fringe Benefit %	39.51%	+ General & Administrative %	67.27%	=	106.78% Combined ICR%
OR					
For Home Office Rate					
Fringe Benefit %	0%	+ General & Administrative %	0%	=	0% Home Office ICR%
For Field Office Rate					
Fringe Benefit %	0%	+ General & Administrative %	0%	=	0% Field Office ICR%

Fee			=	10.00%
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BILLING INFORMATION

CALCULATION INFORMATION

Name/Job Title/Classification ¹	Hourly Billing Rates ²			Effective date of hourly rate		Actual or Avg. hourly rate ³	% or \$ increase	Hourly range - for classifications only
	Straight	OT(1.5x)	OT(2x)	From	To			
Jaemin Park, PE, Project Manager/Resident Engineer/Structures Representative	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
Exempt	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	
Steve Patterson, PE, Resident Engineer	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
Exempt	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	
Kevin Emigh, PE, Resident Engineer	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
Exempt	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	
Karen Chew, PE, Resident Engineer	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
Exempt	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	
Adele Ho, PE, Resident Engineer	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
Exempt	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	

Name/Job Title/Classification ¹	Hourly Billing Rates ²			Effective date of hourly rate		Actual or Avg. hourly rate ³	% or \$ increase	Hourly range - for classifications only
	Straight	OT(1.5x)	OT(2x)	From	To			
Otis Chan, PE, Resident Engineer	\$195.75	\$195.75	\$195.75	1/1/2021	12/31/2021	\$86.06		
	\$201.62	\$201.62	\$201.62	1/1/2022	12/31/2022	\$88.64	3.00%	
	\$207.67	\$207.67	\$207.67	1/1/2023	12/31/2023	\$91.30	3.00%	
	\$213.90	\$213.90	\$213.90	1/1/2024	12/31/2024	\$94.04	3.00%	
Exempt								
Andy Bodo, EIT, Sr. Construction Inspector/ Assistant Resident Engineer	\$145.16	\$217.74	\$290.32	1/1/2018	12/31/2018	\$63.82		
	\$149.51	\$224.27	\$299.02	1/1/2019	12/31/2019	\$65.73	3.00%	
	\$153.99	\$230.99	\$307.98	1/1/2020	12/31/2020	\$67.70	3.00%	
	\$158.61	\$237.92	\$317.22	1/1/2021	12/31/2021	\$69.73	3.00%	
James Beauchamp, EIT, Sr. Construction Inspector/ Assistant Resident Engineer	\$151.37	\$227.06	\$302.74	1/1/2018	12/31/2018	\$66.55		
	\$155.92	\$233.88	\$311.84	1/1/2019	12/31/2019	\$68.55	3.00%	
	\$160.61	\$240.92	\$321.22	1/1/2020	12/31/2020	\$70.61	3.00%	
	\$165.43	\$248.15	\$330.86	1/1/2021	12/31/2021	\$72.73	3.00%	
Chris Kinser, Sr. Construction Inspector/ Assistant Resident Engineer	\$151.37	\$227.06	\$302.74	1/1/2018	12/31/2018	\$66.55		
	\$155.92	\$233.88	\$311.84	1/1/2019	12/31/2019	\$68.55	3.00%	
	\$160.61	\$240.92	\$321.22	1/1/2020	12/31/2020	\$70.61	3.00%	
	\$165.43	\$248.15	\$330.86	1/1/2021	12/31/2021	\$72.73	3.00%	
Kevin Dickens, Sr. Construction Inspector/ Assistant Resident Engineer	\$156.58	\$234.87	\$313.16	1/1/2018	12/31/2018	\$68.84		
	\$161.29	\$241.94	\$322.58	1/1/2019	12/31/2019	\$70.91	3.00%	
	\$166.14	\$249.21	\$332.28	1/1/2020	12/31/2020	\$73.04	3.00%	
	\$171.12	\$256.68	\$342.24	1/1/2021	12/31/2021	\$75.23	3.00%	
Mike Johnson, Sr. Construction Inspector/ Assistant Resident Engineer	\$146.96	\$220.44	\$293.92	1/1/2018	12/31/2018	\$64.61		
	\$151.37	\$227.06	\$302.74	1/1/2019	12/31/2019	\$66.55	3.00%	
	\$155.92	\$233.88	\$311.84	1/1/2020	12/31/2020	\$68.55	3.00%	
	\$160.61	\$240.92	\$321.22	1/1/2021	12/31/2021	\$70.61	3.00%	
Danielle White, Sr. Construction Inspector	\$131.83	\$197.75	\$263.66	1/1/2018	12/31/2018	\$57.96		
	\$135.79	\$203.69	\$271.58	1/1/2019	12/31/2019	\$59.70	3.00%	
	\$139.86	\$209.79	\$279.72	1/1/2020	12/31/2020	\$61.49	3.00%	
	\$144.05	\$216.08	\$288.10	1/1/2021	12/31/2021	\$63.33	3.00%	
Pat Rooney, Sr. Construction Inspector/ Assistant Resident Engineer	\$136.47	\$204.71	\$272.94	1/1/2018	12/31/2018	\$60.00		
	\$140.57	\$210.86	\$281.14	1/1/2019	12/31/2019	\$61.80	3.00%	
	\$144.78	\$217.17	\$289.56	1/1/2020	12/31/2020	\$63.65	3.00%	
	\$149.12	\$223.68	\$298.24	1/1/2021	12/31/2021	\$65.56	3.00%	
Resident Engineer	\$208.12	\$208.12	\$208.12	1/1/2018	12/31/2018	\$91.50		\$78.00 - \$105.00
	\$214.38	\$214.38	\$214.38	1/1/2019	12/31/2019	\$94.25	3.00%	
	\$220.82	\$220.82	\$220.82	1/1/2020	12/31/2020	\$97.08	3.00%	
	\$227.44	\$227.44	\$227.44	1/1/2021	12/31/2021	\$99.99	3.00%	
Structures Representative	\$208.12	\$208.12	\$208.12	1/1/2018	12/31/2018	\$91.50		\$78.00 - \$105.00
	\$214.38	\$214.38	\$214.38	1/1/2019	12/31/2019	\$94.25	3.00%	
	\$220.82	\$220.82	\$220.82	1/1/2020	12/31/2020	\$97.08	3.00%	
	\$227.44	\$227.44	\$227.44	1/1/2021	12/31/2021	\$99.99	3.00%	
Sr. Construction Inspector/Assistant Resident	\$152.40	\$228.60	\$304.80	1/1/2018	12/31/2018	\$67.00		\$57.00 - \$77.00

Name/Job Title/Classification ¹	Hourly Billing Rates ²			Effective date of hourly rate		Actual or Avg. hourly rate ³	% or \$ increase	Hourly range - for classifications only
	Straight	OT(1.5x)	OT(2x)	From	To			
Engineer	\$157.74	\$236.61	\$315.48	1/1/2019	12/31/2019	\$69.35	3.50%	
	\$163.27	\$244.91	\$326.54	1/1/2020	12/31/2020	\$71.78	3.50%	
	\$168.98	\$253.47	\$337.96	1/1/2021	12/31/2021	\$74.29	3.50%	
Construction Inspector	\$120.55	\$180.83	\$241.10	1/1/2018	12/31/2018	\$53.00		\$49.00 - \$57.00
	\$124.78	\$187.17	\$249.56	1/1/2019	12/31/2019	\$54.86	3.50%	
	\$129.15	\$193.73	\$258.30	1/1/2020	12/31/2020	\$56.78	3.50%	
	\$133.68	\$200.52	\$267.36	1/1/2021	12/31/2021	\$58.77	3.50%	
Office Engineer	\$121.69	\$182.54	\$243.38	1/1/2018	12/31/2018	\$53.50		\$45.00 - \$62.00
	\$125.94	\$188.91	\$251.88	1/1/2019	12/31/2019	\$55.37	3.50%	
	\$130.36	\$195.54	\$260.72	1/1/2020	12/31/2020	\$57.31	3.50%	
	\$134.93	\$202.40	\$269.86	1/1/2021	12/31/2021	\$59.32	3.50%	
Claims Specialist	\$208.12	\$208.12	\$208.12	1/1/2018	12/31/2018	\$91.50		\$78.00 - \$105.00
	\$214.38	\$214.38	\$214.38	1/1/2019	12/31/2019	\$94.25	3.00%	
	\$220.82	\$220.82	\$220.82	1/1/2020	12/31/2020	\$97.08	3.00%	
	\$227.44	\$227.44	\$227.44	1/1/2021	12/31/2021	\$99.99	3.00%	
Scheduler	\$184.24	\$184.24	\$184.24	1/1/2018	12/31/2018	\$81.00		\$67.00 - \$95.00
	\$189.77	\$189.77	\$189.77	1/1/2019	12/31/2019	\$83.43	3.00%	
	\$195.45	\$195.45	\$195.45	1/1/2020	12/31/2020	\$85.93	3.00%	
	\$201.32	\$201.32	\$201.32	1/1/2021	12/31/2021	\$88.51	3.00%	

(Add pages as necessary)

NOTES:

1. Key personnel must be marked with an asterisk (*) and employees that are subject to prevailing wage requirements must be marked with two asterisks (**). All costs must comply with the Federal cost principles. Subconsultants will provide their own cost proposals.
2. The cost proposal format shall not be amended.
3. Billing rate = actual hourly rate * (1+ ICR) * (1+ Fee). Indirect cost rates shall be updated on an annual basis in accordance with the consultant's annual accounting period and established by a cognizant agency or accepted by Caltrans. All costs must comply with the Federal cost principles for reimbursement.
4. For named employees and key personnel enter the actual hourly rate. For classifications only, enter the Average Hourly Rate for that classification.

NAPA VALLEY TRANSPORATION AUTHORITY | CONSTRUCTION MANAGEMENT/BIOLOGIST/ARCHEOLOGIST AND MATERIALS TESTING SERVICES
ACTUAL COST PLUS FIXED FEE; SPECIFIC RATES OF COMPENSATION AND COST PER UNIT OF WORK CONTRACTS

CONSULTANT: Park Engineering, Inc. PRIME X SUB 2ND TIERSUB CONTRACT TYPE: Cost Plus Fixed Fee

PROJECT NO.: 21-08 CONTRACT NO.: DATE: 7/21/2021 Prime Consultant's Participation Amount:

Prevailing Wage Determination
NORTHERN CALIFORNIA
NC-63-3-9-2018-1

Loaded Rate Calculation
Non Exempt Employee Loaded Billing Rates
A) Straight Time = Actual Hourly Rate * (1 + Field O.H.) * (1 + Fee) + Delta Base * (Applicable Multiplier Delta Base) + Delta Fringe * (Applicable Multiplier Delta Fringe)
B) 1.5X or 2.0X Overtime = (Actual Hourly Rate) * (1 + Field O.H.) * (1 + Fee) + (.5X or 1.0X) (Actual Hourly Rate) + Delta Base * (Applicable Multiplier Delta Base) + Delta Fringe * (Applicable Multiplier Delta Fringe)
Exempt Employee Loaded Billing Rates
C) Straight Time or 1.5X or 2.0X Overtime = Actual Hourly Rate * (1 + Field O.H.) * (1 + Fee) + Delta Base straight * (Applicable Multiplier Delta Base) + Delta Fringe straight * (Applicable Multiplier Delta Fringe)

Home Office Personnel:	Fringe Benefit %	Overhead %	General Administration %	Combined %
NORMAL	39.51%	67.27%	0.00%	106.78%
OVERTIME	39.51%	67.27%	0.00%	106.78%
Field Office Personnel:	Fringe Benefit %	Overhead %	General Administration %	Combined %
NORMAL	39.51%	67.27%	0.000%	106.78%
OVERTIME	39.51%	67.27%	0.000%	106.78%
Fee				10.00%
Applicable Multiplier Delta Base (Field)				1.0000
Applicable Multiplier Fringe (Field)				1.0000

The PW differentials Delta Base and Delta Fringe shown in the formulas above for Loaded Billing Rates are applicable only when performing services covered under DIR determinations.

Name/Classification		Home Office Personnel Field Office Personnel	Prevailing Wage Rate established by State DIR (only applicable for prevailing wage work)								Employee Actual Rate (fringe benefits vary year over year)								Applicable DELTA (TOTAL) = Employee Total - DIR Total				Applicable DELTA Base = DIR Rate - Employee Base Rate				Applicable DELTA FRINGE = DELTA TOTAL - DELTA BASE (Employee - DIR)				Loaded Hourly Billing Rates			Effective Date of Hourly Rate		% Escalation Increase	Actual Hourly Rate and/or Average Hourly Rate	Hourly Range for Class
			Base Salary			Fringe Benefits	Total Base Salary + Fringe Benefits			Base Salary			Estimate Fringe	Total + Base + Fringe			Straight	1.5 OT	2.0 OT	Straight	1.5 OT	2.0 OT	Straight	1.5 OT	2.0 OT	Straight	OT (1.5x)	OT (2x)	From	To								
			Straight	1.5 OT	2.0 OT		Straight	1.5 OT	2.0 OT	Straight	1.5 OT	2.0 OT		Straight	1.5 OT	2.0 OT															Straight	1.5 OT	2.0 OT					
Jaemin Park, PE Project Manager/Resident Engineer Structures Rep (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							
Steve Patterson, PE Resident Engineer (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							
Kevin Emigh, PE Resident Engineer (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							
Karen Chew, PE Resident Engineer (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							
Adele Ho, PE Resident Engineer (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							
Otis Chan, PE Resident Engineer (Exempt)	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.06	\$86.06	\$86.06	\$34.00	\$120.06	\$120.06	\$120.06	\$0.00	\$0.00	(\$0.55)	\$0.00	\$0.00	(\$3.98)	\$0.00	\$0.00	\$0.00	\$195.75	NC	NC	1/1/2021	12/31/2021		\$ 86.06	N/A						
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$86.64	\$86.64	\$86.64	\$35.02	\$123.66	\$123.66	\$123.66	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$1.40)	\$0.00	\$0.00	\$0.00	\$201.62	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 88.64							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$91.30	\$91.30	\$91.30	\$36.07	\$127.37	\$127.37	\$127.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$207.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 91.30							
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$94.04	\$94.04	\$94.04	\$37.16	\$131.20	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213.90	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 94.04							

- Notes:
- Note employees/classifications that are subject to prevailing wage requirements with an asterisk (*). Prevailing Wage specified is based on current DIR determination. Any future DIR escalation of prevailing wage rate will be reflected in the loaded rates
 - "NC" denotes work more than 8 hours per day and for weekends and holidays will be charged at straight time rates and no additional overtime charges will be charged.
 - The billing rates shown in this cost proposal for field staff entitled for PW rates are calculated with estimated fringe benefits of the staff. The actual billing rates to be used in the invoices will be calculated by using the actual PW fringe benefits of the individual staff in accordance with the certified benefits statement submitted with each invoice.
 - The employees' actual hourly rates shown in this cost proposal are the rates that were effective on 6/1/18. Contract Manager's pre-approval is required for addition of staff not previously listed on the cost proposal. The billing rates for these employees, including those that fall under general classifications, will be calculated and reimbursed based on their actual hourly rates on 6/1/18. Hourly rates for new employees hired after the date of this cost proposal will not exceed (or shall be in line with) the rates of similar personnel listed on this cost proposal having similar experience.
 - Travel Time Charges:
For Managers: On weekdays up to a maximum of 8 hours will be charged for work time, travel time or any combination of travel and work time. Billing Rate = Loaded Rate Formula "C" above.
For Exempt staff: During regular work day, actual travel time not to exceed 8 hours in any one day or one way travel will be billed as follow.
For Non-Exempt Employees: During regular work day, actual travel time not to exceed 8 hours in any one day or one way travel will be billed at full normal overhead rate (i.e. without the application of the 1.5X or 2.0X multiplier for overtime as follow:

NAPA VALLEY TRANSPORATION AUTHORITY | CONSTRUCTION MANAGEMENT/BIOLOGIST/ARCHEOLOGIST AND MATERIALS TESTING SERVICES
ACTUAL COST PLUS FIXED FEE; SPECIFIC RATES OF COMPENSATION AND COST PER UNIT OF WORK CONTRACTS

CONSULTANT: Park Engineering, Inc. PRIME X SUB 2ND TIER SUB CONTRACT TYPE: Cost Plus Fixed Fee

PROJECT NO.: 21-08 CONTRACT NO.: DATE: 7/21/2021 Prime Consultant's Participation Amount:

Prevailing Wage Determination
NORTHERN CALIFORNIA
NC-63-3-9-2018-1

Loaded Rate Calculation
Non-Exempt Employee Loaded Billing Rates
A) Straight Time = Actual Hourly Rate * (1 + Field O.H.) * (1 + Fee) + Delta Base * (Applicable Multiplier Delta Base) + Delta Fringe * (Applicable Multiplier Delta Fringe)
B) 1.5X or 2.0X Overtime = (Actual Hourly Rate) * (1 + Field O.H.) * (1 + Fee) + (.5X or 1.0X) (Actual Hourly Rate) + Delta Base * (Applicable Multiplier Delta Base) + Delta Fringe * (Applicable Multiplier Delta Fringe)
Exempt Employee Loaded Billing Rates
C) Straight Time or 1.5X or 2.0X Overtime = Actual Hourly Rate * (1 + Field O.H.) * (1 + Fee) + Delta Base straight * (Applicable Multiplier Delta Base) + Delta Fringe straight * (Applicable Multiplier Delta Fringe)

Home Office Personnel:	Fringe Benefit %	Overhead %	Vehicle Reimbursement %	Combined %
NORMAL	39.51%	67.27%	0.00%	106.78%
OVERTIME	39.51%	67.27%	0.00%	106.78%
Field Office Personnel:	Fringe Benefit %	Overhead %	Vehicle Reimbursement %	Combined %
NORMAL	39.51%	67.27%	0.000%	106.78%
OVERTIME	39.51%	67.27%	0.000%	106.78%
Fee				7.00%
Applicable Multiplier Delta Base (Field)				1.0000
Applicable Multiplier Fringe (Field)				1.0000

The PW differentials Delta Base and Delta Fringe shown in the formulas above for Loaded Billing Rates are applicable only when performing services covered under DIR determinations.

Name/Classification	Home Office Personnel Field Office Personnel	Prevailing Wage Rate established by State DIR (only applicable for prevailing wage work)								Employee Actual Rate (fringe benefits vary year over year)						Applicable DELTA (TOTAL) = Employee Total - DIR Total			Applicable DELTA Base = DIR Rate - Employee Base Rate			Applicable DELTA FRINGE = DELTA TOTAL - DELTA BASE (Employee - DIR)			Loaded Hourly Billing Rates			Effective Date of Hourly Rate		% Escalation Increase	Actual Hourly Rate and/or Average Hourly Rate	Hourly Range for Class	
		Base Salary			Fringe Benefits	Total Base Salary + Fringe Benefits			Base Salary			Estimate Fringe	Total = Base + Fringe			Straight	1.5 OT	2.0 OT	Straight	1.5 OT	2.0 OT	Straight	OT (1.5x)	OT (2x)	From	To							
		Straight	1.5 OT	2.0 OT		Straight	1.5 OT	2.0 OT	Straight	1.5 OT	2.0 OT		Straight	1.5 OT	2.0 OT												Straight	1.5 OT	2.0 OT				
Andy Bodo, EIT Sr. Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$63.82	\$95.73	\$127.64	\$25.22	\$89.04	\$120.95	\$152.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$141.20	NC	NC	1/1/2021	12/31/2021		\$ 63.82	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$65.73	\$98.60	\$131.46	\$25.97	\$91.70	\$124.56	\$157.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$145.43	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 65.73	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$67.70	\$101.55	\$135.40	\$26.75	\$94.45	\$128.30	\$162.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$149.79	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 67.70	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$69.73	\$104.60	\$139.46	\$27.55	\$97.28	\$132.15	\$167.01	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$154.28	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 69.73	
(Non-Exempt Hourly)																																	
James Beauchamp, EIT Sr. Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$66.55	\$99.83	\$133.10	\$26.29	\$92.84	\$126.12	\$159.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$147.24	NC	NC	1/1/2021	12/31/2021		\$ 66.55	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$68.55	\$102.83	\$137.10	\$27.08	\$95.63	\$129.91	\$164.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$151.67	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 68.55	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$70.61	\$105.92	\$141.22	\$14.60	\$85.21	\$120.52	\$155.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$156.23	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 70.61	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$72.73	\$109.10	\$145.46	\$14.60	\$87.33	\$123.70	\$160.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$160.92	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 72.73	
(Non-Exempt Hourly)																																	
Chris Kinser Sr. Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$66.55	\$99.83	\$133.10	\$26.29	\$92.84	\$126.12	\$159.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$147.24	NC	NC	1/1/2021	12/31/2021		\$ 66.55	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$68.55	\$102.83	\$137.10	\$27.08	\$95.63	\$129.91	\$164.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$151.67	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 68.55	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$70.61	\$105.92	\$141.22	\$27.90	\$98.51	\$133.81	\$169.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$156.23	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 70.61	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$72.73	\$109.10	\$145.46	\$28.74	\$101.47	\$137.83	\$174.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$160.92	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 72.73	
(Non-Exempt Hourly)																																	
Kevin Dickens Sr. Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$68.84	\$103.26	\$137.68	\$27.20	\$96.04	\$130.46	\$164.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$152.31	NC	NC	1/1/2021	12/31/2021		\$ 68.84	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$70.91	\$106.37	\$141.82	\$28.02	\$98.93	\$134.38	\$169.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$156.89	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 70.91	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$73.04	\$109.56	\$146.08	\$28.86	\$101.90	\$138.42	\$174.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$161.60	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 73.04	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$75.23	\$112.85	\$150.46	\$29.72	\$104.95	\$142.57	\$180.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$166.45	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 75.23	
(Non-Exempt Hourly)																																	
Mike Johnson Sr. Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$64.61	\$96.92	\$129.22	\$25.53	\$90.14	\$122.44	\$154.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$142.95	NC	NC	1/1/2021	12/31/2021		\$ 64.61	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$66.55	\$99.83	\$133.10	\$26.29	\$92.84	\$126.12	\$159.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$147.24	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 66.55	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$68.55	\$102.83	\$137.10	\$27.08	\$95.63	\$129.91	\$164.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$151.67	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 68.55	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$70.61	\$105.92	\$141.22	\$27.90	\$98.51	\$133.81	\$169.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$156.23	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 70.61	
(Non-Exempt Hourly)																																	
Danielle White Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$57.96	\$86.94	\$115.92	\$22.90	\$80.86	\$109.84	\$138.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$128.24	NC	NC	1/1/2021	12/31/2021		\$ 57.96	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$59.70	\$89.55	\$119.40	\$23.59	\$83.29	\$113.14	\$142.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$132.09	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 59.70	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$61.49	\$92.24	\$122.98	\$24.29	\$85.78	\$116.53	\$147.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$136.05	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 61.49	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$63.33	\$95.00	\$126.66	\$25.02	\$88.35	\$120.02	\$151.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$140.12	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 63.33	
(Non-Exempt Hourly)																																	
Pat Rooney Assistant Resident Engineer	FIELD	\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$60.00	\$90.00	\$120.00	\$23.71	\$83.71	\$113.71	\$143.71	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$132.75	NC	NC	1/1/2021	12/31/2021		\$ 60.00	N/A
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$61.80	\$92.70	\$123.60	\$24.42	\$86.22	\$117.12	\$148.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$136.74	NC	NC	1/1/2022	12/31/2022	3.00%	\$ 61.80	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$63.65	\$95.48	\$127.30	\$25.15	\$88.80	\$120.62	\$152.45	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$140.83	NC	NC	1/1/2023	12/31/2023	3.00%	\$ 63.65	
		\$45.02	\$67.53	\$90.04	\$30.57	\$75.59	\$98.10	\$120.61	\$65.56	\$98.34	\$131.12	\$25.90	\$91.46	\$124.24	\$157.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$145.05	NC	NC	1/1/2024	12/31/2024	3.00%	\$ 65.56	
(Non-Exempt Hourly)																																	

- Notes:
- Note employees/classifications that are subject to prevailing wage requirements with an asterisk (*). Prevailing Wage specified is based on current DIR determination. Any future DIR escalation of prevailing wage rate will be reflected in the loaded rates
 - "NC" denotes work more than 8 hours per day and for weekends and holidays will be charged at straight time rates and no additional overtime charges will be charged.
 - The billing rates shown in this cost proposal for field staff entitled for PW rates are calculated with estimated fringe benefits of the staff. The actual billing rates to be used in the invoices will be calculated by using the actual PW fringe benefits of the individual staff in accordance with the certified benefits statement submitted with each invoice.
 - The employees' actual



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Fund Transfer Agreement with the State of California Department of Transportation (Caltrans) for the Fiscal Year (FY) 2023-24 State Transportation Improvement Program (STIP) Planning, Programming and Monitoring (PPM) Program

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve Resolution No. 23-23 authorizing the Executive Director to execute a Fund Transfer Agreement with the State of California Department of Transportation (Caltrans) for Fiscal Year (FY) 2023-24 State Transportation Improvement Program (STIP) Planning, Programming and Monitoring (PPM) Program in the amount of \$51,000.

EXECUTIVE SUMMARY

The agency annually submits an application for Planning, Programming and Monitoring (PPM) funds. NVRTA will use the PPM STIP allocation funds to meet local requirements for program planning, programming and monitoring of STIP projects in Napa County.

FISCAL IMPACT

NVRTA will receive \$51,000 in PPM funds in reimbursable expenses monitoring STIP projects.



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: Fund Transfer Agreement with the State of California Department of Transportation (Caltrans) for the Fiscal Year (FY) 2022-23 State Transportation Improvement Program (STIP) Planning, Programming and Monitoring (PPM) Program

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve Resolution No. 23-23 (Attachment 1) authorizing the Executive Director to execute a Fund Transfer Agreement with the State of California Department of Transportation (Caltrans) for Fiscal Year (FY) 2023-24 State Transportation Improvement Program (STIP) Planning, Programming and Monitoring (PPM) Program in the amount of \$51,000.

COMMITTEE RECOMMENDATION

None

BACKGROUND

Each year, PPM funding is provided to regional transportation planning agencies to assist with the cost to prepare the county STIP program, to perform oversight of projects receiving STIP funding, and to perform project development support activities for STIP projects. A Resolution is required to execute the funding agreement.

ALTERNATIVES

The Board may choose to forego the funding, in which case, the agency would need to use general funds to support oversight of STIP projects.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently. The use of PPM funds to oversee STIP projects minimizes the loss of state funding and ensures that projects are delivered expeditiously.

ATTACHMENT

- (1) Resolution No. 23-23
- (2) STIP PPM Program Fund Transfer Agreement

RESOLUTION No. 23-23

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE FUND TRANSFER
AGREEMENTS WITH THE STATE OF CALIFORNIA DEPARTMENT OF
TRANSPORTATION (CALTRANS) FOR FY 2023-24 STATE TRANSPORTATION
IMPROVEMENT PROGRAM (STIP) PLANNING,
PROGRAMMING AND MONITORING (PPM) PROGRAM**

WHEREAS, the annual California State Budget Act appropriates State Highway funds under local assistance for the State Transportation Improvement Program (STIP) Planning, Programming, and Monitoring (PPM) Program; and

WHEREAS, NVTA is eligible to receive to receive Federal and/or State funding for certain Transportation Projects, through the California Department of Transportation in the amount of \$51,000 for FY 2023-24 PPM24L-6510(008); and

WHEREAS, NVTA will use these funds to meet the local requirements for program planning, programming, and monitoring STIP projects in Napa County; and

WHEREAS, Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements need to be executed with the California Department of Transportation before such funds could be claimed; and

WHEREAS, the NVTA wishes to delegate authorization to execute these agreements and any amendments thereto to the Executive Director be authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements and any amendments thereto with California Department of Transportation; and

WHEREAS, Caltrans has requested the NVTA to execute fund transfer agreements in order to receive the STIP funds:

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Napa Valley Transportation Authority that the Executive Director is authorized to execute fund transfer agreements and any amendments thereto with Caltrans to receive FY 2022-23 funds for STIP Planning, Programming and Monitoring Program;

BE IT FURTHER RESOLVED that NVTA agrees to comply with all terms and conditions of the fund transfer agreement.

Passed and adopted this 18th day of October, 2023.

Liz Alessio, NVTA Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura M. Sanderlin, NVTA Board Secretary

APPROVED:

Osman Mufti , NVTA Legal Counsel

STIP PLANNING, PROGRAMMING & MONITORING PROGRAM
FUND TRANSFER AGREEMENT

Project Number: PPM24L-6510(008)
Agreement Number: PPM24L-6510(008)

Location: 04-NAP-0-NVTA
AMS Adv ID:0423000372
PPNO: 1003E

THIS AGREEMENT, effective on July 1, 2023 is between the State of California, acting by and through the Department of Transportation, hereinafter referred to as STATE, and Napa Valley Transportation Authority, a local public agency, hereinafter referred to as ADMINISTERING AGENCY.

WHEREAS the annual California State Budget Act appropriates State Highway funds under local assistance for the State Transportation Improvement Program (STIP) Planning, Programming and Monitoring Program (PPM), and

WHEREAS PPM is defined as the project planning, programming and monitoring activities related to development of the Regional Transportation Improvement Program and the STIP required by Government Code Section 14527, et. seq. and for the monitoring of project implementation for projects approved in these documents, hereinafter referred to as PPM PROJECT, and

WHEREAS the California Transportation Commission (CTC) is tasked to allocate these funds in accordance with the amounts approved in the STIP in accordance with section 14527 (h) of the California Government code:

NOW, THEREFORE, the parties agree as follows:

SECTION I

STATE AGREES:

1. As authorized by Section 14527(h) of the Government Code to release to the ADMINISTERING AGENCY for its PPM PROJECT in an amount not to exceed \$51,000.00 from monies appropriated for the PPM Program as follows:

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance

Accounting Officer



| Date 09/27/2023

| \$51,000.00

2. To pay the ADMINISTERING AGENCY a single lump sum payment upon final execution of this AGREEMENT and the receipt of an original and two copies of a signed initial invoice in the proper form from ADMINISTERING AGENCY in the amount shown in Section 1, Article (1) as promptly as state fiscal procedures will permit.

3. When conducting an audit of the costs claimed under the provisions of this Agreement, to rely to the maximum extent possible on any prior audit of ADMINISTERING AGENCY pursuant to the provisions of State and federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is acceptable to STATE when planning and conducting additional audits.

SECTION II

ADMINISTERING AGENCY AGREES:

1. To use all state funds paid hereunder only for eligible PPM specific work activities as defined in Attachment A to this AGREEMENT.

2. To use all state funds paid hereunder only for those transportation purposes that conform to Article XIX of the California State Constitution.

3. To prepare and submit to STATE an original and two copies of signed invoice for payment.

4. To prepare a Final Project Expenditure Report including a final invoice reporting actual costs expended in accordance with Attachment A and submit that Report and invoice no later than 60 days following the completion of expenditures. These allocated PPM funds are available for expenditure until June 30, 2026. The Final Report of Expenditures must state that the PPM funds were used in conformance with Article XIX of the California State Constitution and for PPM purposes as defined in this Agreement. Three copies of this report shall be submitted to STATE.

5. COST PRINCIPLES

A) To comply with, and require all project sponsors to comply with Office of Management and Budget Supercircular 2 CFR 200, Cost Principles for State and Local Government, and the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

B) ADMINISTERING AGENCY will assure that its Fund recipients will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual Project cost items and (b) those parties shall comply with Federal administrative procedures in accordance with 2 CFR 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving Funds as a contractor or sub-contractor under this Agreement shall comply with Federal administrative procedures in accordance with 2 CFR 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

C) Any Fund expenditures for costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under Office of Management and Budget Supercircular 2 CFR 200, are subject to repayment by ADMINISTERING AGENCY to STATE. Should ADMINISTERING AGENCY fail to reimburse Fund moneys due STATE within 30 days of demand, or within such other period as may be agreed in writing between the Parties hereto, STATE is authorized to intercept and withhold future payments due ADMINISTERING AGENCY from STATE or any third-party source, including, but not limited to, the State Treasurer, the State Controller and the CTC. The implementation of the Supercircular will cancel 49 CFR, Part 18.

6. THIRD PARTY CONTRACTING

A) ADMINISTERING AGENCY shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed using Funds without the prior written approval of STATE.

B) Any subcontract or agreement entered into by ADMINISTERING AGENCY as a result of disbursing Funds received pursuant to this Agreement shall contain all of the fiscal provisions of this Agreement; and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors.

C) In addition to the above, the preaward requirements of third party contractor/consultants with ADMINISTERING AGENCY should be consistent with Local Program Procedures as published by STATE.

7. ACCOUNTING SYSTEM

ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate Fund expenditures by line item. The accounting system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

8. RIGHT TO AUDIT

For the purpose of determining compliance with this Agreement and other matters connected with the performance of ADMINISTERING AGENCY'S contracts with third parties, ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors and STATE shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times for three years from the date of final payment of Funds to ADMINISTERING AGENCY. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent for audits, examinations, excerpts, and transactions, and ADMINISTERING AGENCY shall furnish copies thereof if requested.

9. TRAVEL AND SUBSISTENCE

Payments to only ADMINISTERING AGENCY for travel and subsistence expenses of ADMINISTERING AGENCY forces and its subcontractors claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced are in excess of those authorized DPA rates, then Administering Agency is responsible for the cost difference and any overpayments shall be reimbursed to STATE on demand.

SECTION III

IT IS MUTUALLY AGREED:

1. All obligations of STATE under the terms of this AGREEMENT are subject to the availability of the state funds.
2. Eligible expenditures under this AGREEMENT shall be from the effective date of allocation to June 30, 2026.
3. In the event that ADMINISTERING AGENCY fails to implement or complete the PPM program commenced under this Agreement, fails to perform any of the obligations created by this agreement or fails to comply with applicable State laws and regulations, STATE reserves the right to terminate funding for the PPM program or portions thereof, upon written notice to ADMINISTERING AGENCY. An audit may be preformed as provided in Section II, Article (4) of this agreement.
4. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by ADMINISTERING AGENCY under or in connection with any work, authority or jurisdiction delegated to ADMINISTERING AGENCY under this Agreement. It is understood and agreed that, pursuant to Government Code Section 895.4, ADMINISTERING AGENCY shall fully defend, indemnify and save harmless the State of California, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under or in connection with any work, authority or jurisdiction delegated to ADMINISTERING AGENCY under this Agreement.
5. As a condition of acceptance of the State funds provided for under this Agreement, ADMINISTERING AGENCY will abide by all State policies and procedures pertaining to the PPM Program.
6. This Agreement shall terminate on December 31, 2026.

STATE OF CALIFORNIA

Department of Transportation

Napa Valley Transportation Authority

By: _____
Office of Project Management Oversight
Division of Local Assistance
Date: _____

By: _____
Title: _____
Date: _____

Attest: _____
Title: _____

Attachment to PPM Agreement Letter

The agency shall prepare a PPM plan, which will become a part of the Fund Transfer Agreement, titled Attachment A.

This plan is a one or two page summary outline of the major activities and, where appropriate, sub activities that will be accomplished with the current year PPM fund allocation. The plan shall outline the specific activities the Agency plans to implement. Indicate the approximate time period and cost for each major activity.

Funds may be moved between the elements. It is expected that work will be accomplished for each element and any revisions will be discussed in the Final Report of Expenditures.

Indicate if this is a single or multi-year plan for this specific allocation and the anticipated date of completion of all expenditures.

Fund allocations for future years should not be requested until this plan's expenditures are near completion.

Expenditures must be completed no later than two years after the fiscal year of allocation.

A Final Report of Expenditures is required within 60 days of completion of expenditures. Current or future allocations may be terminated if this report is not prepared in a timely manner. Unexpended funds shall be returned to the State.

A very simple plan is illustrated below. Details of a plan should be consistent with the activities proposed and funding received.

Attachment A		XYZ RTPA
STIP Planning, Programming and Monitoring Activities Plan (FY 2009/2010)		
Activity	Time Period	Cost(\$1,000)
A. Prepare/Review Project Study Reports	9/02-4/03	\$10
B. RTIP Amendment Project Review/Programming	2/02-5/03	\$5
C. STIP Amendment Processing/CTC Coordination	5/02-6/02	\$5
D. Monitoring Implementation	9/02-6/03	\$10
Total		\$30

Anticipated Completion date 6/30/13

rev 08/13/2012



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Amendment to the Cultural Resources Monitoring and Treatment Agreement for the St. Helena to Calistoga Napa Valley Vine Trail Project

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment 3 with Middletown Rancheria Agreement No. 22-C10 for Cultural Resources Monitoring and Treatment Services (Attachment 1) in an amount not to exceed \$71,500 bringing the total contract amount to \$247,000.

EXECUTIVE SUMMARY

Additional oversight and expertise is required for cultural and resource monitoring and treatment to complete the St. Helena to Calistoga Napa Valley Vine Trail Project. To date, the Board has authorized a total of \$175,500 for tribal monitoring activities associated ground disturbance activities, with the most recent amendment authorized in September 2023. Following the September Board authorization, staff identified an error in calculating costs to complete the monitoring activities for the project requiring authorization of additional funding. This request for additional funding is mainly attributed to increased monitoring resources necessary to oversee several concurrent contractor operations as the contractor focuses on completing as much project work as possible prior to the impending winter weather season. An estimated \$71,500 is needed to complete the project, increasing Middletown's total contract value to \$247,000.

FISCAL IMPACT

Yes. The additional \$71,500 in monitoring costs will come out of the project's construction budget. NVTA continues to track costs incurred because of PG&E's gas main replacement project and will pursue recovering some of those costs by submitting reimbursement requests to PG&E.



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 to Cultural Resources Monitoring and Treatment Agreement for the St Helena to Calistoga Napa Valley Vine Trail Project

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director, or designee, to execute and make minor modifications to Amendment 3 with Middletown Rancheria Agreement No. 22-C10 for Cultural Resources Monitoring and Treatment Services (Attachment 1) in an amount not to exceed \$71,500 bringing the total contract amount to \$247,000.

COMMITTEE RECOMMENDATION

None

BACKGROUND

NVTA consulted with Middletown Rancheria throughout the development of the Vine Trail Project starting in November 2019 when NVTA formally notified the tribe of the project, consistent with Assembly Bill 52 (AB 52) and pursuant to Public Resources Code § 21080.3.1. Middletown Rancheria responded to the letter, initiating formal consultation to meet the requirements for the project's California Environmental Quality Act (CEQA) document and federal permitting. In order to receive the permit from the US Army Corps of Engineers, NVTA agreed to contract directly with Middletown Rancheria.

To date, the Board has authorized a total of \$175,500 for tribal monitoring activities associated with the Vine Trail project. In September, the NVTA Board authorized Amendment 2 increasing the Middletown Rancheria contract increasing by an additional \$71,500. Following the Board authorization, staff identified an error in the remaining

costs estimated to complete project monitoring which requires authorization of additional funding.

In addition to ongoing discovery of culturally significant artifacts, staffing requirements to monitor earth disturbing activities have increased significantly as the contractor works to complete as much project work as possible in advance of the upcoming wet weather season. Beginning in August, the contractor began working with multiple crews in various areas on the trail alignment, which includes weekend overtime work to accelerate project activities. As a result, there has been an increased need for monitoring resources from Middletown since monitoring is required at each location where soil disturbing activities are occurring. The need for additional monitoring resources has resulted in an accelerated drawdown of Middletown's budget and a budget overrun would occur if additional funding is not allocated. To ensure adequate monitoring of the affected areas, staff is recommending another contract amendment to Middleton Rancheria to increase the contract value by \$71,500. This amendment will bring the total contract amount to \$247,000.

ALTERNATIVES

Not amending the Cultural Resources Monitoring and Treatment Agreement with Middletown Rancheria will end the Native American onsite monitoring for ground disturbances. This will result in non-compliance with the permit requirements and indefinitely delay the project.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 5: Minimize the energy and other resources required to move people and goods.

The construction of the Napa Valley Vine Trail Calistoga to St. Helena segment will reduce greenhouse gas emissions by providing an alternative form of transportation.

Goal 3: Use taxpayer dollars efficiently.

Continuing to use Middletown Rancheria as a consultant is more economically viable than hiring full time employees with the qualifications needed to perform cultural resource monitoring.

ATTACHMENTS

- (1) Amendment No. 3 Cultural Resources Monitoring and Treatment Agreement No. 22-C10 Middletown Rancheria

THIRD AMENDMENT TO CULTURAL RESOURCES MONITORING AND TREATMENT AGREEMENT

THIS THIRD AMENDMENT TO THE CULTURAL RESOURCES TREATMENT AND MONITORING AGREEMENT herein after referred to as “Agreement” is made and entered into as of October 4, 2023, between the Middletown Rancheria of Pomo Indians of California, a sovereign government and federally recognized Indian tribe (“Tribe”), and Napa Valley Transportation Authority, a joint powers agency under the laws of the State of California, hereinafter referred to as “NVTa” (each a “Party” and collectively the “Parties”);

RECITALS

WHEREAS, in June 2022 the NVTa entered into Agreement with the Tribe to protect its Cultural Resources by monitoring the grading and ground disturbance activities during the construction of the Napa Valley Vine Trail project, St Helena to Calistoga, hereinafter referred to as “Project”;

WHEREAS, in November 2022 NVTa issued the First Amendment approving additional monitoring performance services and hours to be performed by the Tribe due to unforeseen ground disturbance activities which resulted in bringing the total baseline amount of the Agreement to \$104,000;

WHEREAS, in September 2023 NVTa issued the Second Amendment for continued monitoring services and hours to be performed by the Tribe which resulted in the new baseline total amount of \$175,500;

WHEREAS, the NVTa identified a calculation error in the cost estimate of monitoring service hours remaining to complete the Project; and

WHEREAS, the NVTa agrees to authorize the additional funding in the amount of \$71,500 to adjust the budget and correct the cost estimate of the remaining monitoring services and hours as summarized in Exhibit D-3 attached.

TERMS

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

1. Item 5 Baseline Compensation Rates (Exhibit D-2) of the Agreement for the total amount of \$175,500 is amended to include the additional funding in the amount of \$71,500 (Exhibit D-3) to correct the cost estimate of remaining monitoring service hours and adjust the budget, bringing the total baseline amount of the Agreement to \$247,000.
2. Except as set forth above, the terms and conditions of the Agreement, as amended in the Third Amendment, shall remain in full force and effect as previously approved.

IN WITNESS WHEREOF, this Agreement was executed by the parties hereto as of the date first above written.

NAPA VALLEY TRANSPORTATION
AUTHORITY

MIDDLETOWN RANCHERIA

By _____
Kate Miller, Executive Director

By _____
James Galupe, Vice-Chairman

EXHIBIT D-3

Amendment 3 Cost Proposal										
		Labor								
TASKS	Project Manager	Native American Ethnographer/Archaeologist, or Cultural Advisor	Project Coordinator	Field Operations Coordinator	Lead Cultural Resources Monitor	Native American Monitor	GIS/Data Analyst	Administration/Accounting	Other Indirect Costs	TOTAL FEE
Hourly Rates	\$200.00	\$150.00	\$125.00	\$125.00	\$95.00	\$95.00	\$100.00	\$50.00		
1. Project Kickoff Meeting										\$0.00
2. Monitoring Ground Disturbance	10					600	40	20		\$64,000.00
3. Mileage (1)									\$1,000	\$1,000.00
4. Discovery of Human Remains and Cultural Resources (2)										\$0.00
SUBTOTAL										\$65,000.00
10% CONTINGENCY										\$6,500.00
TOTAL										\$71,500.00

Footnotes

(1) 0.58.5 effective January 1, 2022, but subject to change

(2) An amendment will be made for the additional hours required for the discovery of Human Remains and and/or cultural resources



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Updates to NVTA Policy, Practices and Procedures Manual Chapter 7: Financial Management

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve and authorize the executive director to make minor modification to its Finance Management policies.

EXECUTIVE SUMMARY

The Board last adopted an update to NVTA Policies, Practices, and Procedures Manual for Financial Management on July 17, 2020. Since that time, NVTA has undergone a Federal Transit Administration (FTA) Triennial Review and three financial audits. The proposed changes respond to the recommendations received in the FTA review and financial audits and will align NVTA policies with current Federal and State requirements.

FISCAL IMPACT

None



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: anonorato@nvta.ca.gov
SUBJECT: Updates to NVRTA Policy, Practices and Procedures Manual Chapter 7: Financial Management

RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve and authorize the executive director to make minor modifications to its Financial Management policies.

COMMITTEE RECOMMENDATION

None

BACKGROUND

Recent reviews performed by staff and the Federal Transit Administration (FTA) revealed that several NVRTA policies were not consistent with current federal and state regulations. In addition, other elements of the policies are outdated.

Below is a brief summary of the changes in each policy section:

Financial Management

- Minor clarification to language and procedures throughout the policy
- Minor updates to NVRTA's Investment Policy (Section 7.2.2)
- ECHO Funds Drawdowns and Verifications (Section 7.4.6): Per the 2023 FTA Triennial Review, updated NVRTA procedures for ECHO fund drawdowns and verification of funds were properly accounted for.
- Addition of the Indirect Cost Rate Proposal

ALTERNATIVES

Not approving the proposed changes would put NVTa out of compliance with state and federal requirements which could result in grant funds being withheld until such changes are executed.

STRATEGIC GOALS MET BY THIS PROPOSAL

Goal 3: Use taxpayer dollars efficiently. Updating policies will ensure the agency will be in compliance with state and federal regulations avoiding potential liability and additional costs for remediation.

ATTACHMENT

- (1) Financial Management Policy (redlined)
- (2) Financial Management Policy (clean copy)

CHAPTER 7: FINANCIAL MANAGEMENT

POLICIES, PRACTICES AND PROCEDURES MANUAL

The Napa Valley Transportation Authority (NVTa or the "Authority") will maintain sound financial practices in accordance with all federal, state and local laws and direct its financial resources towards meeting NVTa's long-term goals.

NVTa will cultivate and further develop programs to ensure its long-term ability to pay the costs necessary to provide the level and quality of service required by the public.

Board of Directors Approval Date: July 15, 2020

Amendment Approval Date:

Board Approved: June 15, 2020



SECTION 7.1 FINANCIAL MANAGEMENT	3
7.1.1 Responsibility and Authority	3
7.1.2 Information Security	4
7.1.3 Financial Management	4
7.1.4 Internal Controls	7
7.1.5 Wire Transfers	10
7.1.6 Budget Development	11
7.1.7 Budget Monitoring and Reporting	13
7.1.8 Accounting Principles	15
7.1.9 Fund Accounting	17
7.1.10 Revenues and Expenditures	18
7.1.11 General Ledger	21
7.1.12 Encumbrances	22
7.1.13 Accounts Payables	22
7.1.14 Vendor Invoice Processing	23
7.1.15 Audits	26
7.1.16 Petty Cash	29
7.1.17 Cash Handling	31
7.1.18 Revenue Collections and Distribution	36
7.1.19 Purchasing Cards	38
SECTION 7.2 RESERVES AND FINANCING	40
7.2.1 Cash Reserves	41
7.2.2 Investment Policy	46
7.2.3 Interfund Loans and Transfers	46
7.2.4 Debt Financing and Management	46
7.2.5 Pension and OPEB Liabilities	47
SECTION 7.3 ASSET MANAGEMENT	50
7.3.1 Fixed Assets	50
7.3.2 State of Good Repair	54
7.3.3 Transit Pass Inventory Control	55
7.3.4 Alternative Fuels and Fleet Replacement	56
SECTION 7.4 GRANTS MANAGEMENT	56
7.4.1 Grant Accounting and Administration	56
7.4.2 Grant Management	64
7.4.3 Grant Reimbursements from Caltrans	64
7.4.4 Project Management	71
7.4.5 Third Party Oversight	74
7.4.6 Subrecipient Monitoring	81
7.4.7 Indirect Cost Rate Proposal	
7.4.8 ECHO Drawdowns and Verification	86

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SECTION 7.5 REIMBURSEMENTS.....	84
7.5.1 Travel <u>Business Related Expenses</u>	84
7.5.2 Meals and Meeting Expenses	88

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7.1 FINANCIAL MANAGEMENT

7.1.1 RESPONSIBILITY AND AUTHORITY

This policy establishes the general responsibilities and authority of management and staff with regard to the financial operations of NVT.

NVT is subject to the rules and policies established by the Board of Directors to promote efficiency and uniformity. Within the boundaries established by the Board of Directors, NVT is responsible for managing its own operations. All staff are expected to fulfill the requirements of their positions and to conduct themselves with integrity and professionalism. Staff should also operate within the specific levels of authority that may be established for their positions.

The following define the general responsibilities of managers, supervisors and staff.

Executive Director (ED): The Executive Director has the responsibility and authority for the development, resourcing, implementation, ~~review~~review, and continuous improvement of NVT. The Executive Director is accountable to the Board and the public for the performance of NVT and ensures that commitments are delivered. The Executive Director has the overall responsibility to ensure that an accountability process exists at NVT so that staff are held accountable for their performance.

Financial (Fiscal) Officer or Equivalent The financial officer is responsible for managing financial operations, accounting, financial reporting, and audits. The financial officer plans, organizes and directs the finance department; provides assistance to the Executive Director; and performs other related work as required. The financial officer also:

- Maintains and enforces all financial policies and procedures, whether they are developed internally or prescribed by the ED or Board.
- Maintains the integrity of the accounting system and financial records.
- Assures the implementation of a system of financial internal controls.
- Develops the budget process.
- Assures that all funds collected are handled securely, properly recognized, deposited and accurately reported.
- Ensures operations are in compliance with GAAP and Government Accounting Standards Board (GASB) standards, and comply with all statutory and regulatory requirements for grant funding received.
- Monitors budget and actual expenditures to identify variances, determine their cause and implement measures to reduce or eliminate future variances.
- Prepares the financial statements including the quarterly unaudited financial statements.
- Monitors cash flow and projects future cash flow needs to assure NVT can meet its financial obligations.
- Serves as the primary point of contact in the event of an audit or review.



- Performs other financial duties that may be delegated.
- Files application(s) to receive and administer grant funding as required.
- Maintains inventory record of assets and inventory items.

Directors/Managers/Supervisors/Project Managers: Managers and supervisors are responsible for ensuring that all financial operations and staff under their direction comply with the policies and procedures.

Staff: Each staff member is responsible for observing NVRTA's rules for ethical behavior and for complying with the policies and procedures.

Levels of Authority: NVRTA establishes a system of authorization to provide effective management control over its assets, liabilities, revenues and expenditures. Specific levels and scopes of authority are established where appropriate in areas such as procurement, contract approval, payment authorization, etc. The Signature Authorization form dictates the levels of authority for financially related matters. See the Procurements & Contract Administration section for further details.

7.1.2 INFORMATION SECURITY

The information security policy is to maintain the confidentiality and security of financial information and its transmission across data lines and the internet.

Security services are essential to maintain the integrity of financial operations. NVRTA has entered into an agreement with the County of Napa that specifies the agreed-upon level of information security services provided, associated costs and payment for services.

7.1.3 FINANCIAL MANAGEMENT

This policy establishes uniform guidelines to monitor and control financial operations and account for its performance.

NVRTA will employ sound business, financial and accounting practices to conduct its financial operations. The Authority is responsible for monitoring and controlling its financial operations and accounting publicly for its financial performance through:

- Adherence to the highest ethical standards.
- Developing short and long-range strategic financial plans.
- Use of generally accepted accounting principles.
- Institute a system of internal controls.
- Retain financial and accounting records for appropriate periods.
- The issuance of financial reports that account for the use of public funds.
- Maintain adherence to all applicable state and federal laws and requirements.



Financial Management Responsibilities NVTA is responsible for developing plans, obtaining resources for implementing the plans, monitoring its operations and accounting publicly for its performance. These plans include, but are not limited to the biennial budget, overall work program (OWP), the short range transit plan, the countywide transportation plan and other regulatory strategic plans.

NVTA is dedicated to providing an environment of openness and transparency. The Authority is responsible for evaluating its needs and providing relevant workload and cost data to establish funding priorities and compete for funds with federal, state, and local programs. It is also the responsibility of NVTA to develop a long-range strategic financial plan for the efficient and effective use of resources, technology and the incorporation of community needs and concerns.

Accounting System NVTA will use an efficient and organized accounting system that ensures the accurate reporting of all transactions. The Authority is responsible for assuring that transactions recorded by its accounting system are supported by documentation and evidential matter that can withstand internal or external financial audits.

The key elements of an efficient and organized accounting system include an:

- Efficient method of accumulating, recording and reporting all transactions.
- Effective assignment of authority and responsibility.
- Effective approach to segregation of duties.
- Efficient method of detecting errors and irregularities.

Financial transactions should be executed and accounted for in accordance with generally accepted accounting principles. The Authority complies with the standards and principles established by the GASB, administrative policies and procedures that apply to NVTA's financial management, and regulatory and statutory requirements guiding the administration of grant revenues and eligible expenditures.

Accounting Records The financial officer should document its financial activities and maintain sufficient accounting records to:

- Ensure that all transactions are properly and accurately recorded.
- Provide sufficient evidence and justification for all transactions.
- Maintain accountability for assets and resources.
- Document accountability of staff who execute and process financial transactions.
- Permit preparation of accurate, informative and reliable reports that conform to applicable criteria.
- Support management during reviews and audits.

A detailed discussion of record retention procedures is provided in the *Record Retention* section for further information.



Financial Reporting NVTA is obligated to account for its use of public funds. To satisfy this obligation, NVTA prepares and issues periodic financial statements. The GASB Concepts Statement 1 defines the objectives of financial reporting as follows:

- Should assist in fulfilling the government's duty to be publicly accountable and should enable users to assess that accountability.
- Should assist users in evaluating the operational results of the governmental entity for the year.
- Should assist users in assessing the level of services that can be provided by the governmental entity and its ability to meet its obligations as they become due.

The primary use of financial reports is to assess accountability in its use of public funds. According to GASB Concepts Statement 1 financial reports accomplish this by:

- Comparing actual financial results with the legally adopted budget.
- Assessing financial condition and results of operations.
- Assisting in determining compliance with finance-related laws, rules and regulations.
- Assisting in evaluating efficiency and effectiveness.

NVTA acknowledges that reports need to be transparent and understandable to communicate information adequately to the public, elected officials, funding agencies and creditors. To effectively communicate information, NVTA will publish information in the following forms on its website and written formats as required:

- Publish the biennial budget
- Publish GASB-required audited financial statements.
- Publish an annual report listing the accomplishments and audited financial information
- Present quarterly financial updates to the Board, including any adjustments to the annual budget necessary to carry out the NVTA's mission
- Publish an Overall Work Program which allocates staff members to the tasks and projects scheduled for the upcoming financial year.

The Financial department's internal financial reporting functions include, but are not limited to, preparation of the following reports:

- Quarterly financial statement reports comparing actual revenues and expenditures to budget items.
- Quarterly cash flow reports to analyze the current position and project future needs.
- Monthly or quarterly reimbursement claims for grants and other state or federal programs.

GAAP, GASB and other government and public entity standards are applied to prepare financial and other required reports. Exceptions should be disclosed in the form of qualifications or footnotes to the financial statements or reports.



7.1.4 INTERNAL CONTROLS

NVTA's policy is to maintain effective internal control systems as an integral part of its management practices. NVTA continuously monitors and evaluates internal control systems for the purpose of strengthening existing operational, administrative and accounting controls. The objective of an internal control system is to minimize financial risks and provide reasonable assurance that assets are properly safeguarded.

Purpose of Internal Controls As a public sector institution, NVTA must maintain the highest standard of ethics and integrity to inspire confidence and trust. Moreover, some operations include handling large sums of money routinely. The risks associated with such operations are apparent and NVTA must protect its assets from potential acts of impropriety and its reputation from negative public perceptions.

An effective system of internal controls minimizes NVTA's exposure to risks and negative perceptions. A properly designed, implemented and continuously monitored system of internal controls protects NVTA's assets and resources by reducing or eliminating opportunities to commit and conceal errors or fraudulent acts.

Key Elements of an Effective System of Internal Controls A system of effective internal controls must be an integral part of Authority management practices. It covers all aspects of NVTA's operations from the overall planning of the organization to the implementation of specific operating and administrative procedures.

The components of an effective system of internal controls include, but are not limited to, the following:

- Appropriate segregation of duties (checks and balances)
- Comprehensive policies and procedures
- Competent personnel
- Continuous monitoring and supervision
- Controlled access to assets
- Proper authorization and documentation
- Sufficient review
- Leave coverage

Appropriate Segregation of Duties NVTA has an established organization structure that provides for an appropriate segregation of duties that safeguards assets. Segregation of duties is based on the concept that no one individual controls all phases of an activity or transaction. Segregation of duties provides for a built-in system of checks and balances that is designed to catch and correct errors as soon as they are detected. Another important objective is to eliminate or minimize opportunities to conceal errors and irregularities.



Whenever possible, key duties and functions are assigned to separate staff to minimize the risk of impropriety and establish a system of checks and balances. If segregation of duties cannot be achieved due to staffing limitations, Authority management must apply alternate control methods to mitigate the risks.

Supervision Management should provide appropriate supervision of Authority staff to assure that approved procedures are followed. NVRTA should ensure that all staff apply due care and diligence in the daily performance of their duties.

Controlled Access to Assets NVRTA should limit access to its assets to authorized personnel who require these assets to perform their assigned duties. Access includes both direct physical access and indirect access such as preparing and processing documents authorizing transactions that impact resources.

Proper Authorization and Documentation NVRTA has established a system of authorization to provide effective management control over its assets, liabilities, revenues and expenditures. The specific levels and scope of authority of executives, directors, managers, supervisors and staff, along with assigned dollar limits are established and documented and -provided to applicable staff, County of Napa and relevant parties for reference on a no less than annual basis.

When processing transactions, evidence of authorization should be maintained in the accounting files to document that:

- Proper authorizations are obtained and issued by staff acting within the scope of their authority.
- Transactions conform to the terms of the authorizations.

Sufficient Internal Review NVRTA has establish an effective system of internal review to ensure that all financial transactions are properly and accurately recorded and reported.

Minimum Internal Control Standards This section provides minimum internal control standards to (1) define its organizational boundaries, (2) monitor and control its financial operations and (3) maintain accountability for its resources. The Authority will continuously assess its system of internal controls against these minimum standards. Areas of weakness must be corrected or, if impractical or cost prohibitive, be properly documented and reported.

Bank Accounts To establish the conditions and operational controls under which NVRTA may maintain funds outside the County of Napa Treasury. NVRTA will:

- Obtain Executive Director's approval before opening or closing any bank account. Authority requests to open or close any bank account must be signed by the Executive Director and Financial Officer.
- Assure that banking relationships do not create any actual or perceived conflict of interest with the Board of Directors, managers or officers.
- Keep detailed records for all money received.



- Provide for the safety and security of staff, employees and funds when making bank deposits.
- Endorse all checks, warrants, money orders, and other negotiable instruments immediately upon receipt.
- Make all disbursements by check, credit card or electronic transfer, except for petty cash disbursements.
- Record all checks issued in a check register (this function is managed by the County of Napa).
- Keep all check stock under locked control.
- Reconcile all bank accounts not administered by the County of Napa at the end of the financial year.
- The annual bank balance and financial accounting cash balance information will be completed for all bank accounts locally operated and reconciled as of June 30.
- Require all withdrawals accompany two (2) signatures- the Executive Director and the Financial Officer.

Accounting Processes In order to minimize overpayments and ensure payments adhere to the content of a contract, NVTA will:

- Employ a system that assigns a unique contract number to track the status of each contract, purchase order, work order or agreement.
- Maintain records on payments associated with each contract.
- Seek payment approval from project manager, financial officer and Executive Director.

Accounts Payable To process and pay vendor invoices and claims in a timely according to the terms and conditions of the purchase agreements and contracts. All invoices and claims must be supported by appropriate documentation and approved for payment by authorized staff.

NVTA staff should:

- Direct all vendors to submit invoices to accounts payable for processing. Electronic invoices should be sent to ap@nvta.ca.gov.
- Date stamp all invoices upon receipt by Accounts Payable.
- Require that individuals and firms submitting claims within a reasonable period after services are rendered.
- Establish the dollar limits and the scope of authority of staff authorized to approve invoice payment.
- Perform a match of the purchase agreement, invoice and proof of receipt and acceptance of goods or services prior to payment if a purchase order was issued.
- Require that authorized staff review each invoice for appropriateness, accuracy and reasonableness. Invoices should be initialed by the program manager.



7.1.5 WIRE TRANSFERS

This policy provides guidance for outgoing or incoming wire transfers, electronic funds transfers (EFT), automated clearing house (ACH) or ECHO drawdowns. See 7.4.5 for ECHO ~~d~~Drawdown procedures.

Wire Payments

Initiating the Wire The department creates and prints a journal entry in the enterprise resource planning software. Attach a wire transfer authorization form and supporting documentation (usually an original receipt or vendor's invoice). The payee on the voucher should match the account title on the wire transfer authorization form.

Once voucher and supporting paperwork is complete, the department obtains appropriate signatory approval from the authorized signer. By approving the wire, the signor is authorizing the transaction and attesting that the transaction and supporting documentation is appropriate. Wire payments are subject to the same approval process as other payments.

Accounting Office Review The Auditor-Controllers Office (ACO) reviews and approves the wire transfer authorization form and the journal. The document is then taken by staff to the Treasury for processing. After approving the availability of funds, the Treasurer's Office sends the journal entry for payment.

Electronic Funds Transfer (EFT) Electronic funds transfers (EFT) are defined as a transmission of an electronic message to a financial institution instructing it to make an electronic entry reflecting the transfer of ownership of funds from one depositor to another.

Automated Clearing House (ACH). An ACH debit is an electronic transfer of funds directly out of the remitter's bank account which is originated by an outside entity.

The use of the ACH network to initiate payments and to receive funds has become a common business practice. It has also become common for some governments and businesses to require that certain payments be remitted to them electronically.

NVTA may be required to make certain payments by receiving an ACH debit. In addition there may be certain payment applications which, by nature and under the proper control environment, could be processed more timely and efficiently through the receipt of an ACH debit, without sacrificing audit trail and internal controls otherwise available with warrant, check or ACH credit payment processing.



General ACH Rules and Procedures. The receipt of ACH debits to accounts is permissible in the following conditions:

- Where required by federal or state law or associated regulations, or where required by an entity for payment of necessary goods or services.
- Where the County of Napa Treasurer have authorized the receipt of ACH debits after determining that it is in the best interest of NVTA.

Prior to implementing ACH debits, NVTA must notify the Treasurer. The Treasurer will request information on the frequency, timing, volume of transactions and other information as deemed appropriate. This information will assist in determining whether the application is appropriate for receiving ACH debits, and if so, what payment controls and procedures will be utilized.

ECHO Drawdown policy

Cash Management Requirements. All eligible FTA grantee organizations or sponsors paid by the requisition method of payment may now apply to be converted to US Treasury's Automated Clearing House (ACH) method of payment, regardless of the money amount involved. ACH electronically sends payment to a payee's bank for deposit to their bank account.

Guidelines for Disbursements. Disbursement guidelines are in accordance with policies established in U.S. Department of Treasury Circular 1076, Part 205, "Withdrawal of Cash From The Treasury for Advances Under Federal Grant and Other Programs," and by FTA financing agreements. Those guidelines state that the recipient organization should commit itself to:

- Initiating cash drawdowns for immediate disbursement needs. This has been defined as three calendar days. Excess federal funds held more than three days must be returned to FTA along with any interest earned.
- Providing control and accountability for all project funds consistent with FTA requirements and procedures for use of the ECHO Web System.
- Furnishing reports of cash disbursements and balances, when required by means of the Financial Status Report for FTA and the Federal Cash Transaction Report.

The Federal Transit Administration Agreement (Form FTA II (A)), Part II or II Terms and Conditions, dated December 1992, Section 107.a and b. (1), describes the process for requesting payment and the requirement for payment processing under the ECHO System.

7.1.6 BUDGET DEVELOPMENT

The Authority is responsible for developing and managing its budgets so that its resources are utilized efficiently and effectively, in a manner that inspires public confidence. This policy presents uniform guidelines to use in developing and managing its biennial budget



cycle. It is the policy of NVRTA to comply with applicable legislation and follow the procedures adopted by the Board of Directors for budget development and management.

NVRTA collects fare revenues, receives annual allocations from the Metropolitan Transportation Commission, the State of California, the Federal government, and other entities. NVRTA operates on a financial year beginning July 1 and ends June 30 of the year thereafter.

Sources of Authority Funding NVRTA receives federal, state, regional, and locally generated funding for specific purposes and Authority may also receive revenues from private contributions. Funding received is deposited into the Governmental, Proprietary, or Fiduciary Funds.

Authority Funds Each year, MTC releases a TDA and STA fund estimate to NVRTA for the operations of NVRTA. Money disbursed for operations is deposited into one of NVRTA's funds.

The Governmental Fund is used for administration, transportation planning, coordination of transportation and land use in the region, and programming of regional funding activities.

The Proprietary Fund is used for transit services and capital projects.

Authority Budget Cycle and Timelines There are two major phases of the biennial budget cycle – *development* and *implementation*. The development phase includes evaluation of available revenues, current year activities and performance and planning for future year financial requirements.

The Board also receives quarterly updates that make periodic revenue and expense adjustments to the budget.

Budget Development Process The Board of Directors is responsible for adopting the biennial budget and approving any amendments to that budget. The Board of Directors has delegated the responsibility for adopting budgeting policies and procedures and the annual schedule of budget development to the Executive Director. The Authority budget development process, which ends with the Board of Director's approval becomes effective at the beginning of the financial year (July 1), is described in the following table.



Authority Budget Development Process and Timeline

Activity Purpose Prepared/Issued By When

Activity	Purpose	Prepared/ Issued By	When
Gather information on financial sources of funds	Biennial Budget cycle commencement	Finance	December/January
Develop biennial budgets	Input and review initial budget recommendations	Finance	January-March
Budget Committee meeting	Review budgets with Board Chair and Vice Chair and have questions answered	Finance	February or March
1st reading and comment period	To ensure that the proposed budgets settles all outstanding questions posed by Board and other stakeholders.	Finance	March or April
2 nd reading, finalize budget	Complete budget input process	Finance	May
Budget approval	Formalize financial years budgets	Board of Directors	May Board of Directors meeting
Input budgets into ERP software	For reporting purposes	Finance	June

Budget Execution Once plans, resources and controls are in place NVT executes its operating plan, thereby incurring operating expenses and receiving revenues. As part of this process, encumbrances are established to account for contracts and purchase orders.

7.1.7 BUDGET MONITORING AND REPORTING

This policy establishes uniform guidelines to monitor and control its biennial budget and helps ensure responsible management of available resources. NVT will manage its operations in a financially prudent manner. Expenditures may not exceed the amounts established in NVT's approved budget.

The Authority will monitor actual expenditures against its quarterly and annual budget. Cash flow also will be monitored to assure that NVT has sufficient funding to meet its obligations. On a quarterly basis, NVT should submit a report of revenues and expenditures.



Background and Monitoring. After the biennial budget has been approved by the Board of Directors and funds programmed, NVTA must operate within the limitations of the available funding. The Authority must establish budgetary control procedures to monitor its budget on an ongoing basis throughout the year to assure that actual expenditures do not exceed budgeted amounts.

Regular budget monitoring allows NVTA to: 1) assure that funds are available for operations, and 2) reallocate limited resources in the event of budget shortfalls or surpluses. Monitoring both expenditure and cash flow allows NVTA to exercise an appropriate level of control over available funds and to take corrective action as necessary.

It is NVTA's responsibility to monitor its budget on a regular basis. It is recommended that NVTA prepare and review a comparison of actual expenditures with the approved budget that provides the following information for each program and budget line item of expenditure:

- Actual expenditures incurred for the previous quarter.
- Expenditures incurred for the financial quarter-to-date and year-to-date compared with their respective budgets for the same time frame.
- The variance between month-to-date actual and budgeted expenditures.

In addition, NVTA should analyze its cash flow needs for the current month and project its cash flow for the remainder of the financial year.

Informal expenditure to budget comparisons and cash flow monitoring reports should be prepared and reviewed as soon as is practicable after closing information becomes available each month.

Overall Work Program Once the Board has adopted a budget, staff will prepare the Overall Work Program (OWP) that expands on the tasks and projects that each division will undertake during the financial year. The OWP will allocate staff and other resources to each task and project.

Quarterly Financial Statements The Authority should submit quarterly financial statements that provide the following information:

- Actual expenditures incurred during the previous quarter.
- Cumulative expenditures for the financial quarter-to-date and year-to-date.
- The variance between actual and budgeted expenditures for the quarter.
- The remaining budgeted balance for each object of expenditure.
- Budget transfers among expenditures. (These adjustments should net to zero).
- Budget revisions reflecting changes to NVTA's available budget, such as additional allocations or receipt of new grants.



In addition, monthly monitoring reports are to be provided to the Executive Director and management staff to ensure adherence to budgeted expenditures.

Budget Revisions During the financial year, NVRTA may receive additional or amended allocations from Federal, State, MTC, or regional entities and receive revenues above those originally budgeted, or receive new grants from other governments or private sources.

NVRTA may revise the budget and report the budget revisions the Board of Directors for formal approval. Budget revisions are reported and reflect an overall increase or decrease to NVRTA's approved budget.

NVRTA will conduct regular reviews of actual expenditures versus budgeted amounts and project expenditures to assure that the remaining budget is sufficient to cover anticipated expenditures for the balance of the financial year. If a budget shortfall is anticipated, appropriate actions should be taken to assure that operations are not adversely affected.

NVRTA will document all budget revisions to account for variances in projected versus actual expenditures, and include this information as part of the quarterly update to the Board of Directors, or more frequently if necessary to carry out the mission of NVRTA.

Budget Transfers It is the intent of this manual to provide NVRTA with the flexibility in transferring funds between individual programs and objects of expenditure where the transfers are necessary for the efficient and cost-effective operation of NVRTA, or to make technical corrections.

Budget Adjustments Local Transportation Funds (LTF) is the primary funding source for the planning operations. LTF and FTA grants are the primary funding source for NVRTA's transit operations. However, in the event there are non-discretionary costs that are imposed upon NVRTA as a result of legislative or other changes to operations and programs that are not funded by the LTF funding adjustment, NVRTA is permitted to request additional funding through the annual budget process to address operational changes. These changes include unanticipated grant revenues and related operating or capital expenditures, unanticipated expenses necessary to carry out the mission costs associated with meeting legislative mandates and emergencies.

7.1.8 ACCOUNTING PRINCIPLES

This policy establishes uniform guidelines and accounting principles for NVRTA to follow when gathering, summarizing and reporting accounting information associated with its financial operations.

NVRTA should comply with the basic principles of accounting and reporting that are applicable to government units. Financial transactions should be executed and accounted



for in conformity with generally accepted accounting principles (GAAP) and legal requirements.

Generally Accepted Accounting Principles (GAAP) To meet the needs of internal and external users financial information, state and local governments have adopted Generally Accepted Accounting Principles (GAAP).

GAAP are uniform *minimum* standards and guidelines for financial accounting and reporting. They govern the form and content of an organization's financial statements. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures.

Governmental Accounting Standards Board (GASB) The primary authoritative body for setting standards for the public sector governments is the Governmental Accounting Standards Board (GASB).

Application of GAAP NVT shall use an accounting system that conforms to GAAP to assure uniformity in financial reporting and to provide a reasonable degree of comparability between NVT and other local government financial reports.

The accounting system implemented must both:

- a. Present fairly and fully disclose the financial positions and results of operating funds in conformity with GAAP.
- b. Determine and demonstrate compliance with all legal requirements and contractual provisions.

Basis of Accounting The Authority should use either *Accrual* or *Modified Accrual* basis of accounting to measure its financial position and the results of operations associated with the *Governmental, Proprietary, or Fiduciary* funds.

The Authority should recognize revenues when they become both measurable and available to finance expenditures of the current period. Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Governmental funds should be the primary fund type NVT uses to account for its resources. The number and types of funds established should be based upon how resources will be spent and the need to segregate and account for funds used for different purposes.

NVT may establish several funds. Each fund should have separate general ledger accounts to account for designated assets, liabilities, and other balances. [Section 1300, GASB Codification states that a government unit should keep the least number of funds possible to satisfy its particular circumstances.]



The Authority should use the *Governmental* (Planning Fund, Special Revenue Funds), *Proprietary* and *Fiduciary* (Authority and Trust funds) types of funds to account for its financial activities. *Fund Accounting*, provides more details on Authority funds.

7.1.9 FUND ACCOUNTING

This policy establishes uniform guidelines to establish “funds” and maintains accountability over the public resources used to finance its operations. As a publicly funded entity, NVTA must ensure that the funds allocated are used efficiently. The Authority should establish and maintain separate funds to segregate its financial resources and allow for the detailed accounting and accurate reporting of its financial operations.

Funds and Fund Types A “fund” is a complete set of accounting records designed to segregate various financial resources and maintain separate accountability for resources designated for specific uses. The establishment of discrete funds is beneficial in ensuring that public monies are only spent for approved and legitimate purposes.

State and local governments can establish as many funds as required to operate efficiently and account for resources accurately. However, all funds used must be classified into one of the seven types shown in the table that appears on the following page.

Classification of Fund Types Available to Government Agencies

Classification	Fund Type	Purpose	Commonly Used by NVTA?
Governmental Funds	General fund	To account for all financial resources except those required to be accounted for in a separate fund.	Yes, to account for all funds received by NVTA except those that must be accounted for separately.
	Special revenue fund	To account for certain revenue sources “earmarked” for specific purposes.	Yes, to account for federal, state, local and private grants.
	Debt service fund	To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.	No
	Capital projects fund	To account for financial resources used in the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.	No
Proprietary Funds	Enterprise fund	To account for operations that are financed and operated in a manner similar to private business enterprises.	Yes
	Internal service fund	To account for the financing of goods or services provided by one department or Authority to other departments or agencies of the	No



		governmental unit, or to other governmental units on a cost - reimbursement basis.	
Fiduciary Funds	Trust or Authority fund	To account for resources received by one government unit on behalf of a secondary governmental or other unit.	Yes, to account for fines, fees, etc. collected by NVTA on behalf of others.

Planning Fund – Local Transportation Fund The Local Transportation Fund is used to account for the financial activities associated with the money appropriated by the State of California and allocated to NVTA.

The Planning Fund is a fund type under the General Funds classification and treated as a general fund type under the Governmental Funds classification.

The Executive Director or designee should authorize and direct expenditures from the Local Transportation Fund. The LTF along with all other applicable funds should be used to report the financial activities in the Quarterly Financial Statements.

Special Revenue Funds NVTA operations may include activities that are funded by federal, state, local governmental or private grants. Most grants specifically define the purposes for which grant funds may be used. In many cases, the grants are reimbursement type agreements that require NVTA to document its costs to receive payment. These are generally defined as expense-driven grants.

NVTA should establish and maintain Special Revenue Funds to specifically account for revenues and expenditures related to grant activities.

Revenues and expenditures under these funds should not be commingled with the Operation Funds. However, grants and other revenues and expenditures in the Operations Fund may have a separate accounting designation for tracking purposes. Financial systems operated by NVTA must be capable of establishing and maintaining Special Revenue Funds to specifically account for revenues and expenditures related to grant activities.

The Special Revenue Funds should be reported with the Local Transportation Fund in the Monthly Financial Statements information provided to the state.



7.1.10 REVENUE AND EXPENDITURES

This policy is to establish uniform accounting guidelines for NVTA to record revenues and expenditures associated with operations.

NVTA will account for its resources using either accrual basis or modified accrual basis of accounting. Revenues should be recognized in the current period to the extent that they are measurable and available to liquidate current liabilities. Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Measurement of Resources and Basis of Accounting The majority of NVTA's financial activities are accounted for in the "Local Transportation Fund", which is essentially a general fund. Additionally, NVTA receives grants from federal, state and local governments as well as from the private sector. The following sections describe how resources should be measured under these funds and what basis of accounting should be applied.

Measurement of Resources Governmental funds (such as the Local Transportation Funds) are designed to measure the "flow of financial resources". The objective is to determine whether more or fewer resources will be available for spending in the near future as a result of current transactions. Increases in resources available for spending in the current period are treated as **revenues**. Decreases in resources are treated as **expenditures**.

Basis of Accounting A fund's basis of accounting determines when a transaction is recognized as revenue or expenditure. The basis of accounting for the Local Transportation Fund and other revenue funds is the **Accrual Basis** of accounting.

Revenue Recognition Under Modified Accrual accounting, revenues are recognized when they are "susceptible to accrual". GASB Codification Section 1600.06 explains that revenues are susceptible to accrual when they are both measurable and available. It is not enough that revenue has been earned (measurable). The related cash flow must be available in the current period or soon enough thereafter to be used to pay liabilities of the current period.

Since NVTA derives most of its revenues from state funding and grant reimbursements, these revenues are susceptible to accrual. All Authority revenues are measurable and available (within a reasonable amount of time) to pay for current liabilities and therefore, should be recognized during the current period.

Expenditure Recognition Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Most purchases or contract commitments are short-term and should be recognized during the current financial year, if goods are received or services are rendered. Expenditures



associated with long-term contracts covering more than one year may also be recognized during the current financial year. If goods are not received or services are not rendered, expenditures may be recorded in the subsequent period.

General Revenue Recognition Since NVRTA derives most of its revenues from state funding and expenditure-driven grants, virtually all revenues can be accurately measured and expected to be available within a reasonable amount of time to pay for current liabilities. Therefore:

- NVRTA should recognize revenues during the current financial year when they are both measurable and available.
- The Authority should apply the concept of “earnings” to define measurability (i.e. NVRTA is entitled to the funded amounts, NVRTA has rendered the services required by the grants, or revenues have been earned).

General Expenditure Recognition Liabilities should be recognized in the accounting period during which goods are received or services are rendered:

- The Authority should recognize expenditures as payments are made to vendor(s).
- The Authority should disencumber (reduce) the operating fund as the reserve of funds is reduced or liquidated.

Year-End Revenue Accrual Even though financial reporting must be on the modified accrual basis, daily accounting may be on a cash basis. Under such circumstances, accrual basis for financial statement purposes is achieved by adjusting the accounts at the close of each year. The Authority financial year ends on June 30th. The Authority should perform year-end accruals as follows:

Prior to June 30th, NVRTA should:

- Review all revenue accounts related to entitlements and accrue revenues (such as the thirteen installment of state funding) that may not have been received from the state, but which are measurable and available.
- Review all revenue accounts related to expense driven grants and accrue revenues that may not have been billed to date.
- All accruals need to be reversed during the first month of the new financial year.

Year-End Expenditure Accrual. Similar to revenues, expenditures must be reported on the modified accrual basis for financial reporting purposes. The daily accounting basis may be on a cash basis. The accrual basis is achieved by adjusting accounts at year-end. The Authority should perform year-end accruals as follows:

- The Authority should review all open purchase orders, contracts and the related encumbrances in an effort to accrue expenditures during the current financial year, disencumber funds and liquidate the associated liability to the extent possible.



- All contracts straddling two financial years should be reviewed for the express purpose of recognizing expenditures in the current period if it is determined that the services were rendered or goods were received in the current year. The balance of the contracts should be closed in the current year and reopened in the new financial year along with the appropriate encumbrances.
- All open purchase commitments for which goods and services have been delivered or rendered, but not paid, should be accrued as current year expenditures. This also applies to grant funding.

7.1.11 GENERAL LEDGER

NVTA will maintain separate and identifiable general ledgers for the purpose of recording and reporting its financial activities.

Separate general ledgers should be maintained for each type of fund used by NVTA. For example, separate general ledgers will be maintained for each of the following:

- Governmental Fund to record all general Authority operations not associated with other fund types.
- Proprietary Fund to record all federal, state, local government or private grants provided to NVTA for transit services.
- Fiduciary Fund to record all financial activities performed on behalf of other government entities for the region.

The general ledgers should be supported by appropriate sub-ledgers that provide adequate and sufficient details of all summary entries. Entries into the general ledgers flow from the sub-ledgers (such as accounts payable) or other journals.

The general ledgers should consist of general ledger accounts designed to identify and segregate different types of transactions in logical groups such as assets, liabilities, equity or fund balances, revenues and expenditures. The Authority should document these general ledger accounts in its chart of accounts. NVTA adopts the County of Napa's chart of accounts. NVTA will use an appropriate number of accounts to make sound financial decisions.

The general ledgers should be balanced on a regular basis using trial balance reports to verify that the sum of debit and credit entries during the period is equal.

When necessary, adjusting journal entries should be prepared to adjust the accounts. All adjusting entries should be adequately documented and should require appropriate written management approval.

All nominal and budgetary accounts should be closed at the end of the financial year, as the balance sheet accounts remain open and should be carried forward to the new financial year. After closing entries are made, only balance sheet accounts should have balances.



7.1.12 ENCUMBERANCES

Purchase commitments should be encumbered to ensure that adequate funds are available to pay invoiced amounts. Purchases include purchase orders, contracts and other financial obligations that are associated with a contract. As purchase orders or contracts are issued, they are forwarded to the Auditor-Controller's Office so that encumbrance amounts may be posted. This encumbrance reduces NVTA's balance of available funds.

With each payment against a purchase order or contract, an equal amount of encumbrance is reversed. The reversal is posted to the purchase order or contract. At the end of the contract period, any remaining encumbrance balance is reversed by the final payment, or by a reversal entry.

Ongoing Contracts Purchase orders and contracts should be encumbered to cover the maximum expenditures that may occur during the current financial year. At the beginning of the next financial year, the remaining obligation should be encumbered.

Change Orders. Periodically, changes or amendments to existing purchase orders or contracts are processed. Encumbrances are adjusted accordingly, to reflect the increases or decreases in the purchase orders or contracts.

Encumbrances at Financial Year End Encumbrances as of a financial year end may be carried forward to the new financial year.

Canceling an Encumbrance An encumbrance may be canceled by expiration or by cancellation of the purchase order or contract. When this occurs, the unencumbered funds are available for other expenditures or encumbrances.

7.1.13 ACCOUNTS PAYABLE

The implementation of these procedures will establish effective accounting control over assets (cash), liabilities (accounts payable) and expenditures. Prompt payment of claims supported by appropriate documentation will foster good business relationships with the individuals and businesses that provide essential services.

NVTA will pay the claims of the individuals and businesses that provide goods and services in a timely fashion, according to the rules and limitations established. All claims must be supported by appropriate documentation. All payments are subject to review by the Financial Officer, Executive Director and employee(s) who are authorized to approve such payments.



7.1.14 VENDOR INVOICE PROCESSING

All vendors, suppliers, consultants and contractor invoices will be routed to accounts payable for processing. The Accounts Payable staff should process the invoices in a timely fashion and in accordance with the terms and conditions of the purchase agreements. All invoices must be matched to the proper supporting documentation and must be approved for payment by authorized personnel acting within the scope of their authority.

Vendor Records Before a vendor's invoice can be paid, the accounts payable department must establish a vendor file that includes at least the following information:

- The vendor's name, address, and telephone number.
- Name and address of vendor representative to whom payments are to be sent if different from the above.
- Name, title and telephone number of contact in case of an incomplete or incorrect invoice.
- Description of goods provided or services performed.
- Taxpayer identification number.

No invoice should be processed for payment without a vendor tax identification number.

In compliance with Internal Revenue Service rules and regulations, NVT should ensure that a Form 1099 MISC is issued to all non-staff who meet the criteria for independent contractors established by the IRS. In general, NVT must report, - but we do gather and provide W-9 and other information for payments that meet the following four conditions:

- Payment is made to someone who is not an employee.
- Payment is made for services in the course of trade or business (including government agencies and nonprofit organizations).
- Payment is made to an individual, partnership, estate, or in some cases, a corporation.
- Payments made total at least \$600 during the year.
- Payment for professional services such as fees to attorneys, accountants, and architects require the issuance of a Form 1099 MISC. Forms must be issued to each qualifying independent contractor by January 31 of each year and a copy must be sent to the IRS by February 28 of each year.

Routing of Vendor Invoices.

The Executive Director or designee must approve all invoices for payment. Invoices must also be approved by project managers.



Routing of Related Documents As they are generated, other pertinent documents must also be routed to accounts payable department. Original copies of purchase orders, blanket purchase order releases, contracts, order forms, approved requisitions, purchase card ordering logs, receipts, packing slips, and all other appropriate documentation related to the acquisition of goods and services for related business must be provided to accounts payable.

The accounts payable department will maintain these documents in a central file to be matched against the related vendor invoices and claims.

This information may also be maintained in electronic form and accessible through an on-line purchasing system. The accounts payable staff may utilize on-line information to process invoices.

Preparing Invoices for Processing Upon receiving the vendor invoices, accounts payable will immediately stamp the documents with the current date.

Review for Accuracy of Invoice Calculations and price extensions shown on the invoices should be reviewed to ensure their accuracy. Vendor name, address, billing address, vendor number, federal ID number and all other pertinent information should be reviewed against the information set up in the vendor master file. All discrepancies should be reported to the employee who authorized the transaction.

Accounts Payable personnel must report discrepancies to the Financial Officer and secure appropriate approval prior to correcting any information.

Problem Resolution Discrepancies between vendor invoices and Authority purchase orders or contracts may arise due to:

- Vendor invoicing errors.
- Vendor invoice format that does not allow accounts payable to make a match between the invoice and the purchase authorization.
- Data entry errors made at the time the purchase information was entered into the purchasing system.
- Changes in the purchase information approved but not documented in the system or not reflected by a change order.

When discrepancies are detected, an invoice will not be processed for payment. The accounts payable employee should report the errors to the requestor of the goods and services. Problems that cannot be quickly corrected should be referred to Financial manager for resolution.

Invoice Error Not all errors and discrepancies will require NVT staff to engage in problem resolution activities. Some errors may be immaterial and inconsequential to the agreement. The Authority may allow vendor invoices with these types of discrepancies to be processed without requiring extra processing steps for error correction.



Account Coding It is important that all expenditures are recorded in the appropriate accounts. The accounts payable department will be responsible for assigning account codes for transactions that do not require encumbrances (e.g., purchase card transactions, warrant requests). If there is any question regarding the assignment of an account code, AP will contact the person who initiated the purchase to confirm that the correct account is being charged.

Invoice Batching AP will batch groups of invoices together for approval and for warrant processing. Each batch of approved invoices entered for payment will have a cover sheet that provides a batch number, a summary list of the invoices included, the total number of invoices and amounts and a batch total showing the total dollar amount of all the invoices submitted. The batch cover sheet is called an AP OPERID. Batches should contain only invoices that have been properly approved and that are accompanied by information documenting purchase authorization and receipt. The batched invoices will be submitted to the designated employee(s) Financial for review and an approval signature and then forwarded to ACO.

Payment Approval Designated staff with payment approval authority should review invoices for:

- Propriety of the transactions.
- Accuracy of the records submitted.
- Reasonableness of the expenditures.

Designated staff should act within the scope of their authority when approving invoices for payment. If the dollar amount or nature of a purchase exceeds an individual's authority, the next level of authority should be consulted and appropriate approval secured before releasing the invoice for payment.

Employees authorized to approve invoices should not approve payment of their own purchases. Another level of approval will be required.

Financial

Types of Payment The following list shows the various types of payments that NVT may authorize:

Final payments are made for completed and accepted goods and services. Final payments must have a contract close checklist before settlement occurs.

Partial payments are made for completed and accepted supplies or services that are only a portion of the total required deliveries (e.g., orders with items on back orders, missing components of an assembly, etc.).

Progress payments are made to a vendor as work progresses under a purchase order or contract.



Milestone payments are made to the vendor after the completion of specific tasks agreed to and set forth in the contract between the vendor and NVTA (e.g., long term information services contract with specific deliverables and timetables, consultant engagements, etc.).

Advance payments or deposits are made to a vendor prior to performance of a purchase order or contract (e.g., registration fees for a conference, educational programs, etc.). Advance payments are only made in unusual circumstances and are not permitted for time and materials service contracts or for the purchase of goods.

7.1.15 AUDITS

The Authority should, as part of its standard management practice, conduct its operations and account for its resources in a manner that will withstand audit scrutiny. During an audit, NVTA will cooperate with the auditors to demonstrate full accountability, efficient use of public resources and compliance with all requirements. Substantiated audit findings should be investigated and corrected in a timely fashion.

Audit Firm Rotation An important step in improving the integrity of the public agency audit system is to establish an audit firm or audit firm partner rotation requirement of seven years. The periodic rotation clients would limit long-term client-audit firm relationships that may compromise the independence of the audit firm's work.

Member Agencies A member agency is authorized to perform audits and reviews of all Authority financial records.

The Board of Directors should be notified by NVTA of any and all audits or audit-related activities, whether initiated by NVTA or at the request of other agencies.

The Metropolitan Planning Organization Independent audits or equivalent are conducted by outside accounting firms that specialize in examining the operations of government and business entities. The Metropolitan Transportation Commission may authorize the performance of a financial audit, performance audit, agreed upon procedures review, or any combination thereof.

State of California The Bureau of State Audits is authorized by the state under the federal Single Audit Act to audit NVTA regarding its use and accounting of grant funds.



Types of Audits

Financial Audits The purpose of a financial audit is to provide reasonable assurance that the financial statements are reliable.

Financial statements present management's assertions regarding NVTA's financial position, results of operations, and cash flow. The audit provides an independent basis for relying on NVTA's assertions. Auditors conducting a financial audit will:

- Inspect relevant documents.
- Observe employee performance.
- Inquire about policies, procedures, transactions and events.
- Confirm balances and transactions.
- Perform analytical procedures.

The auditor's goal is to obtain reasonable, but not absolute, assurance that NVTA's financial statements are fairly presented.

Performance Audits Performance audits are also called efficiency and effectiveness audits, compliance audits, and operations audits. The scope of a performance audit is typically narrower than the scope of a financial audit and may be confined to a particular program, department, process, or other aspect of operations.

The purpose of a performance audit is to determine if NVTA is conducting its operations in the most economic and efficient manner, and if programs are achieving their intended purposes. An important part of the auditor's task is to define what constitutes efficient and effective performance for the operations he or she is reviewing.

Federal Audits A portion of the operating budget may come in the form of federal grants, which may be awarded by several agencies. The federal Single Audit Act was enacted in 1984 and amended in 1996, to replace multiple grantor audits with a single audit that addresses the requirements of all federal grantor agencies.

In concert with the Single Audit Act, The Office of Management and Budget has issued it Uniform Guidance (formerly OMB Circular A-133), which sets forth standards designed to obtain consistency and uniformity in audits conducted of state and local governments that expend federal grant awards.

Federal grant awarding agencies are responsible for:

- Identifying federal awards made by informing each recipient of the Catalog of Federal Domestic Assistance (CFDA) number and title, award name and number, and award year.
- Advising recipients of the requirements imposed upon them by federal laws, regulations, and grant agreements.
- Ensuring that audits are completed and reports are received in a timely manner.
- Providing technical advice to auditees and auditors.



- Issuing a management decision on audit findings within six months of receipt of the audit report and ensuring that the recipient takes timely and appropriate corrective action.
- Providing annual updates of Circular A-133.

Audit Support Generally accepted auditing standards (GAAS) and GAGAS require auditors to study and evaluate NVT's system of internal accounting controls to determine the type and extent of audit procedures to be performed. A system of internal controls consists of the measures employed to safeguard NVT's assets, ascertain the accuracy and reliability of the entity's accounting data, promote operational efficiency and encourage compliance with policies and procedures.

GAAS and GAGAS also require that sufficient competent, evidential matter be obtained through inspection, observation, inquiries and confirmation to allow a reasonable basis for an opinion regarding the records and operations under examination.

NVT should cooperate fully with the auditors' requests for information. Auditors should be provided access to Authority records, files, policies, procedures, computer systems, and personnel for the purpose of gathering information that is within the nature and scope of their audit assignments. The Authority should not withhold relevant information, misrepresent any fact or mislead auditors in an attempt to "pass the audit".

Audit Findings and Issue Resolution

Exit Meeting At the conclusion of field (onsite) activities, auditors will normally hold an exit meeting with Authority representatives to present preliminary audit findings and discuss deficiencies, reportable conditions, material weaknesses, or unacceptable risk levels discovered during the audit.

NVT should use this opportunity to provide additional information, clarify questionable items and attempt to resolve the issues prior to the issuance of the audit report. If necessary, additional reasonable time should be requested to further research the auditor's findings.

Audit Reports There are three (3) common reports associated with audits of public entities:

- The auditor's report on the fair presentation of the financial statements.
- The auditor's report on compliance and internal control over financial reporting based on an audit of the financial statements.
- The auditor's report on compliance and internal control over compliance applicable to each major program.



Auditor's reports on compliance and internal controls typically include a separate section that lists the auditor's findings, which provide information on specific weaknesses or instances of noncompliance. The auditor often provides specific recommendations for corrective actions to be taken by management to resolve the weakness or noncompliance issue.

When an auditor discovers an expenditure that may not be allowed under the requirements of a federal grant, the expenditure is listed as a questioned cost. Questioned costs may ultimately be rejected by the granting Authority, in which case NVRTA must refund them.

Report Distribution. In addition to the auditor's standard distribution of audit reports, NVRTA should assure that a copy of any audit report is delivered to the County of Napa, State of California, FTA, MTC, and any other public Authority which requests a copy.

Corrective Action. It is the responsibility of NVRTA to take swift corrective action to improve its practices in areas where auditors find deficiencies, reportable conditions, material weaknesses, or unacceptable levels of risk.

Subsequent Audits Auditors routinely conduct follow-up audits to determine whether appropriate corrective actions have been taken with respect to the findings of previous audits. During the subsequent audits, auditors will determine whether the corrective actions taken, if any, have resulted in the desired changes, or whether management has acknowledged the risks of not taking corrective actions.

Subsequent Events

Management must at all times ensure that financial statements are prepared within generally accepted accounting principles. Management must ensure that as much as possible, all events applicable as at the end of the fiscal year are posted within the financial statements. Measures should be put in place to provide for detection of any event that arose subsequent to the end of the financial year, which may have an effect on the financial statements and reporting of the fiscal year in question.

A subsequent event is an event that occurs after the balance sheet date but before the financial statements are issued. Such events can significantly impact an organization's financial position and, therefore, must be considered when preparing financial statements.

Measures should be placed to ensure revisions to the financial statements in instances where subsequent events necessitate any adjustment, particularly where such events were evidenced prior to the approval of those financial statements and issuing of the financial auditor's opinion.

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The time period during which the agency should consider the effect of events after the reporting period runs from the reporting date to the date on which the financial statements are issued. Any subsequent event must be dealt with in terms of this policy.

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Management shall, immediately after the end of the fiscal year, continuously monitor the operations of and events occurring in relation to the business of the Authority, and where appropriate, assess as to whether any subsequent events have occurred that might affect the financial statements.

This monitoring and assessment shall primarily be focused on the current status of items that were accounted for in the financial statements on the basis of preliminary or inconclusive data. The following matters should be considered to identify subsequent events:

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- Whether new commitments, borrowings or guarantees have been entered into;
- Whether disposal or acquisitions of major capital assets have occurred or are planned;
- Whether any assets have been destroyed as a result of disaster, vandalism, etc.;
- Whether there have been any developments regarding contingencies as initially disclosed;
- Whether any events have occurred or are likely to occur that will bring into question the appropriateness of accounting policies used in the financial statements;
- Whether any events have occurred that are relevant to the measurement of estimates or provisions made in the financial statements;
- Whether any events have occurred that are relevant to the recoverability of assets.

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Management ~~should~~will put in place measures to identify and report all events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements. Explanations and any supporting evidence that may be required by auditors of any procedures management has established to ensure that subsequent events are identified in a timely manner and in the format as may be prescribed or agreed upon with auditors. Any adjustment of, or disclosure in, the financial statements in relation to the subsequent event, must be communicated and agreed upon with the auditors prior to application thereof.

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Adjustments and / or additional disclosures resulting from subsequent events must be in accordance with the applicable financial reporting framework and must approved by the Director of Finance or a duly delegated official in writing prior to application thereof to the financial statements. Adjusted financial statements, together with any relevant supporting documents in relation thereto must be submitted to the auditors at the date and time agreed upon with auditors.

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This policy and underlying strategies are to should be reviewed during each policy update, or as necessary, to ensure its continued application and relevance.

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7.1.16 PETTY CASH

A petty cash fund may be established when it's necessary to keep cash on hand to purchase low value supplies and services that cannot be practically purchased by other means.

The petty cash custodian is personally responsible for the safekeeping, disbursement, and accounting for petty cash. Petty cash funds should be kept separate from all other monies and kept in a locked drawer or cabinet.

The petty cash fund should be sufficient to meet the needs of NVT. The authorized amount should not exceed \$1,000.

Petty Cash Disbursements The original vendor invoice, cash register receipt, or other evidence of the transaction for which petty cash is disbursed must be attached to the petty cash receipt. Whenever possible, standard procurement methods should be used instead of petty cash (refer to *Procurement Manual*).

The petty cash fund cannot be used to:

- Pay for expenditures greater than \$200 unless advance approval is obtained.
- Pay personal goods or services.
- Pay travel expenditures, except for local travel.
- Make personal loans, salary advances or to serve as a check cashing fund.

To receive reimbursement for petty cash expenditures, the custodian must submit a petty cash replenishment form that is supported by purchase receipts.

Financial

Replenishment should be requested as needed to ensure adequate funds are available. The fund should be replenished prior to the close of the financial year.



PETTY CASH VOUCHER (Sample)

Date:	_____
Name:	_____ _____
Amount:	_____
Basis of Request:	_____
Advance:	_____
Reimbursement:	_____
Purpose and nature of usage:	_____
Attached receipts:	_____
Signature:	_____

7.1.17 CASH HANDLING

It is the policy of NVRTA to collect and process payments received from the public in the form of fees, reimbursements and assessments in a manner that protects the integrity of NVRTA and its staff and promotes public confidence. The Authority should institute procedures and internal controls that assure the safe, secure collection and accurate accounting of all payments.

This policy applies to all staff and agents whose official job responsibilities involve any aspect of collecting or processing revenue received from the public either in-person or by mail.

Safekeeping of Money To reduce the potential for losses due to errors or irregularities, staff and its agents involved in collection activities (cashiers and supervisors) will observe the guidelines provided in this section.

Acceptable Forms of Payment The Transit Store can accept the following for payment of fees, reimbursements and assessments:

- Cash
- Personal checks
- Bank checks or drafts
- Traveler's checks
- Money orders
- Credit cards
- Debit cards.



No Cash Policy NVRTA's administrative offices does not accept cash for payment of fees, unless authorized by the Financial Officer or Executive Director.

The "no-cash" policy is intended to increase employee safety, reduce customer wait time at the front desk, and reduce cost in handling cash.

Cash payments are accepted by the Soscol Gateway Transit Center ticket office and at other locations where transit products may be sold.

Cash Handling Procedures. Cash control procedures are of primary importance to management in avoiding losses. The fundamental rules for controlling cash receipts include the following:

a. Organizationally:

- Designate specific responsibility for custody of cash funds during the workday and for securing cash in a safe, vault, or other secure storage place overnight.
- Limit responsibility for receiving cash to as few people as possible.
- Separate cash handling from record keeping. Responsibilities for collection and deposit preparation should be segregated from those involving the recording of cash receipts into accounting records and permanent record entries.
- Have bank reconciliations prepared by persons not responsible for handling cash (this task is overseen by the County of Napa).

b. When receiving payment:

- When cash is received at the public windows it is counted out loud in the presence of the customer.
- Money should not be put in the cash drawer until after a receipt is issued and the correct change is given to the customer.
- If a customer disputes the amount of change tendered at the counter, the cashier should ask a supervisor for assistance.
- Cashiers should not return a disputed amount without a supervisor's approval.
- Payments involving relatives or personal friends should be given to the supervisor for re-assignment.
- Cash receipts should be recorded daily.

c. When depositing revenue:

- Prior to deposit, cash receipts should be secured in a cash drawer, vault, safe or locked cabinet to which only specifically authorized personnel have access. Cash drawers should be used for official business only (i.e., the collection of fees, reimbursements, assessments, etc.).



Check/Money Order/Cashier Check Handling Procedures When a check, money order or cashier check is received at the public window or in the U.S. mail, the following should be verified before accepting payment:

- The name of the customer must be imprinted on the check.
- Numeric and written dollar amounts must match.
- Checks must be signed by the customer.
- Checks must be dated for the day they are written. Post-dated checks are not accepted.
- Two party checks are not accepted.
- Checks must be written for the exact amount due. No change should be made on payments made by check.
- Checks must be made out to NVRTA.
- Contract number(s) should be written on checks, if applicable.
- All checks must be restrictively endorsed immediately upon receipt (e.g., *For deposit only to...*).
- When a check is accepted at the public window, the customer must provide an acceptable form of picture identification such as a driver's license or passport.

Returned Check Process/ Dishonored Payments NVRTA has a zero tolerance policy regarding returned checks. Persons who submit checks for payment that are subsequently returned for insufficient funds, stopped payment, inability to locate, etc. will no longer be allowed to pay with a personal check.

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If a check is returned to the business office, the client will be responsible for paying the full amount of the check that was returned as well as a MANDATORY returned check and administration fees determined by the County of Napa. Payment MUST be received within 10 business days of being notified of a returned check or the account may be turned over to the District Authority Attorney's Office for collection.

The ONLY acceptable forms of payments for returned checks are cash, money order, cashier's check, or credit card. No personal checks will be accepted.

Credit Card and Debit Card Payments. State of California Government Code 6159-*Payment to Public Agencies by Credit Card*, authorizes the acceptance of credit card payments by NVRTA and establishes the conditions under which payment by credit card is allowed. The same requirements apply to debit card payments.

The Transit Store ticket office accepts credit card or debit card payments in person. At a minimum, the Transit Store must verify that the credit card or debit card is current (the card expiration date must not have passed) for payments made in person.

Prior to accepting any credit card or debit card payment, the validity of the payment must be verified with the card issuer either electronically or by telephone.



NVTA may impose a fee for the use of a credit card or debit card in an amount not to exceed the cost incurred in accepting the card payment. This cost may include, but is not limited to, the discount or fee paid to the credit card or debit card issuer.

Receipts All payments must be acknowledged by a sequentially numbered receipt. Receipts issued should provide information sufficient to create an adequate audit trail that ensures proper distribution of the monies received including:

- Receipt number.
- Date of payment.
- Amount received.

NVTA should keep a record of all receipts issued. A receipt is deemed to be cancelled if a payment made by check, money order, credit card, or debit card is dishonored.

NVTA should periodically monitor receipt sequence numbers to identify gaps and assure that all receipts are accounted for.

Void Transactions Transactions that must be voided require the approval of a supervisor. When notified by a cashier, the supervisor is responsible for reviewing and approving the void transaction. All void receipts should be retained, not destroyed.

Backup Procedure for Automated System Down-Time In the case of a failure of the automated accounting system, pre-numbered receipt books will be issued by the supervisor or designated employee. A handwritten receipt should be given to the customer and a copy of the receipt is clipped to the payment, and a copy should be retained by NVTA.

Payments processed during down time should be kept separate from money processed through the system. Money, receipts and case files will be kept together in a designated secure place.

Handwritten receipt transactions must be processed as soon as possible after the automated system is restored. The transactions must be recreated in the system from the handwritten receipts before the money can be transferred to the cash drawer or cash register.

Daily Balancing and Closeout At the end of the workday, all cashiers must balance their own cash drawer or register. Cashiers may not leave the premises nor transact new business until daily balancing and closeout are complete.

Balancing and closeout include completing and signing the daily report; attaching a calculator tape for checks; turning in the report, money collected and cash change fund to the supervisor; and verifying the report with the supervisor.



After daily balancing and closeout are completed, the collections are prepared for deposit to the County of Napa or bank. If the daily collections are not deposited on the same day they are collected, they must be locked in a safe, vault, or secure cabinet overnight.

Shortages and Overages Cashiers must report all overages and shortages. Overages and shortages must be handled separately, never combined or netted together. An Overage or Shortage Report must be completed and signed by the responsible cashier and turned in to the appropriate supervisor with the daily cash balance report.

Supervisors will monitor all reports of overages and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action.

Fare Overpayment Passenger should be ready with the appropriate fare, exact change, or one of the Vine or Clipper passes when boarding. All buses have electronic fare boxes that accept the following fare payments; NVRTA issued fare media, U.S. currency \$1, \$5, \$10 & \$20 dollar bills, \$1 coins as well as 1¢ 5¢, 10¢, 25¢, & 50¢, and transfers. Bus operators do not carry change. Fares or overpayments are **Non-refundable**. NVRTA buses are equipped with Clipper transponders or handheld devices.

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Payments Received Through the Mail Checks and money orders received through the mail should be processed on the day they are received. Any exceptions are to be brought to the attention of a supervisor, placed in a locked area and processed on the next business day.

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A team approach should be used to maintain accountability for payments received in the mail:

- An administrative assistant opens the mail.
- More than the administrative assistant may be needed to process large volumes of mail.
- All checks and other forms of payment through the mail is logged in a central repository.

The following steps should be followed in opening the mail and processing the payments received:

- Checks and money orders received through the mail should be processed on the day they are received and listed on a check receipts log sheet.
- The check receipts log sheet should include the following information:
 - i. Name of the person/organization making the payment.
 - ii. Check amount.
 - iii. Check number.
 - iv. Date received.
 - v. Name of the person handling the check.
- An adding machine tape of all checks and money orders should be run and the total amount received should be matched to the total amount entered into the accounting system.
- The person logging the payments received through the mail should sign the bottom of the log sheet after running the adding machine tape.
- The adding machine tape should be attached to the log sheet and the checks delivered to a designated cashier for entry into the accounting system.
- Receipts for payments received in the mail should only be sent to the customer if a stamped, self-addressed envelope is included with the payment.

Credit Card Payments NVRTA accepts credit card payment for transit media at the Soscol Gateway Transit Center and vinetransit.com website. Visa, Mastercard, Discover, and American Express are accepted forms of online payments. ~~for transit products.~~

Vinetransit.com has also obtained a digital certificate from Network Solutions, a provider of internet trust services. When the user enters a secured portion of the site, an image of a closed lock or a solid key should appear in the bottom bar of your browser window. If you click on this image, a small popup window displaying site-security information will appear. This certificate guarantees that your personal information is being transmitted in a secure (encrypted) form to a vinetransit.com ~~web~~ server, not to an unknown or unauthorized server.



NVRTA and vinetransit.com does not sell registered users information to third parties and does not keep credit card information stored on its servers. A registered user must re-enter the credit card information at each transaction to complete the purchase.

Counterfeit Currency At a minimum, cashiering staff must test all \$50 and \$100 bills for possible forgery. Depending on volume, \$20 bills should be tested. Every member of the cashiering staff should be provided with a counterfeit detection pen, which should be used to test for counterfeit bills.

Confiscation Each cashier who receives currency suspected of being counterfeit should contact his or her supervisor immediately. Care should be taken in discussing confiscation with the customer because of the risk of legal action and/or violence. Discussion with the customer should focus on ensuring that:

- The customer understands that he or she is not being accused of counterfeiting;
- Federal regulations require confiscation of the currency.

If feasible, the supervisor should telephone the closest USSS office to supply the serial numbers of the currency believed to be counterfeit, but not in the presence of the customer.

After confiscation and pending instructions from the USSS, the supervisor should put the suspect currency in a sealed envelope and place it under lock and key; handling of it should be minimized. Under no circumstances are cashiers permitted to retain possession of counterfeit currency.

Foreign Currency It is the policy of NVRTA that currency other than United States is not accepted by NVRTA.

7.1.18 REVENUE COLLECTIONS AND DISTRIBUTION

This policy establishes uniform guidelines to collect, process and report all fees and assessments resulting from business services. NVRTA institute procedures and internal controls that assure the safe and secure collection of revenue, prompt deposit of all revenues received, accurate accounting that creates an audit trail, and the generation of reports required for sound financial management.

Deposits NVRTA will prepare appropriate documentation to deposit funds to the Treasury or for pick-up by an armored transport service.



To deposit money in the County Treasury, a deposit request must be prepared. The deposit permit is called a "Deposit Authorization Form." This request, prepared in duplicate, must be supported by acceptable documentation such as duplicate receipts or a receipt listing. The County keeps one copy and signs and gives NVTA the second copy.

Daily Reporting All collections must be recorded in general ledger, which may be created manually or generated by an automated system. The receipts from all cashiers should be posted daily and reconciled with the daily deposit of funds.

The collection record should show in chronological sequence and by receipt number all amounts collected by NVTA and the nature of the money collected. At the end of the month, each column of the collection record should be added and the totals recorded. A duplicate copy of the collection record may be prepared and attached to the monthly cash settlement report as supporting documentation.

Revenue Distribution Each payment received by NVTA is ultimately distributed or disbursed according to a fund established by the Board of Directors.

Monthly Cash Settlement Report NVTA must deposit all money that it collects or has under its control during the month into the County treasury. The proper accounting for or disposition of these collections is detailed in a cash settlement report filed with the County Auditor-Controller.

Farebox Procedures Every public transit vehicle, except for the Yountville ~~Trolley~~ has a farebox. Daily, all bus operators as part of their pre-trip inspection are required to make certain that the farebox is operational prior to pull-out. If the operator finds out that the farebox is defective, either the farebox is fixed or replaced or the operator is given a different vehicle. If the farebox should malfunction during service, a coach exchange will be done immediately. The technician will fix the farebox as soon as the bus arrives at the yard. In addition, the pullout supervisor also double checks that the farebox is in good operational condition prior to pull-out.

Upon completion of service, the bus operator will return to the yard. The bus operator will pull up to a designated area (in front of the maintenance bay). A utility service worker probes the farebox, pulls the farebox, and empties the contents into the cash vault. The farebox is then placed back into the farebox. This process is repeated until the last bus is accounted for.

The mobile bin in the cash vault is picked up by the armored service up to twice a week. During the pick-up, the farebox revenues moved from the cash vault and transferred onto the armored services carrier capable of picking up the mobile bin. An empty mobile bin from a previous pick up is placed into the cash vault. This procedure is repeated every time the armored services carrier arrives at the yard.



7.1.19 PURCHASING CARDS

Purchasing Cards (P-cards) are used to purchase goods and services. Purchasing cards may be used to pay vendors for goods and services normally paid by warrants (checks). Payments by P-card in lieu of check may result in significant cost savings to NVT. Every effort should be made to pay vendors with P-cards in lieu of warrants if the vendor accepts the payment platform.

P-Card transactions bring greater efficiency to the purchasing process because transactions can be made without a purchase order and payment is streamlined. The Purchasing Card eliminates the need for check vouchers, blanket purchase orders, and limited purchase orders. This will allow greater convenience, control, and flexibility and reduce the costs associated with initiating and paying for those purchases.

The Procurement Officer is responsible for managing the program. This policy supports the use of Purchasing Cards for appropriate business transactions, while assuring that the appropriate internal controls are in place to minimize NVT's risk of fraud.

The cardholder is responsible for the security of the card. This card should be treated with the same level of care as personal charge cards.

Purchases P-cards may be used to purchase any item and/or service for immediate use not prohibited by law, this policy, or other policies approved by the Board of Directors. The total purchase with the P-Card will not exceed the limits established for that Card. All other procurement policies remain in effect and P-Cards should not be used to circumvent them. The Procurement Officer's P-card should be used to pay vendors in lieu of warrants (check).

Purchasing Limits The Procurement Officer will establish limits for individual P-Cards and aggregate limits for combined card totals.

Purchases Prohibited

- Personal expenditures
- Cash advances or refunds
- The purchase of alcohol or patronage of drinking establishments.
- Separate, sequential, and component purchases or transactions made with the intent to circumvent policy.
- Purchases that are split to stay within card transaction limits.
- Transaction amounts greater than Cardholders transaction limit.
- Other purchases specifically excluded by the procurement policies.

Declined Transactions If a Vendor receives a "Decline" response from the Issuer after attempting to put through a P-Card transaction, Cardholders should contact the P-Card Program Administrator for resolution.



Purchasing Return The Cardholder is responsible for obtaining a credit from the Vendor when merchandise purchased with the Card is later returned to the Vendor for any reason.

Supporting Documentation for Card Purchases All transactions must be supported by receipts or credit slips.

Reconciliation of Card Purchases Accounts Payables is responsible for ensuring that each receipt is reviewed and approved and that the statement is reconciled with the purchase receipts for each transaction.

Disputed Items Cardholders should raise disputes immediately. As failure to do so will result in an authorized purchase that the department is responsible for paying even though the charge is incorrect. A charge should not be disputed on the current expense report if it was returned for credit after the cut-off date. The credit should be reported on the next expense report with a notation being made that there is a disputed charge and expected credit.

Lost or Stolen Cards When it is determined that a P-Card has been lost or stolen, IT IS IMPERATIVE TO FIRST CANCEL THE CARD WITH THE ISSUER BY CALLING THE ISSUERS TOLL-FREE NUMBER. In addition, the Cardholder must also notify the P-Card Program Administrator of the loss. Once a P-Card is discovered lost or stolen, it is imperative to cancel the card immediately. NVT is liable for all charges until the card is reported lost or stolen. Thus, the Cardholder may be responsible for all charges made against the P-Card from the time it is lost or stolen until the time the Issuer is notified, if the Cardholder fails to immediately notify the Issuer upon discovering the loss or fails to discover the loss within a reasonable amount of time.

Unauthorized Use of the P-Card. Any purchases that the P-Card Program Administrator deems prohibited will be sent back to the Cardholder for justification and/or explanation. If any prohibited charges appear in the Cardholder's transactions and expense report, the following may occur:

- The P-Card Administrator will investigate all circumstances surrounding alleged misuse of the P-Card and in cases where there is evidence of a procedure or policy violation has occurred.
- Termination of use and forfeiture of the P-Card are potential actions for improper use of the card.
- In those cases where there is evidence of negligent use of the P-Card, but no fraudulent acts have been committed, the Cardholder will be required to surrender the P-Card with all further privileges revoked.
- A Cardholder who makes an unauthorized purchase with the P-Card, or uses the P-Card in an inappropriate manner will be liable for payment for unauthorized charges.

The P-Card may be suspended or terminated if a P-Card is suspected of fraud or theft. Should the suspicion prove founded, appropriate action should be taken in accordance



with existing policies and procedures. The P-Card is issued to an employee for convenience and may be suspended or terminated at any time. Transfer, resignation, or terminations of employment are grounds for cancellation of the P-Card.

Fleet Vehicles Fuel Cards. NVTA participates with the State of California Voyager Fleet Fueling System Inc. to provide offsite fleet fueling. The State has an agreement with US Bank Corp to allow governmental agencies to piggy-back with the program and take advantage of a universal fuel card system. The Voyager system provides a web-based software system that manages and tracks detailed transactions for auditing purposes, generates consolidated monthly invoices and provides controls and security measures when fueling (examples: by user can set fuel limits, number of transactions per day and dollars per week/month). Voyager also automatically strips out the federal gasoline excise tax prior to billing (NVTA is exempt).

7.2 RESERVES AND FINANCING

7.2.1 CASH RESERVE

A key element of prudent financial planning is to ensure that sufficient funds are available for current operating, capital and debt service needs. Additionally, financial responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. NVTA will strives to have sufficient funding available to meet its operating, capital, and debt services obligations as well as to protect its creditworthiness. The Authority is committed to maintaining a financial structure that provides adequate and predictable revenue at the lowest possible costs to meet forecasted needs and operational objectives.

The adequacy of the cash reserve year-end balance ranges and/or annual contributions of each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

General Fund The purpose of a General Fund Reserve is to ensure sufficient cash resources are available to fund daily administration; operations and maintenance of providing service.

NVTA

Transit Fund The purpose of a Transit Fund Reserve is to ensure sufficient cash resources are available to fund daily administration; operations and maintenance of providing public transit service.

Target Criteria:



Working Capital Reserve Target To meet NVTA's cash flow needs and expenses, the unrestricted reserves should be at least 25% of unrestricted funds of the current financial year operating budget.

7.2.2 INVESTMENT POLICY

This policy is to establish investment objectives, provide guidelines, and set forth responsibilities and reporting procedures necessary for the prudent management and investment of the funds of NVTA and its component units (NVTA). This policy is for investment activities outside the County of Napa's policy, should NVTA have a separate account(s) for investing.

This policy applies to the activities of NVTA with regard to the consolidated investment of short-term operating funds, reserves, and capital funds. Balances in County of Napa checking accounts, investments of staff' retirement funds, and deferred compensation plans are not covered by this policy.

Delegation of Authority. The NVTA Board designates the Executive Director and Financial Officer as the Custodial Officer for NVTA's funds. The Custodial Officer should be responsible for the operation of the investment program. No person may engage in an investment transaction except as provided under the terms of this Policy and procedures established by the Custodial Officer. The Custodial Officer should be responsible for all transactions undertaken and should establish a system of controls to regulate the activities of subordinate officials with access to the funds subject to this Policy.

Legality. All funds within the scope of this Policy are subject to regulations established by the State of State of California.

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The investment objectives of this Policy and their priority are: (1) safety; (2) liquidity; and (3) yield.

Safety. Safety of principal is the foremost objective of the investment program. Investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective should be to remain compliant with applicable laws and to mitigate Credit Risk, Interest Rate Risk, and Custodial Risk.

~~**Legality.** All funds within the scope of this Policy are subject to regulations established by the State of State of California.~~

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Interest Rate Risk. NVTA will minimize the risk that the Market Value of securities in the portfolio will fall due to the changes in general interest rates, by:

- Limiting exposure to poor credits.



- Prequalifying the financial institutions NVT will do business with.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc. Maintaining appropriate balances in investment vehicles that provide overnight liquidity; and
- Structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands where possible and prudent.

Custodial Risk. NVT will minimize Custodial Risk by placing its securities with a third-party custodian, who will hold the securities in NVT's name, as evidenced by the safekeeping contract and monthly statements.

- Maintaining appropriate balances in investment vehicles that provide overnight liquidity; and
- Structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands where possible and prudent.

Liquidity The investment portfolio should remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by:

Yield The investment portfolio should be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Securities should not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security trade will improve the quality, yield, or target Duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

Internal Controls The custodial officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably protect the assets of NVT from loss, theft, or misuse. The concept of "reasonable protection" recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by the custodial officer. Accordingly, the custodial officer should establish a process for an annual independent review by an external auditor to assure compliance. The internal controls should address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Confirmation of transactions for investments and wire transfers
- Custodial safekeeping
- Avoidance of physical delivery of securities whenever possible
- Address control requirements for physical delivery where necessary
- Clear delegation of authority to subordinate staff members



- Development of a wire transfer agreement with the lead bank and third-party custodian and implementation of the appropriate safeguards
- Compliance and oversight with investment parameters including diversification and maximum maturities
- Staff training

All financial institutions and Broker-Dealers who desire to be considered for investment transactions, must supply the following, in writing (electronic delivery is acceptable):

- Audited financial statements
 - Proof of Financial Industry Regulatory Authority, Inc (FINRA) registration
 - Proof of state licensing
 - Certification of having read and understood and agreeing to comply with NVT's investment Policy
- Evidence of adequate insurance coverage

The Custodial Officer may engage the services of an external investment adviser to assist in the management of NVT's investment portfolio. All investment transactions executed by the external investment adviser on behalf of NVT must consistent with this Policy and be pre-approved in writing by the Custodial Officer.

Authorized Investments

Investment Types. The following securities are permitted under this Policy.

U.S. Treasury Obligations. United States Treasury Notes, Bonds, Bills, certificates of indebtedness, or other obligations of the U.S. Treasury for which the full faith and credit of the United States are pledged for the payment of principal and interest.

Government Authority Issues. Federal Authority or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States Government-Sponsored Enterprises. See Appendix I: Glossary for definition and investment examples.

Repurchase Agreements. An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date. Only U.S. treasury obligations and government Authority issues described in paragraph (a) and (b) of this subsection that are limited in maturity to three years and priced according to percentages prescribed by written Policy may be used in conjunction with a Repurchase Agreement.

Bankers' Acceptances. A draft or bill of exchange drawn upon and accepted by a bank. Used as a short-term credit instrument, Bankers' Acceptances are



traded at a Discount from face value as a money market instrument on the basis of the credit quality of the guaranteeing bank.

Medium Term Corporate Notes (Corporate Indebtedness). Commercial Paper and Medium Term Corporate Notes subject to a valid registration statement on file with the Securities and Exchange Commission or issued under NVT of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. The corporate indebtedness must be issued by a commercial, industrial or utility business enterprise, or by or on behalf of a financial institution, including a holding company owning a majority interest in a qualified financial institution.

Municipal Debt

Lawfully issued debt obligations of the agencies and instrumentalities of the State of California and its political subdivisions that have a long-term rating of A, or an equivalent rating or better, or are rated on the settlement date in the highest category for short-term municipal debt by a Nationally Recognized Statistical Rating Organization.

Lawfully issued debt obligations of the States of California, ~~Idaho and Washington~~ and political subdivisions of those states if the obligations have a long-term rating of AA or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a Nationally Recognized Statistical Rating Organization.

Time Deposit Accounts, Certificates of Deposit, and Deposit Accounts.

Deposits in insured institutions in credit unions or in federal credit unions, if the insured institution or credit union maintains a head office or a branch in California. Certificates of Deposit placed through deposit placement services, such as the Certificate of Deposit Account Registry Service (CDARS), are allowable.

The table on the next page identifies the **investment types** that are authorized for NVT by the California Government Code. The table also identifies certain provisions of the California Government Code (or NVT's investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Authority Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Authority Obligations	5 years	None	None



State of California Obligations	5 years	None	None
Banker's 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
JPA Pools (other investment pools)	N/A	None	None
Local Authority Investment Fund (LAIF)	N/A	None	None

Maximum Maturities:

To the extent possible, NVT will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the agency will not directly invest in securities maturing more than five (5) years from the date of purchase, unless the Board has by resolution granted authority to make such an investment. Authority to make such investments shall be received no less than three months prior to the initial investment.

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7.2.3 INTERFUND LOANS AND TRANSFERS

To achieve important financial management objectives, NVRTA has established various funds to account for resources. Interfund loans are permissible for the general fund, proprietary funds, and capital projects. The financial officer is authorized to approve interfund loans for cash flow purposes whenever the cash shortfall in a fund is deficient but is expected to be resolved. One typical use of interfund loans is for grant programs, where costs are often incurred before grant funds are received but grant funds are received shortly after they are requested.

Short-term interfund loans Short term interfund loans are those which are proposed to be repaid within a year.

Long-term interfund loans Long term interfund loans are those which are not proposed to be repaid within a year. The reason(s) for all long term interfund loans and a description of repayment terms should be clearly set forth in the staff report, budget documents, staff reports, and/or other written reports presented to the Board for review.

7.2.4 DEBT FINANCING AND MANAGEMENT

The Authority recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources are reviewed by management within the context of this policy and the overall portfolio to ensure that any financial product or structure is consistent with NVRTA's objectives. Regardless of what financing structure(s) is utilized, due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, and analysis of the impact on NVRTA's creditworthiness and debt affordability and capacity.

Prior to the issuance of debt or other financing obligations to finance a project, staff will carefully consider the overall long-term affordability of the proposed debt issuance and alternative financing sources, such as grants. The Authority shall not assume debt or other financing obligations without conducting an objective analysis of NVRTA's ability to assume and support additional debt service payments. The Authority will consider its long-term revenue and expenditure trends and the impact on operational flexibility. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and or maintain debt levels consistent with its current operating and capital needs.

Obligation and Assignment of Debt

The debts, liabilities, and obligations of NVRTA shall be solely the obligation of NVRTA and not the debts, liabilities, and obligations of the Member Jurisdictions or their respective officers or employees.

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Advanced Notice of Indebtedness to Jurisdictions

Pursuant to the Joint Powers Agreement section pertaining to “Debts, Liabilities, and Obligations,” NVTA will provide noticed to the NVTA Board of Directors at their next regular or special meeting prior to submission of a formal application to obtain long term debt where debt payments are expected to exceed one year. This notice provision does not apply to debt obligation for under a year or for (extensions) of lines of credit.

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Structure and Terms of Debt Financing

The Authority shall strive to protect the public by using conservative financing methods and techniques ~~so as to~~ obtain the highest practical credit rating and the lowest practical borrowing cost. Long term debt will be structured to match cash flows and structured to achieve the lowest possible net interest cost to NVTA within the current market conditions, the urgency of the proposed project, the nature and type of security provided, and the opportunity cost of not proceeding.

Short Term Debt Short-term debt, such as notes, commercial paper, and lines of credit, will be studied as an interim source of funding in anticipation of long term borrowing. Short-term debt may be issued for the same purpose as long-term debt, including capitalized interest and other financing related costs. In addition, short-term debt borrowing may be considered to address justifiable cash flow requirements to meet short term operating needs to provide necessary public services, subject to applicable restrictions in California law.

Requirement Any debt will be reported to the Board of Directors as part of its quarterly budget update at their regularly scheduled monthly meeting accompanied by a description of the need for use of the line of credit, amount being requested, cost of borrowing, and the expected payback period.

Roles and Accountabilities The Board must review and approve an application for and acceptance of any Lines of Credit with a financial institution. Once the Line of Credit is authorized by the Board, the Executive Director can authorize borrowing within the limit of the line of credit. The Board Chair must ~~sign-off~~be notified on all borrowing against the line of credit.

The Board must approve any other borrowing of funds including the use of any promissory notes. The Board should give very serious attention to be sure that NVTA will have sufficient funds available to repay any loans or lines of credit on time.

Line of Credit (LOC). Secured and unsecured lines of credit may be established as a contingency to meet operating cash requirements. It is the policy of NVTA that use of the Line of Credit (borrowing against the Line of Credit’s availability) will be initiated subject to the following conditions and restrictions:

- LOC drawdowns will be transferred to NVTA’s bank account managed by the County of Napa’s Treasury department.



- The borrowing against the Line of Credit will be used to meet expenses of payment to external vendors.
- An internal, signed authorization form will be developed for each increment borrowed. Authorization to proceed will require a minimum of two signatures: the Executive Director and the Financial Officer.



Long Term Long-term debt shall be used to finance the construction, acquisition and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by NVRTA. NVRTA may also issue debt to provide grant funding to other agencies to assist in the financing of transportation projects that meet NVRTA's mission. Long-term debt shall only be used for large scale projects that cannot be financed from current revenue sources. The project for which debt issuance is being considered subject to affordability limits determined by the executive management. The debt will not be issued for longer than the useful life of the improvement or asset it is funding.

There must be pledged revenues to repay the debt, whether from future revenues or other specified sources or reserves. Long-term financing must be able to be marketed with an appropriate credit rating, which can be maintained. Market conditions must present favorable interest rates.

Refunding Periodic reviews of existing debt will be undertaken to identify refunding opportunities. Refunding will be considered (within state law and federal tax law constraints) if and when there is a net benefit of the refunding.

Bonds The Board of Directors may approve general obligation bonds, enterprise bonds, or other types of bonds in conformance with state and federal laws.

Lease Financing The Authority may finance a capital asset by leasing it directly from the vendor or leasing company, with the lessor receiving a portion of each rental payment as tax-exempt interest.

Banks/Private Loans The Authority may borrow directly through a loan with a commercial bank, Letter of Credit, or Line of Credit with a commercial bank, State revolving loan program, or other governmental agency.

Other Obligations: There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to, non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes, tax and revenue anticipation notes, and judgment or settlement obligation bonds.

Debt Capacity The Authority will keep outstanding debt within the practical limits of the debt rating, debt service coverage ratio constraints and any other applicable law.

Debt Service Coverage The Authority shall maintain strict compliance with covenants regarding coverage of annual debt service by net revenues embodied in the terms of debt instruments. In addition, NVRTA intends to maintain an average debt service coverage ratio of 1.5x or more~~1.50%~~. This will support strong bond credit ratings and provide annual revenues to fund capital improvements.



Intergenerational Concerns The ~~District Authority~~ will review debt issuance in light of the balance between funding capital improvements from current revenue and from long-term debt and the impact each debt financing has relative to intergenerational benefits.

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Debt Service Fund The Authority should establish a debt service fund with minimum reserves of ~~one year~~~~six months~~ of service payments.

Credit Quality The Authority will maintain the highest possible credit ratings for all categories of short and long-term debt. Except for certain instruments, NVT will not incur obligations that do not carry investment grade ratings. However, certain instruments, such as state loans or private placements, may not be rated.

Credit Enhancement The Authority should procure credit enhancement for a sale of bonds if the Executive Director, in consultation with the Financial Officer and Financial Advisor, determines that it is cost effective to do so. Credit enhancement may be bond insurance or bank letters of credit.

Senior/Subordinate Lien The Authority may utilize a senior/subordinate lien structure. The choice of lien will be determined based on such factors as overall cost of debt, impact on debt service, impact on water rates, marketing considerations and previous issuance bond documents. Senior debt has priority over subordinate debt. Subordinated debt is payable each year only after other debts with a higher claim have been satisfied.

Redemption Features & Refunding Policy To preserve flexibility and refinancing opportunities, any debt may generally be issued with provisions which enable NVT to retire the debt earlier or enable the refunding of the debt prior to maturity.

General Debt Guidelines

Delegation of Authority: The Board of Directors will assigned duties to the Executive Director or designee for authorizing, managing, and coordinating activities related to the structure, issuance, and administration of any long-term and short-term debt instruments.

Point of Contact: The Finance Officer will be responsible for maintaining good communication with rating agencies, investors, other service providers, and the public regarding NVT's financial condition, and will enforce a policy of full disclosure.

Professional Assistance: The Finance Officer should periodically select service providers as necessary to meet legal requirements and minimize debt costs. Such services may include financial advisory, underwriting, trustee, verification agent, escrow agent, arbitrage consulting, special tax consulting, and bond counsel. To achieve appropriate balance between service and cost, the Finance Officer is authorized to select such service providers through sole source selection or a competitive process.

Credit Ratings



Maintaining high credit ratings from the major rating agencies, such as Standard and Poor's (S&P), Fitch Ratings, and Moody's, is crucial in meeting NVTA's goal of providing services to the citizens at the most economical cost. Higher ratings equate to reduced borrowing cost and greater financial flexibility particularly in unstable financial markets; consequently, maintaining or improving the credit rating(s) is a high priority.

NVTA shall maintain an open dialog, communicate any significant events to the rating agencies and investors, and provide annual audited financial statements within prescribed deadlines.

NVTA seeks to minimize financing costs by maintaining the highest possible credit ratings for all categories of short- and long-term debt that can be attained without compromising delivery of services and achievement of adopted policy objectives and goals. NVTA recognizes that external economic, natural, or other events may, at times, affect the creditworthiness of its debt. Nevertheless, NVTA is committed to ensuring that actions within its control are prudent.

7.2.5 PENSION AND OPEB LIABILITIES

This policy ensures an adequate and appropriate approach to the monitoring and payment of the Pension (CalPERS) unfunded liabilities and OPEB (Other Post-Employment Benefits) unfunded liabilities. The payment of pensions and OPEB unfunded liabilities is a priority for NVTA and funding these liabilities is a prudent financial practice.

NVTA shall prefund and remit to CalPERS the required amounts per the Annual Valuation Report issued by CalPERS each year and each pay period as required by CalPERS for Pension and OPEB liabilities.

NVTA will pay the "Employer payment of unfunded liability" each year in one lump sum payment in July of each year in order to maximize the savings in interest charged by CalPERS, thereby, minimizing the required payment each year.

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7.3 ASSET MANAGEMENT

7.3.1 FIXED ASSETS

This policy provides uniform guidelines for NVTA to acquire, capitalize, monitor and dispose of fixed assets. NVTA should maintain a Fixed Asset Management System to record, control and report all assets.

The primary objectives should be to:



- Ensure assets are properly identified and recorded.
- Ensure assets are in a state of good repair.
- Safeguard assets against loss.

Disposable items Disposable items are purchases with a value of **less than \$10,000** that are intended for one time use, or that have an anticipated useful life of less than one year. These purchases should be recorded as an expense during the current financial year. Examples of disposable items are office supplies, small equipment, consumables, etc.

NVTA is not mandated to record and track disposable or inventory items in the Fixed Asset Management System.

Inventory items Individual items transferred from the county or purchased directly with an individual value of **more than \$500 and less than \$10,000** and an anticipated useful life of more than one year, should be classified as inventory items.

An annual inventory is required. Per contractual agreement with purchase transportation provider, inventories will be maintained and physical inventories will be performed by purchase transportation provider. Physical inventories and up-to-date listings will once again be performed upon completion of contract.

Proprietary Software NVTA uses a number of commercially available and custom computer software programs in its daily operations.

Computer software developers typically impose limitations regarding the use of their products through licensing agreements. It is the responsibility of the NVTA to assure compliance with the license conditions of software products used by NVTA (e.g., limitations on the number of users, number of copies in circulation, etc.). NVTA will keep all software related documentation, licenses, etc., with the contract.

Fixed Assets A fixed asset is any tangible asset purchased for use in the day-to-day operations of NVTA from which an economic benefit will be derived over a period of time. Fixed Assets are defined as:

- Items purchased and owned with a value of \$10,000 per unit or more; and
- Not a component of a larger asset (i.e. engines on a bus), Component units should be expensed as a small equipment purchase.
- Anticipated useful life of more than one year should be capitalized (classified as fixed assets).
- Not a repair or maintenance action
- Land and other real property.

Examples of fixed assets are vehicles, security equipment/system, transit equipment/system, servers, etc.

The following information should be maintained in the Fixed Asset Management System:

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- Description of the fixed asset.
- Date of acquisition.
- Value of the fixed asset (based on acquisition cost or appraisal value at time of transfer).
- Estimated useful life.
- ~~Salvage value (if applicable).~~
- Current period depreciation expense (if applicable).
- Accumulated depreciation to date (if applicable).
- Remaining balance (net book value), if applicable.
- Federal grant(s) number funded by the assets.

Donated or Gifted Assets Contributed assets are defined as voluntary contributions of resources to a governmental entity by an unrelated person or entity. All contributed assets are to be valued at the fair-market value of the asset at the date of donation or gift, plus ancillary charges, if any. Contributed assets should be depreciated based on the asset class and useful life. The asset is to be recognized when the asset is received. To qualify as a capital asset, the fair-market value of the contributed asset must exceed NVTA's capitalization threshold for the applicable asset class.

Easements (Intangible Asset) An easement is defined as an interest in land owned by another individual or entity that entitles the easement holder to a specific limited use or enjoyment (right to use land). Easements are typically used to access another property. Land easements will be recorded with land and not depreciated. Right of ways will be recorded separately and depreciated over useful life. Only easements and right of ways with a cost greater than \$10,000 will be capitalized.

Capital Lease A capital lease is a lease that transfers substantially all the benefits and risks of ownership of property to NVTA at the end of the lease term. Leases which meet one of the four (4) requirements listed below are considered capital leases and should be accounted for as a capital asset if the cost of the property exceeds its class's capitalization threshold.

- Ownership: the lease transfers ownership of the property to the lessee by the end of the lease term.
- Bargain Price Option: the lease contains an option to purchase the lease property at a bargain price.
- Estimated Economic Life: the lease terms is equal to or greater than 75% of the estimated economic life of the leased property
- Fair Value: the present value of rental and other minimum lease payments, excluding that portion of the payments representing executory costs, equals or exceeds 90% of the fair value of the leased property.

Identification Once the necessary information has been recorded in the Fixed Asset Management System, a unique identification number should be assigned to each fixed asset if possible



Responsibility for Fixed Assets All fixed assets must be assigned to a particular location.

NVTA should maintain a Record of Physical Inventory that lists the tagged assets assigned to it. A copy of the Record of Physical Inventory should also be maintained by the Financial Officer or another designated employee for control purposes.

Physical Inventory of Authority Assets NVTA shall conduct a physical inventory of all Authority assets and equipment at the end of financial year. NVTA will provide documentation in the in the audited financial statements that the Agency has reconciled the results of its physical inventory with its equipment records according to the Uniform Guidance in 2 CFR 200.313(d)(2).

Transfer and Disposal of Inventory Items and Fixed Assets Over time, new assets or equipment may be acquired, obsolete items disposed of, or items may be transferred between locations. To protect the integrity of the Fixed Asset Management System, a record of Asset Transfer or Disposal should be used. Transfers and disposals of fixed assets with federal interests are further subject to FTA Grant Management Guidelines USC 5010.1C.

Disposal of Inventory Items and Fixed Assets Acceptable means of disposal for personal property.

- Sell personal property that is no longer needed for Authority use for fair market value.
- Trade surplus personal property with another government or public agency if the property received in return is needed for Authority use.
- Donate, sell at less than fair market value, or otherwise transfer personal property to another government or public Authority if NVTA no longer needs the property for its own use.
- Dispose of personal property that is no longer needed for Authority use and that has **negligible or no economic value** in a manner deemed appropriate by NVTA.

The Board of Directors must approve the disposal of any capitalized asset. The Executive Director or designee may dispose of other property under NVTA's control.

An asset transfer/disposal release form should be prepared to record the disposal of the fixed asset or equipment.

Minimum information on disposition documentation will include but not limited to:

- Unique asset identification number
- Description of asset (for vehicles include the Department of Motor Vehicles ID number, the make and model)
- Date of transfer
- Date of acquisition



- Board memo and resolution number for acquisition and transfer or disposition.

Copies of the asset transfer/disposal form should be maintained by the Financial Officer and by the disposing unit or location.

The proceeds resulting from any disposal of Authority personal property should be deposited based on the Financial Officer's determination.

Notice of Disposal. NVRTA must publicize its intention to transfer or dispose of personal property. This must be accomplished at least one week prior to the transfer or disposal by placing a notice in at least one of the following:

- Up to two public places.
- On the website.
- If possible, in a newspaper of general circulation.

The notice of disposal requirement does not apply to property that is valued at less than \$10,000 or for transfers of property.

Depreciation Table for Capital Assets

ASSET	DEPRECIABLE LIFE
Buildings- New	40 years
Buildings- Used	10-20 years
Modular Buildings	10 years
Bus Shelters- Small (less than 15 feet in length)	5 years
Bus Shelter- Large (more than 15 feet in length)	5-10 years
Park and Rides*	10- 20 years
Other Facilities or land improvements (not stated above)*	5-20 years
Land	Not depreciated
Office furniture, fixtures, and equipment (not structural components. Data handling, equipment, servers, copiers (>\$10,000)).*	5-10 years
Vehicles Cars- new	7 years
Vehicles Cars-used	3-5 years
Vans- (new)	7 years
Vans- (used)	3-5 years
Buses- medium or small duty or van cutaway	new 7 years used 5 years
Buses- large (new, over 30 passengers)	12 years
Buses- large (used, over 30 passengers)*	1-7 years
Trucks- heavy or light duty (under 13,000 lbs g.v.w.)- new	7 years
used	5 years
Bus radio, base stations,	3-5 years
bus washer station*	5-10 years
Equipment- engines, transmissions, filters	5 years
Fareboxes (new)	12-10 years



Fareboxes (used)	3 years
Maintenance garage items:	
Roller cabinets, portable tool stands, portable compressors, portable hoists, diagnostic equipment*	3-10 years
Lift trucks, engine and transmission stands, brake lathes*	3-8 years
Intangible Asset (easements, trademarks, patents)	5 years
*Depreciable life determined by Financial Officer	

7.3.2 STATE OF GOOD REPAIR

State of Good Repair (SGR) is an initiative launched by the Federal Transit Administration (FTA) to maintain the nation's bus and rail systems. FTA defines State of Good Repair as an effort that "includes sharing ideas on recapitalization and maintenance issues, asset management practices, and innovative financing strategies. It also includes issues related to measuring the condition of transit capital assets, prioritizing local transit re-investment decisions and preventive maintenance practices."

SGR is a key priority at the NVTA and we are committed to ensuring **safe, reliable, cost-effective and responsive transit services**.

Achieving a SGR is incorporated in NVTA's goals and objectives and includes developing a plan that:

- Reflects a **comprehensive understanding of the system** and its condition, and the strategic direction of the system.
- Supports the **enhancement of the transit service while maintaining the overall condition** of the basic infrastructure
- Prioritizes expenditures so that there is a **maximum return on investment**
- Supports the seamless **transition** of the system from one in a **start up mode, to one in a renewal mode**
- Ensuring current service levels are supported
- Maintaining a "state of good repair"
- Keeping maintenance practices current
- Evaluating asset replacement

7.3.3 TRANSIT MEDIA INVENTORY

This policy is used to provide guidelines and procedures regarding stewardship required for Transit pass inventory to assure that pass inventory is documented and properly recorded.



Custodianship duties and responsibilities. The Executive Director or Financial Officer may delegate the responsibility of maintaining proper accountability and control of the transit pass inventory. Specific responsibilities regarding Transit pass inventory are as follows:

- Know the location of all equipment in their inventory is reasonably secure from possible theft and other hazards. Report any changes in location to management. This is critical for proper stewardship and essential for insurance management purposes.
- Review and verify transit pass inventory on an annual basis by reporting on the status of transit pass inventory.
- Discourage theft and loss of property by keeping property in a secured location.

Inventory Control Duties and Responsibilities

1. Inventory Control receives a Transit Pass request report from the Transit Center on a regular basis. Personnel will review each purchase order to verify and approve items.
2. Inventory Control personnel will perform an annual physical inventory of Transit Passes and will submit a status report to the Finance Manager.
3. After completion of the transit pass inventory, personnel will report the findings to the Financial Officer for review and action if required. Inventory Control will report all missing property for investigation if not previously reported.
4. Missing Property: If property is discovered missing, an immediate request should be made of Finance Manager or Executive Director to have the loss investigated.

Procedures for Inventory Verification. Transit Passes will be inventoried at the end of the financial year. An updated copy of the transit pass inventory listing will be furnished to Financial Officer at the end of each financial year.

Security Measures Promptly report all missing or stolen equipment to Financial Officer and Executive Director. The transit pass inventory cabinets/safes should be locked at all times.

7.3.4 ALTERNATIVE FUELS AND FLEET REPLACEMENT

This policy attempts to achieve the following objectives:

- When feasible, ensure the current Vine Transit bus fleet and future acquisitions comply with California Air Resources Board (CARB) requirements to reduce greenhouse gas emissions.
- Be financially responsible by minimizing capital and operational expenses by considering life cycle economics when procuring vehicles

NVTA recognizes that fleet assets account for a significant contribution to overall greenhouse gas emissions (GHGs) and that these emissions can be reduced, along with vehicle fuel and maintenance costs through the purchase of alternatively-fueled vehicles. NVTA will make every effort to purchase and use the lowest emission vehicle or



equipment item possible, while taking into account the life-cycle costs and the ability to support operations and services in a financially prudent manner.



7.4 GRANT MANAGEMENT

7.4.1 GRANT ACCOUNTING AND ADMINISTRATION

This policy establishes budget, cost allocation, and reporting requirements related to the administration of grants that are used to fund programs, projects and operations. NVTA will comply with all federal, state, regional and grantor regulations, rules and requirements that apply to the administration of grant funds.

Grant funds awarded by government, business and other organizations substantially benefit NVTA's ability to serve the public. At the same time, the acceptance of grant funds may also represent an area of risk to the agency. This is because money received through grants is provided for specific purposes and under conditions that apply to its use.

Grants are auditable. As such, NVTA must be able to identify the source and application of all grant funds. The agency must also prepare and submit periodic performance and financial reports regarding grant funded programs and projects.

Inattention to grant compliance requirements or inadequate controls can lead to problems including:

- Incorrect reporting regarding the time, effort and funds spent on grant-funded activities.
- Failure to report program income.
- The use of grant funds to pay for activities not related to the grant program or project.
- Improper accounting for overhead costs.
- Improper transfers of funds between programs.

Common weaknesses associated with grant compliance include:

- Lack of management controls due to outdated or nonexistent policies and procedures.
- Inadequate staff training and education.
- Inadequate systems associated with effort reporting, financial management, program income, etc.

Measures that have been shown to improve grant program compliance include:

- Keeping policies and procedures current with respect to changing statutes, regulations, and grant conditions.
- Establishing compliance as an institutional expectation and individual responsibility.
- Establishing an expectation of zero tolerance for noncompliance.
- Defining individual roles and responsibilities.
- Assigning oversight responsibilities.



Grant Requirements. The uniform administrative rules for federal grants and cooperative agreements and sub-awards to state and local governments are established in Title 28, Part 66 of the Code of Federal Regulations (CFR).

Various grant programs (federal, state, local, private foundation, corporate) may have other requirements associated with specific legislation or the rules of the grantor. The Authority is responsible for familiarizing itself and complying with the requirements of the grant agreements it enters into.

Grant Budgets

Budget Establishment. For each grant agreement that NVTA enters into, a distinct budget must be established at the appropriate level of the Budget Program Structure. The Authority financial management system must allow for the tracking of grant revenues and expenditures and facilitate the preparation of required financial and performance reports.

Budget Control. The Authority must be able to compare actual expenditures under each grant with budgeted amounts. Grant funds must be traceable to a level of expenditure that demonstrates the funds have not been used in ways that violate statutes, regulations, or conditions of the grant agreement.

Budget and Program Changes

1. Certain types of post-award changes to budgets and projects supported by grant funds should require the prior approval of the grantor.

2. Unless otherwise stated in a grant agreement or applicable regulations, NVTA must obtain prior approval whenever any of the following changes is anticipated:

- A revision that would result in the need for additional funding.
- Cumulative transfers among direct cost categories or among separately budgeted programs, projects, functions or activities that exceed the current total approved grant budget.
- Transfers of funds allotted for training allowances to other expense categories.

3. NVTA must also obtain prior approval from the grantor whenever any of the following program-related changes is contemplated:

- Revision of the scope or objective of the project.
- Need to extend the grant period to make funds available for a longer time than originally planned.
- Changes in key program personnel where the grant agreement specifies such a notification.
- Obtaining the services of a third party to perform activities that are central to the purposes of the grant award (subcontracting or subgranting).



4. A request for approval of a change to the grant budget or program should be submitted to the grantor in the same format as the original grant application. The request should include a narrative justification for the proposed change.

Accounting and Administrative Requirements NVTA must account for grant funds in accordance with applicable laws and the procedures established for expending and accounting for its own funds. Specific aspects of financial control and accounting procedures are discussed below.

Internal Control The Authority must effectively control and account for all grant-related cash, real and personal property, and other assets. These assets must be safeguarded and NVTA must assure that they are used only for authorized purposes.

Fund Identification This will allow grant transactions and resources to be accounted for as a separate entity, and facilitate grant monitoring, reporting and auditing.

Accounting Records NVTA must maintain records that adequately identify the source and application of grant funds. The records must contain information about grant awards, authorizations, obligations, unobligated balances, assets, liabilities, expenditures, and income.

Accounting records must be supported by appropriate documentation that may include receipts, cancelled checks, employee time and attendance records, payroll records, etc.

Grant records will be retained according to the requirements established in *Record Retention*.

Allowable Costs Only costs that are determined to be reasonable, allowable, and allocable may be applied to grant programs. In determining whether specific costs may be applied to a grant program, NVTA should refer to the specific terms of the grant agreement. For federal grants, guidance is provided by the United States Office of Management and Budget in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* (available at www.whitehouse.gov/omb/circulars).

Direct and Indirect Costs Costs that are applied to grant budgets can be classified as either direct costs or indirect costs. There is no universal rule for classifying costs as direct or indirect. However, it is important to treat each cost item consistently as either direct or indirect.

Guidelines for determining direct and indirect costs are provided in the following paragraphs.

Direct costs are those that are specifically associated with a grant program or are incurred in the performance of grant-related activities. Direct costs that are typically applied to grants include:



- Employee compensation for time devoted and identified specifically to the performance of grant awards.
- The cost of materials acquired, consumed, or expended specifically for the purpose of grant awards.
- Equipment and other capital expenditures.
- Travel expenses incurred specifically to carry out grant awards.

Time spent on grant-funded activities should be documented on employee timesheets that indicate the employee's name, the specific grant program time is charged to, the dates on which time is charged, and the number of hours charged to the grant program each day if possible.

Indirect costs are those that are incurred for a common purpose that benefits more than one function, program, grant, contract or other activity; and are not readily assignable to the activities they benefit. Indirect costs are usually charged to grant programs through the use of an indirect cost rate.

The types of costs that may be classified as indirect costs cannot be specified for all situations. However, typical examples include:

- Authority central service costs.
- General administrative costs.
- Accounting and personnel services performed within NVTA.
- Facility operations and maintenance costs.

To determine the indirect costs that may be applied to a specific grant; NVTA may be required to submit an indirect cost rate proposal that serves as the basis for negotiation of the indirect cost rates that will be allowed under the grant. In some cases, NVTA may apply predetermined rates that are based on NVTA's estimated costs for a specific period, usually the financial year.

Availability of Funds Most grants specify a specific period of time during which grant funds are to be used. In these situations, NVTA may only apply expenditures to the grant up to the end of the grant period, unless the grant specifically allows the carryover of unobligated balances.

The Authority must liquidate all obligations incurred under a grant within 90 days of the end of the grant period, unless otherwise specified in the grant agreement. This deadline may be extended at the grantor's discretion, upon NVTA's request.

Income from Grant-Funded Programs NVTA may sometimes generate income from grant-funded programs or activities. Income may include fees for services performed by NVTA, but it does not include fines, taxes, special assessments, or levies collected by NVTA.

Income generated by grant programs should be deducted from total program costs.



Supplies and Equipment The Authority should use, manage and dispose of equipment acquired under a grant according to the procedures established.

Equipment acquired using grant funds should be used for the project or program for which it was acquired as long as needed, whether or not the project continues to be supported by grant funds.

Minimum requirements for the management of equipment acquired using grant funds include:

- Records must be kept that include a description of the property, serial number or other identification, the source of the property, who holds title, the acquisition date, cost, percentage of grant participation in the cost, the location, use, and condition of the property. In addition, any information regarding the ultimate disposition of the property and the sale price.
- A physical inventory of the property must be taken and reconciled with property records at least once every three years.
- A control system must be in place to safeguard property and prevent loss, damage, or theft.
- Adequate maintenance procedures must be developed to keep property in good condition.
- Proper procedures must be followed to ensure the highest possible return when the sale of property is authorized. See *Fixed Asset Management*, for requirements pertaining to disposal of assets.

When equipment is no longer needed for a project or program, disposition will be made as follows:

- Equipment with a current value of less than \$10,000 may be retained, sold or otherwise disposed of with no further obligation to the grantor.
- Equipment with a current value greater than \$10,000 may be retained or sold. The grantor should have a right (which it may waive) to an amount calculated by multiplying the current market value or proceeds from the sale by the grantor's share of the equipment.

If there is a residual inventory of unused supplies that exceeds \$10,000 in total fair market value at the end of the grant period, and if the supplies are not needed for any other grant-funded program or project, NVT should compensate the grantor for its share of the value of the unused supplies, unless the grantor waives its right to compensation.

Procurement When procuring goods and services under a grant, NVT will follow the same policies and procedures it uses for procurements using non-grant funds (see *Procurement Manual*).

Reporting Requirements The Authority is responsible for monitoring the activities of grant-funded operations to assure compliance with federal, state, region, and grantor-specific requirements and performance goals. The Authority must make periodic reports to the grantor regarding grant program performance and financial status.



In cases where NVTA is a direct recipient of a grant awarded to the MTC, NVTA must submit reports to the MTC, which in turn reports to the grantor. In some cases, NVTA reports to both the grantor and recipient.

Upon written request, NVTA should provide information regarding any and all grant funds and programs to MTC. The information requested may include, but is not limited to, performance and financial reports prepared for federal, state, local, and private grants.

The following sections on performance and financial reporting generally pertain to federal grants. Pass-through grants or reimbursement grants received from the Judicial Council, or grants received from other sources may have different reporting requirements. It is NVTA's responsibility to familiarize itself and comply with the reporting requirements of any grant it receives to avoid the discontinuation of funds needed for Authority programs.

Performance Reporting NVTA may be required to submit performance reports related to grant funds as required by the terms of their grant agreements. For federal grants, NVTA will submit quarterly performance reports unless the grantor requires monthly or annual reports.

Annual reports should be submitted no later than 90 days after the end of the grant year, or as specified in the grant agreement. Quarterly or semi-annual reports should be submitted no later than 30 days after the reporting period. At its discretion, the grantor may extend the deadline for report submittal upon NVTA's request. The grantor may also waive any performance reports when it is not needed.

For each grant, performance reports should contain brief information regarding the following:

- A comparison of actual accomplishments to the objectives established for the reporting period. Results should be quantified wherever possible.
- If established objectives were not met, the reasons for underperformance.
- Pertinent information including, but not limited to, analysis and explanation of any cost overruns.

If significant developments that impact NVTA's grant performance occur between reporting dates, NVTA must inform the grantor as soon as possible. Significant developments include:

- Problems, delays, or adverse conditions that will materially impair NVTA's ability to meet grant objectives. Disclosure to the grantor must include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.
- Favorable developments that will enable NVTA to meet time schedules and objectives sooner or at a lower cost than anticipated, or that produce more benefits than originally envisioned.



Financial Reporting Accurate, current and complete disclosure of the financial results of grant-related activities must be made according to the reporting requirements of each grant.

Financial information should be reported on a cash or accrual basis, as required by the grantor (NVTA operates on the modified accrual basis). If the grantor requires financial reporting on an accrual basis, NVTA should not be required to convert its accounting system. Rather, the financial reporting information should be developed through an analysis of available information.

The Authority should submit annual financial reports unless the grantor requires quarterly or semi-annual reports. Financial reports should not be required more frequently than quarterly, unless otherwise specified in the grant agreement.

Annual reports should be submitted no later than 90 days after the end of the grant year. Quarterly or semi-annual reports should be submitted no later than 30 days after the reporting period, unless otherwise noted. At its discretion, the grantor may extend the deadline for report submittal upon NVTA's request. The grantor may also waive any financial report when it is not needed.

Required Forms for Federal Grant Financial Reports Federal regulations (28 CFR Part 66.41) require the submittal of financial information on specific forms (available at www.whitehouse.gov/omb/grants/#forms) for grants made by federal agencies.

Submittal of reports is required no later than 30 days after the end of the quarter. However, the federal Authority making the grant may require the report to be submitted earlier.

Grant Termination and Enforcement If NVTA fails to comply with any term of a grant award, whether the term is stated in a federal regulation, State plan or application, grant agreement, notice of award, or elsewhere, the grantor may take the following actions, as appropriate to the circumstances:

- Withhold cash payments pending correction of the issue.
- Disallow all or part of the cost of the activity that is not in compliance.
- Suspend or terminate the grant award in whole or in part.
- Take other remedies that may be legally available.

In the event the grantor takes action due to perceived noncompliance with the grant conditions by NVTA, NVTA should have the opportunity to a hearing, appeal, or other administrative process that may be established under applicable statutes, regulations, or grant conditions.

Grant awards may be terminated for convenience in whole or in part under the following conditions:



- By the grantor with the consent of NVTA, in which case the parties should agree to the termination conditions including the effective date and the portion to be terminated, if applicable.
- By NVTA upon written notice to the grantor, setting forth the reasons for the termination, the effective date, and the portion to be terminated, if applicable. However, in the case of a partial termination, if the grantor determines that the remaining portion of the grant will not accomplish the purposes for which the grant was made, the grantor may terminate the grant in its entirety.

Grant Closeout. Within 90 days of the expiration or termination of a grant (or as specified in the grant agreement), NVTA should submit all financial, performance and other reports that may be required as conditions of the grant. For federally funded grants these reports may include, but are not limited to:

- Final performance or progress report.
- Financial Status Report.
- Final request for payment.

The grantor may make upward or downward adjustments to the allowable costs within 90 days of receipt of NVTA's final report (or within the period specified in the grant agreement). The grantor will also promptly pay NVTA for any final allowable costs.

7.4.2 GRANT MANAGEMENT

The purpose of this policy is to:

- 1) Outline management of federal and non-federal grants and to ensure compliance with local, state and federal rules and regulations.
- 2) Monitor and ensure compliance with applicable local, state, and federal guidelines/regulations.
- 3) Provide project status reporting information to grantors and internal project managers.
- 4) Ensure that NVTA's financial commitments made with local, state, and federal grantors are fulfilled.
- 5) Conform to priorities established by MTC's Regional Transportation Plan and Transportation Improvement Program, and NVTA's Short Range Transit Plan and capital budget.

The first section of this document is an overall guide to FTA grant and project management. The next section of this document is about Program Management and



Third Party Oversight. The last section will focus on sub-recipient monitoring of federal grants.

The Finance Department is responsible for managing and administering local, state, and federal grants for all Authority departments. Responsibility for these functions is assigned to the Grants Manager, who will be responsible for the management, administration and reporting on grants and reimbursable revenue in an effective and timely manner.

All grant applications are completed in coordination with the intended project manager, approved by the Executive Director prior to requesting Board authorization to submit grant applications.

Goals

NVTA's grant administration function strives to ensure the following goals, that:

- NVTA is fully compliant with requirements and regulations of grant agreements.
- Grant records are accurate, current and documented with a thorough audit trail.
- Project managers receive accurate and timely information on expenditures and remaining fund balances.
- The use of available funding sources is maximized to fund improved transportation services to customers.

Management of Federal Grant Programs

In accordance with Federal Transit Administration Circular 5010.1C, "Grant Management Guidelines", NVTA is required to:

- Provide continuous administrative and management direction of project operations.
- Provide, directly or by contract, adequate technical inspection and supervision by qualified professionals of all work in progress.
- Assure conformity to grant agreements, applicable statutes, codes, ordinances, and safety standards.
- Maintain the project work schedule agreed to by FTA and the grantee and constantly monitor grant activities to assure that schedules are met and other performance goals are being achieved.
- Keep expenditures within the latest approved project budget.
- Assure compliance with FTA requirements on the part of agencies, consultants, contractors, and subcontractors working under approved third party contracts or inter-Authority agreements.
- Request and withdraw Federal cash only in amounts and at times as needed to make payments that are immediately due and payable.
- Account for project property and maintain property inventory records that contain all the elements required.



- Arrange for an annual independent organization-wide audit in accordance with Uniform Guidance, "Audits of States, Local Governments, and Non-Profit Organizations."
- Prepare and submit force account and cost allocation plans prior to incurring costs if seeking reimbursement for these costs. Update and retain these approved documents for FTA upon request and during Triennial Review.
- FTA requires reports, once submitted and approved by FTA, to be updated and retained by the grantee for availability during the Triennial Review process.

The NVTA's role in terms of each of these requirements is as follows:

- Provide continuous administrative and management direction of project operations.

A project manager will be assigned to every FTA funded project or contract. This may be internal staff or it may be a hired consultant who will ensure that the FTA requirements are met. At the start of every project a progress meeting and report schedule will be developed. The frequency of the meetings and type of reporting required will vary based on the type of project.

- Provide, directly or by contract, adequate technical inspection and supervision by qualified professionals of all work in progress.

Based on a combination of FTA requirements and the nature of the project, the assigned project manager will determine what types of inspections are required for each capital or planning project.

- Assure conformity to grant agreements, applicable statutes, codes, ordinances, and safety standards.

NVTA will conform to the requirements listed within grant agreements and other applicable statutes, codes ordinances or safety standards.

- Maintain the project work schedule agreed to by FTA and the grantee and constantly monitor grant activities to assure that schedules are met and other performance goals are being achieved.

NVTA will:

- Create a schedule for each project.
- Have sufficient meetings with contractors or require sufficient reports from contractors to ensure that projects stay on schedule or that delays are appropriate and understood.



- Assure FTA that progress is being made on each project funded by FTA by completing the required Financial Status Reports and Milestone Reports.

Currently, NVTA completes these reports on a quarterly basis. The milestone reports will contain the following information:

- Address each activity line item within the approved grant unless FTA advises otherwise.
- Include a discussion of all budget or schedule changes.
- For each milestone, include original estimated completion date, revised estimated completion date, and the actual completion date if applicable.
- Provide the dates of expected or actual requests for bid, delivery, etc.
- Provide a narrative description of projects, status, specification preparation, bid solicitation, resolution of protests, and contract awards.
- Analyze significant project cost variances. Completion and acceptance of equipment and construction or other work should be discussed, together with a breakout of the costs incurred and those costs required to complete the project. Use quantitative measures, such as hours worked, sections completed or units delivered.
- Include reasons why any scheduled milestones or completion dates were not met, identifying problem areas and discussing how the problems will be solved. Discuss the expected impacts of delays and the steps planned to minimize these impacts.
- Provide a list of all outstanding claims exceeding \$100,000, and all claims settled during the reporting period. This list should be accompanied by a brief description, estimated costs, and the reasons for the claims.
- Include a list of all change orders and amounts exceeding \$100,000, pending or settled, during the reporting period. This list should be accompanied by a brief description.
- Keep expenditures within the latest approved project budget.

NVTA will work to expedite projects so that they can be completed within budget. However, there are cost increases that are unforeseeable. NVTA will proceed in the best manner possible to complete the project within budget and will inform FTA immediately of any project difficulty in completing the project within budget.

- Assure compliance with FTA requirements on the part of agencies, consultants, contractors, and subcontractors working under approved third party contracts or inter-Authority agreements.

NVTA has developed a Third Party Oversight Guide as part of its overall FTA grant management guide. The Third Party Oversight Guide literally provides a guide to NVTA in monitoring third party contracts to ensure that FTA funded projects meet FTA requirements. The Third Party Oversight Guide can be found in this document.



- Request and withdraw Federal cash only in amounts and at times as needed to make payments that are immediately due and payable.

NVTA will only process FTA ECHO (electronic clearing house) draw-downs after the contractor has been paid for services or within three days of payment for work completed.

- Account for project property and maintain property inventory records that contain all the elements required.

NVTA will do an on-site inventory of all vehicles and equipment every year. NVTA has also developed a Vehicle/Facilities/Equipment Maintenance Guide to facilitate oversight of maintenance of FTA funded equipment/property. See Third Party Oversight, which is part of this overall NVTA FTA Grant Management Guide.

- Arrange for an annual independent organization-wide audit in accordance with Uniform Guidance, "Audits of States, Local Governments, and Non-Profit Organizations."

NVTA has an independent auditor prepare an independent audit annually in accordance with Uniform Guidance.

- Prepare and submit force account and cost allocation plans prior to incurring costs if seeking reimbursement for these costs. Update and retain these approved documents for FTA upon request and during Triennial Review.

Currently, NVTA only charges FTA grants for direct costs. However, if NVTA takes on larger capital projects in the future and intends to request reimbursement for overhead costs, it will create a cost allocation plan that complies with FTA requirements and will submit the plan to FTA for review. That Cost allocation plan will become part of this NVTA FTA Grant Management Guide

- FTA requires reports, once submitted and approved by FTA, to be updated and retained by the grantee for availability during the Triennial Review process.

NVTA will maintain files of all required reports submitted to FTA. These files will be made available to the FTA when requested.

Formula Grants NVTA must implement the Urbanized Area Formula Grant Program of Projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Funding levels to Urbanized Areas (UA) are generated by formulas based on revenue factors and population information.

49 U.S.C. 5307 - available to urbanized areas (UA) for transit capital and certain categories of operating assistance (ADA assistance and Preventive Maintenance) in



urbanized areas and for transportation-related planning. The Metropolitan Transportation Commission (MTC) is the designated recipient for the 12 UAs in the San Francisco Bay Area and distributes revenues to eligible recipients based on replacement need. VINE Transit's service area is contained within the Napa and Vallejo small UA's and revenues are distributed to NVRTA with a small portion coming from the Vallejo UA. Consequently, the revenues are only sufficient for transit operations.

49 U.S.C. 5310, Transportation for Elderly and Persons with Disabilities. This capital grants funding program was established by the Federal Transit Administration (FTA Section 5310) for meeting the transportation needs of elderly persons and persons with disabilities in areas where public mass transportation services are otherwise unavailable, insufficient, or inappropriate. It allows for the procurement of accessible vans and busses; communication equipment; and computer hardware and software for eligible applicants. Private nonprofit corporations or public agencies where no private nonprofits are readily available to provide the proposed service or that have been approved by the State of California to coordinate services for elderly persons and persons with disabilities.

49 U.S.C. 5311 and 5311(f), Rural Transit and Intercity Bus. Section 5311 is a non-urbanized area formula funding program authorized by 49 United States Code (U.S.C) Section 5311. This federal grant program provides funding for public transit in non-urbanized areas with a population under 50,000 as designated by the Bureau of the Census. FTA apportions funds to governors of each State annually. The California State Department of Transportation (Department) Division of Mass Transportation (DMT) is the delegated grantee.

49 U.S.C. 5339, Bus and Bus Facilities. The Program provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. FTA apportions a discretionary component and a small urban (population 50,000 to 199,999) formula component to governors of each State annually. The California State Department of Transportation, Division of Mass Transportation (DMT) has been delegated the designated recipient responsibilities by the Governor and is the direct recipient for these funds. DMT administers these funding components to eligible sub-recipients which include: public agencies and private nonprofit organizations engaged in public transportation.

Federal Highway Administration Funds Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) Program. MTC is the designated recipient for the San Francisco Bay Area's funds and flexes a portion of the funds for transit rehabilitation and expansion projects. To access the funds, NVRTA transfers the funds from FHWA to FTA through with Caltrans and then puts them into our STP/CMAQ grant. A portion of these revenues are distributed for Bike and Pedestrian purposes and are managed by the CMAs. STP funds Surface Program funds are Federal Highway Administration (FHWA) that are eligible for highway and transit capital projects.

CMAQ funds are Federal Highway Administration (FHWA) that are used to support transportation projects in air quality non-attainment areas. A CMAQ project must



contribute to the attainment of the national ambient air quality standards by reducing pollutant emissions from transportation sources.

Regional Planning, Programming, and Monitoring (PPM) funds. Passage of Assembly Bill 2538 allows all counties to program up to 5% of their county share to Planning, Programming, and Monitoring (PPM) purposes in the State Transportation Improvement Program (STIP). As agreed with the CMAs, MTC will program a portion of each county's PPM for regional PPM activities each year.

Transportation, Community, and System Preservation (TCSP). The Transportation, Community, and System Preservation (TCSP) Program provides funding for a comprehensive initiative including planning grants, implementation grants, and research to investigate and address the relationships among transportation, community, and system preservation plans and practices and identify private sector-based initiatives to improve those relationships.

TCSP Program discretionary grants plan and implement strategies which improve the efficiency of the transportation system, reduce environmental impacts of transportation, reduce the need for costly future public infrastructure investments, ensure efficient access to jobs, services and centers of trade, and examine development patterns and identify strategies to encourage private sector development patterns which achieve these goals.

State Revenues Transportation Development Act (TDA). The Mills-Alquist-Deddeh Act (SB 325) was enacted by the California Legislature to improve existing public transportation services and encourages regional transportation coordination. Known as the Transportation Development Act (TDA) of 1971, this law provides funding for allocation to transit and non-transit related projects that comply with regional transportation plans.

The TDA provides two funding sources:

- Local Transportation Fund (LTF), which is derived from a ¼ cent of the general sales tax collected within the county.
- State Transit Assistance fund (STA), which is derived from the statewide sales tax on gasoline and diesel fuel.

TDA funds are administered through the Regional Transportation Planning Authority (RTPA), which for the San Francisco Bay Area is MTC. TDA and STA can be used for eligible transit capital and operating purposes but NVTA primarily uses these revenues to support operations. A portion of these funds are used to subsidize lower transit fares for seniors and persons with disabilities.

The funds are also used for the capital and operating costs for providing complementary paratransit service as required by the Americans with Disabilities Act (ADA).

State Transportation Improvement Program (STIP) funds. This program includes the Interregional Transportation Improvement Program (ITIP) and the Regional



Transportation Improvement Program (RTIP). MTC is the designated recipient of the region's RTIP funds but delegates programming authority to the region's county Congestion Management Agencies (CMA). The California Transportation Commission has the ultimate authority of approving projects and allocating revenues. Caltrans staff administers the program grants. The RTIP is managed by CTC staff and Caltrans and NVTa is not eligible for these funds.

In the past, the State also allocated a portion of its federal funds. Projects funded with federal funds are transferred to FTA and put in a STP/CMAQ grant.

State Local Partnership Program (LPP) funds. The formula and administering Authority has not been determined by the State legislature. The region is currently advocating for an "all voter approved" revenue formula. The Authority would receive revenues based on its property and parcel taxes and would also be eligible for bridge toll and county measure matching revenues. The revenues are eligible for transportation capital projects.

Regional Measure 2 – Bay Area voters approved the third dollar on the bridge which generated revenues for transit improvement projects in vicinity of the State owned bridge corridors. The Authority receives annual operating revenues for express bus service to the El Cerrito BART station. The Authority also receives revenues for capital improvements, and marketing if available.

Transportation Funds for Clean Air (TFCA). These funds are generated from a motor vehicle fee in the San Francisco Air Basin and are administered by the Bay Area Air Quality Management Authority (BAAQAMD). Eligible projects include projects that reduce emissions with a cost effectiveness of \$90,000 per ton of emissions saved. BAAQMD administers the regional program and the county programs are managed by the CMAs.

Terms The terms of a grant, including funding levels, funding restrictions and local match requirements should be clearly stated in the Request for Proposals (RFP) and/or funding agreement.

Generally the terms of the grant include a dollar amount but can specify a percentage contribution based on final project costs.

Most grants require a local match that ensures the grantee's participation in the cost and implies the grantee's commitment to the project.

Coordination NVTa grant administration function is divided between multiple departments including Planning, Finance, and Transit Project management and grant administration may also be a shared responsibility between any one of Napa's jurisdictions or non-profit agencies. Grant development and administration is performed by the Finance Department, in conjunction with the project manager. Grant accounting is performed by the Finance Department. Communication between Finance and the project manager is critical to ensure the accurate performance of the grant administration



function. Note: all approvals, disapprovals and concurrences required as part of these policies and procedures should be obtained in writing.

The Project Manager and Financial Manager should coordinate their respective job functions from the earliest stage of project development, including the development of the Short Range Transportation Program (SRTP) and NVTA's annual capital budget.

7.4.3 GRANT REIMBURSEMENTS FROM CALTRANS

Caltrans funded projects will be billed to Caltrans after incurring the cost and the sub-recipient has been paid. Additionally, third party contractor for the general ledger will customize the project costing module to include an "Activity ID" level to link the payroll reports to the accounting system.

7.4.4 PROJECT MANAGEMENT

Overview FTA grantees are required to have a formal Project Management Plan for all major capital projects. The plan must provide for a detailed project management strategy to control the project budget, schedule and quality. The plan must address change orders, document control, and materials testing policies and procedures.

A major capital project is defined as a project that: involves the construction, extension, rehabilitation, or modernization of fixed guide way or New Starts project with a total project cost in excess of \$100 million; or the Administrator determines it to be a major capital project based on criteria in 49 CFR Part 633.

This document is not meant to satisfy the requirement for a formal Project Management Plan for all major capital projects. This document is meant to be a project management guide for smaller capital and planning projects. Should NVTA require a formal Project Management Plan, NVTA will prepare one for FTA approval.

FTA grantees with smaller capital projects should have a mechanism for technical oversight of the project. Regular meetings should be held to review project status. Many grantees that do not have the technical expertise to manage large projects hire an architectural/engineering consultant to serve as project manager. The transit system's own maintenance and operations directors typically oversee the inspection and acceptance of rolling stock, sometimes with consultant support.

The NVTA will adhere to the basics of the following process in managing FTA funded projects:

Organizational Chart A project manager will be assigned to every FTA funded project, study or contract. Depending on the scope of the project, the NVTA internal project may either manage the project him/herself or may hire a consultant as a project manager. Either way the project manager will ensure that FTA requirements are met.



The project manager will determine how, when and where staff resources will be allocated to meet the needs of the project.

Budget NVTA will establish a project budget for each NVTA project covering any and all authorized expenditures for the project.

Schedule NVTA will establish a project schedule or timeline for each FTA funded project.

Document Control Procedure/ Record Keeping NVTA will provide and/or retain appropriate records based on Federal, State and Local requirements.

Change Order Procedures and Documentation

NVTA will fully document any change order requests and will follow the procurement manual procedures for examining and approving or rejecting a change order request.

Quality Control NVTA will assure quality control by inspecting work in progress and final product or by hiring a consultant to inspect work in progress and final product.

Internal Plan At the start of every project a progress meeting and report schedule will be developed. The frequency of the meetings and type of reporting required will vary.

Reporting Requirements

A report will be generated for each project based on these meetings and attached into the TrAMS program under milestones in project management. The report will include:

- A brief description of progress;
- Status – whether or not the project is within budget, percentage of work completed and expected completion date;
- Products.

The FTA milestone reports must include the following information:

- Address each activity line item within the approved grant unless FTA advises otherwise.
- Include a discussion of all budget or schedule changes.
- For each milestone, include original estimated completion date, revised estimated completion date, and the actual completion date if applicable.
- Provide the dates of expected or actual requests for bid, delivery, etc.
- Provide a narrative description of projects, status, specification preparation, bid solicitation, resolution of protests, and contract awards.
- Analyze significant project cost variances. Completion and acceptance of equipment and construction or other work should be discussed, together with a breakout of the costs incurred and those costs required to complete



the project. Use quantitative measures, such as hours worked, sections completed or units delivered.

- Include reasons why any scheduled milestones or completion dates were not met, identifying problem areas and discussing how the problems will be solved. Discuss the expected impacts of delays and the steps planned to minimize these impacts.
- Provide a list of all outstanding claims exceeding \$100,000, and all claims settled during the reporting period. This list should be accompanied by a brief description, estimated costs, and the reasons for the claims.
- Include a list of all change orders and amounts exceeding \$100,000, pending or settled, during the reporting period. This list should be accompanied by a brief description

Periodic Updates of the Project Schedule or Budget As part of the internal plan NVTA will review project progress, schedule and budget throughout the project. The schedule and/or budget will be continuously reviewed and updated.

Project Close Out Once a project has been completed and final payments have been made to the contractor for completion of the project. NVTA should close out the grant within the FTA TrAMS Web system within 120 days of making the final payment to the contractor.

7.4.4 THIRD PARTY OVERSIGHT

The purpose of this policy is to outline the role of NVTA, related to the oversight of third party contracting and to ensure compliance with Federal Transit Administration (FTA) requirements.

It is the NVTA's role to monitor the activities of third party contractors as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements and that contract performance goals are achieved.

Under the direction and supervision of the Executive Director, the necessary oversight to meet federal compliance will be completed and properly documented.

The Financial Officer will provide general oversight for all FTA programs.

(Operational) Third Party Oversight The Transit Manager will provide third party oversight for the transit operations and capital related requirements which include:

1. Accessibility/ADA
2. Safety & Security
3. EEO
4. Maintenance
5. ~~School Bus~~ School Tripper Services



6. Charter Services
7. Drug and Alcohol Testing
8. Satisfactory Continuing Control

Oversight includes ensuring that site reviews are conducted and that forms are completed in a timely manner. The Transit Manager will review the frequency and the format of each review with the Contractor, the Senior Transit Planner and the Transit Program Assistant annually to ensure that compliance is being maintained with FTA requirements.

Financial (Contracting & Procurement) Third Party Oversight The Financial Officer will provide oversight for contracting and procurement related requirements which include:

Financial Management

9. Procurement and Contracting
10. Civil Rights
11. Buy America
12. Suspension and Debarment
13. Lobbying
14. Equipment Compliance Certification
15. Disadvantaged Business Enterprise

All contracts and procurements requiring a request for proposal or bid must be approved by the Finance Officer. Oversight includes ensuring that certifications are received, forms are completed and required reviews are conducted in a timely manner. The Finance Manager will provide oversight in any and all aspects of ~~third party~~ **third-party** compliance and to carry out third party oversight compliance in the place of the Transit Manager if s/he is not available to do so.

The Contract Administrator will assist the Director of Finance by performing third party DBE audits for smaller projects to ensure that commitments made in the original bid or proposal to include DBE vendors are carried out.

FTA Required Areas of Third Party Oversight

Accessibility

The Americans with Disabilities Act of 1990 (ADA) requires that persons with disabilities receive the same level of service from a transportation system as a non-disabled person. Services that are "separate but equal" are **not acceptable** (i.e., all wheel chairs on one bus and everyone else on another bus).

Basic Requirement – Fixed Route Systems: Public operators of fixed route systems open to the general public are required to provide complementary paratransit or other special service to persons with disabilities that are comparable to the level of service provided to



individuals without disabilities who use the fixed route system. All vehicles purchased must be ADA accessible unless a waiver has been obtained from FTA.

Basic Requirement – Demand Response Systems: Operators of demand response services must conform to “equivalent service” requirements. All vehicles purchased must be ADA accessible unless NVTA certifies that equivalent service is provided.

Comparable or “equivalent service” includes: response time, fares, geographic area of service, hours and days of service, availability of information, reservations capability, constraints on capacity or service availability, and restrictions priorities based on trip purpose.

NVTA’s Role in Monitoring Third Party Contracts: Ensure compliance with this requirement, if applicable. This is the primary responsibility of the Transit Manager and the Senior Transit Planner, in coordination with the Finance Manager.

Safety and Security

FTA grantees of Urbanized Area Formula Grant Program funds must annually certify that it is spending one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.

The goal of the FTA’s Safety and Security Program is to achieve the highest practical level of safety and security in all modes of transit. To this end, FTA continuously promotes the awareness of safety and security concepts and practices. In addition, FTA develops guidelines that transit systems can apply in the design of their procedures and by which to compare local actions.

NVTA’s Role in Monitoring Third Party Contracts: Ensure that the third party contractors are providing safety training, security management and emergency management plans. Compliance with this requirement is managed by the Transit Manager.

Equal Employment Opportunity (EEO)

The grantee must ensure that no person in the United States should on the ground of race, color, creed, national origin, sex, age or disability be excluded from participating in or denied the benefits of, or be subject to discrimination the employment under any project, program, or activity receiving federal financial assistance from the federal transit laws.

NVTA’s Role in Monitoring Third Party Contracts: NVTA subjects all contractors to meet EEO and Title 6. Responsibility for the EEO/Title VI program falls under the Human Resource or Administrative Manager.

Maintenance Procedures

FTA grantees must keep federally funded equipment and facilities in operating order. Third-party contractors must have policies and procedures to maintain vehicles. They must maintain in operative condition those features of facilities and vehicles that are



required to make the vehicles and facilities readily accessible. ADA accessibility features must be repaired promptly if they are damaged or out of order. Contractors must establish a system of regular and frequent maintenance checks of lifts sufficient to determine if they are operative, which will be systematically checked for compliance.

NVTA's Role in Monitoring Third Party Contracts: NVTA has established a Vehicle/Facilities/Equipment Oversight Procedure Document. Maintenance compliance is the responsibility of the Transit Manager.

School Bus Services FTA grantees and their contractors cannot engage in school bus operations (providing vehicles or facilities) exclusively for the transportation of students and school personnel in competition with private school bus operators. In no case can federally funded equipment or facilities be used to provide exclusive school bus service.

This prohibition does not apply to school "tripper service." Tripper service is defined as regularly scheduled mass transportation service open to the public, which is designed or modified to accommodate the needs of school students and personnel. Such service must be open to the public, must serve regular transit stops, and must be delineated on route schedules and maps. Vehicles may not display a "school" sign.

NVTA's Role in Monitoring Third Party Contracts: Document conversation on compliance with this regulation, if applicable. School Bus Service compliance is the responsibility of the Transit Manager.

Charter Services FTA grantees and their contractors, are prohibited from using Federally-funded equipment or facilities to provide charter service, except on an incidental basis; and then, only when one or more of the seven exceptions set forth in the charter service regulation in 49 CFR Section 604.9 (b) apply. Other conditions include recovering the fully allocated cost of the service and putting the revenues earned back into your transportation program.

Charter services is defined as transportation using buses or vans or facilities, funded with FTA grants, which are provided to a group of persons who because of common purpose, have acquired exclusive use of the vehicle or service. The group operates under a single contract, at a fixed charge for the vehicle or service; and the group travels together under an itinerary either specified in advance or modified after the trip begins.

NVTA's Role in Monitoring Third Party Contracts: Document conversation on compliance with this regulation, if applicable. Oversight of charter services compliance is the responsibility of the Transit Manager.

Drug and Alcohol Testing FTA funds under Capital Grant, Urbanized Area Formula Grant, or Non-Urbanized Area Formula Grant Programs must have a drug and alcohol testing program in place for all safety sensitive staff.



The FTA-mandated drug and alcohol testing program is separate from and in addition to the provisions of the Drug-Free Workplace Act (DFWA). Please review 49 CFR Part 40 "Procedures for Transportation Workplace Drug Testing Programs" and 49 CFR Part 655 "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations.

If a grantee uses a contract service provider or maintenance provider to perform safety sensitive functions, the contractor is subject to the provisions of these regulations. For transit agencies that use volunteer drivers, the volunteers are not subject to testing.

NVTA's Role in Monitoring Third Party Contracts: NVTA has established a Drug and Alcohol Program Oversight Procedure Document. Drug and Alcohol Program compliance is the responsibility of the Transit Manager.

Satisfactory Continuing Control The Grantee must maintain control over real property, facilities, and equipment and ensure that they are used in transit services

NVTA's Role in Monitoring Third Party Contracts: Ensure that vehicles, equipment and transit facilities are used in accordance with FTA requirements. Compliance with this requirement is the responsibility of the Transit Manager.

Financial Management The Federal requirements for managing Federal funds are in OMB Circular A-87, OMB Circular A-110 and Uniform Guidance. Where there are conflicts between state and Federal law, the most restrictive law takes precedence.

FTA grantees must have legal, managerial, financial and technical capability to carry out Federal Transit Administration (FTA) programs and to receive and disburse Federal funds. Financial systems must be sufficient to prepare reports and track grant funds.

NVTA's Role in Monitoring Third Party Contracts: Ensure that the third party contractors can meet requirements. A site visit to new contractors may be necessary. In most cases a documented phone interview or a review of financial references is sufficient. This is conducted by the Finance Manager.

Procurement and Contracting FTA grantees will use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and that the procedures conform to applicable federal law including 49 CFR Part 18, specifically Section 18.36 and FTA C 4220.1E, "Third Party Contracting Requirements." Grantees will maintain a contract administration system that ensures that contractors perform in accordance with terms conditions, and specifications of their contracts or purchase orders.

Recipients must comply with five FTA requirements:

1. Provide full and open competition;
2. Exclude in-state or local preference;
3. Include federally required clauses in all contracts
4. Obtain FTA approval on contracts with a duration of more than five years;
5. Use Brooks Act procedures for architectural and engineering procurements



NVTA's Role in Monitoring Third Party Contracts: To the extent that the subgrantee contracts with third parties, the subgrantee is required to include in their contracts the clauses required by Federal Statutes and Executive Orders and their implementing instructions. It is the Financial Manager's role to collect and review these contracts for proper Federal clauses. Necessary certifications must be on file before award of contract. Further, NVTA must follow its own procurement policy when conducting any procurement.

Civil Rights FTA grantees must ensure that no person in the United States, on the grounds of race, color, creed, national origin, sex, age, or disability be excluded from participating in, denied the benefits of, or be subject to discrimination under any project, program or activity funded in whole or in part with FTA funds.

A civil rights complaint is defined as a formal complaint filed in person or in writing to the Office of Civil Rights; to the US Department of Transportation; to the Federal Transit Administration; to the Federal Highway Administration; or to private counsel alleging discrimination. Complaints must be filed within 180 days of the alleged discriminatory event or practice.

NVTA's Role in Monitoring Third Party Contracts: Pre-award, request list of any outstanding civil rights complaints against the organization. This is the responsibility of the Finance Manager.

Buy America Per "Buy America" law, federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States unless FTA has granted a waiver or the product is subject to a general waiver. Rolling stock must have sixty percent domestic content and final assembly must take place in the United States.

NVTA's Role in Monitoring Third Party Contracts: For all procurements of steel, iron and manufactured products over \$100,000 the grantee is required to obtain and retain a Buy America certification of compliance from the successful bidder. The only exception is for an item subject to a Buy America waiver. If neither of the above conditions exists, the grantee may also be able to get a waiver from the FTA for this requirement. This is part of the procurement process and is the responsibility of the Finance Manager.

Suspension and Debarment FTA grantees are required to prevent fraud, waste, and abuse in federal transactions, persons or entities, which by defined events or behavior, potentially threaten the integrity of federally administered programs, are excluded from participating in FTA-assisted programs. FTA grantees not only are required to certify that they are not excluded from Federally assisted transactions, but also are required to ensure that none of the grantee's "principals" (as defined in the governing regulation 49 CFR Part 29 and FTA Circular 2015.1), subrecipients, and third-party contractors and subcontractors are debarred, suspended, ineligible or voluntarily excluded from participation in Federally assisted transactions.



NVTA's Role in Monitoring Third Party Contracts: For any sub-contractor who will receive twenty-five thousand dollars or more through a federally funded agreement NVTA will document certification on compliance with this regulation. The Finance Manager is responsible for compliance with the suspension and debarment requirement.

Lobbying Recipients of Federal grants and contracts exceeding \$100,000 must certify compliance with Restrictions on Lobbying, before they can receive funds. In addition, grantees are required to impose the lobbying restriction provisions on their contractors.

NVTA's Role in Monitoring Third Party Contracts: Ensure that all contracts funded with FTA funds exceeding \$100,000 include the clause certifying that the contractor will abide by the FTA required restrictions on lobbying. The Finance Manager is responsible for ensuring this requirement.

Equipment Compliance Certification FTA grantees using Federal funds to purchase vehicles are required to conduct pre-award and post-delivery reviews to confirm Buy America, purchaser's requirements, and Federal Motor Vehicle Safety Standards (FMVSS) and certify compliance for all revenue service rolling stock procurements.

Recipients must keep documentation showing they complied when procuring revenue rolling stock.

NVTA's Role in Monitoring Third Party Contracts: Ensure that payment for vehicles is not made until pre-award and post-delivery reviews are documented, if applicable. This is the responsibility of the Finance Manager.

Disadvantaged Business Enterprise (DBE) FTA grantees must comply with the policy of the Department of Transportation (DOT) that DBE's, as defined in 49 CFR Part 26, are ensured nondiscrimination in the award and administration of DOT-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for DOT-assisted contracts; ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; help remove barriers to the participation of DBEs; and assist the development of firms that can compete successfully in the marketplace outside the DBE program.

NVTA's Role in Monitoring Third Party Contracts: On large capital projects, the DBE Officer or the Project Manager should document periodic efforts to monitor on-site DBE activities. This may include site visits to ensure DBE's are actually conducting the work on contracts, checking employee records to ensure that staff working on the project are staff of the DBE, and/or review title or leasing information on any heavy equipment used to ensure that the equipment is owned or leased by the DBE. On smaller projects, NVTA will require the submittal of evidence that DBE's have been paid by the prime contractor in a timely manner for the work described in the bid or proposal. Monitoring DBE compliance in NVTA contracts is the responsibility of Finance Manager with assistance from the Transportation Administrative Assistant.



Review Schedule for Third Party Oversight

The following provides the minimum requirement for third party oversight review:

1. Accessibility/ADA: Monthly
2. Safety & Security: Semi-Annually
3. EEO: Ongoing
4. Maintenance: Per Vehicle/Facilities/Equipment Oversight Procedures
 - a. Comprehensive facilities and equipment maintenance plan submitted by contractor annually.
 - b. Program Manager will also perform a monthly inspection of the facilities and equipment (Sunday inspection).
 - c. Transit Planner will perform quarterly site visits and complete checklists related to recorded verification of preventative maintenance work order intervals, the overall record keeping system, and warranty records
5. School Bus Services: Annually – review at monthly meeting
6. Charter Services: Annually – review at monthly meeting
7. Drug and Alcohol Testing: Semi-Annually – Transportation Program Assistant
8. Satisfactory Continuing Control: Annually
9. Financial Management: Ongoing with every new contract
10. Procurement and Contracting: Semi-Annually
11. Civil Rights: Ongoing with every new contract
12. Buy America: Ongoing with every new contract or purchase
13. Suspension and Debarment: Ongoing with every new contract
14. Lobbying: Ongoing with every new contract
15. Equipment Compliance Certification: Ongoing with every new contract or purchase
16. Disadvantaged Business Enterprise: Semi-Annually

7.4.5 SUBRECIPIENT MONITORING

NVTA is responsible for financial and programmatic monitoring of sponsored project funds awarded to NVTA that are subcontracted to another institution, organization, or individual (sub-recipient).

For subcontracts that include any federal funds, sub-recipients are required to make an annual disclosure of any sponsored research audit findings. As a recipient of federal sponsored projects, NVTA must comply with the guidelines outlined in the Uniform Guidance

NVTA is required by federal regulation to monitor expenditure of federal funds awarded that are sub-contracted to another institution, organization, or individual. To provide the monitoring required by federal regulations and to ensure good stewardship of sponsored projects, NVTA will review all sub-recipient expenditures for allowability, allocatability, reasonableness, and proper compliance.



It is the policy of NVT to carry out its fiduciary responsibilities in accordance with State and Federal Law. Specifically, this policy addresses the need to define the difference between a sub-recipient and vendor in order to make a determination of whether a sub-recipient or vendor relationship exists for the purpose of dispersal of Federal grant awards.

The purpose of this procedure is to outline the distinctions between a sub-recipient and a vendor in accordance with 29 CFR 99.210, in order to determine whether payment constitutes a Federal award (sub-recipient) or a payment for goods and services (vendor).

Definitions. The terms defined below apply to this policy and are for the express purpose of interpreting this policy.

Sub-recipient: A sub-recipient is a legal entity that receives Federal funds. The sub-recipient is accountable for the expenditure of funds according to the program regulations. When the organization performs the following activities they are defined as a sub-recipient:

- Determines eligibility for the Federally funded program.
- Has its performance measured against the objectives of the Federal program.
- Has responsibility for programmatic decision-making.
- Has responsibility for adherence to applicable Federal program compliance requirements
- Uses the Federal funds to carry out a program of the organization as opposed to providing goods or services for a program.

Vendor: A vendor is a dealer, distributor, merchant or other seller providing goods or services that are required to conduct a Federal program. Payments made for goods or services to vendors would not be considered Federal awards. The following activities are indicative of a vendor relationship:

- Provides the goods and services within normal business operations.
- Provides similar goods or services to many different purchasers.
- Operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the Federal program.
- Is not subject to the Federal compliance requirements of the program.

Scope This policy applies to sub-awards or sub-contracts issued under sponsored projects awarded to NVT without regard to the primary source of funding. The following are the objectives of implementing this policy:

- Manages or eliminates any conflict of interest that arises from a sub-award or sub-contract by NVT to an entity in which NVT, or key personnel have a financial interest.



- Advises sub-recipients of federal laws or regulations, terms and conditions of the prime award or agreement, and NVT requirements that apply to the sub-award or sub-contract.
- Provides sub-recipients with information regarding the prime award including Catalog of Federal Domestic Assistance number (CFDA), title, award name and number, award dates, and sponsoring Authority, as required by Uniform Guidance.
- Monitors costs and activities of sub-recipients to ensure that expenditures charged to NVT are allowable, allocable and reasonable, and reflected in the scope of work of the sub-award or subcontract. Ensures that the performance goals set forth in the scope of work are being met in a timely manner.
- Ensures that cost-share commitments made by sub-recipients are documented and adhere to all relevant regulations.
- Conducts an annual risk assessment of all active sub-contracts or sub-awards to determine which sub-recipients require closer scrutiny.
- Ensures that sub-recipients expending \$750,000 or more in federal awards during the subrecipient's financial year have met the Uniform Guidance audit requirements for that financial year.
- Issues management decisions on audit findings within six months after receipt of the subrecipient's audit report and ensures that the sub-recipient takes appropriate and timely corrective action.
- Considers whether sub-recipient audits necessitate adjustment of NVT's records, such as budget modifications, or re-allocation of cost-shared resources.

Roles and Responsibilities

Contract Administrator

- Ensures that sub-contract/sub-award paperwork is reviewed by the Program Administrator before sending to the Procurement Officer for review.
- Logs all expenditures/invoices on the sub-contract/sub-award.
- Ensures that appropriate back-up documentation for expenditures has been provided by sub-recipient.
- Routes the invoice to Accounts Payable for approval and payment.
- Checks System for Award Management (SAM.gov) to ensure that sub-recipient is not on the debarred list.
- Confirms that the appropriate signatures have been obtained.
- Generates payment to the sub-recipient for the approved amount.

Program Manager (PM)

- Reviews budget and scope of work before agreement is signed.
- Reviews invoices submitted by the sub-recipient to ensure that costs are allowable, allocable and reasonable. Reviews back-up documentation provided for expenditures.
- Reviews invoices and expenses-to-budget.
- Ensures that cost-share commitments are documented in the invoicing process.
- Assists Finance Dept. with questions regarding sub-recipient invoices.



- Reviews technical or performance reports.
- Ensures that any project deliverables (reports, financial or programmatic) are submitted to NVTA in a timely manner.
- Ensures that expenditures invoiced by the sub-recipient for work and effort committed are appropriate to the approved budget and scope of work of the agreement.

Sub-award Monitoring The Authority should monitor the subrecipient's use of Federal awards through reporting, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

The PA should maintain sufficient contact with the Subrecipients of the sub-award to assess accurately whether the subrecipient is reasonably progressing towards the achievement of the sub-award's statement of work including performance goals.

The PM should obtain periodic written progress reports from the subrecipient(s). Progress reports should generally contain, for each sub-award, brief information on each of the following.

1. A comparison of actual accomplishments with the goals and objectives established for the period. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
2. Reasons why established goals were not met, if appropriate.
3. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

Upon receipt of a subrecipient invoice, the PA should review and assess whether the charges on the invoice reasonably match the progress made on the statement of work.

Sub-recipient Audits

The Authority's employs a risk based approach of monitoring sub-recipients annual audit results. NVTA will conduct the following monitoring activities for all applicable subrecipients that meet NVTA's risk based approach criteria:

For all sub recipients subject to Uniform Guidance audits, NVTA will obtain a written acknowledgment on whether the subrecipient has complied with the audit requirements of the Uniform Guidance and the required audits are completed within nine months from the end of the Sub recipient's audit period.



7.4.7 INDIRECT COST RATE PROPOSAL

In order to provide for the reasonable and consistent allocation or distribution of costs to its various grants and funding programs, NVT develops an Indirect Cost Rate Proposal (ICRP) annually. The ICRP is designed in accordance with OMB Circular A-87 and is approved by the California Department of Transportation ("Caltrans"). Indirect costs are applied only upon receipt of the approved ICRP from Caltrans.

7.4.6 ECHO **FUNDS** DRAWDOWNS **AND VERIFICATION**

ECHO Drawdown policy

Cash Management Requirements. All eligible FTA grantee organizations or sponsors paid by the requisition method of payment may now apply to be converted to US Treasury's Automated Clearing House (ACH) method of payment, regardless of the money amount involved. ACH electronically sends payment to a payee's bank for deposit to their bank account.

Guidelines for Disbursements Disbursement guidelines are in accordance with policies established in U.S. Department of Treasury Circular 1075, Part 205, "Withdrawal of Cash From The Treasury for Advances Under Federal Grant and Other Programs," and by FTA financing agreements. These guidelines state that the recipient organization should commit itself to:

- Initiating cash drawdowns for immediate disbursement needs. This has been defined as three calendar days. Excess federal funds held more than three days must be returned to FTA along with any interest earned.
- Providing control and accountability for all project funds consistent with FTA requirements and procedures for use of the ECHO-Web System.
- Furnishing reports of cash disbursements and balances, when required by means of the Financial Status Report for FTA and the Federal Cash Transaction Report.

The Federal Transit Administration Agreement (Form FTA II (A)), Part II or II Terms and Conditions, dated December 1992, Section 107.a and b. (1), describes the process for requesting payment and the requirement for payment processing under the ECHO System.

NVT authorizes one signature authority as the *Authorized Signor* to approve the drawdown requests for transmitting payment to the County's Treasury for approved grant funds due to the agency. The Executive Director is the *Authorized Signor* As needed, an ECHO draw shall be made.

Grants management staff will prepare documentation for Echo Drawdowns to include the following:



The Director of Finance will

1. Prepare a "mock" invoice for review by the Project Manager and approval by the Executive Director.
2. Provide a detailed expense ledger of expenses and match, and invoices to support the draw.

3. Evidence that invoices have been reviewed, approved and paid prior to drawdown request. NOTE: FTA does allow grantees to pay invoices within 3 days of receipt of payment through the ECHO system, but TAPS' current policy is to request drawdowns on a reimbursement basis only.

The detailed general ledger will be reviewed for applicability to the grant contract and any expenditure that needs to be investigated for coding will be done at that time

4. Copies of expenses that support the amount of the draw request such as invoices. The Director of Finance will provide evidence that costs are eligible for the grant and have been incurred prior to drawdown requests.

A Proof of Payment document shall be included. The expense ledger will be compared to the cash disbursements journal to make sure the expenses have been paid. If not paid, the disbursement will be removed from the list and an adjustment made for the draw down to the trial balance.

5. Provide evidence that costs are for the period of time covered by the project.
6. Provide supporting calculation for draw amounts to demonstrate that only the appropriate federal share in relation to the total project cost is being requested in the drawdown.

7. Provide supporting calculation to demonstrate that the amount in the approved grant line item has not been exceeded.

8. Provide supporting documentation of funds received to date to ensure the request does not exceed approved amounts.

9. The Director of Finance, or designee, will then execute the ECHO drawdown.

10. Upon receipt of the funds to the County's Treasury, the receivable will be recorded to cash.

11. The wire confirmation will be printed and placed into the file for record retention purposes. The staff accountant will verify the funds have been received and properly documented.

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7.5 REIMBURSEMENTS

7.5.1 ~~TRAVEL~~ BUSINESS RELATED EXPENSES

This policy, and the procedures that follow, is to define the rules and limits that must be observed when arranging, engaging in, or claiming reimbursement for ~~travel~~-business purposes.

NVTA staff may be required to travel while performing their official duties. The Authority will reimburse its staff for their reasonable and necessary travel expenses incurred while traveling on Authority business within the limits of the reimbursement guidelines.

NVTA recognizes the constructive value of professional conferences, seminars, meetings and training, and provides or reimburses funds for NVTA's elected and appointed officials, department managers, and staff who attend such official events or incur such expenditures. Board of Directors, officials, and staff and volunteers should be entitled to reimbursement for their reasonable expenses associated with travel, meals, lodging and other actual and necessary expenses associated with attending such events. Expenses should be reasonable and should not include items normally construed as personal expenses.

Allowable Expenditures Expenses incurred in connection with the following activities generally constitute authorized expenses, as long as the other guidelines of this policy are met, including good judgment and cost-effective use of resources.

- Communicating with representatives of regional, state, and national government on Authority-adopted policy positions.
- Serving on professional organizations or governmental committees, boards, or task forces.
- Attending educational seminars, conferences or organized educational activities designed to improve skill levels or provide information on topics important to Authority policy and operations.
- Preparing research for Authority projects or implementing adopted plans, policies, goals, or programs.
- Attending meetings involving activities or decisions important to Agency's interests, which are consistent with adopted plans, policies, goals, or programs.

Ineligible Expenditures Personal expenditures incurred are not be reimbursed such as:

- The personal portion of any trip.
- Political or charitable contributions.
- Family expenses, including those of a partner when accompanying the official on official business or child care.
- Entertainment expenses, including theatre, shows, movies (either in-room or in theaters), sporting events, golf, spa treatments, etc.
- Non-mileage personal automobile expenses including repairs, insurance, gasoline, traffic citations.



- Personal losses incurred while on Agency business.
- Alcoholic beverages.

Travel Authorization Staff who need to travel on business for more than a single day must obtain written approval from their appropriate manager by using the “***Out of Area Travel Request***” form.

Payment with Agency Purchasing Card As much as practically possible, travel and related business expenditures should be paid with NVT’s purchasing card. This includes registration fees, airplane tickets, car rental and lodging. Except for qualified per diem expenditures, receipts must be submitted for reimbursements.

Travel Advance A travel advance is to allow staff an alternative to using personal funds when traveling on business. This allows staff to receive advance funds to cover the cost of a trip authorized by NVT. Submit the cash advance request to Accounts Payable between 10 and 30 days before the beginning of the trip.

Per Diem Unless otherwise noted, Meals and Incidentals (M&I) will be reimbursed on a per diem basis. Staff travelling on business are reimbursed up to the per diem rate for travel related meal expenses. Receipts are not required for reimbursement of travel meals using per diem rates for the destination of travel established by the United States General Services Administration.

- First and last days of travel will be reimbursed at 75% of the per diem.
Departure day – the day you leave your home or office.
Return day – the day you return to your home or office.

The traveler will receive the full per diem rate for extended day travel occurring before 8:00 am and after 9:00 pm. Per Diem does not apply to multiple days travel without overnight stays.

Business Mileage Reimbursement Rate Business mileage is the travel an employee incurs beyond normal commute mileage (from home to the office and home again). Staff may request reimbursement for business mileage incurred when traveling with a personal vehicle. The reimbursement rate is established by the Internal Revenue Service and updated every calendar year. The mileage rate includes gas, vehicle maintenance, insurance, and other personal vehicle related costs.

Surface Transportation in Lieu of Air Travel The excess costs of mileage or other travel expenses incurred as a result of choosing surface transportation instead of air travel are not allowable. The total travel costs reimbursed may not exceed the amount had the services of a commercial airline been used.

Meal Provided by a Sponsoring Organization Meals provided by a sponsoring organization will not be reimbursed if the traveler chooses to forego the provided meals.



Single Day Travel Transportation should be provided through the most economical means available such as an agency vehicle, car rental or private automobile.

- Car Rental: Permissible for extended day travel if NVT vehicle is not available.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Per Diems are not granted for single day travel, except for extended travel
- Lodging: Lodging is not granted for single day travel, except for extended travel

Multiple Days Travel with Overnight Stays Transportation should be provided through the most economical means available such as an agency vehicle, private automobile or by airplane. Personal vehicle travel is not permitted if air travel is considered a more economical travel alternative.

- Car Rental: Allowable if approved by a Manager.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Per Diems rates based on the city/area of the activity if Meals are not provided by the event sponsor. See GSA.gov for established per diem rates.
- Lodging: Actual costs for single occupancy accommodations.

Multiple Days Travel without Overnight Stays Transportation should be provided through the most economical means available such as an agency vehicle, private automobile. Personal vehicle travel is not permitted if there are other economical travel alternatives. Airline travel is not permitted.

- Car Rental: Allowable if approved by the Supervisor.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Receipts must be submitted for the actual cost, if meals are not provided by the event sponsor.
- Lodging: Actual costs for single occupancy accommodations.

Expense Reimbursement Form The Expense Reimbursement Form should be submitted with supporting documentation and receipts within 30 days of travel. Receipts should be attached onto an 8 1/2 x 11 sheet of paper. A copy of the Out-of-Area Travel authorization should be submitted with the reimbursement claim.

Continuing Professional Education/Training Programs Any employee who is required as a condition of employment to maintain certification, licensure or professional equivalency and who must have continuing education to maintain eligibility to perform their job duties and/or maintain certification should be reimbursed for meals and mileage and for the actual cost of tuition/registration and books/supplies, associated with said educational course or training provided such course work or training.



Any employee who attends other work-related training programs should be reimbursed for the meals and mileage and for the actual cost of registration associated with said training.

Any travel overnight stay associated with continuing education or training programs must receive prior Executive Director approval.

Staff should be allowed sufficient leave with pay to meet the minimum continuing education/training required. The allowed leave should be subject to the discretion of NVTA and the approval of the Executive Director.

The Executive Director must approve training or continuing education prior to commencement to ensure that reimbursement of costs associated with continuing education or training is within the NVTA approved budget.

Submit the signed original with supporting documentation within 30 days of travel.

Original receipts are mandatory for all taxi, shuttle fares, bridge and road tolls, public ground transportation fares, and parking fees of more than \$5. Bus fares and bridge toll receipts are not required. In cases where receipts cannot be obtained or have been lost, a statement to that effect should be made in the expense account and the reason given. A statement as to a lost receipt will not be accepted for lodging, airfare, rental car, and/or business expenses. For a ticketless flight, submit the itinerary. The itinerary includes the same information that would be found on a ticket.

7.5.2 MEALS AND MEETING EXPENSES

This policy establishes guidelines for the appropriate purchase of refreshments for activities and events sponsored by the agency. This policy does not address food purchases related to business travel. The policy on food purchasing is designed to ensure public funds used to purchase food for meetings is done so with thoughtful attention to cost effectiveness and appropriate scenarios.

When meetings of an administrative nature are held that are directly related to the business of NVTA, the cost of meals or light refreshments may be paid from budgeted funds with approval from a Director. Food and refreshments may be purchased for one or more of the following purposes or activities: (the following are examples and not an exhaustive list):

- Meetings of the Board of Directors, advisory committees, public officials, and community members in supporting and collaborating in program success.
- Trainings, workshops, webinars and seminars.
- Attending/working events where staff is representing NVTA in an official capacity
- Board and staff retreats.



- Working lunches or dinners if the purpose of the meeting is to discuss Agency business. Topics must be documented.
- Meetings with agency staff that cannot be conducted during normal business hours.
- Mandatory team events held during lunch or dinner time.
- Meetings with community members regarding collaboration and partnership in the community.

Those planning for food expenses should consider the following principles:

- **Appropriateness:** Meals should be necessary and integral to the business meeting, not a matter of personal convenience. Food may be provided at meetings of employees on an occasional basis. Staff lunches, where work can be conducted during other times of the workday, regular staff meetings, and personal celebrations (i.e., birthday, retirement, or baby shower celebrations) do not qualify as appropriate activities. Expenditures should be limited to food and non-alcoholic beverages.

- **Cost Effectiveness:** The expenditure of budgeted funds for food and refreshments should be cost-effective and reasonable. Those planning these events should get as close an estimate as possible to the actual number of expected attendees. If the meeting is scheduled more than two weeks in advance, ask for an RSVP and this should guide the purchase of food.

- **Documentation –** Meetings must have an agenda and an accurate attendance list should be submitted at the close of the meeting. This documentation should be attached to the receipt or invoice for such purchase.

- **Special Accommodations –** Dietary needs will be met with a one week advanced notice and will be accommodated with the same consideration for cost effectiveness as outlined above.

CHAPTER 7: FINANCIAL MANAGEMENT

POLICIES, PRACTICES AND PROCEDURES MANUAL

The Napa Valley Transportation Authority (NVTa or the “Authority”) will maintain sound financial practices in accordance with all federal, state and local laws and direct its financial resources towards meeting NVTa’s long-term goals.

NVTa will cultivate and further develop programs to ensure its long-term ability to pay the costs necessary to provide the level and quality of service required by the public.

Board of Directors Approval Date: July 15, 2020

Amendment Approval Date:

SECTION 7.1 FINANCIAL MANAGEMENT	4
7.1.1 Responsibility and Authority	4
7.1.2 Information Security	5
7.1.3 Financial Management	5
7.1.4 Internal Controls	8
7.1.5 Wire Transfers.....	11
7.1.6 Budget Development.....	12
7.1.7 Budget Monitoring and Reporting	14
7.1.8 Accounting Principles	16
7.1.9 Fund Accounting	17
7.1.10 Revenues and Expenditures	19
7.1.11 General Ledger	21
7.1.12 Encumbrances	22
7.1.13 Accounts Payables.....	22
7.1.14 Vendor Invoice Processing.....	23
7.1.15 Audits	26
7.1.16 Petty Cash.....	31
7.1.17 Cash Handling.....	32
7.1.18 Revenue Collections and Distribution.....	38
7.1.19 Purchasing Cards.....	40
SECTION 7.2 RESERVES AND FINANCING.....	43
7.2.1 Cash Reserves.....	43
7.2.2 Investment Policy	43
7.2.3 Interfund Loans and Transfers	49
7.2.4 Debt Financing and Management	49
7.2.5 Pension and OPEB Liabilities.....	43
SECTION 7.3 ASSET MANAGEMENT	55
7.3.1 Fixed Assets.....	55
7.3.2 State of Good Repair.....	60
7.3.3 Transit Pass Inventory Control	60
7.3.4 Alternative Fuels and Fleet Replacement.....	61

SECTION 7.4 GRANTS MANAGEMENT	62
7.4.1 Grant Accounting and Administration	62
7.4.2 Grant Management	70
7.4.3 Grant Reimbursements from Caltrans	78
7.4.4 Project Management	78
7.4.5 Third Party Oversight	80
7.4.6 Subrecipient Monitoring	88
7.4.7 Indirect Cost Rate Proposal	91
7.4.8 ECHO Drawdowns and Verification.....	92
SECTION 7.5 REIMBURSEMENTS.....	94
7.5.1 Business Related Expenses.....	94
7.5.2 Meals and Meeting Expenses	98

7.1 FINANCIAL MANAGEMENT

7.1.1 RESPONSIBILITY AND AUTHORITY

This policy establishes the general responsibilities and authority of management and staff about the financial operations of NVTA.

NVTA is subject to the rules and policies established by the Board of Directors to promote efficiency and uniformity. Within the boundaries established by the Board of Directors, NVTA is responsible for managing its own operations. All staff are expected to fulfill the requirements of their positions and to conduct themselves with integrity and professionalism. Staff should also operate within the specific levels of authority that may be established for their positions.

The following define the general responsibilities of managers, supervisors and staff.

Executive Director (ED): The Executive Director has the responsibility and authority for the development, resourcing, implementation, review, and continuous improvement of NVTA. The Executive Director is accountable to the Board and the public for the performance of NVTA and ensures that commitments are delivered. The Executive Director has the overall responsibility to ensure that an accountability process exists at NVTA so that staff are held accountable for their performance.

Financial (Fiscal) Officer or Equivalent The financial officer is responsible for managing financial operations, accounting, financial reporting, and audits. The financial officer plans, organizes and directs the finance department; provides assistance to the Executive Director; and performs other related work as required. The financial officer also:

- Maintains and enforces all financial policies and procedures, whether they are developed internally or prescribed by the ED or Board.
- Maintains the integrity of the accounting system and financial records.
- Assures the implementation of a system of financial internal controls.
- Develops the budget process.
- Assures that all funds collected are handled securely, properly recognized, deposited and accurately reported.
- Ensures operations are in compliance with GAAP and Government Accounting Standards Board (GASB) standards and comply with all statutory and regulatory requirements for grant funding received.
- Monitors budget and actual expenditures to identify variances, determine their cause and implement measures to reduce or eliminate future variances.
- Prepares the financial statements including the quarterly unaudited financial statements.
- Monitors cash flow and projects future cash flow needs to assure NVTA can meet its financial obligations.
- Serves as the primary point of contact in the event of an audit or review.

- Performs other financial duties that may be delegated.
- Files application(s) to receive and administer grant funding as required.
- Maintains inventory record of assets and inventory items.

Directors/Managers/Supervisors/Project Managers: Managers and supervisors are responsible for ensuring that all financial operations and staff under their direction comply with the policies and procedures.

Staff: Each staff member is responsible for observing NVRTA's rules for ethical behavior and for complying with the policies and procedures.

Levels of Authority: NVRTA establishes a system of authorization to provide effective management control over its assets, liabilities, revenues and expenditures. Specific levels and scopes of authority are established where appropriate in areas such as procurement, contract approval, payment authorization, etc. The Signature Authorization form dictates the levels of authority for financially related matters. See the Procurements & Contract Administration section for further details.

7.1.2 INFORMATION SECURITY

The information security policy is to maintain the confidentiality and security of financial information and its transmission across data lines and the internet.

Security services are essential to maintain the integrity of financial operations. NVRTA has entered into an agreement with the County of Napa that specifies the agreed-upon level of information security services provided, associated costs and payment for services.

7.1.3 FINANCIAL MANAGEMENT

This policy establishes uniform guidelines to monitor and control financial operations and account for its performance.

NVRTA will employ sound business, financial and accounting practices to conduct its financial operations. The Authority is responsible for monitoring and controlling its financial operations and accounting publicly for its financial performance through:

- Adherence to the highest ethical standards.
- Developing short and long-range strategic financial plans.
- Use of generally accepted accounting principles.
- Institute a system of internal controls.
- Retain financial and accounting records for appropriate periods.
- The issuance of financial reports that account for the use of public funds.
- Maintain adherence to all applicable state and federal laws and requirements.

Financial Management Responsibilities NVRTA is responsible for developing plans, obtaining resources for implementing the plans, monitoring its operations and accounting publicly for its performance. These plans include, but are not limited to the biennial budget, overall work program (OWP), the short range transit plan, the countywide transportation plan and other regulatory strategic plans.

NVRTA is dedicated to providing an environment of openness and transparency. The Authority is responsible for evaluating its needs and providing relevant workload and cost data to establish funding priorities and compete for funds with federal, state, and local programs. It is also the responsibility of NVRTA to develop a long-range strategic financial plan for the efficient and effective use of resources, technology and the incorporation of community needs and concerns.

Accounting System NVRTA will use an efficient and organized accounting system that ensures the accurate reporting of all transactions. The Authority is responsible for assuring that transactions recorded by its accounting system are supported by documentation and evidential matter that can withstand internal or external financial audits.

The key elements of an efficient and organized accounting system include an:

- Efficient method of accumulating, recording and reporting all transactions.
- Effective assignment of authority and responsibility.
- Effective approach to segregation of duties.
- Efficient method of detecting errors and irregularities.

Financial transactions should be executed and accounted for in accordance with generally accepted accounting principles. The Authority complies with the standards and principles established by the GASB, administrative policies and procedures that apply to NVRTA's financial management, and regulatory and statutory requirements guiding the administration of grant revenues and eligible expenditures.

Accounting Records The financial officer should document its financial activities and maintain sufficient accounting records to:

- Ensure that all transactions are properly and accurately recorded.
- Provide sufficient evidence and justification for all transactions.
- Maintain accountability for assets and resources.
- Document accountability of staff who execute and process financial transactions.
- Permit preparation of accurate, informative and reliable reports that conform to applicable criteria.
- Support management during reviews and audits.

A detailed discussion of record retention procedures is provided in the *Record Retention* section for further information.

Financial Reporting NVRTA is obligated to account for its use of public funds. To satisfy this obligation, NVRTA prepares and issues periodic financial statements. The GASB Concepts Statement 1 defines the objectives of financial reporting as follows:

- Should assist in fulfilling the government's duty to be publicly accountable and should enable users to assess that accountability.
- Should assist users in evaluating the operational results of the governmental entity for the year.
- Should assist users in assessing the level of services that can be provided by the governmental entity and its ability to meet its obligations as they become due.

The primary use of financial reports is to assess accountability in its use of public funds. According to GASB Concepts Statement 1 financial reports accomplish this by:

- Comparing actual financial results with the legally adopted budget.
- Assessing financial condition and results of operations.
- Assisting in determining compliance with finance-related laws, rules and regulations.
- Assisting in evaluating efficiency and effectiveness.

NVRTA acknowledges that reports need to be transparent and understandable to communicate information adequately to the public, elected officials, funding agencies and creditors. To effectively communicate information, NVRTA will publish information in the following forms on its website and written formats as required:

- Publish the biennial budget
- Publish GASB-required audited financial statements.
- Publish an annual report listing the accomplishments and audited financial information
- Present quarterly financial updates to the Board, including any adjustments to the annual budget necessary to carry out the NVRTA's mission
- Publish an Overall Work Program which allocates staff members to the tasks and projects scheduled for the upcoming financial year.

The Financial department's internal financial reporting functions include, but are not limited to, preparation of the following reports:

- Quarterly financial statement reports comparing actual revenues and expenditures to budget items.
- Quarterly cash flow reports to analyze the current position and project future needs.
- Monthly or quarterly reimbursement claims for grants and other state or federal programs.

GAAP, GASB and other government and public entity standards are applied to prepare financial and other required reports. Exceptions should be disclosed in the form of qualifications or footnotes to the financial statements or reports.

7.1.4 INTERNAL CONTROLS

NVRTA's policy is to maintain effective internal control systems as an integral part of its management practices. NVTA continuously monitors and evaluates internal control systems for the purpose of strengthening existing operational, administrative and accounting controls. The objective of an internal control system is to minimize financial risks and provide reasonable assurance that assets are properly safeguarded.

Purpose of Internal Controls As a public sector institution, NVTA must maintain the highest standard of ethics and integrity to inspire confidence and trust. Moreover, some operations include handling large sums of money routinely. The risks associated with such operations are apparent and NVTA must protect its assets from potential acts of impropriety and its reputation from negative public perceptions.

An effective system of internal controls minimizes NVTA's exposure to risks and negative perceptions. A properly designed, implemented and continuously monitored system of internal controls protects NVTA's assets and resources by reducing or eliminating opportunities to commit and conceal errors or fraudulent acts.

Key Elements of an Effective System of Internal Controls A system of effective internal controls must be an integral part of Authority management practices. It covers all aspects of NVTA's operations from the overall planning of the organization to the implementation of specific operating and administrative procedures.

The components of an effective system of internal controls include, but are not limited to, the following:

- Appropriate segregation of duties (checks and balances)
- Comprehensive policies and procedures
- Competent personnel
- Continuous monitoring and supervision
- Controlled access to assets
- Proper authorization and documentation
- Sufficient review
- Leave coverage

Appropriate Segregation of Duties NVTA has an established organization structure that provides for an appropriate segregation of duties that safeguards assets. Segregation of duties is based on the concept that no one individual controls all phases of an activity or transaction. Segregation of duties provides for a built-in system of checks and balances that is designed to catch and correct errors as soon as they are detected. Another important objective is to eliminate or minimize opportunities to conceal errors and irregularities.

Whenever possible, key duties and functions are assigned to separate staff to minimize the risk of impropriety and establish a system of checks and balances. If segregation of duties cannot be achieved due to staffing limitations, Authority management must apply alternate control methods to mitigate the risks.

Supervision Management should provide appropriate supervision of Authority staff to assure that approved procedures are followed. NVRTA should ensure that all staff apply due care and diligence in the daily performance of their duties.

Controlled Access to Assets NVRTA should limit access to its assets to authorized personnel who require these assets to perform their assigned duties. Access includes both direct physical access and indirect access such as preparing and processing documents authorizing transactions that impact resources.

Proper Authorization and Documentation NVRTA has established a system of authorization to provide effective management control over its assets, liabilities, revenues and expenditures. The specific levels and scope of authority of executives, directors, managers, supervisors and staff, along with assigned dollar limits are established and documented and provided to applicable staff, County of Napa and relevant parties for reference on a no less than annual basis.

When processing transactions, evidence of authorization should be maintained in the accounting files to document that:

- Proper authorizations are obtained and issued by staff acting within the scope of their authority.
- Transactions conform to the terms of the authorizations.

Sufficient Internal Review NVRTA has establish an effective system of internal review to ensure that all financial transactions are properly and accurately recorded and reported.

Minimum Internal Control Standards This section provides minimum internal control standards to (1) define its organizational boundaries, (2) monitor and control its financial operations and (3) maintain accountability for its resources. The Authority will continuously assess its system of internal controls against these minimum standards. Areas of weakness must be corrected or, if impractical or cost prohibitive, be properly documented and reported.

Bank Accounts To establish the conditions and operational controls under which NVRTA may maintain funds outside the County of Napa Treasury. NVRTA will:

- Obtain Executive Director's approval before opening or closing any bank account. Authority requests to open or close any bank account must be signed by the Executive Director and Financial Officer.
- Assure that banking relationships do not create any actual or perceived conflict of interest with the Board of Directors, managers or officers.
- Keep detailed records for all money received.

- Provide for the safety and security of staff, employees and funds when making bank deposits.
- Endorse all checks, warrants, money orders, and other negotiable instruments immediately upon receipt.
- Make all disbursements by check, credit card or electronic transfer, except for petty cash disbursements.
- Record all checks issued in a check register (this function is managed by the County of Napa).
- Keep all check stock under locked control.
- Reconcile all bank accounts not administered by the County of Napa at the end of the financial year.
- The annual bank balance and financial accounting cash balance information will be completed for all bank accounts locally operated and reconciled as of June 30.
- Require all withdrawals accompany two (2) signatures- the Executive Director and the Financial Officer.

Accounting Processes In order to minimize overpayments and ensure payments adhere to the content of a contract, NVRTA will:

- Employ a system that assigns a unique contract number to track the status of each contract, purchase order, work order or agreement.
- Maintain records on payments associated with each contract.
- Seek payment approval from project manager, financial officer and Executive Director.

Accounts Payable To process and pay vendor invoices and claims in a timely according to the terms and conditions of the purchase agreements and contracts. All invoices and claims must be supported by appropriate documentation and approved for payment by authorized staff.

NVRTA staff should:

- Direct all vendors to submit invoices to accounts payable for processing. Electronic invoices should be sent to ap@nvta.ca.gov.
- Date stamps all invoices upon receipt by Accounts Payable.
- Require that individuals and firms submitting claims within a reasonable period after services are rendered.
- Establish the dollar limits and the scope of authority of staff authorized to approve invoice payment.
- Perform a match of the purchase agreement, invoice and proof of receipt and acceptance of goods or services prior to payment if a purchase order was issued.
- Require that authorized staff review each invoice for appropriateness, accuracy and reasonableness. Invoices should be initialed by the program manager.

7.1.5 WIRE TRANSFERS

This policy provides guidance for outgoing or incoming wire transfers, electronic funds transfers (EFT), automated clearing house (ACH) or ECHO drawdowns. See 7.4.5 for *ECHO drawdown procedures*.

Wire Payments

Initiating the Wire The department creates and prints a journal entry in the enterprise resource planning software. Attach a wire transfer authorization form and supporting documentation (usually an original receipt or vendor's invoice). The payee on the voucher should match the account title on the wire transfer authorization form.

Once voucher and supporting paperwork is complete, the department obtains appropriate signatory approval from the authorized signer. By approving the wire, the signor is authorizing the transaction and attesting that the transaction and supporting documentation is appropriate. Wire payments are subject to the same approval process as other payments.

Accounting Office Review The Auditor-Controllers Office (ACO) reviews and approves the wire transfer authorization form and the journal. The document is then taken by staff to the Treasury for processing. After approving the availability of funds, the Treasurer's Office sends the journal entry for payment.

Electronic Funds Transfer (EFT) Electronic funds transfers (EFT) are defined as a transmission of an electronic message to a financial institution instructing it to make an electronic entry reflecting the transfer of ownership of funds from one depositor to another.

Automated Clearing House (ACH). An ACH debit is an electronic transfer of funds directly out of the remitter's bank account which is originated by an outside entity.

The use of the ACH network to initiate payments and to receive funds has become a common business practice. It has also become common for some governments and businesses to require that certain payments be remitted to them electronically.

NVTA may be required to make certain payments by receiving an ACH debit. In addition there may be certain payment applications which, by nature and under the proper control environment, could be processed more timely and efficiently through the receipt of an ACH debit, without sacrificing audit trail and internal controls otherwise available with warrant, check or ACH credit payment processing.

General ACH Rules and Procedures. The receipt of ACH debits to accounts is permissible in the following conditions:

- Where required by federal or state law or associated regulations, or where required by an entity for payment of necessary goods or services.
- Where the County of Napa Treasurer have authorized the receipt of ACH debits after determining that it is in the best interest of NVRTA.

Prior to implementing ACH debits, NVRTA must notify the Treasurer. The Treasurer will request information on the frequency, timing, volume of transactions and other information as deemed appropriate. This information will assist in determining whether the application is appropriate for receiving ACH debits, and if so, what payment controls and procedures will be utilized.

7.1.6 BUDGET DEVELOPMENT

The Authority is responsible for developing and managing its budgets so that its resources are utilized efficiently and effectively, in a manner that inspires public confidence. This policy presents uniform guidelines to use in developing and managing its biennial budget cycle. It is the policy of NVRTA to comply with applicable legislation and follow the procedures adopted by the Board of Directors for budget development and management.

NVRTA collects fare revenues, receives annual allocations from the Metropolitan Transportation Commission, the State of California, the Federal government, and other entities. NVRTA operates on a financial year beginning July 1 and ends June 30 of the year thereafter.

Sources of Authority Funding NVRTA receives federal, state, regional, and locally generated funding for specific purposes and Authority may also receive revenues from private contributions. Funding received is deposited into the Governmental, Proprietary, or Fiduciary Funds.

Authority Funds Each year, MTC releases a TDA and STA fund estimate to NVRTA for the operations of NVRTA. Money disbursed for operations is deposited into one of NVRTA's funds.

The Governmental Fund is used for administration, transportation planning, coordination of transportation and land use in the region, and programming of regional funding activities.

The Proprietary Fund is used for transit services and capital projects.

Authority Budget Cycle and Timelines There are two major phases of the biennial budget cycle – *development* and *implementation*. The development phase includes evaluation of available revenues, current year activities and performance and planning for future year financial requirements.

The Board also receives quarterly updates that make periodic revenue and expense adjustments to the budget.

Budget Development Process The Board of Directors is responsible for adopting the biennial budget and approving any amendments to that budget. The Board of Directors has delegated the responsibility for adopting budgeting policies and procedures and the annual schedule of budget development to the Executive Director. The Authority budget development process, which ends with the Board of Director's approval becomes effective at the beginning of the financial year (July 1), is described in the following table.**Authority Budget Development Process and Timeline**

Activity Purpose Prepared/Issued By When

Activity	Purpose	Prepared/ Issued By	When
Gather information on financial sources of funds	Biennial Budget cycle commencement	Finance	December/January
Develop biennial budgets	Input and review initial budget recommendations	Finance	January-March
Budget Committee meeting	Review budgets with Board Chair and Vice Chair and have questions answered	Finance	February or March
1st reading and comment period	To ensure that the proposed budgets settles all outstanding questions posed by Board and other stakeholders.	Finance	March or April
2 nd reading, finalize budget	Complete budget input process	Finance	May
Budget approval	Formalize financial years budgets	Board of Directors	May Board of Directors meeting
Input budgets into ERP software	For reporting purposes	Finance	June

Budget Execution Once plans, resources and controls are in place NVRTA executes its operating plan, thereby incurring operating expenses and receiving revenues. As part of this process, encumbrances are established to account for contracts and purchase orders.

7.1.7 BUDGET MONITORING AND REPORTING

This policy establishes uniform guidelines to monitor and control its biennial budget and helps ensure responsible management of available resources. NVTA will manage its operations in a financially prudent manner. Expenditures may not exceed the amounts established in NVTA's approved budget.

The Authority will monitor actual expenditures against its quarterly and annual budget. Cash flow also will be monitored to assure that NVTA has sufficient funding to meet its obligations. On a quarterly basis, NVTA should submit a report of revenues and expenditures.

Background and Monitoring. After the biennial budget has been approved by the Board of Directors and funds programmed, NVTA must operate within the limitations of the available funding. The Authority must establish budgetary control procedures to monitor its budget on an ongoing basis throughout the year to assure that actual expenditures do not exceed budgeted amounts.

Regular budget monitoring allows NVTA to: 1) assure that funds are available for operations, and 2) reallocate limited resources in the event of budget shortfalls or surpluses. Monitoring both expenditure and cash flow allows NVTA to exercise an appropriate level of control over available funds and to take corrective action as necessary.

It is NVTA's responsibility to monitor its budget on a regular basis. It is recommended that NVTA prepare and review a comparison of actual expenditures with the approved budget that provides the following information for each program and budget line item of expenditure:

- Actual expenditures incurred for the previous quarter.
- Expenditures incurred for the financial quarter-to-date and year-to-date compared with their respective budgets for the same time frame.
- The variance between month-to-date actual and budgeted expenditures.

In addition, NVTA should analyze its cash flow needs for the current month and project its cash flow for the remainder of the financial year.

Informal expenditure to budget comparisons and cash flow monitoring reports should be prepared and reviewed as soon as is practicable after closing information becomes available each month.

Overall Work Program Once the Board has adopted a budget, staff will prepare the Overall Work Program (OWP) that expands on the tasks and projects that each division will undertake during the financial year. The OWP will allocate staff and other resources to each task and project.

Quarterly Financial Statements The Authority should submit quarterly financial statements that provide the following information:

- Actual expenditures incurred during the previous quarter.
- Cumulative expenditures for the financial quarter-to-date and year-to-date.
- The variance between actual and budgeted expenditures for the quarter.
- The remaining budgeted balance for each object of expenditure.
- Budget transfers among expenditures. (These adjustments should net to zero).
- Budget revisions reflecting changes to NVRTA's available budget, such as additional allocations or receipt of new grants.

In addition, monthly monitoring reports are to be provided to the Executive Director and management staff to ensure adherence to budgeted expenditures.

Budget Revisions During the financial year, NVRTA may receive additional or amended allocations from Federal, State, MTC, or regional entities and receive revenues above those originally budgeted, or receive new grants from other governments or private sources.

NVRTA may revise the budget and report the budget revisions the Board of Directors for formal approval. Budget revisions are reported and reflect an overall increase or decrease to NVRTA's approved budget.

NVRTA will conduct regular reviews of actual expenditures versus budgeted amounts and project expenditures to assure that the remaining budget is sufficient to cover anticipated expenditures for the balance of the financial year. If a budget shortfall is anticipated, appropriate actions should be taken to assure that operations are not adversely affected.

NVRTA will document all budget revisions to account for variances in projected versus actual expenditures, and include this information as part of the quarterly update to the Board of Directors, or more frequently if necessary to carry out the mission of NVRTA.

Budget Transfers It is the intent of this manual to provide NVRTA with the flexibility in transferring funds between individual programs and objects of expenditure where the transfers are necessary for the efficient and cost-effective operation of NVRTA, or to make technical corrections.

Budget Adjustments Local Transportation Funds (LTF) is the primary funding source for the planning operations. LTF and FTA grants are the primary funding source for NVRTA's transit operations. However, in the event there are non-discretionary costs that are imposed upon NVRTA as a result of legislative or other changes to operations and programs that are not funded by the LTF funding adjustment, NVRTA is permitted to request additional funding through the annual budget process to address operational changes. These changes include unanticipated grant revenues and related operating or capital expenditures, unanticipated expenses necessary to carry out the mission costs associated with meeting legislative mandates and emergencies.

7.1.8 ACCOUNTING PRINCIPLES

This policy establishes uniform guidelines and accounting principles for NVRTA to follow when gathering, summarizing and reporting accounting information associated with its financial operations.

NVRTA should comply with the basic principles of accounting and reporting that are applicable to government units. Financial transactions should be executed and accounted for in conformity with generally accepted accounting principles (GAAP) and legal requirements.

Generally Accepted Accounting Principles (GAAP) To meet the needs of internal and external users financial information, state and local governments have adopted Generally Accepted Accounting Principles (GAAP).

GAAP are uniform *minimum* standards and guidelines for financial accounting and reporting. They govern the form and content of an organization's financial statements. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures.

Governmental Accounting Standards Board (GASB) The primary authoritative body for setting standards for the public sector governments is the Governmental Accounting Standards Board (GASB).

Application of GAAP NVRTA shall use an accounting system that conforms to GAAP to assure uniformity in financial reporting and to provide a reasonable degree of comparability between NVRTA and other local government financial reports.

The accounting system implemented must both:

- a. Present fairly and fully disclose the financial positions and results of operating funds in conformity with GAAP.
- b. Determine and demonstrate compliance with all legal requirements and contractual provisions.

Basis of Accounting The Authority should use either *Accrual* or *Modified Accrual* basis of accounting to measure its financial position and the results of operations associated with the *Governmental*, *Proprietary*, or *Fiduciary* funds.

The Authority should recognize revenues when they become both measurable and available to finance expenditures of the current period. Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Governmental funds should be the primary fund type NVRTA uses to account for its resources. The number and types of funds established should be based upon how resources will be spent and the need to segregate and account for funds used for different purposes.

NVRTA may establish several funds. Each fund should have separate general ledger accounts to account for designated assets, liabilities, and other balances. [Section 1300, GASB Codification states that a government unit should keep the least number of funds possible to satisfy its particular circumstances.]

The Authority should use the *Governmental* (Planning Fund, Special Revenue Funds), *Proprietary* and *Fiduciary* (Authority and Trust funds) types of funds to account for its financial activities. *Fund Accounting*, provides more details on Authority funds.

7.1.9 FUND ACCOUNTING

This policy establishes uniform guidelines to establish “funds” and maintains accountability over the public resources used to finance its operations. As a publicly funded entity, NVRTA must ensure that the funds allocated are used efficiently. The Authority should establish and maintain separate funds to segregate its financial resources and allow for the detailed accounting and accurate reporting of its financial operations.

Funds and Fund Types A “fund” is a complete set of accounting records designed to segregate various financial resources and maintain separate accountability for resources designated for specific uses. The establishment of discrete funds is beneficial in ensuring that public monies are only spent for approved and legitimate purposes.

State and local governments can establish as many funds as required to operate efficiently and account for resources accurately. However, all funds used must be classified into one of the seven types shown in the table that appears on the following page.

Classification of Fund Types Available to Government Agencies

Classification	Fund Type	Purpose	Commonly Used by NVRTA?
Governmental Funds	General fund	To account for all financial resources except those required to be accounted for in a separate fund.	Yes, to account for all funds received by NVRTA except those that must be accounted for separately.
	Special revenue fund	To account for certain revenue sources “earmarked” for specific purposes.	Yes, to account for federal, state, local and private grants.
	Debt service fund	To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.	No
	Capital projects fund	To account for financial resources used in the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.	No
Proprietary Funds	Enterprise fund	To account for operations that are financed and operated in a manner similar to private business enterprises.	Yes
	Internal service fund	To account for the financing of goods or services provided by one department or Authority to other departments or agencies of the governmental unit, or to other governmental units on a cost - reimbursement basis.	No
Fiduciary Funds	Trust or Authority fund	To account for resources received by one government unit on behalf of a secondary governmental or other unit.	Yes, to account for fines, fees, etc. collected by NVRTA on behalf of others.

Planning Fund – Local Transportation Fund The Local Transportation Fund is used to account for the financial activities associated with the money appropriated by the State of California and allocated to NVRTA.

The Planning Fund is a fund type under the General Funds classification and treated as a general fund type under the Governmental Funds classification.

The Executive Director or designee should authorize and direct expenditures from the Local Transportation Fund. The LTF along with all other applicable funds should be used to report the financial activities in the Quarterly Financial Statements.

Special Revenue Funds NVRTA operations may include activities that are funded by federal, state, local governmental or private grants. Most grants specifically define the purposes for which grant funds may be used. In many cases, the grants are reimbursement type agreements that require NVRTA to document its costs to receive payment. These are generally defined as expense-driven grants.

NVRTA should establish and maintain Special Revenue Funds to specifically account for revenues and expenditures related to grant activities.

Revenues and expenditures under these funds should not be commingled with the Operation Funds. However, grants and other revenues and expenditures in the Operations Fund may have a separate accounting designation for tracking purposes. Financial systems operated by NVRTA must be capable of establishing and maintaining Special Revenue Funds to specifically account for revenues and expenditures related to grant activities.

The Special Revenue Funds should be reported with the Local Transportation Fund in the Monthly Financial Statements information provided to the state.

7.1.10 REVENUE AND EXPENDITURES

This policy is to establish uniform accounting guidelines for NVRTA to record revenues and expenditures associated with operations.

NVRTA will account for its resources using either accrual basis or modified accrual basis of accounting. Revenues should be recognized in the current period to the extent that they are measurable and available to liquidate current liabilities. Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Measurement of Resources and Basis of Accounting The majority of NVRTA's financial activities are accounted for in the "Local Transportation Fund", which is essentially a general fund. Additionally, NVRTA receives grants from federal, state and local governments as well as from the private sector. The following sections describe how resources should be measured under these funds and what basis of accounting should be applied.

Measurement of Resources Governmental funds (such as the Local Transportation Funds) are designed to measure the "flow of financial resources". The objective is to determine whether more or fewer resources will be available for spending in the near future as a result of current transactions. Increases in resources available for spending in the current period are treated as **revenues**. Decreases in resources are treated as **expenditures**.

Basis of Accounting A fund's basis of accounting determines when a transaction is recognized as revenue or expenditure. The basis of accounting for the Local Transportation Fund and other revenue funds is the **Accrual Basis** of accounting.

Revenue Recognition Under Modified Accrual accounting, revenues are recognized when they are "susceptible to accrual". GASB Codification Section 1600.06 explains that revenues are susceptible to accrual when they are both measurable and available. It is

not enough that revenue has been earned (measurable). The related cash flow must be available in the current period or soon enough thereafter to be used to pay liabilities of the current period.

Since NVTA derives most of its revenues from state funding and grant reimbursements, these revenues are susceptible to accrual. All Authority revenues are measurable and available (within a reasonable amount of time) to pay for current liabilities and therefore, should be recognized during the current period.

Expenditure Recognition Expenditures should be recognized in the accounting period during which goods are received or services are rendered.

Most purchases or contract commitments are short-term and should be recognized during the current financial year, if goods are received or services are rendered. Expenditures associated with long-term contracts covering more than one year may also be recognized during the current financial year. If goods are not received or services are not rendered, expenditures may be recorded in the subsequent period.

General Revenue Recognition Since NVTA derives most of its revenues from state funding and expenditure-driven grants, virtually all revenues can be accurately measured and expected to be available within a reasonable amount of time to pay for current liabilities. Therefore:

- NVTA should recognize revenues during the current financial year when they are both measurable and available.
- The Authority should apply the concept of “earnings” to define measurability (i.e. NVTA is entitled to the funded amounts, NVTA has rendered the services required by the grants, or revenues have been earned).

General Expenditure Recognition Liabilities should be recognized in the accounting period during which goods are received or services are rendered:

- The Authority should recognize expenditures as payments are made to vendor(s).
- The Authority should disencumber (reduce) the operating fund as the reserve of funds is reduced or liquidated.

Year-End Revenue Accrual Even though financial reporting must be on the modified accrual basis, daily accounting may be on a cash basis. Under such circumstances, accrual basis for financial statement purposes is achieved by adjusting the accounts at the close of each year. The Authority financial year ends on June 30th. The Authority should perform year-end accruals as follows:

Prior to June 30th, NVRTA should:

- Review all revenue accounts related to entitlements and accrue revenues (such as the thirteen installment of state funding) that may not have been received from the state, but which are measurable and available.
- Review all revenue accounts related to expense driven grants and accrue revenues that may not have been billed to date.
- All accruals need to be reversed during the first month of the new financial year.

Year-End Expenditure Accrual. Similar to revenues, expenditures must be reported on the modified accrual basis for financial reporting purposes. The daily accounting basis may be on a cash basis. The accrual basis is achieved by adjusting accounts at year-end. The Authority should perform year-end accruals as follows:

- The Authority should review all open purchase orders, contracts and the related encumbrances in an effort to accrue expenditures during the current financial year, disencumber funds and liquidate the associated liability to the extent possible.
- All contracts straddling two financial years should be reviewed for the express purpose of recognizing expenditures in the current period if it is determined that the services were rendered or goods were received in the current year. The balance of the contracts should be closed in the current year and reopened in the new financial year along with the appropriate encumbrances.
- All open purchase commitments for which goods and services have been delivered or rendered, but not paid, should be accrued as current year expenditures. This also applies to grant funding.

7.1.11 GENERAL LEDGER

NVRTA will maintain separate and identifiable general ledgers for the purpose of recording and reporting its financial activities.

Separate general ledgers should be maintained for each type of fund used by NVRTA. For example, separate general ledgers will be maintained for each of the following:

- Governmental Fund to record all general Authority operations not associated with other fund types.
- Proprietary Fund to record all federal, state, local government or private grants provided to NVRTA for transit services.
- Fiduciary Fund to record all financial activities performed on behalf of other government entities for the region.

The general ledgers should be supported by appropriate sub-ledgers that provide adequate and sufficient details of all summary entries. Entries into the general ledgers flow from the sub-ledgers (such as accounts payable) or other journals.

The general ledgers should consist of general ledger accounts designed to identify and segregate different types of transactions in logical groups such as assets, liabilities, equity

or fund balances, revenues and expenditures. The Authority should document these general ledger accounts in its chart of accounts. NVRTA adopts the County of Napa's chart of accounts. NVRTA will use an appropriate number of accounts to make sound financial decisions.

The general ledgers should be balanced on a regular basis using trial balance reports to verify that the sum of debit and credit entries during the period is equal.

When necessary, adjusting journal entries should be prepared to adjust the accounts. All adjusting entries should be adequately documented and should require appropriate written management approval.

All nominal and budgetary accounts should be closed at the end of the financial year, as the balance sheet accounts remain open and should be carried forward to the new financial year. After closing entries are made, only balance sheet accounts should have balances.

7.1.12 ENCUMBERANCES

Purchase commitments should be encumbered to ensure that adequate funds are available to pay invoiced amounts. Purchases include purchase orders, contracts and other financial obligations that are associated with a contract. As purchase orders or contracts are issued, they are forwarded to the Auditor-Controller's Office so that encumbrance amounts may be posted. This encumbrance reduces NVRTA's balance of available funds.

With each payment against a purchase order or contract, an equal amount of encumbrance is reversed. The reversal is posted to the purchase order or contract. At the end of the contract period, any remaining encumbrance balance is reversed by the final payment, or by a reversal entry.

Ongoing Contracts Purchase orders and contracts should be encumbered to cover the maximum expenditures that may occur during the current financial year. At the beginning of the next financial year, the remaining obligation should be encumbered.

Change Orders. Periodically, changes or amendments to existing purchase orders or contracts are processed. Encumbrances are adjusted accordingly, to reflect the increases or decreases in the purchase orders or contracts.

Encumbrances at Financial Year End Encumbrances as of a financial year end may be carried forward to the new financial year.

Canceling an Encumbrance An encumbrance may be canceled by expiration or by cancellation of the purchase order or contract. When this occurs, the unencumbered funds are available for other expenditures or encumbrances.

7.1.13 ACCOUNTS PAYABLE

The implementation of these procedures will establish effective accounting control over assets (cash), liabilities (accounts payable) and expenditures. Prompt payment of claims supported by appropriate documentation will foster good business relationships with the individuals and businesses that provide essential services.

NVRTA will pay the claims of the individuals and businesses that provide goods and services in a timely fashion, according to the rules and limitations established. All claims must be supported by appropriate documentation. All payments are subject to review by the Financial Officer, Executive Director and employee(s) who are authorized to approve such payments.

7.1.14 VENDOR INVOICE PROCESSING

All vendors, suppliers, consultants and contractor invoices will be routed to accounts payable for processing. The Accounts Payable staff should process the invoices in a timely fashion and in accordance with the terms and conditions of the purchase agreements. All invoices must be matched to the proper supporting documentation and must be approved for payment by authorized personnel acting within the scope of their authority.

Vendor Records Before a vendor's invoice can be paid, the accounts payable department must establish a vendor file that includes at least the following information:

- The vendor's name, address, and telephone number.
- Name and address of vendor representative to whom payments are to be sent if different from the above.
- Name, title and telephone number of contact in case of an incomplete or incorrect invoice.
- Description of goods provided or services performed.
- Taxpayer identification number.

No invoice should be processed for payment without a vendor tax identification number.

In compliance with Internal Revenue Service rules and regulations, NVTA should ensure that a Form 1099 MISC is issued to all non-staff who meet the criteria for independent contractors established by the IRS. In general, NVTA must report, but we do gather and provide W-9 and other information for payments that meet the following four conditions:

- Payment is made to someone who is not an employee.
- Payment is made for services in the course of trade or business (including government agencies and nonprofit organizations).
- Payment is made to an individual, partnership, estate, or in some cases, a corporation.

- Payments made total at least \$600 during the year.
- Payment for professional services such as fees to attorneys, accountants, and architects require the issuance of a Form 1099 MISC. Forms must be issued to each qualifying independent contractor by January 31 of each year and a copy must be sent to the IRS by February 28 of each year.

Routing of Vendor Invoices.

The Executive Director or designee must approve all invoices for payment. Invoices must also be approved by project managers.

Routing of Related Documents As they are generated, other pertinent documents must also be routed to accounts payable department. Original copies of purchase orders, blanket purchase order releases, contracts, order forms, approved requisitions, purchase card ordering logs, receipts, packing slips, and all other appropriate documentation related to the acquisition of goods and services for related business must be provided to accounts payable.

The accounts payable department will maintain these documents in a central file to be matched against the related vendor invoices and claims.

This information may also be maintained in electronic form and accessible through an on-line purchasing system. The accounts payable staff may utilize on-line information to process invoices.

Preparing Invoices for Processing Upon receiving the vendor invoices, accounts payable will immediately stamp the documents with the current date.

Review for Accuracy of Invoice Calculations and price extensions shown on the invoices should be reviewed to ensure their accuracy. Vendor name, address, billing address, vendor number, federal ID number and all other pertinent information should be reviewed against the information set up in the vendor master file. All discrepancies should be reported to the employee who authorized the transaction.

Accounts Payable personnel must report discrepancies to the Financial Officer and secure appropriate approval prior to correcting any information.

Problem Resolution Discrepancies between vendor invoices and Authority purchase orders or contracts may arise due to:

- Vendor invoicing errors.
- Vendor invoice format that does not allow accounts payable to make a match between the invoice and the purchase authorization.
- Data entry errors made at the time the purchase information was entered into the purchasing system.
- Changes in the purchase information approved but not documented in the system or not reflected by a change order.

When discrepancies are detected, an invoice will not be processed for payment. The accounts payable employee should report the errors to the requestor of the goods and services. Problems that cannot be quickly corrected should be referred to Financial manager for resolution.

Invoice Error Not all errors and discrepancies will require NVTA staff to engage in problem resolution activities. Some errors may be immaterial and inconsequential to the agreement. The Authority may allow vendor invoices with these types of discrepancies to be processed without requiring extra processing steps for error correction.

Account Coding It is important that all expenditures are recorded in the appropriate accounts. The accounts payable department will be responsible for assigning account codes for transactions that do not require encumbrances (e.g., purchase card transactions, warrant requests). If there is any question regarding the assignment of an account code, AP will contact the person who initiated the purchase to confirm that the correct account is being charged.

Invoice Batching AP will batch groups of invoices together for approval and for warrant processing. Each batch of approved invoices entered for payment will have a cover sheet that provides a batch number, a summary list of the invoices included, the total number of invoices and amounts and a batch total showing the total dollar amount of all the invoices submitted. The batch cover sheet is called an AP OPERID. Batches should contain only invoices that have been properly approved and that are accompanied by information documenting purchase authorization and receipt. The batched invoices will be submitted to the designated employee(s) Financial for review and an approval signature and then forwarded to ACO.

Payment Approval Designated staff with payment approval authority should review invoices for:

- Propriety of the transactions.
- Accuracy of the records submitted.
- Reasonableness of the expenditures.

Designated staff should act within the scope of their authority when approving invoices for payment. If the dollar amount or nature of a purchase exceeds an individual's authority, the next level of authority should be consulted and appropriate approval secured before releasing the invoice for payment.

Employees authorized to approve invoices should not approve payment of their own purchases. Another level of approval will be required.
Financial

Types of Payment The following list shows the various types of payments that NVTA may authorize:

Final payments are made for completed and accepted goods and services. Final payments must have a contract close checklist before settlement occurs.

Partial payments are made for completed and accepted supplies or services that are only a portion of the total required deliveries (e.g., orders with items on back orders, missing components of an assembly, etc.).

Progress payments are made to a vendor as work progresses under a purchase order or contract.

Milestone payments are made to the vendor after the completion of specific tasks agreed to and set forth in the contract between the vendor and NVRTA (e.g., long term information services contract with specific deliverables and timetables, consultant engagements, etc.).

Advance payments or deposits are made to a vendor prior to performance of a purchase order or contract (e.g., registration fees for a conference, educational programs, etc.). Advance payments are only made in unusual circumstances and are not permitted for time and materials service contracts or for the purchase of goods.

7.1.15 AUDITS

The Authority should, as part of its standard management practice, conduct its operations and account for its resources in a manner that will withstand audit scrutiny. During an audit, NVRTA will cooperate with the auditors to demonstrate full accountability, efficient use of public resources and compliance with all requirements. Substantiated audit findings should be investigated and corrected in a timely fashion.

Audit Firm Rotation An important step in improving the integrity of the public agency audit system is to establish an audit firm or audit firm partner rotation requirement of seven years. The periodic rotation clients would limit long-term client-audit firm relationships that may compromise the independence of the audit firm's work.

Member Agencies A member agency is authorized to perform audits and reviews of all Authority financial records.

The Board of Directors should be notified by NVRTA of any and all audits or audit-related activities, whether initiated by NVRTA or at the request of other agencies.

The Metropolitan Planning Organization Independent audits or equivalent are conducted by outside accounting firms that specialize in examining the operations of government and business entities. The Metropolitan Transportation Commission may authorize the performance of a financial audit, performance audit, agreed upon procedures review, or any combination thereof.

State of California The Bureau of State Audits is authorized by the state under the federal Single Audit Act to audit NVTA regarding its use and accounting of grant funds.

Types of Audits

Financial Audits The purpose of a financial audit is to provide reasonable assurance that the financial statements are reliable.

Financial statements present management's assertions regarding NVTA's financial position, results of operations, and cash flow. The audit provides an independent basis for relying on NVTA's assertions. Auditors conducting a financial audit will:

- Inspect relevant documents.
- Observe employee performance.
- Inquire about policies, procedures, transactions and events.
- Confirm balances and transactions.
- Perform analytical procedures.

The auditor's goal is to obtain reasonable, but not absolute, assurance that NVTA's financial statements are fairly presented.

Performance Audits Performance audits are also called efficiency and effectiveness audits, compliance audits, and operations audits. The scope of a performance audit is typically narrower than the scope of a financial audit and may be confined to a particular program, department, process, or other aspect of operations.

The purpose of a performance audit is to determine if NVTA is conducting its operations in the most economic and efficient manner, and if programs are achieving their intended purposes. An important part of the auditor's task is to define what constitutes efficient and effective performance for the operations he or she is reviewing.

Federal Audits A portion of the operating budget may come in the form of federal grants, which may be awarded by several agencies. The federal Single Audit Act was enacted in 1984 and amended in 1996, to replace multiple grantor audits with a single audit that addresses the requirements of all federal grantor agencies.

In concert with the Single Audit Act, The Office of Management and Budget has issued it Uniform Guidance (formerly OMB Circular A-133), which sets forth standards designed to obtain consistency and uniformity in audits conducted of state and local governments that expend federal grant awards.

Federal grant awarding agencies are responsible for:

- Identifying federal awards made by informing each recipient of the Catalog of Federal Domestic Assistance (CFDA) number and title, award name and number, and award year.
- Advising recipients of the requirements imposed upon them by federal laws, regulations, and grant agreements.

- Ensuring that audits are completed and reports are received in a timely manner.
- Providing technical advice to auditees and auditors.
- Issuing a management decision on audit findings within six months of receipt of the audit report and ensuring that the recipient takes timely and appropriate corrective action.
- Providing annual updates of Circular A-133.

Audit Support Generally accepted auditing standards (GAAS) and GAGAS require auditors to study and evaluate NVRTA's system of internal accounting controls to determine the type and extent of audit procedures to be performed. A system of internal controls consists of the measures employed to safeguard NVRTA's assets, ascertain the accuracy and reliability of the entity's accounting data, promote operational efficiency and encourage compliance with policies and procedures.

GAAS and GAGAS also require that sufficient competent, evidential matter be obtained through inspection, observation, inquiries and confirmation to allow a reasonable basis for an opinion regarding the records and operations under examination.

NVRTA should cooperate fully with the auditors' requests for information. Auditors should be provided access to Authority records, files, policies, procedures, computer systems, and personnel for the purpose of gathering information that is within the nature and scope of their audit assignments. The Authority should not withhold relevant information, misrepresent any fact or mislead auditors in an attempt to "pass the audit".

Audit Findings and Issue Resolution

Exit Meeting At the conclusion of field (onsite) activities, auditors will normally hold an exit meeting with Authority representatives to present preliminary audit findings and discuss deficiencies, reportable conditions, material weaknesses, or unacceptable risk levels discovered during the audit.

NVRTA should use this opportunity to provide additional information, clarify questionable items and attempt to resolve the issues prior to the issuance of the audit report. If necessary, additional reasonable time should be requested to further research the auditor's findings.

Audit Reports There are three (3) common reports associated with audits of public entities:

- The auditor's report on the fair presentation of the financial statements.
- The auditor's report on compliance and internal control over financial reporting based on an audit of the financial statements.
- The auditor's report on compliance and internal control over compliance applicable to each major program.

Auditor's reports on compliance and internal controls typically include a separate section that lists the auditor's findings, which provide information on specific weaknesses or instances of noncompliance. The auditor often provides specific recommendations for corrective actions to be taken by management to resolve the weakness or noncompliance issue.

When an auditor discovers an expenditure that may not be allowed under the requirements of a federal grant, the expenditure is listed as a questioned cost. Questioned costs may ultimately be rejected by the granting Authority, in which case NVTA must refund them.

Report Distribution. In addition to the auditor's standard distribution of audit reports, NVTA should assure that a copy of any audit report is delivered to the County of Napa, State of California, FTA, MTC, and any other public Authority which requests a copy.

Corrective Action. It is the responsibility of NVTA to take swift corrective action to improve its practices in areas where auditors find deficiencies, reportable conditions, material weaknesses, or unacceptable levels of risk.

Subsequent Audits Auditors routinely conduct follow-up audits to determine whether appropriate corrective actions have been taken with respect to the findings of previous audits. During the subsequent audits, auditors will determine whether the corrective actions taken, if any, have resulted in the desired changes, or whether management has acknowledged the risks of not taking corrective actions.

Subsequent Events

Management must at all times ensure that financial statements are prepared within generally accepted accounting principles. Management must ensure that as much as possible, all events applicable as at the end of the fiscal year are posted within the financial statements. Measures should be put in place to provide for detection of any event that arose subsequent to the end of the financial year, which may have an effect on the financial statements and reporting of the fiscal year in question.

A subsequent event is an event that occurs after the balance sheet date but before the financial statements are issued. Such events can significantly impact an organization's financial position and, therefore, must be considered when preparing financial statements.

Measures should be placed to ensure revisions to the financial statements in instances where subsequent events necessitate any adjustment, particularly where such events were evidenced prior to the approval of those financial statements and issuing of the financial auditor's opinion,

The time period during which the agency should consider the effect of events after the reporting period runs from the reporting date to the date on which the financial statements are issued. Any subsequent event must be dealt with in terms of this policy.

Management shall, immediately after the end of the fiscal year, continuously monitor the operations of and events occurring in relation to the business of the Authority, and where appropriate, assess as to whether any subsequent events have occurred that might affect the financial statements.

This monitoring and assessment shall primarily be focused on the current status of items that were accounted for in the financial statements on the basis of preliminary or inconclusive data. The following matters should be considered to identify subsequent events:

- Whether new commitments, borrowings or guarantees have been entered into;
- Whether disposal or acquisitions of major capital assets have occurred or are planned;
- Whether any assets have been destroyed as a result of disaster, vandalism, etc.;
- Whether there have been any developments regarding contingencies as initially disclosed;
- Whether any events have occurred or are likely to occur that will bring into question the appropriateness of accounting policies used in the financial statements;
- Whether any events have occurred that are relevant to the measurement of estimates or provisions made in the financial statements
- Whether any events have occurred that are relevant to the recoverability of assets.

Management will put in place measures to identify and report all events occurring between the date of the financial statements and the date of the auditor's report that require adjustment of, or disclosure in, the financial statements. Explanations and any supporting evidence that may be required by auditors of any procedures management has established to ensure that subsequent events are identified in a timely manner and in the format as may be prescribed or agreed upon with auditors. Any adjustment of, or disclosure in, the financial statements in relation to the subsequent event, must be communicated and agreed upon with the auditors prior to application thereof.

Adjustments and / or additional disclosures resulting from subsequent events must be in accordance with the applicable financial reporting framework and must be approved by the Director of Finance or a duly delegated official in writing prior to application thereof to the financial statements. Adjusted financial statements, together with any relevant supporting documents in relation thereto must be submitted to the auditors at the date and time agreed upon with auditors.

This policy and underlying strategies are to be reviewed during each policy update, or as necessary, to ensure its continued application and relevance.

7.1.16 PETTY CASH

A petty cash fund may be established when it's necessary to keep cash on hand to purchase low value supplies and services that cannot be practically purchased by other means.

The petty cash custodian is personally responsible for the safekeeping, disbursement, and accounting for petty cash. Petty cash funds should be kept separate from all other monies and kept in a locked drawer or cabinet.

The petty cash fund should be sufficient to meet the needs of NVRTA. The authorized amount should not exceed \$1,000.

Petty Cash Disbursements The original vendor invoice, cash register receipt, or other evidence of the transaction for which petty cash is disbursed must be attached to the petty cash receipt. Whenever possible, standard procurement methods should be used instead of petty cash (refer to *Procurement Manual*).


The petty cash fund cannot be used to:

- Pay for expenditures greater than \$200 unless advance approval is obtained.
- Pay personal goods or services.
- Pay travel expenditures, except for local travel.
- Make personal loans, salary advances or to serve as a check cashing fund.

To receive reimbursement for petty cash expenditures, the custodian must submit a petty cash replenishment form that is supported by purchase receipts.

Financial replenishment should be requested as needed to ensure adequate funds are available. The fund should be replenished prior to the close of the financial year.

PETTY CASH VOUCHER (Sample)

 <p>NVRTA NAPA VALLEY TRANSPORTATION AUTHORITY</p>	
Date:	_____
Name:	_____ _____
Amount:	_____
Basis of Request:	_____
Advance:	_____
Reimbursement:	_____
Purpose and nature of usage:	_____
Attached receipts:	_____
Signature:	_____

7.1.17 CASH HANDLING

It is the policy of NVRTA to collect and process payments received from the public in the form of fees, reimbursements and assessments in a manner that protects the integrity of NVRTA and its staff and promotes public confidence. The Authority should institute procedures and internal controls that assure the safe, secure collection and accurate accounting of all payments.

This policy applies to all staff and agents whose official job responsibilities involve any aspect of collecting or processing revenue received from the public either in-person or by mail.

Safekeeping of Money

To reduce the potential for losses due to errors or irregularities, staff and its agents involved in collection activities (cashiers and supervisors) will observe the guidelines provided in this section.

Acceptable Forms of Payment

The Transit Store can accept the following for payment of fees, reimbursements and assessments:

- Cash
- Personal checks
- Bank checks or drafts
- Traveler's checks
- Money orders
- Credit cards
- Debit cards.

No Cash Policy

NVRTA's administrative offices does not accept cash for payment of fees, unless authorized by the Financial Officer or Executive Director.

The "no-cash" policy is intended to increase employee safety, reduce customer wait time at the front desk, and reduce cost in handling cash.

Cash payments are accepted by the Soscol Gateway Transit Center ticket office and at other locations where transit products may be sold.

Cash Handling Procedures

Cash control procedures are of primary importance to management in avoiding losses. The fundamental rules for controlling cash receipts include the following:

a. Organizationally:

- Designate specific responsibility for custody of cash funds during the workday and for securing cash in a safe, vault, or other secure storage place overnight.
- Limit responsibility for receiving cash to as few people as possible.
- Separate cash handling from record keeping. Responsibilities for collection and deposit preparation should be segregated from those involving the recording of cash receipts into accounting records and permanent record entries.
- Have bank reconciliations prepared by persons not responsible for handling cash (this task is overseen by the County of Napa).

b. When receiving payment:

- When cash is received at the public windows it is counted out loud in the presence of the customer.
- Money should not be put in the cash drawer until after a receipt is issued and the correct change is given to the customer.
- If a customer disputes the amount of change tendered at the counter, the cashier should ask a supervisor for assistance.
- Cashiers should not return a disputed amount without a supervisor's approval.

- Payments involving relatives or personal friends should be given to the supervisor for re-assignment.
- Cash receipts should be recorded daily.

c. When depositing revenue:

- Prior to deposit, cash receipts should be secured in a cash drawer, vault, safe or locked cabinet to which only specifically authorized personnel have access. Cash drawers should be used for official business only (i.e., the collection of fees, reimbursements, assessments, etc.).

Check/Money Order/Cashier Check Handling Procedures

When a check, money order or cashier check is received at the public window or in the U.S. mail, the following should be verified before accepting payment:

- The name of the customer must be imprinted on the check.
- Numeric and written dollar amounts must match.
- Checks must be signed by the customer.
- Checks must be dated for the day they are written. Post-dated checks are not accepted.
- Two party checks are not accepted.
- Checks must be written for the exact amount due. No change should be made on payments made by check.
- Checks must be made out to NVRTA.
- Contract number(s) should be written on checks, if applicable.
- All checks must be restrictively endorsed immediately upon receipt (e.g., *For deposit only to...*).
- When a check is accepted at the public window, the customer must provide an acceptable form of picture identification such as a driver's license or passport.

Returned Check Process/ Dishonored Payments

NVRTA has a zero tolerance policy regarding returned checks. Persons who submit checks for payment that are subsequently returned for insufficient funds, stopped payment, inability to locate, etc. will no longer be allowed to pay with a personal check.

If a check is returned to the business office, the client will be responsible for paying the full amount of the check that was returned as well as a MANDATORY returned check and administration fees determined by the County of Napa. Payment MUST be received within 10 business days of being notified of a returned check or the account may be turned over to the Authority Attorney's Office for collection.

The ONLY acceptable forms of payments for returned checks are cash, money order, cashier's check, or credit card. No personal checks will be accepted.

Credit Card and Debit Card Payments

State of California Government Code 6159- *Payment to Public Agencies by Credit Card*, authorizes the acceptance of credit card payments by NVRTA and establishes the conditions under which payment by credit card is allowed. The same requirements apply to debit card payments.

The Transit Store ticket office accepts credit card or debit card payments in person. At a minimum, the Transit Store must verify that the credit card or debit card is current (the card expiration date must not have passed) for payments made in person.

Prior to accepting any credit card or debit card payment, the validity of the payment must be verified with the card issuer either electronically or by telephone.

NVRTA may impose a fee for the use of a credit card or debit card in an amount not to exceed the cost incurred in accepting the card payment. This cost may include, but is not limited to, the discount or fee paid to the credit card or debit card issuer.

Receipts

All payments must be acknowledged by a sequentially numbered receipt. Receipts issued should provide information sufficient to create an adequate audit trail that ensures proper distribution of the monies received including:

- Receipt number.
- Date of payment.
- Amount received.

NVRTA should keep a record of all receipts issued. A receipt is deemed to be cancelled if a payment made by check, money order, credit card, or debit card is dishonored.

NVRTA should periodically monitor receipt sequence numbers to identify gaps and assure that all receipts are accounted for.

Void Transactions

Transactions that must be voided require the approval of a supervisor. When notified by a cashier, the supervisor is responsible for reviewing and approving the void transaction. All void receipts should be retained, not destroyed.

Backup Procedure for Automated System Down-Time

In the case of a failure of the automated accounting system, pre-numbered receipt books will be issued by the supervisor or designated employee. A handwritten receipt should be given to the customer and a copy of the receipt is clipped to the payment, and a copy should be retained by NVRTA.

Payments processed during down time should be kept separate from money processed through the system. Money, receipts and case files will be kept together in a designated secure place.

Handwritten receipt transactions must be processed as soon as possible after the automated system is restored. The transactions must be recreated in the system from the handwritten receipts before the money can be transferred to the cash drawer or cash register.

Daily Balancing and Closeout

At the end of the workday, all cashiers must balance their own cash drawer or register. Cashiers may not leave the premises nor transact new business until daily balancing and closeout are complete.

Balancing and closeout include completing and signing the daily report; attaching a calculator tape for checks; turning in the report, money collected and cash change fund to the supervisor; and verifying the report with the supervisor.

After daily balancing and closeout are completed, the collections are prepared for deposit to the County of Napa or bank. If the daily collections are not deposited on the same day they are collected, they must be locked in a safe, vault, or secure cabinet overnight.

Shortages and Overages Cashiers must report all overages and shortages. Overages and shortages must be handled separately, never combined or netted together. An Overage or Shortage Report must be completed and signed by the responsible cashier and turned in to the appropriate supervisor with the daily cash balance report.

Supervisors will monitor all reports of overages and shortages to determine if there is a pattern meriting further investigation, modification of collection procedures, retraining of personnel, or disciplinary action.

Fare Overpayment

Passenger should be ready with the appropriate fare, exact change, or one of the Vine or Clipper passes when boarding. All buses have electronic fare boxes that accept the following fare payments; NVRTA issued fare media, U.S. currency \$1, \$5, \$10 & \$20 dollar bills, \$1 coins as well as 1¢, 5¢, 10¢, 25¢, & 50¢, and transfers. Bus operators do not carry change. Fares or overpayments are **Non-refundable**. NVRTA buses are equipped with Clipper transponders or handheld devices.

Payments Received Through the Mail Checks and money orders received through the mail should be processed on the day they are received. Any exceptions are to be brought to the attention of a supervisor, placed in a locked area and processed on the next business day.

A team approach should be used to maintain accountability for payments received in the mail:

- An administrative assistant opens the mail.
- More than the administrative assistant may be needed to process large volumes of mail.
- All checks and other forms of payment through the mail is logged in a central repository.

The following steps should be followed in opening the mail and processing the payments received:

- Checks and money orders received through the mail should be processed on the day they are received and listed on a check receipts log sheet.
- The check receipts log sheet should include the following information:
 - i. Name of the person/organization making the payment.
 - ii. Check amount.
 - iii. Check number.
 - iv. Date received.
 - v. Name of the person handling the check.
- An adding machine tape of all checks and money orders should be run and the total amount received should be matched to the total amount entered into the accounting system.
- The person logging the payments received through the mail should sign the bottom of the log sheet after running the adding machine tape.
- The adding machine tape should be attached to the log sheet and the checks delivered to a designated cashier for entry into the accounting system.
- Receipts for payments received in the mail should only be sent to the customer if a stamped, self-addressed envelope is included with the payment.

Credit Card Payments NVRTA accepts credit card payment for transit media at the Soscol Gateway Transit Center and vinetransit.com website. Visa, Mastercard, Discover, and American Express are accepted forms of online payments.

Vinetransit.com has also obtained a digital certificate from Network Solutions, a provider of internet trust services. When the user enters a secured portion of the site, an image of a closed lock or a solid key should appear in the bottom bar of your browser window. If you click on this image, a small popup window displaying site-security information will appear. This certificate guarantees that your personal information is being transmitted in a secure (encrypted) form to a vinetransit.com web server, not to an unknown or unauthorized server.

NVRTA and vinetransit.com does not sell registered users information to third parties and does not keep credit card information stored on its servers. A registered user must re-enter the credit card information at each transaction to complete the purchase.

Counterfeit Currency At a minimum, cashiering staff must test all \$50 and \$100 bills for possible forgery. Depending on volume, \$20 bills should be tested. Every member of the cashiering staff should be provided with a counterfeit detection pen, which should be used to test for counterfeit bills.

Confiscation Each cashier who receives currency suspected of being counterfeit should contact his or her supervisor immediately. Care should be taken in discussing confiscation with the customer because of the risk of legal action and/or violence. Discussion with the customer should focus on ensuring that:

- The customer understands that he or she is not being accused of counterfeiting;
- Federal regulations require confiscation of the currency.

If feasible, the supervisor should telephone the closest USSS office to supply the serial numbers of the currency believed to be counterfeit, but not in the presence of the customer.

After confiscation and pending instructions from the USSS, the supervisor should put the suspect currency in a sealed envelope and place it under lock and key; handling of it should be minimized. Under no circumstances are cashiers permitted to retain possession of counterfeit currency.

Foreign Currency It is the policy of NVRTA that currency other than United States is not accepted by NVRTA.

7.1.18 REVENUE COLLECTIONS AND DISTRIBUTION

This policy establishes uniform guidelines to collect, process and report all fees and assessments resulting from business services. NVRTA institute procedures and internal controls that assure the safe and secure collection of revenue, prompt deposit of all revenues received, accurate accounting that creates an audit trail, and the generation of reports required for sound financial management.

Deposits

NVRTA will prepare appropriate documentation to deposit funds to the Treasury or for pick-up by an armored transport service.

To deposit money in the County Treasury, a deposit request must be prepared. The deposit permit is called a "Deposit Authorization Form." This request, prepared in duplicate, must be supported by acceptable documentation such as duplicate receipts or a receipt listing. The County keeps one copy and signs and gives NVRTA the second copy.

Daily Reporting

All collections must be recorded in general ledger, which may be created manually or generated by an automated system. The receipts from all cashiers should be posted daily and reconciled with the daily deposit of funds.

The collection record should show in chronological sequence and by receipt number all amounts collected by NVRTA and the nature of the money collected. At the end of the month, each column of the collection record should be added and the totals recorded. A duplicate copy of the collection record may be prepared and attached to the monthly cash settlement report as supporting documentation.

Revenue Distribution

Each payment received by NVRTA is ultimately distributed or disbursed according to a fund established by the Board of Directors.

Monthly Cash Settlement Report

NVRTA must deposit all money that it collects or has under its control during the month into the County treasury. The proper accounting for or disposition of these collections is detailed in a cash settlement report filed with the County Auditor-Controller.

Farebox Procedures

Every public transit vehicle, except for the Yountville has a farebox. Daily, all bus operators as part of their pre-trip inspection are required to make certain that the farebox is operational prior to pull-out. If the operator finds out that the farebox is defective, either the farebox is fixed or replaced or the operator is given a different vehicle. If the farebox should malfunction during service, a coach exchange will be done immediately. The technician will fix the farebox as soon as the bus arrives at the yard. In addition, the pullout supervisor also double checks that the farebox is in good operational condition prior to pull-out.

Upon completion of service, the bus operator will return to the yard. The bus operator will pull up to a designated area (in front of the maintenance bay). A utility service worker probes the farebox, pulls the farebox, and empties the contents into the cash vault. The farebox is then placed back into the farebox. This process is repeated until the last bus is accounted for.

The mobile bin in the cash vault is picked up by the armored service up to twice a week. During the pick-up, the farebox revenues moved from the cash vault and transferred onto the armored services carrier capable of picking up the mobile bin. An empty mobile bin from a previous pick up is placed into the cash vault. This procedure is repeated every time the armored services carrier arrives at the yard.

7.1.19 PURCHASING CARDS

Purchasing Cards (P-cards) are used to purchase goods and services. Purchasing cards may be used to pay vendors for goods and services normally paid by warrants (checks). Payments by P-card in lieu of check may result in significant cost savings to NVRTA. Every effort should be made to pay vendors with P-cards in lieu of warrants if the vendor accepts the payment platform.

P-Card transactions bring greater efficiency to the purchasing process because transactions can be made without a purchase order and payment is streamlined. The Purchasing Card eliminates the need for check vouchers, blanket purchase orders, and limited purchase orders. This will allow greater convenience, control, and flexibility and reduce the costs associated with initiating and paying for those purchases.

The Procurement Officer is responsible for managing the program. This policy supports the use of Purchasing Cards for appropriate business transactions, while assuring that the appropriate internal controls are in place to minimize NVRTA's risk of fraud.

The cardholder is responsible for the security of the card. This card should be treated with the same level of care as personal charge cards.

Purchases P-cards may be used to purchase any item and/or service for immediate use not prohibited by law, this policy, or other policies approved by the Board of Directors. The total purchase with the P-Card will not exceed the limits established for that Card. All other procurement policies remain in effect and P-Cards should not be used to circumvent them. The Procurement Officer's P-card should be used to pay vendors in lieu of warrants (check).

Purchasing Limits The Procurement Officer will establish limits for individual P-Cards and aggregate limits for combined card totals.

Purchases Prohibited

- Personal expenditures
- Cash advances or refunds
- The purchase of alcohol or patronage of drinking establishments.
- Separate, sequential, and component purchases or transactions made with the intent to circumvent policy.
- Purchases that are split to stay within card transaction limits.
- Transaction amounts greater than Cardholders transaction limit.

- Other purchases specifically excluded by the procurement policies.

Declined Transactions If a Vendor receives a “Decline” response from the Issuer after attempting to put through a P-Card transaction, Cardholders should contact the P-Card Program Administrator for resolution.

Purchasing Return The Cardholder is responsible for obtaining a credit from the Vendor when merchandise purchased with the Card is later returned to the Vendor for any reason.

Supporting Documentation for Card Purchases All transactions must be supported by receipts or credit slips.

Reconciliation of Card Purchases Accounts Payables is responsible for ensuring that each receipt is reviewed and approved and that the statement is reconciled with the purchase receipts for each transaction.

Disputed Items Cardholders should raise disputes immediately. As failure to do so will result in an authorized purchase that the department is responsible for paying even though the charge is incorrect. A charge should not be disputed on the current expense report if it was returned for credit after the cut-off date. The credit should be reported on the next expense report with a notation being made that there is a disputed charge and expected credit.

Lost or Stolen Cards When it is determined that a P-Card has been lost or stolen, IT IS IMPERATIVE TO FIRST CANCEL THE CARD WITH THE ISSUER BY CALLING THE ISSUERS TOLL-FREE NUMBER. In addition, the Cardholder must also notify the P-Card Program Administrator of the loss. Once a P-Card is discovered lost or stolen, it is imperative to cancel the card immediately. NVRTA is liable for all charges until the card is reported lost or stolen. Thus, the Cardholder may be responsible for all charges made against the P-Card from the time it is lost or stolen until the time the Issuer is notified, if the Cardholder fails to immediately notify the Issuer upon discovering the loss or fails to discover the loss within a reasonable amount of time.

Unauthorized Use of the P-Card. Any purchases that the P-Card Program Administrator deems prohibited will be sent back to the Cardholder for justification and/or explanation. If any prohibited charges appear in the Cardholder’s transactions and expense report, the following may occur:

- The P-Card Administrator will investigate all circumstances surrounding alleged misuse of the P-Card and in cases where there is evidence of a procedure or policy violation has occurred.
- Termination of use and forfeiture of the P-Card are potential actions for improper use of the card.
- In those cases where there is evidence of negligent use of the P-Card, but no fraudulent acts have been committed, the Cardholder will be required to surrender the P-Card with all further privileges revoked.

- A Cardholder who makes an unauthorized purchase with the P-Card, or uses the P-Card in an inappropriate manner will be liable for payment for unauthorized charges.

The P-Card may be suspended or terminated if a P-Card is suspected of fraud or theft. Should the suspicion prove founded, appropriate action should be taken in accordance with existing policies and procedures. The P-Card is issued to an employee for convenience and may be suspended or terminated at any time. Transfer, resignation, or terminations of employment are grounds for cancellation of the P-Card.

Fleet Vehicles Fuel Cards. NVTA participates with the State of California Voyager Fleet Fueling System Inc. to provide offsite fleet fueling. The State has an agreement with US Bank Corp to allow governmental agencies to piggy-back with the program and take advantage of a universal fuel card system. The Voyager system provides a web-based software system that manages and tracks detailed transactions for auditing purposes, generates consolidated monthly invoices and provides controls and security measures when fueling (examples: by user can set fuel limits, number of transactions per day and dollars per week/month). Voyager also automatically strips out the federal gasoline excise tax prior to billing (NVTA is exempt).

7.2 RESERVES AND FINANCING

7.2.1 CASH RESERVE

A key element of prudent financial planning is to ensure that sufficient funds are available for current operating, capital and debt service needs. Additionally, financial responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. NVRTA will strive to have sufficient funding available to meet its operating, capital, and debt services obligations as well as to protect its creditworthiness. The Authority is committed to maintaining a financial structure that provides adequate and predictable revenue at the lowest possible costs to meet forecasted needs and operational objectives.

The adequacy of the cash reserve year-end balance ranges and/or annual contributions of each fund will be reviewed annually during the budgeting process or when a major change in conditions threatens the reserve levels established within this policy.

General Fund

The purpose of a General Fund Reserve is to ensure sufficient cash resources are available to fund daily administration; operations and maintenance of providing service.

Transit Fund

The purpose of a Transit Fund Reserve is to ensure sufficient cash resources are available to fund daily administration; operations and maintenance of providing public transit service.

Working Capital Reserve Target

To meet NVRTA's cash flow needs and expenses, the unrestricted reserves should be at least 25% of unrestricted funds of the current financial year operating budget.

7.2.2 INVESTMENT POLICY

This policy is to establish investment objectives, provide guidelines, and set forth responsibilities and reporting procedures necessary for the prudent management and investment of the funds of NVRTA and its component units (NVRTA). This policy is for investment activities outside the County of Napa's policy, should NVRTA have a separate account(s) for investing.

This policy applies to the activities of NVRTA with regard to the consolidated investment of short-term operating funds, reserves, and capital funds. Balances in County of Napa checking accounts, investments of staff retirement funds, and deferred compensation plans are not covered by this policy.

Delegation of Authority

The NVRTA Board designates the Executive Director and Financial Officer as the Custodial Officer for NVRTA's funds. The Custodial Officer should be responsible for the operation of the investment program. No person may engage in an investment transaction except as provided under the terms of this Policy and procedures established by the Custodial Officer. The Custodial Officer should be responsible for all transactions undertaken and should establish a system of controls to regulate the activities of subordinate officials with access to the funds subject to this Policy.

Legality

All funds within the scope of this Policy are subject to regulations established by the State of California.

The investment objectives of this Policy and their priority are: (1) safety; (2) liquidity; and (3) yield.

Safety

Safety of principal is the foremost objective of the investment program. Investments should be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective should be to remain compliant with applicable laws and to mitigate Credit Risk, Interest Rate Risk, and Custodial Risk.

Interest Rate Risk. NVRTA will minimize the risk that the Market Value of securities in the portfolio will fall due to the changes in general interest rates, by:

- Limiting exposure to poor credits.
- Prequalifying the financial institutions NVRTA will do business with.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.
- Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc. Maintaining appropriate balances in investment vehicles that provide overnight liquidity; and
- Structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands where possible and prudent.

Custodial Risk. NVRTA will minimize Custodial Risk by placing its securities with a third-party custodian, who will hold the securities in NVRTA's name, as evidenced by the safekeeping contract and monthly statements.

- Maintaining appropriate balances in investment vehicles that provide overnight liquidity; and
- Structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands where possible and prudent.

Liquidity

The investment portfolio should remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by:

Yield

The investment portfolio should be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Securities should not be sold prior to maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security trade will improve the quality, yield, or target Duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

Internal Controls

The custodial officer is responsible for establishing and maintaining an adequate internal control structure designed to reasonably protect the assets of NVRTA from loss, theft, or misuse. The concept of "reasonable protection" recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by the custodial officer. Accordingly, the custodial officer should establish a process for an annual independent review by an external auditor to assure compliance. The internal controls should address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Confirmation of transactions for investments and wire transfers
- Custodial safekeeping
- Avoidance of physical delivery of securities whenever possible
- Address control requirements for physical delivery where necessary
- Clear delegation of authority to subordinate staff members
- Development of a wire transfer agreement with the lead bank and third-party custodian and implementation of the appropriate safeguards
- Compliance and oversight with investment parameters including diversification and maximum maturities
- Staff training

All financial institutions and Broker-Dealers who desire to be considered for investment transactions, must supply the following, in writing (electronic delivery is acceptable):

- Audited financial statements
- Proof of Financial Industry Regulatory Authority, Inc (FINRA) registration
- Proof of state licensing
- Certification of having read and understood and agreeing to comply with NVRTA's investment Policy

Evidence of adequate insurance coverage

The Custodial Officer may engage the services of an external investment adviser to assist in the management of NVRTA's investment portfolio. All investment transactions executed by the external investment adviser on behalf of NVRTA must be consistent with this Policy and be pre-approved in writing by the Custodial Officer.

Authorized Investments

Investment Types. The following securities are permitted under this Policy.

U.S. Treasury Obligations. United States Treasury Notes, Bonds, Bills, certificates of indebtedness, or other obligations of the U.S. Treasury for which the full faith and credit of the United States are pledged for the payment of principal and interest.

Government Authority Issues. Federal Authority or United States Government-Sponsored Enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States Government-Sponsored Enterprises. See Appendix I: Glossary for definition and investment examples.

Repurchase Agreements. An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date. Only U.S. treasury obligations and government Authority issues described in paragraph (a) and (b) of this subsection that are limited in maturity to three years and priced according to percentages prescribed by written Policy may be used in conjunction with a Repurchase Agreement.

Bankers' Acceptances. A draft or bill of exchange drawn upon and accepted by a bank. Used as a short-term credit instrument, Bankers' Acceptances are traded at a Discount from face value as a money market instrument on the basis of the credit quality of the guaranteeing bank.

Medium Term Corporate Notes (Corporate Indebtedness). Commercial Paper and Medium Term Corporate Notes subject to a valid registration statement on file with the Securities and Exchange Commission or issued under NVRTA of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. The corporate indebtedness must be issued by a commercial, industrial or utility business enterprise, or by or on behalf of a financial institution, including a holding company owning a majority interest in a qualified financial institution.

Municipal Debt

Lawfully issued debt obligations of the agencies and instrumentalities of the State of California and its political subdivisions that have a long-term rating of A, or an equivalent rating or better, or are rated on the settlement date in the highest category for short-term municipal debt by a Nationally Recognized Statistical Rating Organization.

Lawfully issued debt obligations of the States of California and political subdivisions of those states if the obligations have a long-term rating of AA or an equivalent rating or better or are rated on the settlement date in the highest category for short-term municipal debt by a Nationally Recognized Statistical Rating Organization.

Time Deposit Accounts, Certificates of Deposit, and Deposit Accounts.

Deposits in insured institutions in credit unions or in federal credit unions, if the insured institution or credit union maintains a head office or a branch in California. Certificates of Deposit placed through deposit placement services, such as the Certificate of Deposit Account Registry Service (CDARS), are allowable.

The table on the next page identifies the **investment types** that are authorized for NVRTA by the California Government Code. The table also identifies certain provisions of the California Government Code (or NVRTA's investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Authority Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Authority Obligations	5 years	None	None
State of California Obligations	5 years	None	None
Banker's 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
JPA Pools (other investment pools)	N/A	None	None
Local Authority Investment Fund (LAIF)	N/A	None	None

Maximum Maturities:

To the extent possible, NMTA will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the agency will not directly invest in securities maturing more than five (5) years from the date of purchase, unless the Board has by resolution granted authority to make such an investment. Authority to make such investments shall be received no less than three months prior to the initial investment.

7.2.3 INTERFUND LOANS AND TRANSFERS

To achieve important financial management objectives, NVTA has established various funds to account for resources. Interfund loans are permissible for the general fund, proprietary funds, and capital projects. The financial officer is authorized to approve interfund loans for cash flow purposes whenever the cash shortfall in a fund is deficient but is expected to be resolved. One typical use of interfund loans is for grant programs, where costs are often incurred before grant funds are received but grant funds are received shortly after they are requested.

Short-term interfund loans Short term interfund loans are those which are proposed to be repaid within a year.

Long-term interfund loans Long term interfund loans are those which are not proposed to be repaid within a year. The reason(s) for all long term interfund loans and a description of repayment terms should be clearly set forth in the staff report, budget documents, staff reports, and/or other written reports presented to the Board for review.

7.2.4 DEBT FINANCING AND MANAGEMENT

The Authority recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources are reviewed by management within the context of this policy and the overall portfolio to ensure that any financial product or structure is consistent with NVTA's objectives. Regardless of what financing structure(s) is utilized, due diligence review must be performed for each transaction, including the quantification of potential risks and benefits, and analysis of the impact on NVTA's creditworthiness and debt affordability and capacity.

Prior to the issuance of debt or other financing obligations to finance a project, staff will carefully consider the overall long-term affordability of the proposed debt issuance and alternative financing sources, such as grants. The Authority shall not assume debt or other financing obligations without conducting an objective analysis of NVTA's ability to assume and support additional debt service payments. The Authority will consider its long-term revenue and expenditure trends and the impact on operational flexibility. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and or maintain debt levels consistent with its current operating and capital needs.

Obligation and Assignment of Debt

The debts, liabilities, and obligations of NVTA shall be solely the obligation of NVTA and not the debts, liabilities, and obligations of the Member Jurisdictions or their respective officers or employees.

Advanced Notice of Indebtedness to Jurisdictions

Pursuant to the Joint Powers Agreement section pertaining to “Debts, Liabilities, and Obligations,”, NVRTA will provide noticed to the NVRTA Board of Directors at their next regular or special meeting prior to submission of a formal application to obtain long term debt where debt payments are expected to exceed one year. This notice provision does not apply to debt obligation for under a year or for (extensions) of lines of credit.

Structure and Terms of Debt Financing

The Authority shall strive to protect the public by using conservative financing methods and techniques to obtain the highest practical credit rating and the lowest practical borrowing cost. Long term debt will be structured to match cash flows and structured to achieve the lowest possible net interest cost to NVRTA within the current market conditions, the urgency of the proposed project, the nature and type of security provided, and the opportunity cost of not proceeding.

Short Term Debt

Short-term debt, such as notes, commercial paper, and lines of credit, will be studied as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for the same purpose as long-term debt, including capitalized interest and other financing related costs. In addition, short-term debt borrowing may be considered to address justifiable cash flow requirements to meet short term operating needs to provide necessary public services, subject to applicable restrictions in California law.

Requirement

Any debt will be reported to the Board of Directors as part of its quarterly budget update at their regularly scheduled monthly meeting accompanied by a description of the need for use of the line of credit, amount being requested, cost of borrowing, and the expected payback period.

Roles and Accountabilities

The Board must review and approve an application for and acceptance of any Lines of Credit with a financial institution. Once the Line of Credit is authorized by the Board, the Executive Director can authorize borrowing within the limit of the line of credit. The Board Chair must be notified on all borrowing against the line of credit.

The Board must approve any other borrowing of funds including the use of any promissory notes. The Board should give very serious attention to be sure that NVRTA will have sufficient funds available to repay any loans or lines of credit on time.

Line of Credit (LOC)

Secured and unsecured lines of credit may be established as a contingency to meet operating cash requirements. It is the policy of NVRTA that use of the Line of Credit (borrowing against the Line of Credit’s availability) will be initiated subject to the following conditions and restrictions:

- LOC drawdowns will be transferred to NVRTA's bank account managed by the County of Napa's Treasury department.
- The borrowing against the Line of Credit will be used to meet expenses of payment to external vendors.
- An internal, signed authorization form will be developed for each increment borrowed. Authorization to proceed will require a minimum of two signatures: the Executive Director and the Financial Officer.

Long Term

Long-term debt shall be used to finance the construction, acquisition and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by NVRTA. NVRTA may also issue debt to provide grant funding to other agencies to assist in the financing of transportation projects that meet NVRTA's mission. Long-term debt shall only be used for large scale projects that cannot be financed from current revenue sources. The project for which debt issuance is being considered subject to affordability limits determined by the executive management. The debt will not be issued for longer than the useful life of the improvement or asset it is funding.

There must be pledged revenues to repay the debt, whether from future revenues or other specified sources or reserves. Long-term financing must be able to be marketed with an appropriate credit rating, which can be maintained. Market conditions must present favorable interest rates.

Refunding

Periodic reviews of existing debt will be undertaken to identify refunding opportunities. Refunding will be considered (within state law and federal tax law constraints) if and when there is a net benefit of the refunding.

Bonds

The Board of Directors may approve general obligation bonds, enterprise bonds, or other types of bonds in conformance with state and federal laws.

Lease Financing

The Authority may finance a capital asset by leasing it directly from the vendor or leasing company, with the lessor receiving a portion of each rental payment as tax-exempt interest.

Banks/Private Loans

The Authority may borrow directly through a loan with a commercial bank, Letter of Credit, or Line of Credit with a commercial bank, State revolving loan program, or other governmental agency.

Other Obligations

There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to, non-enterprise revenue bonds, bond anticipation notes, grant

anticipation notes, tax and revenue anticipation notes, and judgment or settlement obligation bonds.

Debt Capacity

The Authority will keep outstanding debt within the practical limits of the debt rating, debt service coverage ratio constraints and any other applicable law.

Debt Service Coverage

The Authority shall maintain strict compliance with covenants regarding coverage of annual debt service by net revenues embodied in the terms of debt instruments. In addition, NVRTA intends to maintain an average debt service coverage ratio of 1.5x or more. This will support strong bond credit ratings and provide annual revenues to fund capital improvements.

Intergenerational Concerns

The Authority will review debt issuance in light of the balance between funding capital improvements from current revenue and from long-term debt and the impact each debt financing has relative to intergenerational benefits.

Debt Service Fund

The Authority should establish a debt service fund with minimum reserves of one year of service payments.

Credit Quality

The Authority will maintain the highest possible credit ratings for all categories of short and long-term debt. Except for certain instruments, NVRTA will not incur obligations that do not carry investment grade ratings. However, certain instruments, such as state loans or private placements, may not be rated.

Credit Enhancement

The Authority should procure credit enhancement for a sale of bonds if the Executive Director, in consultation with the Financial Officer and Financial Advisor, determines that it is cost effective to do so. Credit enhancement may be bond insurance or bank letters of credit.

Senior/Subordinate Lien

The Authority may utilize a senior/subordinate lien structure. The choice of lien will be determined based on such factors as overall cost of debt, impact on debt service, impact on water rates, marketing considerations and previous issuance bond documents. Senior debt has priority over subordinate debt. Subordinated debt is payable each year only after other debts with a higher claim have been satisfied.

Redemption Features & Refunding Policy To preserve flexibility and refinancing opportunities, any debt may generally be issued with provisions which enable NVRTA to retire the debt earlier or enable the refunding of the debt prior to maturity.

General Debt Guidelines

Delegation of Authority: The Board of Directors will assigned duties to the Executive Director or designee for authorizing, managing, and coordinating activities related to the structure, issuance, and administration of any long-term and short-term debt instruments.

Point of Contact: The Finance Officer will be responsible for maintaining good communication with rating agencies, investors, other service providers, and the public regarding NVRTA's financial condition, and will enforce a policy of full disclosure.

Professional Assistance: The Finance Officer should periodically select service providers as necessary to meet legal requirements and minimize debt costs. Such services may include financial advisory, underwriting, trustee, verification agent, escrow agent, arbitrage consulting, special tax consulting, and bond counsel. To achieve appropriate balance between service and cost, the Finance Officer is authorized to select such service providers through sole source selection or a competitive process.

Credit Ratings

Maintaining high credit ratings from the major rating agencies, such as Standard and Poor's (S&P), Fitch Ratings, and Moody's, is crucial in meeting NVRTA's goal of providing services to the citizens at the most economical cost. Higher ratings equate to reduced borrowing cost and greater financial flexibility particularly in unstable financial markets; consequently, maintaining or improving the credit rating(s) is a high priority.

NVRTA shall maintain on open dialog, communicate any significant events to the rating agencies and investors, and provide annual audited financial statements within prescribed deadlines.

NVRTA seeks to minimize financing costs by maintaining the highest possible credit ratings for all categories of short- and long-term debt that can be attained without compromising delivery of services and achievement of adopted policy objectives and goals. NVRTA recognizes that external economic, natural, or other events may, at times, affect the creditworthiness of its debt. Nevertheless, NVRTA is committed to ensuring that actions within its control are prudent.

7.2.5 PENSION AND OPEB LIABILITIES

This policy ensures an adequate and appropriate approach to the monitoring and payment of the Pension (CalPERS) unfunded liabilities and OPEB (Other Post-Employment Benefits) unfunded liabilities. The payment of pensions and OPEB unfunded liabilities is a priority for NVRTA and funding these liabilities is a prudent financial practice.

NVRTA shall prefund and remit to CalPERS the required amounts per the Annual Valuation Report issued by CalPERS each year and each pay period as required by CalPERS for Pension and OPEB liabilities.

NVRTA will pay the "Employer payment of unfunded liability" each year in one lump sum payment in July of each year in order to maximize the savings in interest charged by CalPERS, thereby, minimizing the required payment each year.

7.3 ASSET MANAGEMENT

7.3.1 FIXED ASSETS

This policy provides uniform guidelines for NMTA to acquire, capitalize, monitor and dispose of fixed assets. NMTA should maintain a Fixed Asset Management System to record, control and report all assets.

The primary objectives should be to:

- Ensure assets are properly identified and recorded.
- Ensure assets are in a state of good repair.
- Safeguard assets against loss.

Disposable items

Disposable items are purchases with a value of **less than \$10,000** that are intended for one time use, or that have an anticipated useful life of less than one year. These purchases should be recorded as an expense during the current financial year. Examples of disposable items are office supplies, small equipment, consumables, etc.

NMTA is not mandated to record and track disposable or inventory items in the Fixed Asset Management System.

Inventory items

Individual items transferred from the county or purchased directly with an individual value of **more than \$500 and less than \$10,000** and an anticipated useful life of more than one year, should be classified as inventory items.

An annual inventory is required. Per contractual agreement with purchase transportation provider, inventories will be maintained and physical inventories will be performed by purchase transportation provider. Physical inventories and up-to-date listings will once again be performed upon completion of contract.

Proprietary Software

NMTA uses a number of commercially available and custom computer software programs in its daily operations.

Computer software developers typically impose limitations regarding the use of their products through licensing agreements. It is the responsibility of the NMTA to assure compliance with the license conditions of software products used by NMTA (e.g., limitations on the number of users, number of copies in circulation, etc.). NMTA will keep all software related documentation, licenses, etc., with the contract.

Fixed Assets

A fixed asset is any tangible asset purchased for use in the day-to-day operations of NVRTA from which an economic benefit will be derived over a period of time. Fixed Assets are defined as:

- Items purchased and owned with a value of \$10,000 per unit or more; and
- Not a component of a larger asset (i.e. engines on a bus), Component units should be expensed as a small equipment purchase.
- Anticipated useful life of more than one year should be capitalized (classified as fixed assets).
- Not a repair or maintenance action
- Land and other real property.

Examples of fixed assets are vehicles, security equipment/system, transit equipment/system, servers, etc.

The following information should be maintained in the Fixed Asset Management System:

- Description of the fixed asset.
- Date of acquisition.
- Value of the fixed asset (based on acquisition cost or appraisal value at time of transfer).
- Estimated useful life.
- Current period depreciation expense (if applicable).
- Accumulated depreciation to date (if applicable).
- Remaining balance (net book value), if applicable.
- Federal grant(s) number funded by the assets.

Donated or Gifted Assets

Contributed assets are defined as voluntary contributions of resources to a governmental entity by an unrelated person or entity. All contributed assets are to be valued at the fair-market value of the asset at the date of donation or gift, plus ancillary charges, if any. Contributed assets should be depreciated based on the asset class and useful life. The asset is to be recognized when the asset is received. To qualify as a capital asset, the fair-market value of the contributed asset must exceed NVRTA's capitalization threshold for the applicable asset class.

Easements (Intangible Asset)

An easement is defined as an interest in land owned by another individual or entity that entitles the easement holder to a specific limited use or enjoyment (right to use land). Easements are typically used to access another property. Land easements will be recorded with land and not depreciated. Right of ways will be recorded separately and depreciated over useful life. Only easements and right of ways with a cost greater than \$10,000 will be capitalized.

Capital Lease

A capital lease is a lease that transfers substantially all the benefits and risks of ownership of property to NVRTA at the end of the lease term. Leases which meet one of the four (4) requirements listed below are considered capital leases and should be accounted for as a capital asset if the cost of the property exceeds its class's capitalization threshold.

- **Ownership:** the lease transfers ownership of the property to the lessee by the end of the lease term.
- **Bargain Price Option:** the lease contains an option to purchase the lease property at a bargain price.
- **Estimated Economic Life:** the lease term is equal to or greater than 75% of the estimated economic life of the leased property
- **Fair Value:** the present value of rental and other minimum lease payments, excluding that portion of the payments representing executory costs, equals or exceeds 90% of the fair value of the leased property.

Identification

Once the necessary information has been recorded in the Fixed Asset Management System, a unique identification number should be assigned to each fixed asset if possible

Responsibility for Fixed Assets

All fixed assets must be assigned to a particular location.

NVRTA should maintain a Record of Physical Inventory that lists the tagged assets assigned to it. A copy of the Record of Physical Inventory should also be maintained by the Financial Officer or another designated employee for control purposes.

Physical Inventory of Authority Assets

NVRTA shall conduct a physical inventory of all Authority assets and equipment at the end of financial year. NVRTA will provide documentation in the audited financial statements that the Agency has reconciled the results of its physical inventory with its equipment records according to the Uniform Guidance in 2 CFR 200.313(d)(2).

Transfer and Disposal of Inventory Items and Fixed Assets

Over time, new assets or equipment may be acquired, obsolete items disposed of, or items may be transferred between locations. To protect the integrity of the Fixed Asset Management System, a record of Asset Transfer or Disposal should be used. Transfers and disposals of fixed assets with federal interests are further subject to FTA Grant Management Guidelines USC 5010.1C.

Disposal of Inventory Items and Fixed Assets

Acceptable means of disposal for personal property.

- Sell personal property that is no longer needed for Authority use for fair market value.
- Trade surplus personal property with another government or public agency if the property received in return is needed for Authority use.
- Donate, sell at less than fair market value, or otherwise transfer personal property to another government or public Authority if NVRTA no longer needs the property for its own use.
- Dispose of personal property that is no longer needed for Authority use and that has **negligible or no economic value** in a manner deemed appropriate by NVRTA.

The Board of Directors must approve the disposal of any capitalized asset. The Executive Director of designee may dispose of other property under NVRTA's control.

An asset transfer/disposal release form should be prepared to record the disposal of the fixed asset or equipment.

Minimum information on disposition documentation will include but not limited to:

- Unique asset identification number
- Description of asset (for vehicles include the Department of Motor Vehicles ID number, the make and model)
- Date of transfer
- Date of acquisition
- Board memo and resolution number for acquisition and transfer or disposition.

Copies of the asset transfer/disposal form should be maintained by the Financial Officer and by the disposing unit or location.

The proceeds resulting from any disposal of Authority personal property should be deposited based on the Financial Officer's determination.

Notice of Disposal. NVRTA must publicize its intention to transfer or dispose of personal property. This must be accomplished at least one week prior to the transfer or disposal by placing a notice in at least one of the following:

- Up to two public places.
- On the website.
- If possible, in a newspaper of general circulation.

The notice of disposal requirement does not apply to property that is valued at less than \$10,000 or for transfers of property.

Depreciation Table for Capital Assets

ASSET	DEPRECIABLE LIFE
Buildings- New	40 years
Buildings- Used	10-20 years
Modular Buildings	10 years
Bus Shelters- Small (less than 15 feet in length)	5 years
Bus Shelter- Large (more than 15 feet in length)	5-10 years
Park and Rides*	10- 20 years
Other Facilities or land improvements (not stated above)*	5-20 years
Land	Not depreciated
Office furniture, fixtures, and equipment (not structural components. Data handling, equipment, servers, copiers (>\$10,000)).*	5 years
Vehicles Cars- new	7 years
Vehicles Cars-used	3years
Vans- (new)	7 years
Vans- (used)	3years
Buses- medium or small duty or van cutaway	new 5 years
Buses- large (new, over 30 passengers)	12 years
Buses- large (used, over 30 passengers)*	1-7 years
Trucks- heavy or light duty (under 13,000 lbs g.v.w.)- new	7 years
used	5 years
Bus radio, base stations,	3-5 years
bus washer station*	5-10 years
Equipment- engines, transmissions, filters	5 years
Fareboxes (new)	10 years
Fareboxes (used)	3 years
Maintenance garage items:	
Intangible Asset (easements, trademarks, patents)	5 years
*Depreciable life determined by Financial Officer	

7.3.2 STATE OF GOOD REPAIR

State of Good Repair (SGR) is an initiative launched by the Federal Transit Administration (FTA) to maintain the nation's bus and rail systems. FTA defines State of Good Repair as an effort that "includes sharing ideas on recapitalization and maintenance issues, asset management practices, and innovative financing strategies. It also includes issues related to measuring the condition of transit capital assets, prioritizing local transit re-investment decisions and preventive maintenance practices."

SGR is a key priority at the NVRTA and we are committed to ensuring **safe, reliable, cost-effective and responsive transit services**.

Achieving a SGR is incorporated in NVRTA's goals and objectives and includes developing a plan that:

- Reflects a **comprehensive understanding of the system** and its condition, and the strategic direction of the system.
- Supports the **enhancement of the transit service while maintaining the overall condition** of the basic infrastructure
- Prioritizes expenditures so that there is a **maximum return on investment**
- Supports the seamless **transition** of the system from one in a **start up mode, to one in a renewal mode**
- Ensuring current service levels are supported
- Maintaining a "state of good repair"
- Keeping maintenance practices current
- Evaluating asset replacement

7.3.3 TRANSIT MEDIA INVENTORY

This policy is used to provide guidelines and procedures regarding stewardship required for Transit pass inventory to assure that pass inventory is documented and properly recorded.

Custodianship duties and responsibilities. The Executive Director or Financial Officer may delegate the responsibility of maintaining proper accountability and control of the transit pass inventory. Specific responsibilities regarding Transit pass inventory are as follows:

- Know the location of all equipment in their inventory is reasonably secure from possible theft and other hazards. Report any changes in location to management. This is critical for proper stewardship and essential for insurance management purposes.
- Review and verify transit pass inventory on an annual basis by reporting on the status of transit pass inventory.
- Discourage theft and loss of property by keeping property in a secured location.

Inventory Control Duties and Responsibilities

1. Inventory Control receives a Transit Pass request report from the Transit Center on a regular basis. Personnel will review each purchase order to verify and approve items.
2. Inventory Control personnel will perform an annual physical inventory of Transit Passes and will submit a status report to the Finance Manager.
3. After completion of the transit pass inventory, personnel will report the findings to the Financial Officer for review and action if required. Inventory Control will report all missing property for investigation if not previously reported.
4. Missing Property: If property is discovered missing, an immediate request should be made of Finance Manager or Executive Director to have the loss investigated.

Procedures for Inventory Verification. Transit Passes will be inventoried at the end of the financial year. An updated copy of the transit pass inventory listing will be furnished to Financial Officer at the end of each financial year.

Security Measures Promptly report all missing or stolen equipment to Financial Officer and Executive Director. The transit pass inventory cabinets/safes should be locked at all times.

7.3.4 ALTERNATIVE FUELS AND FLEET REPLACEMENT

This policy attempts to achieve the following objectives:

- When feasible, ensure the current Vine Transit bus fleet and future acquisitions comply with California Air Resources Board (CARB) requirements to reduce greenhouse gas emissions.
- Be financially responsible by minimizing capital and operational expenses by considering life cycle economics when procuring vehicles

NVRTA recognizes that fleet assets account for a significant contribution to overall greenhouse gas emissions (GHGs) and that these emissions can be reduced, along with vehicle fuel and maintenance costs through the purchase of alternatively-fueled vehicles. NVRTA will make every effort to purchase and use the lowest emission vehicle or equipment item possible, while taking into account the life-cycle costs and the ability to support operations and services in a financially prudent manner.

7.4 GRANT MANAGEMENT

7.4.1 GRANT ACCOUNTING AND ADMINISTRATION

This policy establishes budget, cost allocation, and reporting requirements related to the administration of grants that are used to fund programs, projects and operations. NVRTA will comply with all federal, state, regional and grantor regulations, rules and requirements that apply to the administration of grant funds.

Grant funds awarded by government, business and other organizations substantially benefit NVRTA's ability to serve the public. At the same time, the acceptance of grant funds may also represent an area of risk to the agency. This is because money received through grants is provided for specific purposes and under conditions that apply to its use.

Grants are auditable. As such, NVRTA must be able to identify the source and application of all grant funds. The agency must also prepare and submit periodic performance and financial reports regarding grant funded programs and projects.

Inattention to grant compliance requirements or inadequate controls can lead to problems including:

- Incorrect reporting regarding the time, effort and funds spent on grant-funded activities.
- Failure to report program income.
- The use of grant funds to pay for activities not related to the grant program or project.
- Improper accounting for overhead costs.
- Improper transfers of funds between programs.

Common weaknesses associated with grant compliance include:

- Lack of management controls due to outdated or nonexistent policies and procedures.
- Inadequate staff training and education.
- Inadequate systems associated with effort reporting, financial management, program income, etc.

Measures that have been shown to improve grant program compliance include:

- Keeping policies and procedures current with respect to changing statutes, regulations, and grant conditions.
- Establishing compliance as an institutional expectation and individual responsibility.
- Establishing an expectation of zero tolerance for noncompliance.
- Defining individual roles and responsibilities.
- Assigning oversight responsibilities.

Grant Requirements

The uniform administrative rules for federal grants and cooperative agreements and sub-awards to state and local governments are established in Title 28, Part 66 of the Code of Federal Regulations (CFR).

Various grant programs (federal, state, local, private foundation, corporate) may have other requirements associated with specific legislation or the rules of the grantor. The Authority is responsible for familiarizing itself and complying with the requirements of the grant agreements it enters into.

Grant Budgets

Budget Establishment

For each grant agreement that NVRTA enters, a distinct budget must be established at the appropriate level of the Budget Program Structure. The Authority financial management system must allow for the tracking of grant revenues and expenditures and facilitate the preparation of required financial and performance reports.

Budget Control

The Authority must be able to compare actual expenditures under each grant with budgeted amounts. Grant funds must be traceable to a level of expenditure that demonstrates the funds have not been used in ways that violate statutes, regulations, or conditions of the grant agreement.

Budget and Program Changes

1. Certain types of post-award changes to budgets and projects supported by grant funds should require the prior approval of the grantor.

2. Unless otherwise stated in a grant agreement or applicable regulations, NVRTA must obtain prior approval whenever any of the following changes is anticipated:

- A revision that would result in the need for additional funding.
- Cumulative transfers among direct cost categories or among separately budgeted programs, projects, functions or activities that exceed the current total approved grant budget.
- Transfers of funds allotted for training allowances to other expense categories.

3. NVRTA must also obtain prior approval from the grantor whenever any of the following program-related changes is contemplated:

- Revision of the scope or objective of the project.
- Need to extend the grant period to make funds available for a longer time than originally planned.
- Changes in key program personnel where the grant agreement specifies such a notification.

- Obtaining the services of a third party to perform activities that are central to the purposes of the grant award (subcontracting or sub-granting).

4. A request for approval of a change to the grant budget or program should be submitted to the grantor in the same format as the original grant application. The request should include a narrative justification for the proposed change.

Accounting and Administrative Requirements

NVRTA must account for grant funds in accordance with applicable laws and the procedures established for expending and accounting for its own funds. Specific aspects of financial control and accounting procedures are discussed below.

Internal Control

The Authority must effectively control and account for all grant-related cash, real and personal property, and other assets. These assets must be safeguarded and NVTA must assure that they are used only for authorized purposes.

Fund Identification

This will allow grant transactions and resources to be accounted for as a separate entity, and facilitate grant monitoring, reporting and auditing.

Accounting Records

NVRTA must maintain records that adequately identify the source and application of grant funds. The records must contain information about grant awards, authorizations, obligations, unobligated balances, assets, liabilities, expenditures, and income.

Accounting records must be supported by appropriate documentation that may include receipts, cancelled checks, employee time and attendance records, payroll records, etc.

Grant records will be retained according to the requirements established in *Record Retention*.

Allowable Costs

Only costs that are determined to be reasonable, allowable, and allocable may be applied to grant programs. In determining whether specific costs may be applied to a grant program, NVTA should refer to the specific terms of the grant agreement. For federal grants, guidance is provided by the United States Office of Management and Budget in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments* (available at www.whitehouse.gov/omb/circulars).

Direct and Indirect Costs

Costs that are applied to grant budgets can be classified as either direct costs or indirect costs. There is no universal rule for classifying costs as direct or indirect. However, it is important to treat each cost item consistently as either direct or indirect.

Guidelines for determining direct and indirect costs are provided in the following paragraphs.

Direct costs are those that are specifically associated with a grant program or are incurred in the performance of grant-related activities. Direct costs that are typically applied to grants include:

- Employee compensation for time devoted and identified specifically to the performance of grant awards.
- The cost of materials acquired, consumed, or expended specifically for the purpose of grant awards.
- Equipment and other capital expenditures.
- Travel expenses incurred specifically to carry out grant awards.

Time spent on grant-funded activities should be documented on employee timesheets that indicate the employee's name, the specific grant program time is charged to, the dates on which time is charged, and the number of hours charged to the grant program each day if possible.

Indirect costs are those that are incurred for a common purpose that benefits more than one function, program, grant, contract or other activity; and are not readily assignable to the activities they benefit. Indirect costs are usually charged to grant programs through the use of an indirect cost rate.

The types of costs that may be classified as indirect costs cannot be specified for all situations. However, typical examples include:

- Authority central service costs.
- General administrative costs.
- Accounting and personnel services performed within NVTA.
- Facility operations and maintenance costs.

To determine the indirect costs that may be applied to a specific grant; NVTA may be required to submit an indirect cost rate proposal that serves as the basis for negotiation of the indirect cost rates that will be allowed under the grant. In some cases, NVTA may apply predetermined rates that are based on NVTA's estimated costs for a specific period, usually the financial year.

Availability of Funds

Most grants specify a specific period of time during which grant funds are to be used. In these situations, NVTA may only apply expenditures to the grant up to the end of the grant period, unless the grant specifically allows the carryover of unobligated balances.

The Authority must liquidate all obligations incurred under a grant within 90 days of the end of the grant period, unless otherwise specified in the grant agreement. This deadline may be extended at the grantor's discretion, upon NVTA's request.

Income from Grant-Funded Programs NVRTA may sometimes generate income from grant-funded programs or activities. Income may include fees for services performed by NVRTA, but it does not include fines, taxes, special assessments, or levies collected by NVRTA.

Income generated by grant programs should be deducted from total program costs.

Supplies and Equipment

The Authority should use, manage and dispose of equipment acquired under a grant according to the procedures established.

Equipment acquired using grant funds should be used for the project or program for which it was acquired as long as needed, whether or not the project continues to be supported by grant funds.

Minimum requirements for the management of equipment acquired using grant funds include:

- Records must be kept that include a description of the property, serial number or other identification, the source of the property, who holds title, the acquisition date, cost, percentage of grant participation in the cost, the location, use, and condition of the property. In addition, any information regarding the ultimate disposition of the property and the sale price.
- A physical inventory of the property must be taken and reconciled with property records at least once every three years.
- A control system must be in place to safeguard property and prevent loss, damage, or theft.
- Adequate maintenance procedures must be developed to keep property in good condition.
- Proper procedures must be followed to ensure the highest possible return when the sale of property is authorized. See *Fixed Asset Management*, for requirements pertaining to disposal of assets.

When equipment is no longer needed for a project or program, disposition will be made as follows:

- Equipment with a current value of less than \$10,000 may be retained, sold or otherwise disposed of with no further obligation to the grantor.
- Equipment with a current value greater than \$10,000 may be retained or sold. The grantor should have a right (which it may waive) to an amount calculated by multiplying the current market value or proceeds from the sale by the grantor's share of the equipment.

If there is a residual inventory of unused supplies that exceeds \$10,000 in total fair market value at the end of the grant period, and if the supplies are not needed for any other grant-funded program or project, NVTA should compensate the grantor for its share of the value of the unused supplies, unless the grantor waives its right to compensation.

Procurement

When procuring goods and services under a grant, NVTA will follow the same policies and procedures it uses for procurements using non-grant funds (see *Procurement Manual*).

Reporting Requirements

The Authority is responsible for monitoring the activities of grant-funded operations to assure compliance with federal, state, region, and grantor-specific requirements and performance goals. The Authority must make periodic reports to the grantor regarding grant program performance and financial status.

In cases where NVTA is a direct recipient of a grant awarded to the MTC, NVTA must submit reports to the MTC, which in turn reports to the grantor. In some cases, NVTA reports to both the grantor and recipient.

Upon written request, NVTA should provide information regarding any and all grant funds and programs to MTC. The information requested may include, but is not limited to, performance and financial reports prepared for federal, state, local, and private grants.

The following sections on performance and financial reporting generally pertain to federal grants. Pass-through grants or reimbursement grants received from the Judicial Council, or grants received from other sources may have different reporting requirements. It is NVTA's responsibility to familiarize itself and comply with the reporting requirements of any grant it receives to avoid the discontinuation of funds needed for Authority programs.

Performance Reporting

NVTA may be required to submit performance reports related to grant funds as required by the terms of their grant agreements. For federal grants, NVTA will submit quarterly performance reports unless the grantor requires monthly or annual reports.

Annual reports should be submitted no later than 90 days after the end of the grant year, or as specified in the grant agreement. Quarterly or semi-annual reports should be submitted no later than 30 days after the reporting period. At its discretion, the grantor may extend the deadline for report submittal upon NVTA's request. The grantor may also waive any performance reports when it is not needed.

For each grant, performance reports should contain brief information regarding the following:

- A comparison of actual accomplishments to the objectives established for the reporting period. Results should be quantified wherever possible.

- If established objectives were not met, the reasons for underperformance.
- Pertinent information including, but not limited to, analysis and explanation of any cost overruns.

If significant developments that impact NVRTA's grant performance occur between reporting dates, NVRTA must inform the grantor as soon as possible. Significant developments include:

- Problems, delays, or adverse conditions that will materially impair NVRTA's ability to meet grant objectives. Disclosure to the grantor must include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.
- Favorable developments that will enable NVRTA to meet time schedules and objectives sooner or at a lower cost than anticipated, or that produce more benefits than originally envisioned.

Financial Reporting

Accurate, current and complete disclosure of the financial results of grant-related activities must be made according to the reporting requirements of each grant.

Financial information should be reported on a cash or accrual basis, as required by the grantor (NVRTA operates on the modified accrual basis). If the grantor requires financial reporting on an accrual basis, NVRTA should not be required to convert its accounting system. Rather, the financial reporting information should be developed through an analysis of available information.

The Authority should submit annual financial reports unless the grantor requires quarterly or semi-annual reports. Financial reports should not be required more frequently than quarterly, unless otherwise specified in the grant agreement.

Annual reports should be submitted no later than 90 days after the end of the grant year. Quarterly or semi-annual reports should be submitted no later than 30 days after the reporting period, unless otherwise noted. At its discretion, the grantor may extend the deadline for report submittal upon NVRTA's request. The grantor may also waive any financial report when it is not needed.

Required Forms for Federal Grant Financial Reports

Federal regulations (28 CFR Part 66.41) require the submittal of financial information on specific forms (available at www.whitehouse.gov/omb/grants/#forms) for grants made by federal agencies.

Submittal of reports is required no later than 30 days after the end of the quarter. However, the federal Authority making the grant may require the report to be submitted earlier.

Grant Termination and Enforcement

If NVTA fails to comply with any term of a grant award, whether the term is stated in a federal regulation, State plan or application, grant agreement, notice of award, or elsewhere, the grantor may take the following actions, as appropriate to the circumstances:

- Withhold cash payments pending correction of the issue.
- Disallow all or part of the cost of the activity that is not in compliance.
- Suspend or terminate the grant award in whole or in part.
- Take other remedies that may be legally available.

In the event the grantor takes action due to perceived noncompliance with the grant conditions by NVTA, NVTA should have the opportunity to a hearing, appeal, or other administrative process that may be established under applicable statutes, regulations, or grant conditions.

Grant awards may be terminated for convenience in whole or in part under the following conditions:

- By the grantor with the consent of NVTA, in which case the parties should agree to the termination conditions including the effective date and the portion to be terminated, if applicable.
- By NVTA upon written notice to the grantor, setting forth the reasons for the termination, the effective date, and the portion to be terminated, if applicable. However, in the case of a partial termination, if the grantor determines that the remaining portion of the grant will not accomplish the purposes for which the grant was made, the grantor may terminate the grant in its entirety.

Grant Closeout. Within 90 days of the expiration or termination of a grant (or as specified in the grant agreement), NVTA should submit all financial, performance and other reports that may be required as conditions of the grant. For federally funded grants these reports may include, but are not limited to:

- Final performance or progress report.
- Financial Status Report.
- Final request for payment.

The grantor may make upward or downward adjustments to the allowable costs within 90 days of receipt of NVTA's final report (or within the period specified in the grant agreement). The grantor will also promptly pay NVTA for any final allowable costs.

7.4.2 GRANT MANAGEMENT

The purpose of this policy is to:

- 1) Outline management of federal and non-federal grants and to ensure compliance with local, state and federal rules and regulations.
- 2) Monitor and ensure compliance with applicable local, state, and federal guidelines/regulations.
- 3) Provide project status reporting information to grantors and internal project managers.
- 4) Ensure that NVTA's financial commitments made with local, state, and federal grantors are fulfilled.
- 5) Conform to priorities established by MTC's Regional Transportation Plan and Transportation Improvement Program, and NVTA's Short Range Transit Plan and capital budget.

The first section of this document is an overall guide to FTA grant and project management. The next section of this document is about Program Management and Third Party Oversight. The last section will focus on sub-recipient monitoring of federal grants.

The Finance Department is responsible for managing and administering local, state, and federal grants for all Authority departments. Responsibility for these functions is assigned to the Grants Manager, who will be responsible for the management, administration and reporting on grants and reimbursable revenue in an effective and timely manner.

All grant applications are completed in coordination with the intended project manager, approved by the Executive Director prior to requesting Board authorization to submit grant applications.

Goals

NVTA's grant administration function strives to ensure the following goals, that:

- NVTA is fully compliant with requirements and regulations of grant agreements.
- Grant records are accurate, current and documented with a thorough audit trail.
- Project managers receive accurate and timely information on expenditures and remaining fund balances.
- The use of available funding sources is maximized to fund improved transportation services to customers.

Management of Federal Grant Programs

In accordance with Federal Transit Administration Circular 5010.1C, "Grant Management Guidelines", NVTA is required to:

- Provide continuous administrative and management direction of project operations.
- Provide, directly or by contract, adequate technical inspection and supervision by qualified professionals of all work in progress.
- Assure conformity to grant agreements, applicable statutes, codes, ordinances, and safety standards.
- Maintain the project work schedule agreed to by FTA and the grantee and constantly monitor grant activities to assure that schedules are met and other performance goals are being achieved.
- Keep expenditures within the latest approved project budget.
- Assure compliance with FTA requirements on the part of agencies, consultants, contractors, and subcontractors working under approved third party contracts or inter-Authority agreements.
- Request and withdraw Federal cash only in amounts and at times as needed to make payments that are immediately due and payable.
- Account for project property and maintain property inventory records that contain all the elements required.
- Arrange for an annual independent organization-wide audit in accordance with Uniform Guidance, "Audits of States, Local Governments, and Non-Profit Organizations."
- Prepare and submit force account and cost allocation plans prior to incurring costs if seeking reimbursement for these costs. Update and retain these approved documents for FTA upon request and during Triennial Review.
- FTA requires reports, once submitted and approved by FTA, to be updated and retained by the grantee for availability during the Triennial Review process.

The NVTA's role in terms of each of these requirements is as follows:

- Provide continuous administrative and management direction of project operations.

A project manager will be assigned to every FTA funded project or contract. This may be internal staff or it may be a hired consultant who will ensure that the FTA requirements are met. At the start of every project a progress meeting and report schedule will be developed. The frequency of the meetings and type of reporting required will vary based on the type of project.

- Provide, directly or by contract, adequate technical inspection and supervision by qualified professionals of all work in progress.

Based on a combination of FTA requirements and the nature of the project, the assigned project manager will determine what types of inspections are required for each capital or planning project.

- Assure conformity to grant agreements, applicable statutes, codes, ordinances, and safety standards.

NVRTA will conform to the requirements listed within grant agreements and other applicable statutes, codes ordinances or safety standards.

- Maintain the project work schedule agreed to by FTA and the grantee and constantly monitor grant activities to assure that schedules are met and other performance goals are being achieved.

NVRTA will:

- Create a schedule for each project.
- Have sufficient meetings with contractors or require sufficient reports from contractors to ensure that projects stay on schedule or that delays are appropriate and understood.
- Assure FTA that progress is being made on each project funded by FTA by completing the required Financial Status Reports and Milestone Reports.

Currently, NVTA completes these reports on a quarterly basis. The milestone reports will contain the following information:

- Address each activity line item within the approved grant unless FTA advises otherwise.
- Include a discussion of all budget or schedule changes.
- For each milestone, include original estimated completion date, revised estimated completion date, and the actual completion date if applicable.
- Provide the dates of expected or actual requests for bid, delivery, etc.
- Provide a narrative description of projects, status, specification preparation, bid solicitation, resolution of protests, and contract awards.
- Analyze significant project cost variances. Completion and acceptance of equipment and construction or other work should be discussed, together with a breakout of the costs incurred and those costs required to complete the project. Use quantitative measures, such as hours worked, sections completed or units delivered.
- Include reasons why any scheduled milestones or completion dates were not met, identifying problem areas and discussing how the problems will be solved. Discuss the expected impacts of delays and the steps planned to minimize these impacts.
- Provide a list of all outstanding claims exceeding \$100,000, and all claims settled during the reporting period. This list should be accompanied by a brief description, estimated costs, and the reasons for the claims.

- Include a list of all change orders and amounts exceeding \$100,000, pending or settled, during the reporting period. This list should be accompanied by a brief description.
- Keep expenditures within the latest approved project budget.

NVRTA will work to expedite projects so that they can be completed within budget. However, there are cost increases that are unforeseeable. NVTA will proceed in the best manner possible to complete the project within budget and will inform FTA immediately of any project difficulty in completing the project within budget.

- Assure compliance with FTA requirements on the part of agencies, consultants, contractors, and subcontractors working under approved third party contracts or inter-Authority agreements.

NVRTA has developed a Third Party Oversight Guide as part of its overall FTA grant management guide. The Third Party Oversight Guide literally provides a guide to NVTA in monitoring third party contracts to ensure that FTA funded projects meet FTA requirements. The Third Party Oversight Guide can be found in this document.

- Request and withdraw Federal cash only in amounts and at times as needed to make payments that are immediately due and payable.

NVRTA will only process FTA ECHO (electronic clearing house) drawdowns after the contractor has been paid for services or within three days of payment for work completed.

- Account for project property and maintain property inventory records that contain all the elements required.

NVRTA will do an on-site inventory of all vehicles and equipment every year. NVTA has also developed a Vehicle/Facilities/Equipment Maintenance Guide to facilitate oversight of maintenance of FTA funded equipment/property. See Third Party Oversight, which is part of this overall NVTA FTA Grant Management Guide.

- Arrange for an annual independent organization-wide audit in accordance with Uniform Guidance, "Audits of States, Local Governments, and Non-Profit Organizations."

NVRTA has an independent auditor prepare an independent audit annually in accordance with Uniform Guidance.

- Prepare and submit force account and cost allocation plans prior to incurring costs if seeking reimbursement for these costs. Update and retain these approved documents for FTA upon request and during Triennial Review.

Currently, NVTA only charges FTA grants for direct costs. However, if NVTA takes on larger capital projects in the future and intends to request reimbursement for overhead

costs, it will create a cost allocation plan that complies with FTA requirements and will submit the plan to FTA for review. That Cost allocation plan will become part of this NVRTA FTA Grant Management Guide

- FTA requires reports, once submitted and approved by FTA, to be updated and retained by the grantee for availability during the Triennial Review process.

NVRTA will maintain files of all required reports submitted to FTA. These files will be made available to the FTA when requested.

Formula Grants NVRTA must implement the Urbanized Area Formula Grant Program of Projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Funding levels to Urbanized Areas (UA) are generated by formulas based on revenue factors and population information.

49 U.S.C. 5307 - available to urbanized areas (UA) for transit capital and certain categories of operating assistance (ADA assistance and Preventive Maintenance) in urbanized areas and for transportation-related planning. The Metropolitan Transportation Commission (MTC) is the designated recipient for the 12 UAs in the San Francisco Bay Area and distributes revenues to eligible recipients based on replacement need. VINE Transit's service area is contained within the Napa and Vallejo small UA's and revenues are distributed to NVRTA with a small portion coming from the Vallejo UA. Consequently, the revenues are only sufficient for transit operations.

49 U.S.C. 5310, Transportation for Elderly and Persons with Disabilities. This capital grants funding program was established by the Federal Transit Administration (FTA Section 5310) for meeting the transportation needs of elderly persons and persons with disabilities in areas where public mass transportation services are otherwise unavailable, insufficient, or inappropriate. It allows for the procurement of accessible vans and busses; communication equipment; and computer hardware and software for eligible applicants. Private nonprofit corporations or public agencies where no private nonprofits are readily available to provide the proposed service or that have been approved by the State of California to coordinate services for elderly persons and persons with disabilities.

49 U.S.C. 5311 and 5311(f), Rural Transit and Intercity Bus. Section 5311 is a non-urbanized area formula funding program authorized by 49 United States Code (U.S.C) Section 5311. This federal grant program provides funding for public transit in non-urbanized areas with a population under 50,000 as designated by the Bureau of the Census. FTA apportions funds to governors of each State annually. The California State Department of Transportation (Department) Division of Mass Transportation (DMT) is the delegated grantee.

49 U.S.C. 5339, Bus and Bus Facilities. The Program provides capital funding to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities. FTA apportions a discretionary component and a small urban (population 50,000 to 199,999) formula component to governors of each State annually. The California State Department of Transportation, Division of Mass Transportation (DMT) has been delegated the designated recipient responsibilities by the Governor and is the direct recipient for these funds. DMT administers these funding components to eligible sub-recipients which include: public agencies and private nonprofit organizations engaged in public transportation.

Federal Highway Administration Funds

Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) Program. MTC is the designated recipient for the San Francisco Bay Area's funds and flexes a portion of the funds for transit rehabilitation and expansion projects. To access the funds, NVRTA transfers the funds from FHWA to FTA through with Caltrans and then puts them into our STP/CMAQ grant. A portion of these revenues are distributed for Bike and Pedestrian purposes and are managed by the CMAs. STP funds Surface Program funds are Federal Highway Administration (FHWA) that are eligible for highway and transit capital projects.

CMAQ funds are Federal Highway Administration (FHWA) that are used to support transportation projects in air quality non-attainment areas. A CMAQ project must contribute to the attainment of the national ambient air quality standards by reducing pollutant emissions from transportation sources.

Regional Planning, Programming, and Monitoring (PPM) funds.

Passage of Assembly Bill 2538 allows all counties to program up to 5% of their county share to Planning, Programming, and Monitoring (PPM) purposes in the State Transportation Improvement Program (STIP). As agreed with the CMAs, MTC will program a portion of each county's PPM for regional PPM activities each year.

Transportation, Community, and System Preservation (TCSP)

The Transportation, Community, and System Preservation (TCSP) Program provides funding for a comprehensive initiative including planning grants, implementation grants, and research to investigate and address the relationships among transportation, community, and system preservation plans and practices and identify private sector-based initiatives to improve those relationships.

TCSP Program discretionary grants plan and implement strategies which improve the efficiency of the transportation system, reduce environmental impacts of transportation, reduce the need for costly future public infrastructure investments, ensure efficient access to jobs, services and centers of trade, and examine development patterns and identify strategies to encourage private sector development patterns which achieve these goals.

State Revenues

Transportation Development Act (TDA). The Mills-Alquist-Deddeh Act (SB 325) was enacted by the California Legislature to improve existing public transportation services and encourages regional transportation coordination. Known as the Transportation Development Act (TDA) of 1971, this law provides funding for allocation to transit and non-transit related projects that comply with regional transportation plans.

The TDA provides two funding sources:

- Local Transportation Fund (LTF), which is derived from a ¼ cent of the general sales tax collected within the county.
- State Transit Assistance fund (STA), which is derived from the statewide sales tax on gasoline and diesel fuel.

TDA funds are administered through the Regional Transportation Planning Authority (RTPA), which for the San Francisco Bay Area is MTC. TDA and STA can be used for eligible transit capital and operating purposes but NVRTA primarily uses these revenues to support operations. A portion of these funds are used to subsidize lower transit fares for seniors and persons with disabilities.

The funds are also used for the capital and operating costs for providing complementary paratransit service as required by the Americans with Disabilities Act (ADA).

State Transportation Improvement Program (STIP) funds

This program includes the Interregional Transportation Improvement Program (ITIP) and the Regional Transportation Improvement Program (RTIP). MTC is the designated recipient of the region's RTIP funds but delegates programming authority to the region's county Congestion Management Agencies (CMA). The California Transportation Commission has the ultimate authority of approving projects and allocating revenues. Caltrans staff administers the program grants. The ITIP is managed by CTC staff and Caltrans and NVRTA is not eligible for these funds.

In the past, the State also allocated a portion of its federal funds. Projects funded with federal funds are transferred to FTA and put in a STP/CMAQ grant.

State Local Partnership Program (LPP) funds

The formula and administering Authority has not been determined by the State legislature. The region is currently advocating for an "all voter approved" revenue formula. The Authority would receive revenues based on its property and parcel taxes and would also be eligible for bridge toll and county measure matching revenues. The revenues are eligible for transportation capital projects.

Regional Measure 2 and 3 – Bay Area voters approved a toll increase on the bridges which generated revenues for transit improvement projects in vicinity of the State owned

bridge corridors. The Authority receives annual operating revenues for express bus service to the El Cerrito BART station. The Authority also receives revenues for capital improvements, and marketing if available.

Transportation Funds for Clean Air (TFCA).

These funds are generated from a motor vehicle fee in the San Francisco Air Basin and are administered by the Bay Area Air Quality Management Authority (BAAQMD). Eligible projects include projects that reduce emissions with a cost effectiveness of \$90,000 per ton of emissions saved. BAAQMD administers the regional program and the county programs are managed by the CMAs.

Terms

The terms of a grant, including funding levels, funding restrictions and local match requirements should be clearly stated in the Request for Proposals (RFP) and/or funding agreement.

Generally the terms of the grant include a dollar amount but can specify a percentage contribution based on final project costs.

Most grants require a local match that ensures the grantee's participation in the cost and implies the grantee's commitment to the project.

Coordination

NVRTA grant administration function is divided between multiple departments including Planning, Finance, and Transit Project management and grant administration may also be a shared responsibility between any one of Napa's jurisdictions or non-profit agencies. Grant development and administration is performed by the Finance Department, in conjunction with the project manager. Grant accounting is performed by the Finance Department. Communication between Finance and the project manager is critical to ensure the accurate performance of the grant administration function. Note: all approvals, disapprovals and concurrences required as part of these policies and procedures should be obtained in writing.

The Project Manager and Financial Manager should coordinate their respective job functions from the earliest stage of project development, including the development of the Short Range Transportation Program (SRTP) and NVTA's annual capital budget.

7.4.3 GRANT REIMBURSEMENTS FROM CALTRANS

Caltrans funded projects will be billed to Caltrans after incurring the cost and the sub-recipient has been paid. Additionally, third party contractor for the general ledger will customize the project costing module to include an “Activity ID” level to link the payroll reports to the accounting system.

7.4.4 PROJECT MANAGEMENT

Overview FTA grantees are required to have a formal Project Management Plan for all major capital projects. The plan must provide for a detailed project management strategy to control the project budget, schedule and quality. The plan must address change orders, document control, and materials testing policies and procedures.

A major capital project is defined as a project that: involves the construction, extension, rehabilitation, or modernization of fixed guide way or New Starts project with a total project cost in excess of \$100 million; or the Administrator determines it to be a major capital project based on criteria in 49 CFR Part 633.

This document is not meant to satisfy the requirement for a formal Project Management Plan for all major capital projects. This document is meant to be a project management guide for smaller capital and planning projects. Should NVRTA require a formal Project Management Plan, NVRTA will prepare one for FTA approval.

FTA grantees with smaller capital projects should have a mechanism for technical oversight of the project. Regular meetings should be held to review project status. Many grantees that do not have the technical expertise to manage large projects hire an architectural/engineering consultant to serve as project manager. The transit system’s own maintenance and operations directors typically oversee the inspection and acceptance of rolling stock, sometimes with consultant support.

The NVRTA will adhere to the basics of the following process in managing FTA funded projects:

Organizational Chart

A project manager will be assigned to every FTA funded project, study or contract. Depending on the scope of the project, the NVRTA internal project may either manage the project him/herself or may hire a consultant as a project manager. Either way the project manager will ensure that FTA requirements are met. The project manager will determine how, when and where staff resources will be allocated to meet the needs of the project.

Budget

NVRTA will establish a project budget for each NVRTA project covering any and all authorized expenditures for the project.

Schedule

NVRTA will establish a project schedule or timeline for each FTA funded project.

Document Control Procedure/ Record Keeping

NVRTA will provide and/or retain appropriate records based on Federal, State and Local requirements.

Change Order Procedures and Documentation

NVRTA will fully document any change order requests and will follow the procurement manual procedures for examining and approving or rejecting a change order request.

Quality Control

NVRTA will assure quality control by inspecting work in progress and final product or by hiring a consultant to inspect work in progress and final product.

Internal Plan

At the start of every project a progress meeting and report schedule will be developed. The frequency of the meetings and type of reporting required will vary.

Reporting Requirements

A report will be generated for each project based on these meetings and attached into the TrAMS program under milestones in project management. The report will include:

- A brief description of progress;
- Status – whether or not the project is within budget, percentage of work completed and expected completion date;
- Products.

The FTA milestone reports must include the following information:

- Address each activity line item within the approved grant unless FTA advises otherwise.
- Include a discussion of all budget or schedule changes.
- For each milestone, include original estimated completion date, revised estimated completion date, and the actual completion date if applicable.
- Provide the dates of expected or actual requests for bid, delivery, etc.
- Provide a narrative description of projects, status, specification preparation, bid solicitation, resolution of protests, and contract awards.
- Analyze significant project cost variances. Completion and acceptance of equipment and construction or other work should be discussed, together with a breakout of the costs incurred and those costs required to complete the project. Use quantitative measures, such as hours worked, sections completed or units delivered.

- Include reasons why any scheduled milestones or completion dates were not met, identifying problem areas and discussing how the problems will be solved. Discuss the expected impacts of delays and the steps planned to minimize these impacts.
- Provide a list of all outstanding claims exceeding \$100,000, and all claims settled during the reporting period. This list should be accompanied by a brief description, estimated costs, and the reasons for the claims.
- Include a list of all change orders and amounts exceeding \$100,000, pending or settled, during the reporting period. This list should be accompanied by a brief description

Periodic Updates of the Project Schedule or Budget

As part of the internal plan NVRTA will review project progress, schedule and budget throughout the project. The schedule and/or budget will be continuously reviewed and updated.

Project Close Out

Once a project has been completed and final payments have been made to the contractor for completion of the project. NVRTA should close out the grant within the FTA TrAMS Web system within 120 days of making the final payment to the contractor.

7.4.4 THIRD PARTY OVERSIGHT

The purpose of this policy is to outline the role of NVRTA, related to the oversight of third party contracting and to ensure compliance with Federal Transit Administration (FTA) requirements.

It is the NVRTA's role to monitor the activities of third party contractors as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements and that contract performance goals are achieved.

Under the direction and supervision of the Executive Director, the necessary oversight to meet federal compliance will be completed and properly documented.

The Financial Officer will provide general oversight for all FTA programs.

(Operational) Third Party Oversight

The Transit Manager will provide third party oversight for the transit operations and capital related requirements which include:

1. Accessibility/ADA
2. Safety & Security
3. EEO
4. Maintenance
5. School Tripper Services
6. Charter Services
7. Drug and Alcohol Testing
8. Satisfactory Continuing Control

Oversight includes ensuring that site reviews are conducted and that forms are completed in a timely manner. The Transit Manager will review the frequency and the format of each review with the Contractor, the Senior Transit Planner and the Transit Program Assistant annually to ensure that compliance is being maintained with FTA requirements.

Financial (Contracting & Procurement) Third Party Oversight The Financial Officer will provide oversight for contracting and procurement related requirements which include:

9. Procurement and Contracting
10. Civil Rights
11. Buy America
12. Suspension and Debarment
13. Lobbying
14. Equipment Compliance Certification
15. Disadvantaged Business Enterprise

All contracts and procurements requiring a request for proposal or bid must be approved by the Finance Officer. Oversight includes ensuring that certifications are received, forms are completed and required reviews are conducted in a timely manner. The Finance Manager will provide oversight in any and all aspects of third-party compliance and to carry out third party oversight compliance in the place of the Transit Manager if s/he is not available to do so.

The Contract Administrator will assist the Director of Finance by performing third party DBE audits for smaller projects to ensure that commitments made in the original bid or proposal to include DBE vendors are carried out.

FTA Required Areas of Third Party Oversight

Accessibility

The Americans with Disabilities Act of 1990 (ADA) requires that persons with disabilities receive the same level of service from a transportation system as a non-disabled person. Services that are “separate but equal” are **not acceptable** (i.e., all wheel chairs on one bus and everyone else on another bus).

Basic Requirement – Fixed Route Systems: Public operators of fixed route systems open to the general public are required to provide complementary paratransit or other special service to persons with disabilities that are comparable to the level of service provided to individuals without disabilities who use the fixed route system. All vehicles purchased must be ADA accessible unless a waiver has been obtained from FTA.

Basic Requirement – Demand Response Systems: Operators of demand response services must conform to “equivalent service” requirements. All vehicles purchased must be ADA accessible unless NVRTA certifies that equivalent service is provided.

Comparable or “equivalent service” includes: response time, fares, geographic area of service, hours and days of service, availability of information, reservations capability, constraints on capacity or service availability, and restrictions priorities based on trip purpose.

NVRTA’s Role in Monitoring Third Party Contracts: Ensure compliance with this requirement, if applicable. This is the primary responsibility of the Transit Manager and the Senior Transit Planner, in coordination with the Finance Manager.

Safety and Security

FTA grantees of Urbanized Area Formula Grant Program funds must annually certify that it is spending one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.

The goal of the FTA’s Safety and Security Program is to achieve the highest practical level of safety and security in all modes of transit. To this end, FTA continuously promotes the awareness of safety and security concepts and practices. In addition, FTA develops guidelines that transit systems can apply in the design of their procedures and by which to compare local actions.

NVRTA’s Role in Monitoring Third Party Contracts: Ensure that the third party contractors are providing safety training, security management and emergency management plans. Compliance with this requirement is managed by the Transit Manager.

Equal Employment Opportunity (EEO)

The grantee must ensure that no person in the United States should on the ground of race, color, creed, national origin, sex, age or disability be excluded from participating in or denied the benefits of, or be subject to discrimination the employment under any

project, program, or activity receiving federal financial assistance from the federal transit laws.

NVTA's Role in Monitoring Third Party Contracts: NVTA subjects all contractors to meet EEO and Title 6. Responsibility for the EEO/Title VI program falls under the Human Resource or Administrative Manager.

Maintenance Procedures

FTA grantees must keep federally funded equipment and facilities in operating order. Third-party contractors must have policies and procedures to maintain vehicles. They must maintain in operative condition those features of facilities and vehicles that are required to make the vehicles and facilities readily accessible. ADA accessibility features must be repaired promptly if they are damaged or out of order. Contractors must establish a system of regular and frequent maintenance checks of lifts sufficient to determine if they are operative, which will be systematically checked for compliance.

NVTA's Role in Monitoring Third Party Contracts: NVTA has established a Vehicle/Facilities/Equipment Oversight Procedure Document. Maintenance compliance is the responsibility of the Transit Manager.

School Bus Services FTA grantees and their contractors cannot engage in school bus operations (providing vehicles or facilities) exclusively for the transportation of students and school personnel in competition with private school bus operators. In no case can federally funded equipment or facilities be used to provide exclusive school bus service.

This prohibition does not apply to school "tripper service." Tripper service is defined as regularly scheduled mass transportation service open to the public, which is designed or modified to accommodate the needs of school students and personnel. Such service must be open to the public, must serve regular transit stops, and must be delineated on route schedules and maps. Vehicles may not display a "school" sign.

NVTA's Role in Monitoring Third Party Contracts: Document conversation on compliance with this regulation, if applicable. School Bus Service compliance is the responsibility of the Transit Manager.

Charter Services FTA grantees and their contractors, are prohibited from using Federally-funded equipment or facilities to provide charter service, except on an incidental basis; and then, only when one or more of the seven exceptions set forth in the charter service regulation in 49 CFR Section 604.9 (b) apply. Other conditions include recovering the fully allocated cost of the service and putting the revenues earned back into your transportation program.

Charter services is defined as transportation using buses or vans or facilities, funded with FTA grants, which are provided to a group of persons who because of common purpose, have acquired exclusive use of the vehicle or service. The group operates under a single

contract, at a fixed charge for the vehicle or service; and the group travels together under an itinerary either specified in advance or modified after the trip begins.

NVRTA's Role in Monitoring Third Party Contracts: Document conversation on compliance with this regulation, if applicable. Oversight of charter services compliance is the responsibility of the Transit Manager.

Drug and Alcohol Testing FTA funds under Capital Grant, Urbanized Area Formula Grant, or Non-Urbanized Area Formula Grant Programs must have a drug and alcohol testing program in place for all safety sensitive staff.

The FTA-mandated drug and alcohol testing program is separate from and in addition to the provisions of the Drug-Free Workplace Act (DFWA). Please review 49 CFR Part 40 "Procedures for Transportation Workplace Drug Testing Programs" and 49 CFR Part 655 "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations.

If a grantee uses a contract service provider or maintenance provider to perform safety sensitive functions, the contractor is subject to the provisions of these regulations. For transit agencies that use volunteer drivers, the volunteers are not subject to testing.

NVRTA's Role in Monitoring Third Party Contracts: NVTA has established a Drug and Alcohol Program Oversight Procedure Document. Drug and Alcohol Program compliance is the responsibility of the Transit Manager.

Satisfactory Continuing Control The Grantee must maintain control over real property, facilities, and equipment and ensure that they are used in transit services

NVRTA's Role in Monitoring Third Party Contracts: Ensure that vehicles, equipment and transit facilities are used in accordance with FTA requirements. Compliance with this requirement is the responsibility of the Transit Manager.

Financial Management The Federal requirements for managing Federal funds are in OMB Circular A-87, OMB Circular A-110 and Uniform Guidance. Where there are conflicts between state and Federal law, the most restrictive law takes precedence.

FTA grantees must have legal, managerial, financial and technical capability to carry out Federal Transit Administration (FTA) programs and to receive and disburse Federal funds. Financial systems must be sufficient to prepare reports and track grant funds.

NVRTA's Role in Monitoring Third Party Contracts: Ensure that the third party contractors can meet requirements. A site visit to new contractors may be necessary. In most cases a documented phone interview or a review of financial references is sufficient. This is conducted by the Finance Manager.

Procurement and Contracting FTA grantees will use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and that the procedures conform to

applicable federal law including 49 CFR Part 18, specifically Section 18.36 and FTA C 4220.1E, "Third Party Contracting Requirements." Grantees will maintain a contract administration system that ensures that contractors perform in accordance with terms conditions, and specifications of their contracts or purchase orders.

Recipients must comply with five FTA requirements:

1. Provide full and open competition;
2. Exclude in-state or local preference;
3. Include federally required clauses in all contracts
4. Obtain FTA approval on contracts with a duration of more than five years;
5. Use Brooks Act procedures for architectural and engineering procurements

NVTA's Role in Monitoring Third Party Contracts: To the extent that the subgrantee contracts with third parties, the subgrantee is required to include in their contracts the clauses required by Federal Statutes and Executive Orders and their implementing instructions. It is the Financial Manager's role to collect and review these contracts for proper Federal clauses. Necessary certifications must be on file before award of contract. Further, NVTA must follow its own procurement policy when conducting any procurement.

Civil Rights FTA grantees must ensure that no person in the United States, on the grounds of race, color, creed, national origin, sex, age, or disability be excluded from participating in, denied the benefits of, or be subject to discrimination under any project, program or activity funded in whole or in part with FTA funds.

A civil rights complaint is defined as a formal complaint filed in person or in writing to the Office of Civil Rights; to the US Department of Transportation; to the Federal Transit Administration; to the Federal Highway Administration; or to private counsel alleging discrimination. Complaints must be filed within 180 days of the alleged discriminatory event or practice.

NVTA's Role in Monitoring Third Party Contracts: Pre-award, request list of any outstanding civil rights complaints against the organization. This is the responsibility of the Finance Manager.

Buy America Per "Buy America" law, federal funds may not be obligated unless steel, iron and manufactured products used in FTA-funded projects are produced in the United States unless FTA has granted a waiver or the product is subject to a general waiver. Rolling stock must have sixty percent domestic content and final assembly must take place in the United States.

NVTA's Role in Monitoring Third Party Contracts: For all procurements of steel, iron and manufactured products over \$100,000 the grantee is required to obtain and retain a Buy America certification of compliance from the successful bidder. The only exception is for an item subject to a Buy America waiver. If neither of the above conditions exists, the grantee may also be able to get a waiver from the FTA for this requirement. This is part of the procurement process and is the responsibility of the Finance Manager.

Suspension and Debarment FTA grantees are required to prevent fraud, waste, and abuse in federal transactions, persons or entities, which by defined events or behavior, potentially threaten the integrity of federally administered programs, are excluded from participating in FTA-assisted programs. FTA grantees not only are required to certify that they are not excluded from Federally assisted transactions, but also are required to ensure that none of the grantee's "principals" (as defined in the governing regulation 49 CFR Part 29 and FTA Circular 2015.1), subrecipients, and third-party contractors and subcontractors are debarred, suspended, ineligible or voluntarily excluded from participation in Federally assisted transactions.

NVRTA's Role in Monitoring Third Party Contracts: For any sub-contractor who will receive twenty-five thousand dollars or more through a federally funded agreement NVTA will document certification on compliance with this regulation. The Finance Manager is responsible for compliance with the suspension and debarment requirement.

Lobbying Recipients of Federal grants and contracts exceeding \$100,000 must certify compliance with Restrictions on Lobbying, before they can receive funds. In addition, grantees are required to impose the lobbying restriction provisions on their contractors.

NVRTA's Role in Monitoring Third Party Contracts: Ensure that all contracts funded with FTA funds exceeding \$100,000 include the clause certifying that the contractor will abide by the FTA required restrictions on lobbying. The Finance Manager is responsible for ensuring this requirement.

Equipment Compliance Certification FTA grantees using Federal funds to purchase vehicles are required to conduct pre-award and post-delivery reviews to confirm Buy America, purchaser's requirements, and Federal Motor Vehicle Safety Standards (FMVSS) and certify compliance for all revenue service rolling stock procurements.

Recipients must keep documentation showing they complied when procuring revenue rolling stock.

NVRTA's Role in Monitoring Third Party Contracts: Ensure that payment for vehicles is not made until pre-award and post-delivery reviews are documented, if applicable. This is the responsibility of the Finance Manager.

Disadvantaged Business Enterprise (DBE) FTA grantees must comply with the policy of the Department of Transportation (DOT) that DBE's, as defined in 49 CFR Part 26, are ensured nondiscrimination in the award and administration of DOT-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for DOT-assisted contracts; ensure that only firms that fully meet eligibility standards are permitted to participate as DBEs; help remove barriers to the participation of DBEs; and assist the development of firms that can compete successfully in the marketplace outside the DBE program.

NVRTA's Role in Monitoring Third Party Contracts: On large capital projects, the DBE Officer or the Project Manager should document periodic efforts to monitor on-site DBE activities. This may include site visits to ensure DBE's are actually conducting the work on contracts, checking employee records to ensure that staff working on the project are staff of the DBE, and/or review title or leasing information on any heavy equipment used to ensure that the equipment is owned or leased by the DBE. On smaller projects, NVRTA will require the submittal of evidence that DBE's have been paid by the prime contractor in a timely manner for the work described in the bid or proposal. Monitoring DBE compliance in NVRTA contracts is the responsibility of Finance Manager with assistance from the Transportation Administrative Assistant.

Review Schedule for Third Party Oversight

The following provides the minimum requirement for third party oversight review:

1. Accessibility/ADA: Monthly
2. Safety & Security: Semi-Annually
3. EEO: Ongoing
4. Maintenance: Per Vehicle/Facilities/Equipment Oversight Procedures
 - a. Comprehensive facilities and equipment maintenance plan submitted by contractor annually.
 - b. Program Manager will also perform a monthly inspection of the facilities and equipment (Sunday inspection).
 - c. Transit Planner will perform quarterly site visits and complete checklists related to recorded verification of preventative maintenance work order intervals, the overall record keeping system, and warranty records
5. School Bus Services: Annually – review at monthly meeting
6. Charter Services: Annually – review at monthly meeting
7. Drug and Alcohol Testing: Semi-Annually – Transportation Program Assistant
8. Satisfactory Continuing Control: Annually
9. Financial Management: Ongoing with every new contract
10. Procurement and Contracting: Semi-Annually
11. Civil Rights: Ongoing with every new contract
12. Buy America: Ongoing with every new contract or purchase
13. Suspension and Debarment: Ongoing with every new contract
14. Lobbying: Ongoing with every new contract
15. Equipment Compliance Certification: Ongoing with every new contract or purchase
16. Disadvantaged Business Enterprise: Semi-Annually

7.4.5 SUBRECIPIENT MONITORING

NVRTA is responsible for financial and programmatic monitoring of sponsored project funds awarded to NVTA that are subcontracted to another institution, organization, or individual (sub-recipient).

For subcontracts that include any federal funds, sub-recipients are required to make an annual disclosure of any sponsored research audit findings. As a recipient of federal sponsored projects, NVTA must comply with the guidelines outlined in the Uniform Guidance

NVRTA is required by federal regulation to monitor expenditure of federal funds awarded that are sub-contracted to another institution, organization, or individual. To provide the monitoring required by federal regulations and to ensure good stewardship of sponsored projects, NVTA will review all sub-recipient expenditures for allowability, allocatability, reasonableness, and proper compliance.

It is the policy of NVTA to carry out its fiduciary responsibilities in accordance with State and Federal Law. Specifically, this policy addresses the need to define the difference between a sub-recipient and vendor in order to make a determination of whether a sub-recipient or vendor relationship exists for the purpose of dispersal of Federal grant awards.

The purpose of this procedure is to outline the distinctions between a sub-recipient and a vendor in accordance with 29 CFR 99.210, in order to determine whether payment constitutes a Federal award (sub-recipient) or a payment for goods and services (vendor).

Definitions. The terms defined below apply to this policy and are for the express purpose of interpreting this policy.

Sub-recipient: A sub-recipient is a legal entity that receives Federal funds. The sub-recipient is accountable for the expenditure of funds according to the program regulations. When the organization performs the following activities they are defined as a sub-recipient:

- Determines eligibility for the Federally funded program.
- Has its performance measured against the objectives of the Federal program.
- Has responsibility for programmatic decision-making.
- Has responsibility for adherence to applicable Federal program compliance requirements
- Uses the Federal funds to carry out a program of the organization as opposed to providing goods or services for a program.

Vendor: A vendor is a dealer, distributor, merchant or other seller providing goods or services that are required to conduct a Federal program. Payments made for goods or services to vendors would not be considered Federal awards. The following activities are indicative of a vendor relationship:

- Provides the goods and services within normal business operations.
- Provides similar goods or services to many different purchasers.
- Operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the Federal program.
- Is not subject to the Federal compliance requirements of the program.

Scope This policy applies to sub-awards or sub-contracts issued under sponsored projects awarded to NVRTA without regard to the primary source of funding. The following are the objectives of implementing this policy:

- Manages or eliminates any conflict of interest that arises from a sub-award or sub-contract by NVRTA to an entity in which NVRTA, or key personnel have a financial interest.
- Advises sub-recipients of federal laws or regulations, terms and conditions of the prime award or agreement, and NVRTA requirements that apply to the sub-award or sub-contract.
- Provides sub-recipients with information regarding the prime award including Catalog of Federal Domestic Assistance number (CFDA), title, award name and number, award dates, and sponsoring Authority, as required by Uniform Guidance.
- Monitors costs and activities of sub-recipients to ensure that expenditures charged to NVRTA are allowable, allocable and reasonable, and reflected in the scope of work of the sub-award or subcontract. Ensures that the performance goals set forth in the scope of work are being met in a timely manner.
- Ensures that cost-share commitments made by sub-recipients are documented and adhere to all relevant regulations.
- Conducts an annual risk assessment of all active sub-contracts or sub-awards to determine which sub-recipients require closer scrutiny.
- Ensures that sub-recipients expending \$750,000 or more in federal awards during the subrecipient's financial year have met the Uniform Guidance audit requirements for that financial year.
- Issues management decisions on audit findings within six months after receipt of the subrecipient's audit report and ensures that the sub-recipient takes appropriate and timely corrective action.
- Considers whether sub-recipient audits necessitate adjustment of NVRTA's records, such as budget modifications, or re-allocation of cost-shared resources.

Roles and Responsibilities

Contract Administrator

- Ensures that sub-contract/sub-award paperwork is reviewed by the Program Administrator before sending to the Procurement Officer for review.
- Logs all expenditures/invoices on the sub-contract/sub-award.
- Ensures that appropriate back-up documentation for expenditures has been provided by sub-recipient.
- Routes the invoice to Accounts Payable for approval and payment.
- Checks System for Award Management (SAM.gov) to ensure that sub-recipient is not on the debarred list.
- Confirms that the appropriate signatures have been obtained.
- Generates payment to the sub-recipient for the approved amount.

Program Manager (PM)

- Reviews budget and scope of work before agreement is signed.
- Reviews invoices submitted by the sub-recipient to ensure that costs are allowable, allocable and reasonable. Reviews back-up documentation provided for expenditures.
- Reviews invoices and expenses-to-budget.
- Ensures that cost-share commitments are documented in the invoicing process.
- Assists Finance Dept. with questions regarding sub-recipient invoices.
- Reviews technical or performance reports.
- Ensures that any project deliverables (reports, financial or programmatic) are submitted to NVRTA in a timely manner.
- Ensures that expenditures invoiced by the sub-recipient for work and effort committed are appropriate to the approved budget and scope of work of the agreement.

Sub-award Monitoring The Authority should monitor the subrecipient's use of Federal awards through reporting, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

The PA should maintain sufficient contact with the Subrecipients of the sub-award to assess accurately whether the subrecipient is reasonably progressing towards the achievement of the sub-award's statement of work including performance goals.

The PM should obtain periodic written progress reports from the subrecipient(s). Progress reports should generally contain, for each sub-award, brief information on each of the following.

1. A comparison of actual accomplishments with the goals and objectives established for the period. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
2. Reasons why established goals were not met, if appropriate.
3. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

Upon receipt of a subrecipient invoice, the PA should review and assess whether the charges on the invoice reasonably match the progress made on the statement of work.

Sub-recipient Audits

The Authority's employs a risk based approach of monitoring sub-recipients annual audit results. NMTA will conduct the following monitoring activities for all applicable subrecipients that meet NMTA's risk based approach criteria:

For all sub recipients subject to Uniform Guidance audits, NMTA will obtain a written acknowledgment on whether the subrecipient has complied with the audit requirements of the Uniform Guidance and the required audits are completed within nine months from the end of the Sub recipient's audit period.

7.4.7 INDIRECT COST RATE PROPOSAL

In order to provide for the reasonable and consistent allocation or distribution of costs to its various grants and funding programs, NMTA develops an Indirect Cost Rate Proposal (ICRP) annually. The ICRP is designed in accordance with OMB Circular A-87 and is approved by the California Department of Transportation ("Caltrans"). Indirect costs are applied only upon receipt of the approved ICRP from Caltrans.

7.4.6 ECHO FUNDS DRAWDOWNS AND VERIFICATION

Cash Management Requirements

All eligible FTA grantee organizations or sponsors paid by the requisition method of payment may now apply to be converted to US Treasury's Automated Clearing House (ACH) method of payment, regardless of the money amount involved. ACH electronically sends payment to a payee's bank for deposit to their bank account.

Guidelines for Disbursements

Disbursement guidelines are in accordance with policies established in U.S. Department of Treasury Circular 1075, Part 205, "Withdrawal of Cash From The Treasury for Advances Under Federal Grant and Other Programs," and by FTA financing agreements. These guidelines state that the recipient organization should commit itself to:

- Initiating cash drawdowns for immediate disbursement needs. This has been defined as three calendar days. Excess federal funds held more than three days must be returned to FTA along with any interest earned.
- Providing control and accountability for all project funds consistent with FTA requirements and procedures for use of the ECHO-Web System.
- Furnishing reports of cash disbursements and balances, when required by means of the Financial Status Report for FTA and the Federal Cash Transaction Report.

The Federal Transit Administration Agreement (Form FTA II (A)), Part II or II Terms and Conditions, dated December 1992, Section 107.a and b. (1), describes the process for requesting payment and the requirement for payment processing under the ECHO System.

NMTA authorizes one signature authority as the *Authorized Signor* to approve the drawdown requests for transmitting payment to the County's Treasury for approved grant funds due to the agency. The Executive Director is the *Authorized Signor* As needed, an ECHO draw shall be made.

Grants management staff will prepare documentation for Echo Drawdowns to include the following:

The Director of Finance will

1. Prepare a "mock" invoice for review by the Project Manager and approval by the Executive Director.
2. Provide a detailed expense ledger of expenses and match, and invoices to support the draw.
3. Evidence that invoices have been reviewed, approved and paid prior to drawdown request. NOTE: FTA does allow grantees to pay invoices within 3 days of receipt of payment through the ECHO system, but TAPS' current policy is to request drawdowns on a reimbursement basis only.

4. Copies of expenses that support the amount of the draw request such as invoices. The Director of Finance will provide evidence that costs are eligible for the grant and have been incurred prior to drawdown requests.

A Proof of Payment document shall be included to make sure the expenses have been paid. If not paid, the disbursement will be removed from the list and an adjustment made for the draw down to the trial balance.

5. Provide evidence that costs are for the period of time covered by the project.
6. Provide supporting calculation for draw amounts to demonstrate that only the appropriate federal share in relation to the total project cost is being requested in the drawdown.
7. Provide supporting calculation to demonstrate that the amount in the approved grant line item has not been exceeded.
8. Provide supporting documentation of funds received to date to ensure the request does not exceed approved amounts.
9. The Director of Finance, or designee, will then execute the ECHO drawdown.
10. Upon receipt of the funds to the County's Treasury, the receivable will be recorded to cash.
11. The wire confirmation will be printed and placed into the file for record retention purposes. The staff accountant will verify the funds have been received and properly documented.

7.5 REIMBURSEMENTS

7.5.1 BUSINESS RELATED EXPENSES

This policy, and the procedures that follow, is to define the rules and limits that must be observed when arranging, engaging in, or claiming reimbursement for business purposes.

NVRTA staff may be required to travel while performing their official duties. The Authority will reimburse its staff for their reasonable and necessary travel expenses incurred while traveling on Authority business within the limits of the reimbursement guidelines. NVTA recognizes the constructive value of professional conferences, seminars, meetings and training, and provides or reimburses funds for NVTA's elected and appointed officials, department managers, and staff who attend such official events or incur such expenditures. Board of Directors, officials, and staff and volunteers should be entitled to reimbursement for their reasonable expenses associated with travel, meals, lodging and other actual and necessary expenses associated with attending such events. Expenses should be reasonable and should not include items normally construed as personal expenses.

Allowable Expenditures

Expenses incurred in connection with the following activities generally constitute authorized expenses, as long as the other guidelines of this policy are met, including good judgment and cost-effective use of resources.

- Communicating with representatives of regional, state, and national government on Authority-adopted policy positions.
- Serving on professional organizations or governmental committees, boards, or task forces.
- Attending educational seminars, conferences or organized educational activities designed to improve skill levels or provide information on topics important to Authority policy and operations.
- Preparing research for Authority projects or implementing adopted plans, policies, goals, or programs.
- Attending meetings involving activities or decisions important to Agency's interests, which are consistent with adopted plans, policies, goals, or programs.

Ineligible Expenditures

Personal expenditures incurred are not be reimbursed such as:

- The personal portion of any trip.
- Political or charitable contributions.
- Family expenses, including those of a partner when accompanying the official on official business or child care.
- Entertainment expenses, including theatre, shows, movies (either in-room or in theaters), sporting events, golf, spa treatments, etc.
- Non-mileage personal automobile expenses including repairs, insurance, gasoline, traffic citations.

- Personal losses incurred while on Agency business.
- Alcoholic beverages.

Travel Authorization

Staff who need to travel on business for more than a single day must obtain written approval from their appropriate manager by using the “***Out of Area Travel Request***” form.

Payment with Agency Purchasing Card

As much as practically possible, travel and related business expenditures should be paid with NVRTA’s purchasing card. This includes registration fees, airplane tickets, car rental and lodging. Except for qualified per diem expenditures, receipts must be submitted for reimbursements.

Travel Advance

A travel advance is to allow staff an alternative to using personal funds when traveling on business. This allows staff to receive advance funds to cover the cost of a trip authorized by NVRTA. Submit the cash advance request to Accounts Payable between 10 and 30 days before the beginning of the trip.

Per Diem

Unless otherwise noted, Meals and Incidentals (M&I) will be reimbursed on a per diem basis. Staff travelling on business are reimbursed up to the per diem rate for travel related meal expenses. Receipts are not required for reimbursement of travel meals using per diem rates for the destination of travel established by the United States General Services Administration.

- First and last days of travel will be reimbursed at 75% of the per diem.
Departure day – the day you leave your home or office.
Return day – the day you return to your home or office.

The traveler will receive the full per diem rate for extended day travel occurring before 8:00 am and after 9:00 pm. Per Diem does not apply to multiple days travel without overnight stays.

Business Mileage Reimbursement Rate

Business mileage is the travel an employee incurs beyond normal commute mileage (from home to the office and home again). Staff may request reimbursement for business mileage incurred when traveling with a personal vehicle. The reimbursement rate is established by the Internal Revenue Service and updated every calendar year. The mileage rate includes gas, vehicle maintenance, insurance, and other personal vehicle related costs.

Surface Transportation in Lieu of Air Travel

The excess costs of mileage or other travel expenses incurred as a result of choosing surface transportation instead of air travel are not allowable. The total travel costs reimbursed may not exceed the amount had the services of a commercial airline been used.

Meal Provided by a Sponsoring Organization

Meals provided by a sponsoring organization will not be reimbursed if the traveler chooses to forego the provided meals.

Single Day Travel

Transportation should be provided through the most economical means available such as an agency vehicle, car rental or private automobile.

- Car Rental: Permissible for extended day travel if NVRTA vehicle is not available.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Per Diems are not granted for single day travel, except for extended travel
- Lodging: Lodging is not granted for single day travel, except for extended travel

Multiple Days Travel with Overnight Stays

Transportation should be provided through the most economical means available such as an agency vehicle, private automobile or by airplane. Personal vehicle travel is not permitted if air travel is considered a more economical travel alternative.

- Car Rental: Allowable if approved by a Manager.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Per Diems rates based on the city/area of the activity if Meals are not provided by the event sponsor. See GSA.gov for established per diem rates.
- Lodging: Actual costs for single occupancy accommodations.

Multiple Days Travel without Overnight Stays

Transportation should be provided through the most economical means available such as an agency vehicle, private automobile. Personal vehicle travel is not permitted if there are other economical travel alternatives. Airline travel is not permitted.

- Car Rental: Allowable if approved by the Supervisor.
- Mileage Reimbursement for personal vehicles: See Business Mileage Reimbursement Rate section above.
- Per Diem Meals: Receipts must be submitted for the actual cost, if meals are not provided by the event sponsor.
- Lodging: Actual costs for single occupancy accommodations.

Expense Reimbursement Form

The Expense Reimbursement Form should be submitted with supporting documentation and receipts within 30 days of travel. Receipts should be attached onto an 8 1/2 x 11 sheet of paper. A copy of the Out-of-Area Travel authorization should be submitted with the reimbursement claim.

Continuing Professional Education/Training Programs

Any employee who is required as a condition of employment to maintain certification, licensure or professional equivalency and who must have continuing education to maintain eligibility to perform their job duties and/or maintain certification should be reimbursed for meals and mileage and for the actual cost of tuition/registration and books/supplies, associated with said educational course or training provided such course work or training.

Any employee who attends other work-related training programs should be reimbursed for the meals and mileage and for the actual cost of registration associated with said training.

Any travel overnight stay associated with continuing education or training programs must receive prior Executive Director approval.

Staff should be allowed sufficient leave with pay to meet the minimum continuing education/training required. The allowed leave should be subject to the discretion of NVRTA and the approval of the Executive Director.

The Executive Director must approve training or continuing education prior to commencement to ensure that reimbursement of costs associated with continuing education or training is within the NVRTA approved budget.

Submit the signed original with supporting documentation within 30 days of travel.

Original receipts are mandatory for all taxi, shuttle fares, bridge and road tolls, public ground transportation fares, and parking fees of more than \$5. Bus fares and bridge toll receipts are not required. In cases where receipts cannot be obtained or have been lost, a statement to that effect should be made in the expense account and the reason given. A statement as to a lost receipt will not be accepted for lodging, airfare, rental car, and/or business expenses. For a ticketless flight, submit the itinerary. The itinerary includes the same information that would be found on a ticket.

7.5.2 MEALS AND MEETING EXPENSES

This policy establishes guidelines for the appropriate purchase of refreshments for activities and events sponsored by the agency. This policy does not address food purchases related to business travel. The policy on food purchasing is designed to ensure public funds used to purchase food for meetings is done so with thoughtful attention to cost effectiveness and appropriate scenarios.

When meetings of an administrative nature are held that are directly related to the business of NVRTA, the cost of meals or light refreshments may be paid from budgeted funds with approval from a Director. Food and refreshments may be purchased for one or more of the following purposes or activities: (the following are examples and not an exhaustive list):

- Meetings of the Board of Directors, advisory committees, public officials, and community members in supporting and collaborating in program success.
- Trainings, workshops, webinars and seminars.
- Attending/working events where staff is representing NVRTA in an official capacity
- Board and staff retreats.
- Working lunches or dinners if the purpose of the meeting is to discuss Agency business. Topics must be documented.
- Meetings with agency staff that cannot be conducted during normal business hours.
- Mandatory team events held during lunch or dinner time.
- Meetings with community members regarding collaboration and partnership in the community.

Those planning for food expenses should consider the following principles:

- **Appropriateness:** Meals should be necessary and integral to the business meeting, not a matter of personal convenience. Food may be provided at meetings of employees on an occasional basis. Staff lunches, where work can be conducted during other times of the workday, regular staff meetings, and personal celebrations (i.e., birthday, retirement, or baby shower celebrations) do not qualify as appropriate activities. Expenditures should be limited to food and non-alcoholic beverages.
- **Cost Effectiveness:** The expenditure of budgeted funds for food and refreshments should be cost-effective and reasonable. Those planning these events should get as close an estimate as possible to the actual number of expected attendees. If the meeting is scheduled more than two weeks in advance, ask for an RSVP and this should guide the purchase of food.
- **Documentation –** Meetings must have an agenda and an accurate attendance list should be submitted at the close of the meeting. This documentation should be attached to the receipt or invoice for such purchase.



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Imola Park and Ride Construction Contract Budget Increase

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board:

- 1) approve an additional \$50,000 in construction contingency for Construction Agreement No. 21-19 with O.C. Jones & Sons, Inc for construction of the Imola Park and Ride improvement project for an amount not to exceed \$479,309; and
- 2) authorize the Executive Director to issue change orders for Construction Agreement No. 21-19 in an amount not to exceed \$479,309.

EXECUTIVE SUMMARY

The Imola Park and Ride improvements project was deemed substantially complete in Fall 2022 with only punch list work outstanding before final acceptance. Several punch list items are driven by Caltrans since the facility is situated within their right of way. While NVRTA has a maintenance agreement with Caltrans for operational rights, completion of construction punch list items is required for Caltrans to officially accept the project.

Traditionally, costs associated with punch list items would be covered with the original contract contingency. However, a substantial portion of the contingency was used during construction to install electric vehicle charging infrastructure. Consequently, there is now a need for additional funding to address the remaining work.

FISCAL IMPACT

Yes. An estimated additional \$50,000 is needed to complete the punch list items. Funding has been budgeted and is available for this request from Transportation Development Act funds.



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: Imola Park and Ride Construction Contract Budget Increase

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board:

- 1) Approve an additional \$50,000 in construction costs for Agreement No. 21-19 with O.C. Jones & Sons, Inc for construction of the Imola Park and Ride improvement project in an amount not to exceed \$479,309; and
- 2) Authorize the Executive Director to issue change orders for Construction Agreement No. 21-19 in an amount not to exceed \$479,309.

COMMITTEE RECOMMENDATION

None

BACKGROUND

The Imola Park and Ride improvement project was deemed substantially complete and reopened for service in Fall of 2022. However, prior to final acceptance and issuance of the Notice of Completion, the contractor, OC Jones, needs to complete the outstanding punch list items to complete the project. Several punch list items are driven by Caltrans which include modifications to the traffic signal system, signage and striping, as well as other minor modifications to project features to attain ADA compliance.

Under normal circumstances, completion of the punch list would have been attainable within the original construction contract's contingency. However, approximately halfway through construction, NVTA decided to incorporate additional design modifications which would allow for the immediate installation of six electric vehicle charging stations and

future buildout of up to 34 charging stations. This change to the project design, in addition to other construction change orders, and Caltrans requirements to accept the project, necessitates additional construction funding. A breakdown of the original and new contract budget authorization is provided in Table 1 below:

Table 1: Project Budget	
<u>Cost Item</u>	<u>Value</u>
Original Contract Value (Base Bid)	\$2,174,698
Original Contract Contingency	\$429,309
Original Budget Authorization	\$2,604,007
Funding Shortfall (Requested Amount)	\$50,000
New Project Budget	\$2,653,737

ALTERNATIVES

The Board could choose to not authorize the requested construction contingency increase. This action would likely result in challenges closing out the project in accordance with Caltrans requirements and the contractor submitting a claim against NVTa.

STRATEGIC GOALS MET BY THIS PROPOSAL

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

The project will greatly improve express bus operations and therefore enhance transportation for all members of the community.

Goal 5: Minimize the energy and other resources required to move people and goods.

The addition of bus stops on the on/off ramps will reduce mobile emissions.

ATTACHMENT(S)

None



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Regional Measure 3 Priorities

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVRTA) Board approve the updated Regional Measure 3 (RM 3) project priorities.

EXECUTIVE SUMMARY

On June 5, 2018, the voters of the Bay Area approved Regional Measure (RM) 3, a bridge toll increase to finance \$4.5 billion in highway and transit improvements along the toll bridge corridors and their approach routes. The list of RM 3 project categories for NVRTA or regional RM 3 programs that are of interest to NVRTA include:

Corridor-Specific Capital Projects:

- \$20 million for multi-modal improvements in South Napa County and along the State Route (SR) 29 corridor, including the Soscol Junction project.
- \$100 million for environmental work and near-term improvements on SR 37 to protect the highway from flooding and improve congestion.
- \$100 million for North Bay Transit Improvements

Regional (Competitive) Programs:

- \$150 million for San Francisco Bay Trail / Safe Routes to Transit

NVRTA staff is requesting the Board review and approve updated RM 3 priorities.

FISCAL IMPACT

Not with this action.



NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Danielle Schmitz, Capital Development and Planning
(707) 259-5968 / Email: dschmitz@nvta.ca.gov
SUBJECT: Regional Measure 3 Priorities

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the updated Regional Measure 3 (RM 3) project priorities.

COMMITTEE RECOMMENDATION

None

BACKGROUND

After almost 5 years since the passing of Regional Measure 3, and the Supreme Court's decision to dismiss the Howard Jarvis Taxpayers Association lawsuit, the Bay Area state-owned bridge toll increase that was on the ballot in 2018, has begun to flow to critical transportation projects around the region.

In 2021, NVTA filed and secured two Letters of No Prejudice (LONP) from the Metropolitan Transportation Commission (MTC) for the SR 29 South County Highway Projects and the North Bay Transit program while using other funds to deliver the Soscol Junction Project and the Vine Bus Maintenance Facility. NVTA has been reimbursed \$20 million for the North Bay Transit program and is expected to be reimbursed \$20 million for the SR 29 South County highway improvements by the end of the fiscal year. NVTA also has an interest in the \$100 million committed to SR 37, along with the other three North Bay County Transportation Agencies. NVTA is also eligible to compete for funding from the San Francisco Bay Trail/Safe Routes to Transit program (\$150 million).

Staff has modified the list of project priorities that was approved by the NVTB Board in 2019, to address updated project priorities since many projects have moved forward with other funding sources. The exact funding amounts are subject to change based on proposals received and other fund sources available.

Table 1. RM 3 SR 29 South County Priorities – Funding Proposal*

Project	Description	Estimated Project Cost (\$1,000s)	Estimated RM 3 Funds (\$1,000s)
SR 29 American Canyon Corridor Improvements	Intersection and operational improvements along SR 29 between Napa Junction and American Canyon Road including multimodal improvements	\$50,000	\$12,000
Sr 29/Airport/SR 12/Kelly Rd.	Operational and Interchange Improvements	150,000	5,000
Carneros Intersection (SR 29/12/121)	Operational and Intersection Improvement	15,000	3,000
Soscol Junction	Grade separated intersection improvements at SR 29/221	\$50,000	\$1,000**
Total		\$215,000	\$21,000

*Exact funding amounts subject to change

**Soscol Junction is fully funded and under construction but if additional contingency is needed it would come from RM 3 funds and be deducted from the Carneros Intersection project.

Staff has modified the list of project priorities for the North Bay Transit Improvements and for San Francisco Bay Trail/Safe Routes to Transit programs based on project needs and funding availability. Attachment 1 details what project priorities have been shifted. Projects like the Imola Park and Ride, which is completed, have been removed. In addition, NVTB submitted a Letter of No Prejudice for the North Bay Transit Funds for the Maintenance Facility. NVTB used the Transportation Infrastructure Finance and Innovation Act (TIFIA loan) and Transportation Development Act (TDA) funds to substitute in lieu of RM 3 funds to accelerate the project. To eliminate further borrowing for the new Vine Maintenance Facility from the TIFIA grant, \$6.5 million of the RM 3 \$20 million transit funds will be used to complete the construction of the Bus Maintenance Facility. The remainder of the RM 3 funds will be used on TIFIA loan payback and transit priorities outlined in Table 2.

Table 2: RM 3 North Bay Transit Improvements*

North Bay Transit Improvements	Estimated RM 3 (\$1,000s)
TIFIA Loan Payback - Vine Maintenance Facility	\$10,000
Vine Maintenance Facility Completion	6,500
Redwood Park and Ride Upgrades	1,000
Napa Valley College Bus Stop	1,000
40' Express Bus (Expansion Bus Fleet)	1,000
Transit Signal Priority (Various locations)	500
Total	\$20,000

*Exact funding amounts subject to change

The Bay Trail/Safe Routes to Transit projects listed in Table 3. Although NVTa would be the recipient of these funds, the projects are likely to be delivered by the City of Napa or the County of Napa. The projects have been vetted with jurisdiction staff and are included in NVTa's Countywide and Active Transportation plans. These are competitive funds, and not guaranteed.

Table 3. Bay Trail/Safe Routes to Transit*

Bay Trail/Safe Routes to Transit	Estimated RM 3 Funds (\$1,000s)
Soscol Gateway Transit Center – Oxbow Bypass Connection	\$4,000
Vine Trail – Bay Trail – South Kelly Road to Napa Pipe	6,500
Imola Ridge Trail to Vine Trail/Bay Trail (Imola Avenue)	4,000
Vine Trail-Bay Trail – Napa Pipe to Kennedy Park	2,500
Total	\$17,000

*Exact funding amounts subject to change

NVTa staff is working with the other three North Bay Area counties, MTC and Caltrans on the Resilient 37 corridor. As outlined in the MOU signed by all parties, the \$100 million in RM 3 State Route 37 funds is programmed to both near-term projects that will reduce congestion and impacts associated with sea level rise, and the ultimate project. Table 4 is the approach approved to date.

Table 4: RM 3 SR 37 Project Priorities

Project	Description	Estimated RM 3 funds (\$1,000s)
Segment C Fairgrounds Interchange (STA)	Passenger facilities and ramp improvements at SR 37 and Fairgrounds Drive	\$15,000
Sears Point to Mare Island Improvement Project	SPMIIP Environmental & Design (SCTA)	20,000
SR 37/121 improvements	Intersection environmental and design (SCTA)	4,000

Segment A Levee Study	Planning: Levee Study	3,000
Ultimate Project Improvements (TAM & SCTA)	Segment A & B Environmental Documents and Design/Mitigation	58,000
Total		\$100,000

ALTERNATIVES

The Board could decide not to approve the updated Regional Measure 3 priorities and/or provide an alternative set of priorities.

STRATEGIC GOALS MET BY THIS PROPOSAL

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

Goal 3 – Use taxpayer dollars efficiently.

ATTACHMENT

1. Modifications to RM 3 Competitive Priorities

NVTA Regional Measure 3 Competitive Program Priorities

Program/Project	Matching Source	Total Project Cost	RM 3 Total
North Bay Transit Access Improvements			
SR-29/Imola Park & Ride Improvements	TDA	5,000,000	
SR-29/Transit Access Improvements	TDA	3,100,000	
Napa Valley College Bus Stop	TDA	1,000,000	1,000,000
Redwood Park & Ride Upgrades	TDA	1,500,000	1,000,000
TSP (various locations)	TTA	1,000,000	500,000
40' Express Buses	TDA	16,000,000	1,000,000
Maintenance Facility	TDA/FTA 5307	32,000,000	6,500,000
TIFIA Loan payback			10,000,000
North Bay Transit Access Improvements-Total		\$ 51,500,000	\$ 20,000,000
Safe Routes to Transit / Bay Trail			
Soscol Gateway Transit Center - Oxbow-By-Pass Connection	Napa City/GF	5,500,000	4,000,000
Vine Trail-Bay Trail - Napa Pipe to Airport	Napa City/County GF	8,000,000	6,500,000
Vine Trail-Bay Trail - Kennedy Park to Napa Pipe	Napa City/GF	3,000,000	2,500,000
Imola Ridge Trail to Bay Trail/Vine Trail	Napa City/County GF and Caltrans SHOPP	6,000,000	4,000,000
Safe Routes to Transit - Total		\$ 22,500,000	\$ 17,000,000

*Modifications shown in red



NAPA VALLEY TRANSPORTATION AUTHORITY

COVER MEMO

SUBJECT

Countywide Vision Zero Plan Adoption

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the NVTA Vision Zero Plan and adopt Resolution 23-24.

EXECUTIVE SUMMARY

Vision Zero is a transportation system strategy to eliminate fatal and severe injury crashes on roadways. To advance the goal of improving roadway safety for all modes countywide, to align with regional and national best practices, and to support the requirement under multiple grant funding programs, NVTA with the assistance of its consultant, Fehr & Peers, developed a Countywide Vision Zero Plan. This data-driven and community-focused effort complemented recently completed Local Roadway Safety Plans (LRSP) by the County and Cities of Napa and American Canyon.

With the adoption of this Vision Zero Plan and resolution, NVTA staff will begin coordination with member agencies to institutionalize the safety strategies identified in the plan.

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: Countywide Vision Zero Plan Adoption

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve the NVTA Vision Zero Plan and adopt Resolution 23-24.

BACKGROUND

National best practices and policies support adoption of comprehensive safety action plans, including Vision Zero plans. The Napa Valley Vision Zero plan must be adopted no later than December 2023 to meet requirements for several competitive transportation funding programs as well as the One Bay Area Grant, Cycle 3 (OBAG-3) program. This plan will assist NVTA and its member agencies towards achieving the goal of zero serious and fatal roadway injuries countywide by 2030. In addition, each jurisdiction is expected to adopt a local resolution of support towards achieving the Vision Zero goal.

The NVTA Vision Zero Plan identifies and evaluates hot spots and systemic, risk factors on Napa Valley's roadway network using collision records between 2015 and 2021. There were 571 severe injuries or fatalities in this timeframe. The data was used to evaluate locations with frequent severe injury or fatality collisions and to identify where to implement safety enhancements based on injury risk factors. Community engagement efforts and equity-focused analysis supported the projects and strategies recommended in the plan. Projects reflect engineering and non-engineering countermeasures that are in line with the [Safe System Approach](#) that seeks to reduce speed, separate users in space and time, and provide redundancy using proven safety countermeasures. Complementary program, policy, and practice recommendations are also identified to infuse safety on all Napa Valley roadways.

NVTA, with support from Fehr & Peers, prepared the NVTA Vision Zero Plan. [Click here to access the full plan document](#),

The following describes the work completed as part of the Vision Zero effort.

Data Collection

The Fehr & Peers team completed a preliminary overview of collision records in both incorporated and unincorporated areas within the county. The collision data included injury reported collisions between 2015 and 2021, available through the Transportation Injury Mapping System (TIMS) reports from the Statewide Integrated Traffic Records System (SWITRS) but excludes collisions that cause property damage only and no injuries. For the timeframe in Napa Valley, there were a total of 4,651 injury collisions, of which 571 were fatal or severe injury collisions. High-level trends include:

- Fatal and severe injury collisions for vehicle-only and pedestrian collisions have remained similar year-over-year, even during the pandemic. There was a slight decrease in bicycle-related collisions in 2021.
- Different modes have different times where collisions are most prevalent.
 - Pedestrian collisions are more prevalent during weekdays.
 - Bicycle collisions are more prevalent during weekends.
 - Total injury vehicle collisions were more evenly spread across the week.
 - Vehicle collisions involving fatalities and severe injuries are more prevalent during weekends.
- Community input indicated that roadway safety is a top priority, and behavioral as well as physical roadway changes can be improved.
- Seasonal Farmworkers and the Unhoused are community members that are often underserved in data reports. Multidisciplinary coordination and programs and policies should be updated to institutionalize outreach to understand their roadway and safety concerns.

Alongside the collision data, community input, stakeholder input, equity data sources, interactive map responses, intersection control types, roadway characteristics, lighting availability, and more were reviewed to provide a robust understanding of safety patterns and concerns throughout the Valley.

Focus Areas

Based on the systemic analysis, ten profiles were identified that emphasize trends in collision history when overlaid with roadway context. Combined, these ten profiles represent 76% of all collisions and 79% of collisions involving fatal and severe injuries in Napa Valley during the study period. The Plan seeks remedies to address these trends

where they have occurred and mitigation opportunities to address risk factors to eliminate future collisions. These focus areas include:

1. Unsafe Speeds on Non-Urban Thoroughfares
2. Driving Under the Influence (DUI)
3. Broadside Collisions
4. Hit Object Collisions
5. Nighttime Collisions Along Major Roadways
6. Pedestrians Hit in Crosswalks at Intersections
7. Pedestrians Hit Crossing Outside Crosswalks or Walking in Road
8. Bicycle Collisions at Intersections
9. Highway Gateways
10. Collisions along Highways Serving as Main Streets

Countermeasures

The Plan pairs the data-driven collision analysis with proven countermeasures. Each focus area includes a toolbox of the five elements within the Safe Systems Approach: Safe Roads, Safe Road Users, Safe Speeds, Post-Crash Care, and Safe Vehicles. More information on the toolbox is included in Appendix A of the plan.

Projects

From the focus areas, ten representative projects were selected for further project development. Each project summary includes a description of the project, collision trends, systemic profiles that the project reflects, what mode of travel the project targets, and an estimated cost range. The ten projects include:

1. American Canyon Road East from State Route 29 to Newell Drive
2. Lincoln Avenue from State Route 128 to Silverado Trail, Calistoga
3. State Route 128 from Cedar Street/Petrified Forest Road to Pine Street, Calistoga
4. Deer Park Road/Sanitarium Road, St. Helena
5. Howell Mountain Road from White Cottage Road to Sunset Drive, Angwin
6. Main Street Downtown St. Helena from Pratt Avenue to Charter Oak Avenue
7. Trancas Street/Redwood Road from Dry Creek Road to the Napa River, City of Napa
8. Soscol Avenue from Trancas Street to Imola Avenue, City of Napa
9. Finnell Road from Yount Street to Vista Road, Town of Yountville
10. State Route 29/Madison Street, Town of Yountville

Action Plan

The Action Plan includes strategies that require partnerships and collaboration with local organizations. These safety practices may include periodically updating the plan to identify how funding decisions will be made to prioritize Safe System aligned projects.

The Action Plan identifies the party/parties responsible for leading and supporting each action. A timeline for implementation and performance metrics are included. Strategies identify how to provide technical assistance and capacity building for internal staff, elected officials, and the advocacy community to support the rollout of the Plan's projects and strategies, and ensure that projects supported by NVTa are audited for consistency with the Safe System Approach.

Engagement

The project team assembled two working groups for participation in the development of the plan. Both met three times over the course of the plan period.

The engagement plan developed at the onset of the project identified goals, roles and responsibilities for both working groups. The Technical Advisory Working Group (TAWG) was made up of public works, planning, law enforcement/public safety. The Stakeholder Working Group (SWG) included elected officials, community-based organizations, health organizations, school districts, and advocacy groups such as *Slow Down Napa* and the Napa County Bicycle Coalition.

Community Engagement included a survey, both online and on paper, to gauge the attitude of Napa Valley residents on a variety of safety issues. The survey included 22 questions, and was available from April 20th, 2023 to June 30th, 2023 in both English and Spanish. In total, 585 responses were collected from residents of the member agencies and unincorporated areas within Napa County.

NVTa staff also provided regular Vision Zero Plan updates to the NVTa Board and Committees to provide opportunities for public participation in the planning process. The meetings attended included:

Jurisdiction Advisory Committees

- City of Napa Bicycle and Pedestrian Advisory Commission (BPAC)
 - 12/8/22 Overview of Napa Valley Vision Zero Plan
 - 4/13/23 Vision Zero Plan Progress Update
 - 8/23 Vision Zero Plan Progress Update
- City of Calistoga Active Transportation Advisory Committee (ATAC)
 - 4/5/23 Vision Zero Plan Progress Update
- City of American Canyon Open Space Active Transportation and Sustainability Commission (OSATS)
 - 8/2/23 Vision Zero Plan Presentation and Progress Update

NVTa Advisory Committees

- NVTa Active Transportation Advisory Committee (ATAC)
 - 9/26/22 Plan Introduction/Kick off

-
- 11/28/22 Ad Hoc-Vision Zero Stakeholder Representative selection
 - 1/23/23 Vision Zero Plan Progress Update
 - 5/22/23 Vision Zero Plan Progress Update
 - 9/25/23 Draft Vision Zero Plan
 - NVTa Citizens Advisory Committee (CAC)
 - 7/7/22 Vision Zero Plan introduction
 - 1/11/23 Vision Zero Plan Progress Update
 - 3/1/23 Vision Zero Plan Progress Update
 - 5/3/23 Vision Zero Plan Progress Update
 - 7/12/23 Vision Zero Plan Progress Update
 - NVTa Technical Advisory Committee
 - 9/1/22 Vision Zero Plan Introduction
 - 1/5/23 Ad Hoc Stakeholder Group Representatives selection
 - 3/2/23 Vision Zero Plan Progress Update
 - 5/4/23 Vision Zero Plan Progress Update
 - 7/13/23 Vision Zero Plan Progress Update
 - 9/7/23 Draft Vision Zero Plan
 - NVTa Board
 - 10/11/22 Work Authorization-Initial presentation
 - 1/11/23 Ad Hoc-Vision Zero Stakeholder Representative selection
 - 3/8/23 Vision Zero Progress Update
 - 7/19/23 Vision Zero Progress Update

Draft Vision Zero Plan

The draft Plan was published and posted on NVTa's website on August 25, 2023. Staff distributed information about the draft Plan's availability through several channels, and email distribution lists and through an article published in the Napa Valley Register.

A link to the report was provided to the SWG, TAWG, ATAC, CAC, TAC and Board for review and comment.

Next Steps

With an adopted Vision Zero Plan, NVTa will begin to institutionalize the safety practices identified in the Plan for internal NVTa focus. NVTa staff will also begin coordination with member agencies to implement the safety strategies identified in the plan. These safety practices include, but are not limited to, integrating safety improvements into routine maintenance and capital projects, supporting member agencies in reviewing and updating policies and standards with a Safe System focus, and prioritizing projects that create redundancy in the roadway network to reduce fatal and severe injury crash risk. Once the plan is adopted, NVTa staff will review the current funding, technical assistance needs, project plans, policies, and programs to

identify where there is not a Vision Zero and Safe System alignment, and where adjustments are needed to meet the adopted Vision Zero resolution.

A traffic safety committee should be formed for ongoing support of Vision Zero. While specific members have not yet been identified, this group is expected to include NVTa staff, member agency staff, emergency personnel, and key stakeholders.

STRATEGIC GOALS MET BY THIS PROJECT

Goal 2: Improve system safety to support all modes and serve all users.

This Countywide effort will directly support Goal 2 using a data-driven approach to identify roadway safety issues and propose solutions that will result in safer mobility for all roadway users countywide, regardless of travel mode.

ATTACHMENT(S)

(1) Resolution 23-24

RESOLUTION No. 23-24

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
ADOPTING THE NAPA VALLEY VISION ZERO PLAN**

WHEREAS, according to injury collision data collected between 2015-2021 from the Statewide Integrated Traffic Records System (SWITRS), there were a total of 4,651 injury collisions in Napa Valley, and 571 were Killed or Serious Injury (KSI) collisions; and

WHEREAS, in the past seven years, the number of pedestrian and bicyclist fatalities and serious injuries due to traffic collisions is 18 percent of all collisions; and

WHEREAS, no transportation-related deaths or severe injuries on the transportation network are acceptable in Napa Valley; and

WHEREAS, the Napa Valley Transportation Authority is committed to transportation safety for every resident, visitor, and worker and is dedicated to eliminating fatalities and serious injuries from occurring on Napa Valley roadways; and

WHEREAS, Vision Zero is founded on the Safe System approach that recognizes people will make mistakes and roadway systems, policies and projects should be designed and implemented to protect people in the public right-of-way first through redundancies and shared responsibilities; and

WHEREAS, the Plan will complement the Vision Zero and the Safe System Approach adopted by the US DOT, Caltrans Safe System policy, and MTC's Regional Safety/Vision Zero Policy; and

WHEREAS, Vision Zero is a data-driven strategy to eliminate all traffic fatalities and severe injuries, while increasing safety and equitable mobility for all; and

WHEREAS, implementing Vision Zero should create opportunities to invite meaningful input from the community, including residents that are disproportionately burdened by traffic collisions, and historically have been underserved within transportation systems; and

WHEREAS, committing to Vision Zero and the Safe System Approach institutionalizes the pivotal change that agencies must commit to when making decisions to allocate funding to align with the Plan's goals; and

WHEREAS, committing to Vision Zero, establishing a Vision Zero implementation plan or strategy, and engaging key stakeholders including transportation, law

enforcement, public health and local government is the first step towards reaching transportation safety goals; and

WHEREAS, the Vision Zero Plan meets the Safety Plan requirements of the One Bay Area Grant, Cycle 3, Program and other competitive grant programs for which NVTA and its partner agencies may seek funding.

NOW THEREFORE, BE IT RESOLVED that the Napa Valley Transportation Authority Board of Directors does hereby adopt the Napa Valley Vision Zero Plan and the goal of working to eliminate all transportation-related deaths and severe injuries among all transportation system users by 2030.

Passed and Adopted the 18th day of October 2023.

Liz Alessio, NVTA Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura Sanderlin, NVTA Board Secretary

APPROVED:

Osman Mufti, NVTA Legal Counsel



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Cover Memo

SUBJECT

Approval of Revised Passenger Code of Conduct

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve revisions to Chapter 9 - NVTA Policies, Practices, and Procedures Manual, to Update Section 9.2. Passenger Code of Conduct.

EXECUTIVE SUMMARY

The proposed revisions to the Passenger Code of Conduct are significant improvements to NVTA's current transit policies, last updated at the Meeting of the Board of Directors on October 23, 2019. The changes are meant to expand and improve upon the existing Code. The Code currently encourages courteous and thoughtful behavior among passengers but lacks clear guidelines for Vine Transit passengers to adhere to, as well as enforcement procedures for staff to follow.

The revised Code covers fundamental rules for Vine Transit use; lists clear guidelines for bringing mobility and accessibility devices on board Vine Transit; and details a list of prohibited activities on transit vehicles and at NVTA facilities. Additionally, Section 9.2.1 provides enforcement procedures for transit staff to follow if individuals are engaging in prohibited actions; outlines administrative action to be taken by NVTA, including suspension if necessary; and details the individual's right to due process through appeal of suspension action.

FISCAL IMPACT

None



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Approval of Revised Passenger Code of Conduct

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board approve revisions to Chapter 9 - NVTA Policies, Practices, and Procedures Manual, to Update Section 9.2. Passenger Code of Conduct.

COMMITTEE RECOMMENDATION

None

BACKGROUND

The NVTA Board of Directors, approved the current Transit Policies, Practices and Procedures Manual, including Chapter Nine “Passenger Code of Conduct”, at its meeting on April 18, 2018. Chapter Nine, “Passenger Code of Conduct” was updated to include a rider suspension policy on October 23, 2019. The updated policy outlined staff procedures to deter disruptive or dangerous behavior and, if necessary, restrict certain individuals from using the transit system. NVTA staff is recommending further amendments to clarify the code of conduct to improve enforcement.

Under the current guidelines, NVTA reserves the right to suspend rider privileges if a passenger commits the following offenses:

- “Physical abuse or causing physical injury to another rider, driver, or transit staff member.
- Purposeful destruction or vandalism of Vine property.”

The current policy allows for temporary suspension as follows:

- “For violating any other codes of conduct the following will be enforced:
 - One (1) violation will result in a verbal warning
 - Two (2) violations will result in a written warning
 - Three (3) or more violations will result in suspension of service for a minimum of 30 days.”

The proposed updates to the Passenger Code of Conduct expand upon the existing guidelines to promote the safety, security, comfort and convenience of those who utilize Vine Transit services or NVTA’s facilities.

The proposed changes to the Code of Conduct include a section on basic courtesy, requiring individuals to be fully clothed; to not impede the ability of the bus operator or staff; and to not be disruptive or negatively impact the experience of other riders and other members of the public. The proposed changes also improve the current section “H. Animals” by incorporating the Americans with Disabilities Act (ADA) definition of a service animal. Additionally, the proposed changes underscore prohibited activities while onboard transit vehicles and at NVTA facilities. Notably, rather than outlining suspensible offenses, this updated Code of Conduct provides NVTA with the right to suspend service (for a definite or indefinite period) to individuals who violate the Code of Conduct or engage in any criminal activity prohibited by the California Penal Code.

Specifically, the recommended changes to the existing Code of Conduct include:

- 1) Wear appropriate clothing that covers the body, including shirt, pants, and shoes.
- 2) Keep aisles and boarding/alighting areas free of obstructions.
- 3) Do not distract bus operator while vehicle is in motion.
- 4) Yield priority seating at the front of the bus to older adults and people with disabilities.
- 5) Eating is discouraged on board Vine Transit vehicles in order to maintain cleanliness for all passengers. Alcoholic beverages are strictly prohibited on board all transit vehicles and at all transit facilities.
- 6) Riders may bring luggage, shopping bags, or other non-hazardous material on the bus as long as the rider can easily handle and secure the items on or near their body and out of the aisle while the bus is in motion.
- 7) Bikes on Buses: Bicycles are permitted on buses with bike racks on a first-come, first-served basis. Bicyclists are responsible for loading and securing their bikes. Please wait for the vehicle to come to complete stop before loading or unloading bicycle.
- 8) Electric Bicycles on Buses: Electric bicycles are permitted on the bike racks only if fall below the per wheel tray weight requirements list below:
 - Wheel sizes from 20 inches to 29 inches, excluding tandems and recumbent bicycles

- Wheelbase dimension of up to 44 inches
- Tire widths up to 2.3 inches
- Less than 55 pounds

13) Walkers: Walkers must be secured inside the bus. Passengers with walkers may board using wheelchair ramp or lift, if desired. Bus operator should assist passengers with securing walkers before departure.

14) Oxygen Units: When boarding a bus with an oxygen cylinder, passengers should ensure that the cylinder is portable or properly secured in a holder on wheels. Larger oxygen cylinders should be attached firmly to a manual wheelchair to meet the guidelines for safe transportation.

In addition, if approved, the following will be added to the list of prohibited activities on all transit vehicles and at all transit facilities:

17) Illegal or Illicit Substances: Possession or consumption of illegal substances is strictly prohibited on transit vehicles; at transit facilities; and transit stops.

18) Weapons: It is prohibited to carry or possess a weapon or other object that can be reasonably considered by staff to be a threat to safety.

19) Any criminal conduct prohibited by the California Penal Code.

The proposed changes add Section 9.2.1(a), which provides guidelines for enforcement onboard vehicles and in NVRTA facilities. Vine Transit personnel are authorized to enforce the Code of Conduct and may decline service to individuals engaging in prohibited actions. Upon observing a violation, Vine Transit personnel may take the following steps:

- Advise the offending passenger that engaging in prohibited actions could lead to their removal from the bus and/or future denial of service.
- Halt the vehicle until the misconduct ceases, the passenger causing the issue is removed from the bus, or law enforcement arrives to assist in their removal. If a passenger is removed from the bus, their bus fare shall be forfeited.
- Refuse entry to the passenger if the prohibited behavior occurs before they board (e.g., at the bus stop or if the passenger is under a current suspension).
- Report the passenger's conduct to the police.

Bus operators are required to report any violation of this Code of Conduct resulting in a refusal of service or the need for law enforcement assistance to their supervisor.

In addition, the proposed changes would add Section 9.2.1(b), which provides guidelines for administrative action to be taken by the Napa Valley Transportation Authority, if

necessary. Upon such review, NVTA staff may at its sole discretion:

- Contact passenger accused of violating the Code of Conduct to notify them of the violation and discuss expectations for future conduct on Vine Transit vehicles and property.
- Issue an official warning letter or notification.
- Suspend future riding privileges for a definite or indefinite period, as defined in 9.2.1© “Suspension of Service.”
- Notify local law enforcement agency and pursue appropriate legal or administrative remedy.
- Determine that no further action is required.

The Executive Director and Program Manager – Public Transit are authorized to make decisions about suspension of service subject to the individual's right of appeal as described in 9.2.1(d). Appeals shall be reviewed and considered by the Executive Director and the residing Chair of the Napa Valley Transportation Authority Board of Directors. A joint decision on maintaining the ban or removing it will be given within ten days of receipt.

ALTERNATIVES

The NVTA Board of Directors could choose to keep the existing Passenger Code of Conduct, Chapter 9 of the NVTA Policies, Practices, and Procedures manual, which staff deems insufficient to maintain the peace on NVTA equipment and facilities.

STRATEGIC GOALS MET BY THIS PROPOSAL

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

Disallowing violent or disruptive individuals from using the bus and NVTA facilities will make employees and members of the public more comfortable using NVTA services.

Goal 2 – Improve system safety in order to support all modes and serve all users.

Disallowing violent or disruptive individuals from using the bus and NVTA facilities will help improve safety for employees and other members of the public.

ATTACHMENT(S)

1. Updated Chapter Nine: “Passenger Code of Conduct”
2. Existing Chapter Nine: “Passenger Code of Conduct”

CHAPTER 9 PASSENGER POLICIES

Section 9.1. Statement of Policy

NVTA is committed to providing a safe, enjoyable experience for all passengers.

Section 9.2. Passenger Code of Conduct

In order to ensure a high-quality public transit experience for the diverse community that utilizes Vine Transit services, NVTA requires passengers to be courteous and respectful to fellow riders and all staff. The Passenger Code of Conduct is designed to provide guidelines to promote the safety, security, comfort, and convenience of those who utilize Vine Transit services. Members of the public are expected to adhere to the following code of conduct:

Code of Conduct:

1. Wear appropriate clothing that covers the body, including shirt, pants, and shoes.
2. Keep aisles and boarding/alighting areas free of obstructions.
3. Do not distract bus operator while vehicle is in motion.
4. Yield priority seating at the front of the bus to older adults and people with disabilities.
5. Eating is discouraged on board Vine Transit vehicles in order to maintain cleanliness for all passengers. Alcoholic beverages are **strictly prohibited** on board all transit vehicles and at all NVTA facilities.
6. Riders may bring luggage, shopping bags, or other non-hazardous material on the bus as long as the rider can easily handle and secure the items on or near their body and out of the aisle while the bus is in motion.

Mobility and Accessibility Restrictions:

7. **Bikes on Buses:** Bicycles are permitted on buses with bike racks on a first-come, first-served basis. Bicyclists are responsible for loading and securing their bikes. Please wait for the vehicle to come to a complete stop before loading or unloading bicycle.
8. **Electric Bicycles on Buses:** Electric bicycles are permitted on the bike racks only if fall below the per wheel tray weight requirements list below:
 - Wheel sizes from 20 inches to 29 inches
 - Wheelbase dimension of up to 44 inches
 - Tire widths up to 2.3 inches
 - Less than 55 pounds

9. **Animals:** No uncaged animals, except properly documented service animals are allowed on board transit vehicles. Service animals must ride at their owner's feet or on their lap. Animals are not permitted on seats. Non-service animals can be brought on board if they are fully secured in a pet carrier.

Note: A service animal is defined by the ADA as any guide dog, signal dog, or other animal trained to aid an individual with a disability. If they meet this definition, animals are considered service animals under the ADA regardless of whether they have been licensed or certified by a state or local government. The service animal must stay on the floor of the vehicle and be always under control and well-behaved. Any service animal will be removed if they show signs of aggression or any other inappropriate behavior such as urinating or defecating on the vehicle.

10. **Boarding by the Wheelchair Ramp:** Passengers with mobility impairments have the right to board using the wheelchair ramp. Please inform bus operator if you prefer/require boarding the bus using the wheelchair ramp.
11. **Wheelchairs, Scooters, and Mobility Aids:** All mobility devices are allowed on Vine Transit, provided they can be properly maneuvered and secured onto buses. Specific guidelines exist for VineGo vehicles with lifts.
12. **Securing Mobility Devices:** Wheelchairs and scooters must be properly secured before departure.
13. **Walkers:** Walkers must be secured inside the bus. Passengers with walkers may board using the wheelchair ramp or lift, if desired. Bus operators should assist passengers with securing walkers before departure.
14. **Oxygen Units:** When boarding a bus with an oxygen cylinder, passengers should ensure that the cylinder is portable or properly secured in a holder on wheels. Larger oxygen cylinders should be attached firmly to a manual wheelchair to meet the guidelines for safe transportation.

NVTA **prohibits** any activity that is illegal, unsafe, or contributes to a negative environment for passengers. The following are **prohibited** on all Vine Transit vehicles and at all NVTA facilities:

15. **Smoking:** NVTA strictly prohibits smoking on all vehicles and at all transit facilities. This no smoking rule applies to all tobacco and cannabis products, including the use of e-cigarettes and vaporizers.
16. **Drinking:** Alcoholic beverages are strictly forbidden on transit vehicles, at NVTA facilities, and transit stops.
17. **Illegal or Illicit Substances:** Possession or consumption of illegal substances is strictly prohibited on transit vehicles; at NVTA facilities; and transit stops.
18. **Weapons:** It is prohibited to carry or possess a weapon or other object that can be reasonably considered by staff to be a threat to safety.

19. **Entertainment Devices:** Listening to music, videos, or games without headphones or earbuds is not allowed on Vine buses. Please keep headphone volume respectable so as not to disturb the bus operator and fellow riders. Please keep phone calls to a minimum. When on the phone, please use a quiet speaking voice so as not to disturb fellow riders. Using the “speaker” setting during phone conversations is prohibited.
20. **Littering:** All trash shall be placed in a designated trash receptacle on vehicles and at NVRTA facilities.
21. **Vandalism:** Causing damage in any way to NVRTA property is strictly prohibited. Prohibited actions include, but are not limited to, marking, etching, and cutting into NVRTA property.
22. **Obscene Language or Behavior:** Using language or actions that can be interpreted as abusive, threatening, harassing, or rude to fellow riders or transit staff is not allowed.
23. **Hazardous Materials:** Hazardous Materials are strictly prohibited on Vine buses. These include, but are not limited to, corrosive material, flammable items, vehicle batteries (including electric bike batteries), materials emitting noxious odors, human or animal waste, etc.
24. Any criminal conduct prohibited by the California Penal Code.

Section 9.2.1. Enforcement of the Code of Conduct

The Napa Valley Transportation Authority reserves the right to deny and/or suspend service and to ban individuals from NVRTA facilities individuals who violate this code of conduct in accordance with the enforcement parameters outlined below. Vine Transit personnel are authorized to enforce this code of conduct upon witnessing behavior or actions that are in violation of this code of conduct. The Executive Director and Program Manager-Public Transit are authorized to make decisions about suspension of service subject to the individual’s right to appeal. The Executive Director or Program Manager-Public Transit shall make such decisions in accordance with the guidelines provided.

A. Enforcement Onboard Vehicles and on NVRTA Facilities

Passengers are expected to always comply with Vine Transit personnel’s instructions. Vine Transit personnel are authorized to enforce the Code of Conduct and may decline

service and ban individuals from NVRTA facilities who engage in prohibited actions. Upon observing a violation, Vine Transit personnel may take the following steps:

- Advise the offending passenger or member of the public that engaging in prohibited actions could lead to their removal from the bus or NVRTA facility and/or future denial of service.
- Halt the vehicle until the misconduct ceases, the passenger causing the issue is removed from the bus, or law enforcement arrives to assist in their removal. If a passenger is removed from the bus, their bus fare shall be forfeited.
- Refuse entry to the passenger if the prohibited behavior occurs before they board (e.g., at the bus stop or if the passenger is under a current suspension).
- Report the offending conduct to the police.

Vine personnel are required to report any violation of this Code of Conduct resulting in a refusal of service or the need for law enforcement assistance to their supervisor.

All Vine Transit vehicles and NVRTA facilities are equipped with cameras which continually record activity in and around the bus during operating hours. Recordings can therefore be reviewed by appropriate personnel and/or law enforcement in order to accurately determine details of all activities in question.

B. Administrative Action by Napa Valley Transportation Authority

Napa Valley Transportation Authority staff shall review all reports by Vine Transit personnel, passengers, or members of the public relating to complaints of conduct in violation of this code. Upon such review, NVRTA staff may at its sole discretion:

- Contact passenger or member of the public accused of violating the Code of Conduct to notify them of the violation and discuss expectations for future conduct on Vine Transit vehicles and NVRTA property.
- Issue an official warning letter or notification.
- Suspend future riding privileges for a definite or indefinite period, as defined in "Suspension of Service."
- Notify local law enforcement agency and pursue appropriate legal or administrative remedy.
- Determine that no further action is required.

C. Suspension of Service

Napa Valley Transportation Authority reserves the right to suspend service (for a definite or indefinite period) to individuals who violate this code of conduct. The Executive Director

and Program Manager–Public Transit are authorized to make decisions about suspension of service subject to the individual’s right of appeal as described below.

Except in cases in which immediate suspension is required to preserve public safety, prior to proceeding with suspending the individual’s access to transit vehicles and/or facilities, NVRTA staff shall make a reasonable effort to contact the violator verbally and in writing to provide a warning that their conduct, if continued, will result in suspension. Warning and suspension communications will be delivered in a format that is language-appropriate and accessible to the violator. These communications will be deemed received on the date of personal delivery or three days after the warning or suspension letter is mailed.

D. Due Process – Appeal of Suspension Action

Riders may appeal warnings or suspensions. An appeal can be made in writing within 60 days of the incident in question. Written appeals should be mailed to:

Napa Valley Transportation Authority
625 Burnell Street
Napa, CA 94559
Attention: Secretary of the Board

Riders may file an appeal in person at the Soscol Gateway Transit Center (address above) or by calling the main administrative line at (707) 259-8631. Riders may also submit their requests for an appeal through the Vine “Contact Us” portal on the vinetransit.com.

Appeals shall be reviewed and considered by the Executive Director and the residing Chair of the Napa Valley Transportation Authority Board of Directors. A joint decision on maintaining the ban or removing it will be given within ten (10) days of receipt.

NVRTA is committed to providing a safe, enjoyable experience for all passengers.

CHAPTER 9 PASSENGER POLICIES

Section 9.1. Statement of Policy

NVTA is committed to providing a safe, enjoyable experience for all passengers.

Section 9.2. Passenger Code of Conduct

To keep Vine Transit Services enjoyable for all, the following rules apply:

- A. **Smoking:** NVTA prohibits smoking on all vehicles and at all transit facilities. The no smoking rule applies to all tobacco and cannabis products, including the use of e-cigarettes and vaporizers.
- B. **Eating:** Eating is not allowed on any transit vehicle with the exclusion of snack bars.
- C. **Drinking:** Drinking is allowed on buses if the liquid is in a closed container like a bottle or thermos. Cups with lids are not allowed unless it is tight fitting. Alcoholic beverages are strictly forbidden on transit vehicles, at transit facilities, and Transit stops.
- D. **Entertainment Devices:** Playing videos, games, and/or music without headphones is not allowed on Vine buses. Please keep headphone volume respectable.
- E. **Littering:** All trash shall be placed in a designated trashcan on all vehicles and at all bus stops.
- F. **Vandalism:** Causing damage in any way to Vine property is strictly prohibited. Prohibited actions include, but are not limited to, marking, etching, and cutting.
- G. **Obscene Language or Behavior:** Using language or actions that can be interpreted as abusive, threatening, or rude to fellow riders or transit staff is not allowed.
- H. **Animals:** No animals, except properly documented service animals are allowed on board. Service animals must ride at their owner's feet or on their lap. Animals are not permitted on seats. Non-service animals can be brought on board if they are in a secure cage.
- I. **Hazardous Materials:** Hazardous Materials are strictly prohibited on Vine buses. These include, but are not limited to, corrosive material, flammable items, car batteries, materials emitting noxious odors, human or animal waste, etc.
- J. **Weapons:** Weapons of any kind are strictly prohibited on Vine vehicles and at any transit facility.
- K. **Carry-On Items:** Riders may bring luggage, shopping bags, or other non-hazardous material on the bus as long as the rider can easily handle and secure the items on or near their body.
- L. **Bikes on Buses:** All buses (except VineGo) have bike racks. Availability of bike racks is on a first-come, first-served basis. Bicyclists are responsible for loading, securing and unloading their bicycles. Bus drivers will not assist. Bikes are only permitted inside the bus on buses retrofitted

- with interior bike racks or on the last trip of the day. Small scooters, including electric, are permitted inside the bus if they can be secured by the rider.
- M. **Wheelchairs, Scooters and other Mobility Aids:** The Vine allows all mobility devices on its fixed route vehicles as long as rider can maneuver it onto the vehicle and have it properly secured. VineGo vehicles with a lift can only accept a device and rider who weigh less than 600 pounds combined.
- N. **Securing Mobility Devices:** All Wheelchairs and Scooters must be secured. Passengers may transfer to a seat, or if they remain using the wheelchair or scooter, the driver will also recommend that they are secured with an over shoulder strap.
- O. **Walkers:** The driver will secure walkers inside the bus.
- P. **Oxygen Units:** Portable oxygen units are preferred. Large oxygen cylinders must be transported in a holder on wheels or attached firmly to a manual wheelchair.
- Q. **Boarding by the Wheelchair Ramp:** Passengers who prefer to board the bus using the ramp should ask the driver to assist them.

9.2.1 Suspendible Offences

- A. The following acts may result in immediate and permanent suspension and possible criminal prosecution:
- Physical abuse or causing physical injury to another rider or driver
 - Purposeful destruction or vandalism of Vine property.
- B. For violating any other codes of conduct the following will be enforced:
- One (1) violation will result in a verbal warning
 - Two (2) violations will result in a written warning.
 - Three (3) or more violations will result in suspension of service for a minimum of 30 days.
- C. Riders may appeal warnings or suspensions. An appeal can be made in writing within 60 days of the incident in question. Written appeals should be mailed to 625 Burnell St Napa, CA 94559. Riders may also file an appeal in person at the Transit Center or call the main administrative line at (707) 259-8631. Riders may also submit their requests for an appeal through the Vine "Contact Us" portal on the vinetransit.com.
- Appeals will be reviewed and considered by the Executive Director and the residing Chair of the Napa Valley Transportation Authority Board of Directors. A joint decision on maintaining the ban or removing it will be given within ten (10) days of receipt.



NAPA VALLEY TRANSPORTATION AUTHORITY Board Agenda Memo

TO: Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Purchase of Eight - 40' Zero-Emission, Battery-Electric Buses

RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute Purchase Order 23-P3020 (Attachment 1) to acquire eight (8) zero-emission battery-electric low-floor forty (40) foot buses from Gillig in an amount not to exceed \$10,000,000.

COMMITTEE RECOMMENDATION

None

BACKGROUND AND DISCUSSION

In 2022, NVTA was awarded \$8,455,856 in federal funds to procure (8) 40 ft electric vehicles and corresponding charging equipment. The Board approved a portion of the charging equipment purchase at its September 17, 2023 meeting.

When NVTA originally applied for the grant, it anticipated buying electric vehicles manufactured by Proterra Operating Company Inc. under a California Statewide Contract for Fleet Vehicles. Proterra has since filed for bankruptcy and is no longer taking orders for electric vehicles. There are two other transit vehicle providers under this California Statewide Contract; BYD Coach and Bus LLC and New Flyer America Inc. Federal funds cannot be used to purchase buses from BYD leaving New Flyer as the only option on the California Statewide Contract. NVTA is not considering New Flyer vehicles because of it is relative newcomer of battery-electric bus manufacturing.

Instead, staff is recommending purchasing Gillig electric buses because of the company's 100 year history of manufacturing quality vehicles. Gillig is a Bay Area company that has produced many of NVTA's most reliable vehicles. Gillig's second generation electric vehicles are produced in California and performed well on their FTA Altoona test. Gillig's are not currently available on the California Statewide Contract, but they are on other State contracts lists. Other Bay Area transit providers, including Marin Transit and Central Contra Costa Transit Authority (County Connection), have bought Gillig's from other States' contracts. NVTA reviewed the available State contracts and settled on State of Washington contract because of the availability of the Gillig 40ft electric buses. NVTA has informed the FTA of its plan and the FTA instructed NVTA on amending the grant agreement accordingly.

Production of the eight new NVTA Gillig electric buses would take approximately 24 months, with delivery scheduled in late 2025 or early 2026 depending on when the Purchase Order is executed.

ALTERNATIVES

Forego purchasing the zero emission buses and return the grant funds.

STRATEGIC GOALS MET BY THIS PROPOSAL

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

The grant funding is specifically intended to improve transit services across the Vine Transit System

Goal 5: Minimize the energy and other resources required to move people and goods.

Electric buses significantly reduce mobile emissions as compared to clean diesel and compressed natural gas-fueled buses.

ATTACHMENTS

(1) Purchase Order 23-P3020



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Purchase of Eight - 40' Zero-Emission, Battery-Electric Buses

STAFF RECOMMENDATION

That the Napa Valley Transportation Authority (NVTA) Board authorize the Executive Director to execute Purchase Order 23-P3020 (Attachment 1) to acquire eight (8) zero-emission battery-electric low-floor forty (40) foot buses from Gillig in an amount not to exceed \$10,000,000.

EXECUTIVE SUMMARY

NVTA received a Bus and Bus Facilities grant award of \$8,455,856 from the Federal Transit Administration to purchase eight (8) 40 ft electric vehicles and corresponding charging equipment. The Board already approved a purchase order to acquire a portion of charging station purchase. After additional research, NVTA is ready to purchase the vehicles. The purchase order is contingent upon the Federal Transit Administration's approval to amend the grant so that NVTA may acquire the buses as part of the Washington State Cooperative Purchasing Agreement.

FISCAL IMPACT

Yes, the bus purchase for the buses is not to exceed \$10,000,000, paid in part with grant funds. The NVTA Board has already approved the budget to acquire the vehicles. Table 1 provides a summary of the expenditure plan and financing plan. NVTA should receive \$72,000 in a rebate from Pacific Gas and Electric (PG&E) and up to \$960,000 from the California Hybrid and Zero Emission Vehicle Incentive Program. The PG&E rebate is the result of NVTA's participation in the PG&E Fleet Ready Program.

Table 1: Funding Plan

8-40' Zero Emission Battery Electric Buses	
Federal Bus and Bus Facilities funds	\$7,882,200
TDA	\$1,085,800
HVIP Vouchers	\$960,000
PG&E	72,000
TOTAL	\$10,000,000

DRAFT

ATTACHMENT 1
AGENDA ITEM 11.5
OCTOBER 18, 2023



Purchase Order

Napa Valley
Transportation
Authority
625 Burnell Street
Napa, CA 94559

Phone: 707-259-8631
Fax: 707-259-8638
www.nvta.ca.gov

VENDOR

GILLIG Livermore, CA
(State of Washington -
Department Enterprise Services (DES))

Purchase Order #: 23-P3020
Date: 10/05/2023
Vendor ID:

Bill To:

Napa Valley Transportation
Authority (NVTa)
ATTN: Accounts Payable
625 Burnell Street
Napa, CA 94559-2912

Ship To:

NVTa -Vine Transit Yard
720 Jackson Street
Napa, CA 94559
POC: Rebecca Schenck, Manager-Public Transit
T 707.259.8636 E rschenck@nvta.ca.gov

Requested By	Ship Date	Ship Via	FOB	Buyer	Terms	Tax ID
SCHENCK	24 MOS ARO	GROUND	DEST	KULICK	NET 30	68-0471080

QTY	Item #	Units	Description	Discount %	Taxa-	Unit Price	Total
ALL TERMS AND CONDITIONS OF THE DES MASTER AGREEMENT No. 06719 ARE INCLUDED HEREIN AS IF FULLY SET FORTH AND THE PARTIES HERETO AGREE THAT NVTa IS AN ASSIGNEE/THIRD PARTY BENEFICIARY OF THAT AGREEMENT AND MAY ENFORCE ANY AND ALL RIGHTS CONTAINED IN THAT AGREEMENT WITHOUT LIMITATION.							
8	N/A	EA	BUS, 2024 GILLIG, BATTERY ELECTRIC, CUMMINS, 40', 36/72 PAX			\$1,159,852.44	\$9,278,819.50
SEE ATTACHED SPECIFICATIONS							

NOTICE OF INCLUDED TERMS AND CONDITIONS

This purchase order is a federally funded contract and as such, certain mandatory terms and conditions apply to this purchase order. These provisions include, **but are not limited to** the provisions of Buy America 49 U.S.C. §5323(j), 49 C.F.R. Part 661; Cargo Preference 46 U.S.C. § 55305, 46 C.F.R. Part 381; Fly America 49 U.S.C. § 40118, 41 C.F.R. §§ 301-10.131 through 301-10.143; Bus Testing 49 C.F.R. Part 665; U.S. DOT Third Party Procurement Regulations 49 C.F.R. §18.36 or 40 C.F.R. §§19.40 through 19.48, FTA Circular 4220.1F (including all mandated terms and conditions contained in Appendix D-4) and FTA Master Agreement FTA MA(30).

Subtotal	\$9,278,819.50
Tax 7.75%	\$719,108.50
Other	\$0.00
TOTAL	\$9,997,928.00

THIS ORDER WILL BECOME VALID UPON RECEIPT OF VENDOR ACCEPTANCE.

VENDOR ACCEPTANCE

Vendor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) contract/purchase order, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)

ORDER AWARDED AND ISSUED BY

Individual listed below is hereby authorized to award ordered material/services as specified, or incorporated by reference herein, on behalf of the Napa Valley Transportation Authority.

NAME AND TITLE

DATE

KATE MILLER, Executive Director

DATE

FOR INTERNAL USE ONLY

FUND APPROPRIATION:

VEHICLE DESCRIPTION

2024 GILLIG BATTERY ELECTRIC BUS,
CUMMINS, 40', 686 kWh, PASSENGER
 CAPACITY 38/72

SUMMARY FEATURES & EQUIPMENT: Fire Detection/Suppression System, Tow Package, Wheel Base - Clean Buff Aluminum, Tires, Driver Visors/Sun Shades, Recaro Ergo Metro Driver's Seat, Mirrors – Hi and Low Mount, Emergency Exits, HVAC – Thermo King System, Two (2) Hatches, 3-position Bike Racks, Operator Barrier, LED Interior Lighting, GFI – Fare Collection Box, AMSECO Seating with USB Ports, Passenger Assists, Passenger Stop Request, Wheelchair Ramp, ADA Help Request Button, Interior Stop Request Signage, Camera Surveillance System, Passenger Counter System w/ GPS, WLAN, Bike Rack Counter, 6-Year Battery Warranty (70% -KW), Extended Warranty

SUMMARY COST

DESCRIPTION	UNIT PRICE	# OF UNITS	TOTAL PRICE
BUS & CONFIGURABLE OPTIONS			
Base bus	\$1,045,144.00	8	\$8,361,152.00
Options/Configurables (Customer Request)	\$ 74,708.44	8	\$ 597,667.52
Sub-Total, Customer Configured Bus:	\$1,119,852.44	8	\$8,958,819.52
Sales Tax @7.75% (If Applicable) <i>Taxable Amount: \$xxxxxx.xx (Excl. ADA-Related for CA only)</i>	TBD		TBD
Bus HVIP Voucher Discount (If Applicable)	TBD		TBD
Warranty 3-Year Extended	\$40,000.00	8	\$ 320,000.00
Sub-Total, Bus with Config/Options, Warranty, Tax & Discount:	\$1,159,852.44	8	\$9,278,819.52
OTHER ITEMS			
Training	\$0		\$0
Manuals	Incl.		Incl.
Tools	Excl.		Excl.
Parts and other service	\$0		\$0
NAPA SALES TAX 7.75%	\$89,888.56		\$ 719,108.50
TOTAL	\$1,249,741.00	8	\$9,997,928.00

**EACH VEHICLE WILL HAVE THE FOLLOWING STANDARD & CUSTOMER REQUESTED OPTIONS
 INSTALLED:**

CONTINUED ON PAGE 3 OF

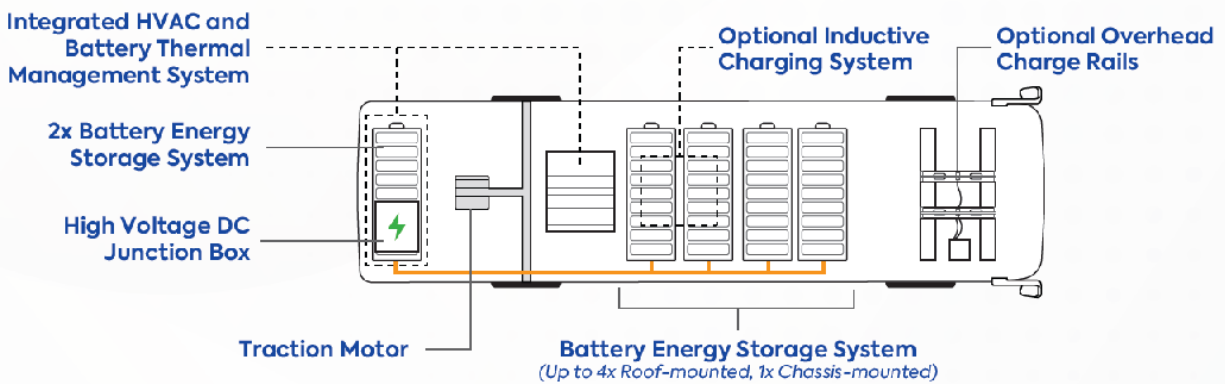
LINE	DESCRIPTION	COSTS	QTY	TOTAL
1	2024 GILLIG, Battery Electric, Cummins, 40 ft, Standard	\$ 1,045,144.00	8	\$ 8,361,152.00
2	Passenger Seat Options			
3	AMSECO - Insight	Included		Included
4	4 One Gemini Seating	\$ (73.27)	8	\$ (586.17)
5	Dual USB charging station throughout seating layout	\$ 2,442.39	8	\$ 19,539.14
6	Body- Bike Rack			
7	Sportworks - 2 Position Bike, Stainless Steel	\$ 1,000.10	8	\$ 8,000.77
8	Body - Driver's Barrier			
9	Wrap Around Fiberglass W/O Schedule Rack Cutouts	Included		Included
10	Body - Driver's Seat			
11	Recaro Ergo Metro w/Fabric Seat and Back w/Gray Fabric Boxing	Included		Included
12	Body - Exit Door			
13	Standard Melamine Panels on Lower Section Both Sides of Rear Exit Door	Included		Included
14	Body - Floor Covering			
15	Gerflor Tarabus Gaya Wood (vinyl simulated woodgrain)	\$ 449.91	8	\$ 3,599.32
16	Body - Mirror, Exterior			
17	Safe Fleet One Piece 8" x 8" Flat Glazing W/Stainless Steel Arms, Remote Both Sides	Included		Included
18	Body - Mirror, Interior			
19	Mirror - 8 1/2 " X 16"	Included		Included
20	Body - Paint & Decal	\$ 15,000.00	8	\$ 120,000.00
21	Custom Paint/Decal Design (Per Purchasers' Spec)			
22	Body - Passenger Signal			
23	Pullcords - Above Windows (Neutral Or Yellow) w/Touch Pad At W/C Positions	Included		Included
24	Button at Exit Door Vertical Stanchion	\$ 87.41	8	\$ 699.30
25	Body - Roof Hatch			
26	Manual Hatch At Front and Rear Positions	\$ 407.49	8	\$ 3,259.95
27	Body - Schedule Rack			
28	Innocom Schedule Racks 3.75" x 7" x 1.5"	\$ 23.14	8	\$ 185.11
29	Body - Stanchions/Grab Rails			
30	Powder Coated Vertical Stanchions, Grab Rails and Modesty Panel Tubes	Included		Included
31	Farebox Guard Rail	Included		Included
32	Cooling System			
33	Electrical			
34	Electrical - Accessories			
35	12 V Cigarette-Style Light Adaptor for PC Auxiliary Power - Drivers Area	\$ 96.41	8	\$ 771.28
36	Electrical - Automatic Passenger Counter			
37	UTA Automatic Passenger Counter System with GPS, WLAN Capabilities	\$ 7,338.75	8	\$ 58,709.99
38	UTA Multi-Slot Bike Rack Monitoring	\$ 685.16	8	\$ 5,481.24
39	Electrical - Auxiliary Lights			
40	Two (2) 4" Diameter LED Auxiliary Brake Lights	Included		Included
41	Exterior Curb Lamps, Front & Rear - Dialight	Included		Included
42	Service Compartment Lights - LED	Included		Included
43	Electrical - Battery & Battery Chargers			
44	2nd Charger Outlet			
45	Electrical - Communication/Radio			
46	Motorola APX6500	\$ 6,168.97	8	\$ 49,351.76
47	Electrical - Destination Sign			
48	Hanover Display LED Amber Destination Signs (model# OL028, OL054 & OL64J, Front, S	\$ 296.94	8	\$ 2,375.55
49	Electrical - Destination Sign Programming			
50	Other Option - Specify			
51	Electrical - Diagnostics			

52	Set of Multiplexing Diagnostics (Includes the 7 Following Items)	\$ 11,431.68	8	\$ 91,453.48
53	Electrical - Equipment Storage Box			
54	44"H X 20"D X 22.5"W	Included		Included
55	Electrical - Lights, Exterior			
56	All Exterior Lights LED - Type Lamps	Included		Included
57	Tail Lights - Manufacturer Dialite LED, Fixture Size - 4" Diameter	Included		Included
58	Electrical - Intelligent Vehicle Network GMV Standard (incl. 1-yr warranty)	\$ 11,400.00	8	\$ 91,200.00
59	Other Option - Specify			
60	Electrical - Public Announcement GMV Standard (incl. see above)			
61	Electrical - Video Surveillance TSI (incl. install)	\$ 7,500.00	8	\$ 60,000.00
62	Cameras			
63	Fare Box GENFARE GFI AIR (incl. install)	\$ 6,000.00	8	\$ 48,000.00
64	Standard	Included		Included
65	HVAC			
66	Thermo King System (Per Technical Specification)	Included		Included
67	Manuals			
68	Drivers Handbook (1 Manual/1 CD per Bus Order)	Included		Included
69	Service Manual (1 Manual/1 CD per Bus Order)	Included		Included
70	Parts Manual (1 Manual/1CD per Bus Order)	Included		Included
71	Electrical Schematics (1 Manual/1CD per Bus Order)	Included		Included
72	Vendor Manuals (1 Manual/1 CD per Bus Order)	Included		Included
73	Steering			
74	Standard Size Padded Steering Wheel	Included		Included
75	Towing & Hoisting			
76	Set Towing Adapters/Tow Bar	\$ 3,428.35	8	\$ 27,426.79
77	Training			
78	Transmission			
79	W/C Restraints			
80	Q'Straint - QRT	Included		Included
81	Wheel Chair Ramp (low-floor only) / Lift (high-floor only)			
82	LIFT- U Model LU18, Dual- Mode 1:6 (Street)/1:8 (Sidewalk)	Included		Included
83	Wheel - Brakes			
84	All Wheel Disc Brakes	Included		Included
85	Wheel - Hubometer			
86	none	Included		Included
87	Wheel - Hubs			
88	Hub Piloted Wheels and Axles W/Grease Seals	Included		Included
89	Wheel - Tires			
90	Customer Supplied	Included		Included
91	Wheels			
92	(7) Powder Coated Steel Wheels (White and Black)	Included		Included
93	Windows			
94	Arow Laminated Safety Glass (1/4") - Framed Transom - openable	Included		Included
95	WARRANTY 3-year Extended	\$ 40,000.00	8	\$ 320,000.00
96	Driver - Sunvisor	\$ 150.00	8	\$ 1,200.00
97	ADA - Seating (Quick Flip)	\$ 800.00	8	\$ 6,400.00
98	DMV (Documents, Title, etc.)	\$ 75.00	8	\$ 600.00
99	SUBTOTAL	\$ 1,159,852.44	8	\$ 9,278,819.50
100	SHIP/DELIVERY	excluded		excluded
101	NAPA TAX 7.75%	\$ 89,888.56	8	\$ 719,108.50
102	TOTAL	\$ 1,249,741.00	8	\$ 9,997,928.00

2024 GILLIG – BATTERY ELECTRIC TRANSIT VEHICLE



GILLIG Battery Electric Bus Components



Bus Length	35'	40'
Battery Capacity	490 kWh, 588 kWh, 686 kWh	
Motor	Cummins Direct Drive, Permanent Magnet Motor	
Passenger Capacity (Seated / Total)*	31 / 62	38 / 75
Gross Vehicle Weight Rating	48,200 lbs.	48,200 lbs.
Maximum Height	135"	135"

* subject to seating configurations and option selections

STANDARD FEDERAL CLAUSES

1. AMENDMENTS

Any changes in the activities to be performed under this Agreement shall be incorporated in written amendments, which shall specify the changes in work performed and any adjustments in compensation and schedule. All amendments shall be executed by the NVT A Executive Director or a designated representative and CONTRACTOR. No claim for additional compensation or extension of time shall be recognized unless contained in a duly executed amendment.

2. TERMINATION

Contractor's failure to perform any term or condition of this Agreement as a result of conditions beyond its control such as, but not limited to, war, strikes, fires, floods, acts of God, governmental restrictions, power failures, or damage or destruction of any network facilities or servers, shall not be deemed a breach of this Agreement, and may be cause for termination of the Agreement. (49 USC 5323 Sec 11)

3. RETENTION OF RECORDS

Contractor agrees to keep, in accordance with generally accepted accounting principles, all records pertaining to the project for audit purposes for a minimum of three (3) years following final payment to Contractor or four (4) years following the fiscal year of the last expenditure under this Agreement, whichever is longer, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until NVT A, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. (49 USC 5323)

4. AUDITS

Contractor agrees to grant NVT A or any agency that provides NVT A with funds for the Project, including but not limited to, the U.S. Department of Transportation, FTA, the Comptroller General of the United States, the State, and their authorized representatives access to Contractor's books and records for the purpose of verifying that funds are properly accounted for and proceeds are expended in accordance with the terms of the Agreement. All documents shall be available for inspection during normal business hours at any time while the Project is underway, and for the retention period specified herein. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. (49 USC 5323 (g))

Contractor further agrees to include in all its third-party contracts hereunder a provision to the effect that the contractor agrees that NVT A, the U.S. Department of Transportation, FTA, the Comptroller General of the United States, the State, or any of their duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, during normal business hours, for the term specified above. The term "contract" as used in this clause excludes agreements not exceeding \$25,000.

5. LICENSE TO WORK PRODUCTS (reserved)

6. EQUAL EMPLOYMENT OPPORTUNITY/ CIVIL RIGHTS

In accordance with Title VI of the Civil Rights Act, as amended (42 U.S.C. § 2000d); Section 303 of the Age Discrimination Act of 1975, as amended (42 U.S.C. § 6102); Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132; and 49

U.S.C. § 5332 for federally funded projects, Contractor agrees that it will not, on the grounds of race, religious creed, color, national origin, age, physical disability, or sex, discriminate or permit discrimination against any employee or applicant for employment.

Further Contractor agrees to follow regulations as set forth under 41 CFR Part 60-1.4 (b) that

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in

Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

7. DISADVANTAGED BUSINESS ENTERPRISES (DBE)

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of the Napa Valley Transportation Authority 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/offers, including those who qualify as a DBE. A DBE project goal of 0 percent has been established for this project. NVTA has an overall established DBE goal of 2.6 percent. The bidder/offers shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offers 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/offers'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 contractor, subrecipient, 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.

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 15 days from the receipt of each payment the prime contract receives from NVTA. The prime contractor agrees further to return retainage payments to each subcontractor within thirty 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.

Failure to comply with the terms of this provision may result in any or all of the following actions including but not limited to:

1. A finding of material breach of contract

2. Suspension of payment of invoices

3. Bringing 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 result) provided in 26.109.

The obligation of the bidder/offers is to make good faith efforts. The bidder/offers 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. Forms 1 and 2 should be provided as part of the solicitation documents.

8. VETERANS PREFERENCE

As required under 49 U.S.C. § 5325(k) Contractor shall give a hiring preference, to the extent practicable, to veterans (as defined in section 2108 of title 5) who have the requisite skills and abilities to perform the construction work required under the contract. This subsection shall not be understood, construed or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

9. INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

In the event that this project is funded by FTA in whole or in part, all contractual provisions required by DOT, as set forth in FTA Circular 4220.1F are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any NVTA requests which would cause NVTA to be in violation of the FTA terms and conditions.

10. AMERICANS WITH DISABILITIES ACT REQUIREMENTS
Contractor will comply with 49 CFR Parts 27, 37, and 38, implementing and Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973, 29 USC 794, as amended.

11. ENERGY CONSERVATION PLAN

Contractor shall comply with all mandatory standards and policies relating to energy efficiency that are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC 6321) and Federal requirements under 49 CFR 662 Subpart C.

12. DEBARMENT

Contractor certifies that neither it nor any of its participants, principals, or subcontractors is or has been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions, as they are defined in 49 CFR Part 29, by any Federal agency or department. Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting its bid or proposal, the bidder or proposer certifies as follows:

The certification in this clause is a material representation of fact relied upon by NVTA. If it is later determined that the bidder or proposer

knowingly rendered an erroneous certification, in addition to remedies available to NVTA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The bidder or proposer agrees to comply with the requirements of 49 CFR 29, Subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

13. CLEAN AIR AND WATER POLLUTION ACTS

Contractor agrees to comply with the applicable requirements of all standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Clean Water Act (33 U.S.C. § 1251 *et seq.*), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15). The Contractor agrees to report each violation to NVTA and understands and agrees that NVTA will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office. (2) The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance.

14. LOBBYING

Contractor agrees to comply with the restrictions on the use of federal funds for lobbying activities set forth in 31 U.S.C. § 1352 and 49 CFR Part 20. In addition, in the event the Agreement exceeds \$100,000, Contractor agrees to comply with the Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 and shall file the certification required by 49 CFR Part 20, "New Restrictions on Lobbying." Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from tier to tier up to the recipient. APPENDIX A, 49 CFR PART 20--CERTIFICATION REGARDING LOBBYING Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be submitted with each proposal or offer exceeding \$100,000).

15. INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall hold harmless, defend at its own expense, and indemnify NVTA and the officers, agents, employees and volunteers of NVTA from any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees, for personal injury (including death) or damage to property, from claims that to the extent they arise out of, pertain to, or relate to the negligent acts or omissions of Contractor or its officers, agents, employees, volunteers, contractors and subcontractors in rendering professional services under this Agreement which constitute negligence, recklessness, or willful misconduct, excluding, however, such liability, claims, losses, damages or expenses arising from the negligence or willful acts of NVTA or its officers, agents, employees or volunteers or any third parties. Notwithstanding the foregoing, the parties agree that Contractor's obligation to defend the NVTA is solely limited to reimbursing NVTA for its reasonable costs for defending a claim including reasonable attorney's fee, incurred by NVTA which are

ultimately determined to be due to Contractor's negligence, recklessness or willful misconduct. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this Agreement.

16. COMPLIANCE WITH LAWS

Contractor shall comply with any and all laws, statutes, ordinances, rules, regulations, and requirements of the federal, state or local government, and any agency thereof, including, but not limited to NVTA, the U.S. DOT and FTA, which relate to or in any manner affect the performance of this Agreement. Those law, statutes, ordinances, rules, regulations, and procedural requirements that are imposed on NVTA as a Recipient of federal or state funds are hereby in turn imposed on Contractor (including, but not limited to, 49 CFR Part 18, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments"), and are herein incorporated by this reference and made a part hereof.

17. BUY AMERICA REGULATIONS

Contractor agrees to comply with 49 U.S.C. 5323(j) and 49CFR Part 661 which provide that Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA-funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. An Offeror must submit to the FTA recipient the appropriate Buy America certification with all proposals on FTA-funded contracts, except those subject to a general waiver. The Buy America Certification may be found on file in the offices of NVTA. Proposals or offers that are not accompanied by a completed Buy America certification must be rejected as nonresponsive. This requirement does not apply to lower tier subcontractors.

18. COMPLIANCE WITH FTA REGULATIONS

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between NVTA and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

19. DAVIS-BACON ACT

(a) Minimum wages

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are

deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) Except with respect to helpers as defined as 29 CFR 5.2(n)(4), the work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and

(4) With respect to helpers as defined in 29 CFR 5.2(n)(4), such a classification prevails in the area in which the work is performed.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit

which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(v)(A) The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (1)(iv) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(b) Withholding

The NVTA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to

pay laborers and mechanics, including apprentices, Trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the NVTA may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(c) Payrolls and basic records

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or Trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and Trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the NVTA for transmission to the Federal Transit Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR part 5. This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government printing office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be maintained under 29 CFR part 5 and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part

3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Federal Transit Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

(d) Apprentices and Trainees

(i) Apprentices - Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractors or subcontractors registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division of the

U.S. Department of Labor determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees - Except as provided in 29 CFR 5.16, Trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of Trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every Trainee must be paid at not less than the rate specified in the approved program for the Trainee level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the Trainee program. If the Trainee program does not mention fringe benefits, Trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a Trainee rate who is not registered and participating in a Training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any Trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a Training program, the contractor will no longer be permitted to utilize Trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity - The utilization of apprentices, Trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(e) Compliance with Copeland Act requirements: The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(f) Subcontracts: The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal Transit Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(g) Contract termination: debarment - A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(h) Compliance with Davis-Bacon and Related Act requirements: All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(i) Disputes concerning labor standards: Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

(j) Certification of eligibility:

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

20. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

(a) Overtime requirements: No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(b) Violation; liability for unpaid wages; liquidated damages : In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(c) Withholding for unpaid wages and liquidated damages : The (write in the name of the grantee) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(d) Subcontracts: The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) of this section and also a clause requiring the

subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section. (40 USC 3701-3708)

21. NO GOVERNMENT OBLIGATION TO THIRD PARTIES

(a) Contractor acknowledges and agrees that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to NVTA, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

(b) The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

22. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACT

(a) The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

(b) The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under

the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate. (3) The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject

23. CARGO PREFERENCE-U.S.FLAG

(a) Agreement Clauses. "Use of United States-flag vessels:

(1) Pursuant to Pub. L. 664 (43 U.S.C. 1241(b)) at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds granted, guaranteed, loaned, or advanced by the U.S. Government under this agreement, and which may be transported by ocean vessel, shall be transported on privately owned United States-flag commercial vessels, if available.

(2) Within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside

the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (a)(1) of this section shall be furnished to the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading).

(b) Contractor and Subcontractor Clauses. "Use of United States-flag vessels: The contractor agrees-

(1) To utilize privately owned United States-flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to this contract, to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.

(2) To furnish within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (b) (1) of this section to the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading).

(3) To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this contract.

24. SAFE OPERATION OF MOTOR VEHICLES

Contractor agrees to comply with the Seat Belt Use and Distracted Driving clauses under 23 U.S.C Section 402 as outlined in Executive Orders No. 13043 and 13513.

25. BUS TESTING

Each third party contract to acquire a new bus model or a bus with significant alterations to an existing model must include provisions to assure compliance with applicable requirements of 49 U.S.C. Section 5318, as amended by MAP-21, and FTA regulations, "Bus Testing," 49 CFR Part 665.

26. PREAWARD REVIEW AND POST DELIVERY REVIEW

Each third party contract to acquire rolling stock must include provisions for compliance with applicable requirements of 49 U.S.C. Section 5323(m) and those provisions of FTA regulations, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases," 49 CFR Part 663, that do not conflict with 49 U.S.C. Section 5323(m).

27. SEISMIC SAFETY

The Contractor agrees to comply with the Earthquake Hazards Reduction Act of 1977, as amended, 42 U.S.C. §§ 7701 et seq., in accordance with Executive Order No. 12699, "Seismic Safety of Federal and Federally-Assisted or Regulated New Building Construction," 42 U.S.C. § 7704 note, and comply with implementing U.S. DOT regulations, "Seismic Safety," 49 C.F.R. Part 41 (specifically, 49 C.F.R. § 41.117).

28. FEDERAL CHANGES

The Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between NVTA and FTA, as they may be amended or promulgated from time to time during the term of this contract. The Contractor's failure to comply shall constitute a material breach of this contract in compliance with 49 CFR Part 18.

29. BONDING REQUIREMENTS

For those construction or facility improvement contracts or

subcontracts exceeding \$100,000, FTA may accept the bonding policy and requirements of the recipient, provided that they meet the minimum requirements for construction contracts. Bid Bond Requirements (Construction)

a) Bid Security: A Bid Bond must be issued by a fully qualified surety company acceptable to NVTA and listed as a company currently authorized under 31 CFR, Part 223 as possessing a Certificate of Authority as described thereunder.

b) Rights Reserved: In submitting this Bid, it is understood and agreed by bidder that the right is reserved by NVTA to reject any and all bids, or part of any bid, and it is agreed that the Bid may not be withdrawn for a period of [ninety (90)] days subsequent to the opening of bids, without the written consent of NVTA. It is also understood and agreed that if the undersigned bidder should withdraw any part or all of his bid within [ninety (90)] days after the bid opening without the written consent of NVTA, shall refuse or be unable to enter into this Contract, as provided above, or refuse or be unable to furnish adequate and acceptable Performance Bonds and Labor and Material Payments Bonds, as provided above, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, he shall forfeit his bid security to the extent of NVTA's damages occasioned by such withdrawal, or refusal, or inability to enter into an agreement, or provide adequate security therefor. It is further understood and agreed that to the extent the defaulting bidder's Bid Bond, Certified Check, Cashier's Check, Treasurer's Check, and/or Official Bank Check (excluding any income generated thereby which has been retained by NVTA as provided in [Item x "Bid Security" of the Instructions to Bidders]) shall prove inadequate to fully recompense NVTA for the damages occasioned by default, then the undersigned bidder agrees to indemnify NVTA and pay over to NVTA the difference between the bid security and NVTA's total damages, so as to make NVTA whole. The undersigned understands that any material alteration of any of the above or any of the material contained on this form, other than that requested will render the bid unresponsive.

Performance and Payment Bonding Requirements (Construction) - The Contractor shall be required to obtain performance and payment bonds as follows:

a) Performance bonds

i) The penal amount of performance bonds shall be 100 percent of the original contract price, unless NVTA determines that a lesser amount would be adequate for the protection of NVTA.

ii) NVTA may require additional performance bond protection when a contract price is increased. The increase in protection shall generally equal 100 percent of the increase in contract price. NVTA may secure additional protection by directing the Contractor to increase the penal amount of the existing bond or to obtain an additional bond.

b) Payment bonds

i) The penal amount of the payment bonds shall equal:

(1) Fifty percent of the contract price if the contract price is not more than \$1 million; or

(2) Forty percent of the contract price if the contract price is more than \$1 million but not more than \$5 million; or

(3) Two and one half million if the contract price is more than \$5 million

ii) If the original contract price is \$5 million or less, NVTA may require additional protection as required by subparagraph 1 if the contract price is increased.

Advance Payment Bonding Requirements - The Contractor may be required to obtain an advance payment bond if the contract contains an advance payment provision and a performance bond is not furnished. NVTA shall determine the amount of the advance

payment bond necessary to protect NVTA.

Patent Infringement Bonding Requirements (Patent Indemnity) - The Contractor may be required to obtain a patent indemnity bond if a performance bond is not furnished and the financial responsibility of the Contractor is unknown or doubtful. NVTA shall determine the amount of the patent indemnity to protect NVTA.

Warranty of the Work and Maintenance Bonds

a) The Contractor warrants to NVTA, the Architect and/or Engineer that all materials and equipment furnished under this Contract will be of highest quality and new unless otherwise specified by NVTA, free from faults and defects and in conformance with the Contract Documents. All work not so conforming to these standards shall be considered defective. If required by the NVTA, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

b) The Work furnished must be of first quality and the workmanship must be the best obtainable in the various trades. The Work must be of safe, substantial and durable construction in all respects. The Contractor hereby guarantees the Work against defective materials or faulty workmanship. General Conditions a minimum period of one (1) year after Final Payment by NVTA and shall replace or repair any defective materials or equipment or faulty workmanship during the period of the guarantee at no cost to NVTA. As additional security for these guarantees, the Contractor shall, prior to the release of Final Payment, furnish separate Maintenance (or Guarantee) Bonds in form acceptable to NVTA written by the same corporate surety that provides the Performance Bond and Labor and Material Payment Bond for this Contract. These bonds shall secure the Contractor's obligation to replace or repair defective materials and faulty workmanship for a minimum period of one (1) year after Final Payment and shall be written in an amount equal to ONE HUNDRED PERCENT (100%) of the CONTRACT SUM, as adjusted (if at all).

30. RECYCLED PRODUCTS PREFERENCE

To the extent applicable, the Contractor agrees to comply with the U.S. Environmental Protection Agency (U.S. EPA), "Comprehensive Procurement Guideline for Products Containing Recovered Materials," 40 C.F.R. Part 247, which implements section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962. Accordingly, the Contractor agrees to provide a competitive preference for products and services that conserve natural resources, protect the environment, and are energy efficient, except to the extent that the Federal Government determines otherwise in writing.

31. PRIVACY ACT

The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

32. BREACHES AND DISPUTE RESOLUTION

In compliance with 49 CFR Part 18/FTA Circular 4220.1F: *Disputes* - Disputes arising in the performance of this Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of NVTA. This decision shall be final and conclusive unless within [ten (10)] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the NVTA. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the NVTA shall be binding upon the Contractor and the Contractor shall abide by the decision.

Performance During Dispute - Unless otherwise directed by NVTA, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages - Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of his employees, agents or others for whose acts

he is legally liable, a claim for damages therefore shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies - Unless this contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the NVTA and the Contractor arising out of or relating to this agreement or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the NVTA is located.

Rights and Remedies - The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the NVTA or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

33. ADA ACCESS REQUIREMENTS

Contractor must comply with the requirements that are applicable to

A. Title I of the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. Section 12101 et seq.;

B. Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 794;

C. Section 16 of the Federal Transit Act, as amended, 49 U.S.C. Section 5301 (d);

D. U.S. DOT regulations, "Transportation for Individuals with Disabilities," 49 C.F.R. Parts 27, 37 and 38 and 36 C.F.R. Part 1192;

E. U.S. Architectural and Transportation Barriers Compliance Board, "ADA Accessibility Guidelines for Buildings and Facilities," (ADAAG);

F. U.S. Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 C.F.R. Part 35;

G. U.S. DOJ Regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 C.F.R. Part 36;

H. U.S. General Services Administration regulations, "Accommodations for the Physically Handicapped," 41 C.F.R. Subpart 101-19;

I. U.S. Equal Employment Opportunity Commission (EEOC), "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630.

J. U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 C.F.R. Part 64, Subpart F.



NAPA VALLEY TRANSPORTATION AUTHORITY COVER MEMO

SUBJECT

Resolution 23-25 Amending NVTA Agreement No. 21-12 with Transdev Services Inc.

STAFF RECOMMENDATION

That the NVTA Board approve Amendment No. 2 to the Transit Operations Services Agreement No. 21-12 for moving and other costs associated with the new Vine Bus Maintenance Facility.

EXECUTIVE SUMMARY

On July 21st, 2021 the NVTA Board of Directors meeting approved the Transit Operations Services Agreement No. 21-12 with Transdev Services Inc. Subsequently, the NVTA Board approved a modification to the Transit Operations Services Agreement No. 21-12 to revise the addition or deletion of service hours from 20% to 15% without the need for a contract amendment. After approval from Caltrans, the agreement was then executed by all parties on December 22, 2021 with an effective date of January 1, 2022.

Then on January 19, 2022, the Board approved the first amendment to Agreement 21-12 to increase the base driver wage consistent with wage rates that paid by Soltrans', also using Transdev contracted services. This first amendment was to increase wages to recruit more drivers.

NVTA staff is now proposing a second amendment to reflect changes in utility costs and service hours that will occur when TransDev moves into the new Vine Bus Maintenance Facility in early 2024. In addition, the amendment also increases mechanics wages, which were not increased as part of the first amendment, in an effort to attract and retain mechanics. The amendment also adds a second full-time utility worker to help clean and maintain the new maintenance facility, the Redwood Park and Ride and City of Napa stops in general.

FISCAL IMPACT

Yes- up to \$3,979,441 for the remaining seven years of the contract period or roughly 4.7%. Funding will be provided by the increased appropriation from the Infrastructure Investment and Jobs Act (IIJA) and Transportation Development Act (TDA) Funds.



NAPA VALLEY TRANSPORTATION AUTHORITY

Board Agenda Memo

TO: NVTA Board of Directors
FROM: Kate Miller, Executive Director
REPORT BY: Rebecca Schenck, Program Manager – Public Transit
(707) 259-8636 / Email: rschenck@nvta.ca.gov
SUBJECT: Resolution 23-25 Amending NVTA Agreement No. 21-12 with Transdev Services Inc.

RECOMMENDATION

That the NVTA Board approve Amendment No. 2 to the Transit Operations Services Agreement No. 21-12 for moving and other costs associated with the new Vine Bus Maintenance Facility

COMMITTEE RECOMMENDATION

None

BACKGROUND

At the July 21, 2021 meeting, the NVTA Board of Director's approved a new contract with Transdev Services Inc. for transit operations and maintenance services with a base term of five years, from January 1, 2022 through December 30, 2026, and two one-year options which could extend the contract to December 31, 2028.

The Transit Services Agreement 21-12 was executed by all parties on December 22, 2021 and was effective on January 1, 2022.

The second amendment would address operational changes as a result of the move to the new maintenance facility as well as incorporate additional bus stop maintenance in the City of Napa. At the time NVTA issued the original RFP for Transit Operations Services, staff did not have estimates of costs to maintain the new facility, so all bidders were instructed to submit bids based on existing operations at 720 Jackson Street. The changes in the second amendment are outlined as follows:

- 1) Increases the Vehicle Service Hours (VSH) provisions to 895,410 from 863,410, an addition of 32,000 service hours. This reflects an increase in the deadhead - the additional operating times to access key service areas from the new maintenance facility without passengers on board. The new maintenance facility is further away from where many routes start in the City of Napa at the Redwood Park and Ride and the Soscol Gateway Transit Center. The additional hours include the option of a limited number of expansion hours which could be used to add Saturday service on the Route 29 (airport service to BART) future years.
- 2) Captures the cost structure for maintaining and operating the new Bus Maintenance Facility. NVTA will move its transit operations to a new bus maintenance facility located at 96 and 101 Sheehy Ct. in Napa in February 2024. Transdev will pay for certain utilities at the new facility to NVTA or directly to the vendor. Transdev will also be responsible for maintaining the upgrades Redwood Park and Ride once a restroom is added as part of the Regional Measure 3 upgrades.
- 3) Revises the contract budget by increasing the number of administrative staffing to add one full-time equivalent employee to the budget. The full-time employee will be a utility worker.

An independent cost estimate of this second amendment was performed and reviewed by Caltrans. This second amendment will bring the seven-year contract total from \$84,186,869 to \$88,166,310, an increase of \$3,979,441 over the latter five years.

ALTERNATIVES

NVTA may choose to retain the current Transit Operations Services Agreement No. 21-12, however, the contractor may not agree to move to the new facility since NVTA would not be able to compensate Transdev for the additional costs associated with the move to the new facility.

STRATEGIC GOALS MET BY THIS PROPOSAL

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

A well-functioning system is essential for adequately providing transportation for individuals with mobility challenges, community members who have limited financial resources, or members of the community who choose to take transit. To accomplish these goals, a strong partnership between NVTA and its transit service provider is essential. Transdev has proven to be such a partner.

Goal 5: Minimize the energy and other resources required to move people and goods.

The transit system provides a viable alternative to driving and therefore reduces the consumption of fossil fuel which reduces greenhouse gas emissions that contribute to climate change.

ATTACHMENTS

- (1) Draft Second Amendment to NVT Agreement No. 21-12
- (2) Resolution No. 23-25

**SECOND AMENDMENT TO
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
AGREEMENT NO. 21-12**

THIS SECOND AMENDMENT TO NAPA VALLEY TRANSPORTATION AUTHORITY (“NVTA”) AGREEMENT NO. 21-12 hereinafter referred to as “Amendment” is, between the NAPA VALLEY TRANSPORTATION AUTHORITY (hereinafter referred to as “NVTA”), and Transdev Services, Inc., whose mailing address is 720 E Butterfield Road, Suite 300, Lombard, IL 60148, hereinafter referred to as “CONTRACTOR”;

RECITALS

WHEREAS, in December 2021, NVTA entered into Agreement No. 21-12 with CONTRACTOR to operate fixed-route, paratransit, on-demand, dial-a-ride transit, and maintenance services for NVTA Transit Operations (“Agreement”); and

WHEREAS, in April 2022, NVTA modified the Agreement with Amendment No. 1 to adjust the transit services by decreasing its Vehicle Service Hours (VSH) provisions to 15%, and alignment of the budget by increasing operator wages and operational costs needed to assure operational continuity; and

WHEREAS, NVTA wishes to modify the Agreement with this Amendment to adjust the service and operational changes as a result of relocating the Bus Maintenance Facility and the operations administrative offices from its current location at 720 Jackson Street, Napa, CA 94558, to 96 and 101 Sheehy Court, Napa, CA 94558.

WHEREAS, the NVTA Board of Directors authorized these provisions of the Amendment at its Board of Directors meeting held on October 18, 2023.

TERMS

NOW, THEREFORE, the NVTA and CONTRACTOR agree to amend the Agreement as follows:

1. SECTION II - ROUTES

Table 1 Estimated Service Hours. Current Table 1 in Attachment A of the Agreement is to be replaced in its entirety due to impending Fixed Route changes and changes in deadhead resulting in an increase of total service hours and shall read as follows:

Contract Year	Fiscal Year (FY)	Fixed Route *	ADA Paratransit*	On Demand	Total
Year 1	FY 2021-22	74,600	12,030	26,000	112,630
Year 2	FY 2022-23	82,600	13,030	29,500	125,130
Year 3	FY 2023-24	85,000	13,030	29,500	127,530
Year 4	FY 2024-25	90,000	13,030	29,500	132,530
Year 5	FY 2025-26	90,000	13,030	29,500	132,530
Year 6	FY 2026-27	90,000	13,030	29,500	132,530
Year 7	FY 2027-28	90,000	13,030	29,500	132,530

With the exception of the above, all other provisions under SECTION II shall remain in full force and effect.

2. SECTION IV - NVTA FACILITIES

Future Bus Maintenance Facility. As the construction of the future Maintenance Facility is nearing its completion, this Amendment shall capture the cost structure for maintaining and operating the new Maintenance Facility. The item is replaced in its entirety and should read as follows:

NVTA will provide the office infrastructure and capability for telephone, internet, and some information technology for the new Maintenance Facility. NVTA will also provide the telephone system and computer devices needed to operate servers and systems for vehicle(s), facility, and equipment operations, including the dispatch telephone system.

CONTRACTOR shall be responsible for all desktop equipment and systems in order to maintain contractor related administration, payroll, run cuts, etc. CONTRACTOR shall also be responsible for all other aspects of operations, maintenance, utilities (including internet service), and routine maintenance of the provided facility, with the exception of major repairs on major structures and systems.

CONTRACTOR shall be responsible for moving all NVTA and CONTRACTOR vehicles and all CONTRACTOR IT equipment. NVTA will hire a third-party mover for all other items.

NVTA and CONTRACTOR shall be responsible in sharing the utility and maintenance costs associated with the new Maintenance Facility as described in Tables 4, 5, and 6 below. Costs shown in Tables 4, 5, and 6 are estimates and subject to adjustment based on actual usage.

Table 4: Utilities to be paid by NVTA and charged back to CONTRACTOR.

Year	Potable Water	Reclaimed* Water	Sanitation (Sewer)	Electricity (Buildings & Grounds)
FY 24	\$35,473	\$37,142	\$1,639	\$20,116
FY 25	\$37,247	\$37,885	\$1,688	\$20,119
FY 26	\$39,109	\$38,643	\$1,739	\$20,147

**for landscaping and bus washing facility. Amounts are estimates and actual charges may differ.*

Table 5: Utilities to be paid by CONTRACTOR directly to service provider.

Year	Natural Gas	Oil/Sewer Disposal
FY 24	\$20,000	\$5,306
FY 25	\$21,000	\$5,412
FY 26	\$22,000	\$5,520

Amounts are estimates and actual charges may differ.

Table 6: Utilities to be paid by NVTa directly to service provider.

Year	IT Services	T1 Lines (Internet Infrastructure)	Phones	Internet	Landscape Maintenance	Waste Management
FY 24	\$25,096	\$25,096	\$2,400	\$3,877	\$44,571	\$16,198
FY 25	\$25,473	\$25,473	\$2,400	\$3,974	\$45,462	\$16,846
FY 26	\$25,855	\$25,855	\$2,400	\$4,073	\$46,371	\$17,520

Amounts are estimates and actual charges may differ.

The new Bus Maintenance Facility will include six (6) maintenance bays, a bus parking facility for 74 buses of various sizes, solar panels, and electric bus charging stations, a modern bus wash facility, as well as parking for employees and visitors. The facility will operate 24 hours a day, seven (7) days a week. Buses will be operating primarily between the hours of 5:00AM through 8:00PM, with two (2) routes operating beyond 9:00PM and returning to the bus yard between 10:00PM and 11:00PM. All times listed are Pacific Standard Time (PST/local).

After the expiration of the manufacturer's warranty period on electric vehicle charging stations, CONTRACTOR will take on the responsibility for maintenance at a price to be negotiated once this is requested by NVTa. These charging stations are exclusively for bus use.

REDWOOD PARK AND RIDE

The current content of this item is replaced in its entirety and shall read as follows:

CONTRACTOR will maintain passenger waiting areas, bus shelters, parking lot, sidewalk areas, and new restroom facility for passengers and bus drivers once the facility is installed and operational. The restroom facility will be serviced once each day.

With the exception of the above, all other provisions under SECTION IV shall remain in full force and effect.

3. SECTION VII - RESPONSIBILITY OF CONTRACTOR

11. Number of Administrative Staff. CONTRACTOR will add one (1) full-time staff position, Bus Stop Maintenance Technician, who will assist to maintain, monitor, and service the new Imola Park and Ride and the City of Napa facilities. This addition will increase the staff position number from one (1) to two (2) Bus Stop Maintenance Technicians and associated costs respectively, as per

Attachment B – Multi-Year Staffing Plan attached hereto setting forth the Multi-Year Price Plan effective January 1, 2024.

With the exception of the above, all other provisions under SECTION VII shall remain in full force and effect.

4. Except as set forth above, the terms and conditions of the Agreement shall remain in full force and effect as previously approved, and this Second Amendment shall be effective on January 1, 2024.

IN WITNESS WHEREOF, this Second Amendment was executed by the parties hereto as of the date first above written.

“NVTA”

"CONTRACTOR"
Transdev Services, Inc.

KATE MILLER, Executive Director

LAURA J. HENDRICKS, President

MATHIEU LE BOURHIS, CFO

ATTEST:

Laura Sanderlin, NVTA Board Secretary

Approved as to Form	
By:	_____
	NVTA General Counsel
Date:	_____

Multi-Year Price Plan

NVTA Transit Services - Amendment 2

EFFECTIVE JANUARY 1, 2024

Proposer:	Transdev
Date Submitted:	Aug-23
Prepared by:	

	Current Maintenance Facility	----- Future Maintenance Facility -----				Option Year 1	Option Year 2
Cost Element	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
Paratransit							
Paratransit Wages and Benefits	\$550,264	\$615,123	\$635,291	\$665,180	\$691,071	\$724,746	\$756,096
Non-Revenue Vehicle Expense	\$4,087	\$5,649	\$5,709	\$7,319	\$8,414	\$8,478	\$8,543
Vehicle Parts/Tires/Supplies/Lubes	\$11,844	\$15,565	\$20,689	\$17,171	\$12,529	\$12,947	\$13,460
SmartDrive Clip Review	\$1,615	\$1,606	\$1,638	\$1,671	\$1,704	\$1,738	\$1,773
Uniforms	\$2,221	\$2,344	\$2,391	\$2,439	\$2,488	\$2,538	\$2,588
Drug Testing and Physicals	\$1,273	\$1,375	\$1,402	\$1,430	\$1,459	\$1,488	\$1,518
Employee Incentives	\$4,218	\$4,596	\$4,596	\$4,596	\$4,596	\$4,596	\$4,596
Variable Vehicle Insurance	\$8,410	\$9,563	\$10,041	\$10,543	\$11,070	\$11,624	\$12,205
Cost Allocation from Fixed Costs							
[Item 1]							
[Item 2]							
Overhead	\$31,063	\$35,267	\$36,402	\$37,805	\$39,028	\$40,586	\$42,310
Profit	\$12,551	\$21,374	\$29,923	\$31,173	\$32,182	\$33,697	\$35,129
Total Paratransit Costs	\$627,545	\$712,461	\$748,082	\$779,327	\$804,541	\$842,437	\$878,218
Total Paratransit Service Hours	12,030	13,030	13,030	13,030	13,030	13,030	13,030
Cost Per Paratransit Service Hour	\$ 52.17	\$ 54.68	\$ 57.41	\$ 59.81	\$ 61.75	\$ 64.65	\$ 67.40
On Demand/Variable							
Variable Wages and Benefits	\$1,189,266	\$1,392,643	\$1,438,302	\$1,505,971	\$1,564,589	\$1,640,829	\$1,711,807
Non-Revenue Vehicle Expense	\$8,833	\$12,789	\$12,925	\$16,570	\$19,049	\$19,194	\$19,341
Vehicle Parts/Tires/Supplies/Lubes	\$25,597	\$35,239	\$46,841	\$38,875	\$28,365	\$29,311	\$30,474
SmartDrive Clip Review	\$3,490	\$3,636	\$3,709	\$3,783	\$3,858	\$3,936	\$4,014
Uniforms	\$4,800	\$5,308	\$5,414	\$5,522	\$5,633	\$5,745	\$5,860
Drug Testing and Physicals	\$2,750	\$3,112	\$3,175	\$3,238	\$3,303	\$3,369	\$3,436
Employee Incentives	\$9,116	\$10,404	\$10,404	\$10,404	\$10,404	\$10,404	\$10,404
Variable Vehicle Insurance	\$18,176	\$21,651	\$22,733	\$23,870	\$25,063	\$26,317	\$27,632
Cost Allocation from Fixed Costs							
[Item 1]							
[Item 2]							
Overhead	\$67,136	\$79,844	\$82,414	\$85,591	\$88,360	\$91,887	\$95,790
Profit	\$27,126	\$48,390	\$67,747	\$70,576	\$72,859	\$76,291	\$79,532
Total On Demand/Variable Costs	\$1,356,290	\$1,613,016	\$1,693,663	\$1,764,401	\$1,821,485	\$1,907,283	\$1,988,291
Total On Demand/Variable Service Hours	26,000	29,500	29,500	29,500	29,500	29,500	29,500
Cost Per Variable/On Demand Service Hours	\$ 52.17	\$ 54.68	\$ 57.41	\$ 59.81	\$ 61.75	\$ 64.65	\$ 67.40
Fixed Route							
Fixed Route Wages and Benefits	\$3,630,315	\$3,939,811	\$4,352,743	\$4,771,093	\$4,914,992	\$5,084,487	\$5,200,442
Non-Revenue Vehicle Expense	\$25,343	\$35,809	\$42,809	\$53,015	\$59,956	\$60,362	\$60,775
Vehicle Parts/Tires/Supplies/Lubes	\$381,826	\$423,165	\$452,652	\$452,035	\$447,760	\$486,463	\$495,361
SmartDrive Clip Review	\$10,015	\$10,181	\$10,508	\$10,718	\$10,932	\$11,151	\$11,374
Uniforms	\$13,772	\$14,862	\$15,536	\$16,232	\$16,556	\$16,887	\$17,225
Drug Testing and Physicals	\$7,892	\$8,715	\$9,232	\$9,726	\$9,920	\$10,118	\$10,321
Employee Incentives	\$20,041	\$21,906	\$23,304	\$24,702	\$24,702	\$24,702	\$24,702
Variable Vehicle Insurance	\$149,560	\$173,808	\$187,836	\$208,899	\$219,344	\$230,311	\$241,827
Cost Allocation from Fixed Costs							
[Item 1]							
[Item 2]							
Overhead	\$225,490	\$248,885	\$272,022	\$295,183	\$303,579	\$313,025	\$320,293
Profit	\$91,107	\$150,839	\$223,610	\$243,400	\$250,323	\$259,896	\$265,930
Total Fixed Route Costs	\$4,555,361	\$5,027,979	\$5,590,252	\$6,085,002	\$6,258,063	\$6,497,403	\$6,648,249
Total Fixed Route Service Hours	74,600	82,600	85,000	90,000	90,000	90,000	90,000
Cost Per Fixed Route Service Hour	\$ 61.06	\$ 60.87	\$ 65.77	\$ 67.61	\$ 69.53	\$ 72.19	\$ 73.87

<i>All Service Hours</i>	112,630	125,130	127,530	132,530	132,530	132,530	132,530
<i>Cost Per All Service Hours</i>	\$ 32.74	\$ 31.02	\$ 33.08	\$ 32.87	\$ 33.90	\$ 34.74	\$ 35.65
Fixed Costs							
Fixed Wages and Benefits	\$2,852,621	\$2,936,133	\$3,146,673	\$3,246,571	\$3,345,804	\$3,440,388	\$3,538,003
Building and Grounds Expense	\$20,250	\$20,655	\$21,068	\$21,490	\$21,920	\$22,358	\$22,805
Parts and Tools	\$594	\$606	\$618	\$631	\$643	\$656	\$669
Overhead	\$182,524	\$192,149	\$205,305	\$211,302	\$217,976	\$221,837	\$227,624
Insurance							
Vehicle Liability - Buses	\$187,146	\$196,503	\$206,328	\$216,645	\$227,477	\$238,851	\$250,794
Vehicle Liability - Support Vehicles	\$25,290	\$26,555	\$30,670	\$32,204	\$33,814	\$35,505	\$37,280
Workers Compensation	\$34,043	\$37,506	\$41,353	\$45,059	\$47,569	\$50,418	\$53,023
Uninsured Accident Repairs	\$26,827	\$30,323	\$31,725	\$34,050	\$34,731	\$35,426	\$36,134
Utilities							
Water	\$37,011	\$74,776	\$90,452	\$93,666	\$97,011	\$98,951	\$100,930
Electricity, Gas	\$34,560	\$37,994	\$40,116	\$41,119	\$42,147	\$42,990	\$43,850
Waste (trash, sewer, recyc)	\$25,416	\$25,925	\$26,443	\$26,972	\$27,511	\$28,062	\$28,623
Hazardous Materials Waste	\$5,100	\$5,202	\$24,000	\$6,000	\$6,120	\$6,242	\$6,367
Broadband	\$7,020	\$4,592	\$3,877	\$3,974	\$4,073	\$4,154	\$4,238
Phone	\$11,547	\$10,440	\$10,173	\$10,328	\$10,487	\$10,697	\$10,911
COVID19 Expenses							
Personal Protective Equipment							
Sanitization (labor costs)							
Transit EOC services							
Other							
Performance Bond	\$7,670	\$8,426	\$9,188	\$9,738	\$10,033	\$10,388	\$10,679
Profit	\$73,747	\$116,454	\$168,767	\$174,234	\$179,737	\$184,185	\$188,990
Other Operations Costs							
Office Supplies/Shipping/Printing	\$26,002	\$26,522	\$27,053	\$30,954	\$31,573	\$32,204	\$32,848
Employee / Hiring Expenses	\$72,062	\$77,912	\$81,998	\$85,603	\$87,316	\$89,062	\$90,843
Facility Utilities/Telephone/Internet							
<i>(Fixed Costs - continued)</i>							
Other Equipment - Business							
Computers/Supplies	\$33,731	\$34,406	\$35,094	\$35,796	\$36,512	\$37,242	\$37,987
Tablet Data Plans							
Depreciation/Amortized Costs							
Existing Equipment Depreciation	\$7,300	\$1,825	\$0	\$0	\$0	\$0	\$0
Replacement Equip. Depreciation	\$16,900	\$16,900	\$18,269	\$29,511	\$30,962	\$15,002	\$2,144
Other							
Mobilization Costs							
<i>Less Cost Allocations to:</i>							
Paratransit	\$0	\$0	\$0	\$0	\$0	\$0	\$0
On Demand/Variable	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fixed Route	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Cost Allocations	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Fixed Costs	\$3,687,363	\$3,881,804	\$4,219,170	\$4,355,845	\$4,493,415	\$4,604,619	\$4,724,742
Total Annual Amount	\$10,226,560	\$11,235,260	\$12,251,169	\$12,984,575	\$13,377,504	\$13,851,742	\$14,239,500

RESOLUTION No. 23-25

**A RESOLUTION OF THE
NAPA VALLEY TRANSPORTATION AUTHORITY (NVTA)
AMENDING NVTA AGREEMENT NO. 21-12 WITH TRANSDEV SERVICE, INC
IN THE AMOUNT OF \$3,979,441 AND
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AMENDMENT**

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

WHEREAS, NVTA manages a comprehensive transit system known as Vine Transit which operates fixed route, commuter service, demand response community shuttles, ADA paratransit, and shared vehicles; and

WHEREAS, NVTA endeavors to provide the highest quality public transit services to the community; and

WHEREAS, Agreement No. 21-12 between NVTA and Transdev Services was approved by the Board of Directors on July 21, 2021; and

WHEREAS, the Contract is for a five (5) year base term, with two (2) one year options commencing on January 1, 2022; and

WHEREAS, the Contract was first amended on January 19, 2022 to increase wages to address labor shortages; and

WHEREAS, NVTA is on the verge of completing and moving into a new maintenance facility; and

WHEREAS, the new maintenance facility, along with other planned infrastructure upgrades, comes with additional staffing and utility costs; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Napa Valley Transportation Authority that:

1. That the NVTA Board approve a contract amendment to Agreement 21-12 in an amount of \$3,979,441 with Transdev Services Inc.; and

2. The Executive Director or designee is authorized to finalize and sign a Second Amendment to Agreement No. 21-12 with Transdev Services Inc., and directs staff to take all further actions necessary to complete the process.

Passed and adopted this 18th day of October 2023.

Liz Alessio, NVTA Chair

Ayes:

Nays:

Absent:

ATTEST:

Laura M. Sanderlin, NVTA Board Secretary

APPROVED:

Osamn Mufti, NVTA Legal Counsel



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 (Attachment 1), State Legislative Update (Attachment 2) and State Bill Matrix Update (Attachment 3) prepared by Platinum Advisors.

EXECUTIVE SUMMARY

The attached memos from Platinum Advisors summarizes recent federal and state legislative activities respectively. The bill matrix includes bills of interest to NVTA.

FISCAL IMPACT

None



October 18, 2023
NVTA Board Agenda Item 11.7

Continued From: New
Action Requested: INFORMATION

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 (NVTA) Board receive the Federal Legislative update (Attachment 1), State Legislative Update (Attachment 2) and State Bill Matrix Update (Attachment 3) prepared by Platinum Advisors.

BACKGROUND

Federal Update:

A Continuing Resolution was passed by Congress that will keep the government open until mid-November, which did not include additional aid for Ukraine. Negotiations leading up to the CR passing resulted in Senator Kevin McCarthy being ousted as Speaker of the House – the first in United State history.

The Senate worked to pass its version of the House Transportation Housing and Urban Development (THUD) appropriations bill, which increases total appropriations by \$1.49 billion over FFY 2022-23. This bill includes \$14 billion for Transit Formula Grants, \$800 million for Rebuilding American Infrastructure and Sustainability and Equity (RAISE) discretionary grant program, and \$268.3 million for Transit Infrastructure Grants. The House bill reduces transportation funding by \$5.43 billion over FFY 2022-23 and eliminates funding the RAISE program.

State Update

There are currently over 800 bills on the Governor's desk for signature. Two proposed constitutional amendments do not need the Governor's signature but instead will go directly to the voters on will be placed on the November 2024 Ballot. The first bill was

reported out to the Board last month, ACA 1 (Aguiar-Curry) which would reduce the voter threshold to pass transportation infrastructure initiatives to 55%. ACA 1 explicitly excludes transit operations. ACA 13 (Ward) would require a 2/3rd voter approval for any initiative aiming to increase voter threshold – a direct challenge to a California Business Roundtable’s proposition expected to be on the same ballot.

Two climate and energy bills are also pending the Governor’s signature. AB 1373 (Garcia) enables California to procure clean energy through the Department of Water Resources. And SB 253 (Weiner) requires that companies doing business in California report their annual greenhouse gas emissions.

Finally, the governor already vetoed AB 316 (Aguiar-Curry), a labor backed bill that would require human drivers to remain behind the wheel of autonomous trucks operating on the state highway system, stating the bill would hold back the development of advanced technologies.

The deadline for the governor to sign or veto bills is October 14th and staff will provide an update on key bills at the Board meeting.

ATTACHMENTS

- (1) October 3, 2023 Federal Update (Platinum Advisors)
- (2) October 3, 2023 State Update (Platinum Advisors)
- (3) October 3, 2023 Bill Matrix

PLATINUM | ADVISORS

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority (NVTA)

FROM: Jessica Aune, Platinum Advisors

DATE: Tuesday, October 3, 2023

RE: September Monthly Report

State of Play and Congressional Update

After returning to Washington, D.C. following the August recess, lawmakers hit the ground running to make progress on 12 must-pass appropriations bills before funding for the government expired on September 30. However, Speaker McCarthy faced numerous disagreements within his caucus leading to several setbacks passing his appropriations bills. By the end of September, the House had only passed 4 appropriation bills: Defense, Homeland Security, Military Construction-Veterans Affairs, and State-Foreign Operations. The Senate also spent most of September focused on passing a “minibus” including Transportation-Housing and Urban Development (T-HUD), Agriculture-FDA, and Military Construction-Veteran Affairs appropriation bills. The Senate also faced objections and neither chamber was able to advance their full slate of appropriation bills before the September 30th deadline.

Leading up to the end of the fiscal year, House Republicans were unable to pass a rule that would begin formal consideration of a GOP-led short-term spending measure – referred to as a continuing resolution (CR). Days before, the Senate had advanced their own bipartisan CR. Without the full support of his Conference and hours left before funding expired, Speaker of the House Kevin McCarthy (R-CA) put forward a clean CR. With support from nearly every House Democrat, the measure then passed the Senate and was signed into law before midnight on Saturday, narrowly avoiding a government shutdown.

The measure will fund federal agencies at FY 2023 levels until mid-November. In addition to reauthorizing the Federal Aviation Administration (FAA) and the national flood insurance program through the end of the year, the bill also includes \$16 billion for disaster relief.

T-HUD APPROPRIATIONS: Over the last month, the Senate worked to pass a “minibus” that includes their version of the Transportation-Housing and Urban Development (T-HUD) appropriations bill. Title I of the legislation provides \$28.43 billion to the Department

of Transportation (DOT) and \$79.4 billion in mandatory spending. The total amount of \$107.83 billion is an increase of \$1.49 billion from fiscal year 2023. A more detailed breakdown of the package is listed below:

- \$14 billion for Transit Formula Grants to improve bus fleets, bus facilities, and public transportation in rural areas.
- \$800 million for the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) discretionary grant program, which provides outcome-oriented grants and credit assistance to transit agencies for investments in surface transportation infrastructure.
- \$268.3 million for Transit Infrastructure Grants that address targeted capital, operating, and state of good repair needs (i.e. maintenance, replacement, rehabilitation) for public transportation providers, including the purchase of low- and zero-emission buses.

The Senate's legislation also issues guidance to the DOT to consider multi-modal projects where "the addition of public transportation project components provides a significant improvement to the mobility benefits for users of highways or intercity passenger rail" when determining eligibility for the RAISE grant program.

The House Appropriations Committee's T-HUD package would appropriate \$21.57 billion in discretionary funding to DOT and \$79.34 billion in mandatory spending to DOT – a decrease of \$5.43 billion from fiscal year 2023. The legislation nearly matches the Senate's recommended levels for Transit Formula Grants but doesn't include funding for the RAISE grants program.

EXAMINING EXTREME HEAT ON TRANSPORTATION: This month, the Senate Committee on the Environment and Public Works held a hearing to examine the impact of extreme heat on transportation, including the weakening of highways and bridges.

Committee Chair Tom Carper (D-DE) expressed concerns about the impact of urban heat islands on communities. Ranking Member Shelly Moore Capito (R-WV) emphasized the importance of maintaining flexibility for states within the Federal Aid Highway Program and the importance of permitting reform to respond to extreme heat.

Members highlighted new programs implemented in the Infrastructure and Investment Jobs Act, including the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) program, which focuses on improving resiliency of transportation infrastructure to withstand extreme weather events.

The conversation also included questions about solutions that transportation agencies have deployed to mitigate the effects of extreme weather patterns caused by extreme heat, such as flooding and wildfires. Dr. Aimee Flannery, a transportation risk and resilience consultant, stressed the importance of maintaining funding for the Federal Highway Administration's emergency relief program that supports communities to implement "resilient designs" when addressing damage from natural disasters.

Dr. David Hondula, the director of the City of Phoenix’s Office of Heat Response and Mitigation, testified before the committee. He shared what practices Phoenix has adopted as a result of extreme heat, including one program aimed at repaving roads to reduce surface temperature and another that would establish “cooling corridors” by increasing shade coverage. Dr. Hondula also described procurement processes that focused on energy-efficient components and cooling technologies for public infrastructure.

FOREVER CHEMICALS AT AIRPORTS: Congressman Salud Carbajal (D-CA) introduced legislation that would provide relief to communities near regional airports with toxic chemical contamination in their groundwater. The legislation would also direct federal agencies to phase out the use of toxic chemicals in communities near these airports. Rep. Carbajal’s bill is in response to a [recent agreement](#) between San Luis Obispo County and the Central Coast Regional Water Quality Control Board to address PFAS contamination around the San Luis Obispo Regional Airport.

WILDLAND FIRE MITIGATION AND MANAGEMENT COMMISSION REPORT: The Biden Administration’s Wildfire Fire Mitigation and Management Commission released their [final report](#) outlining a comprehensive set of recommendations to Congress to address the national wildfire crisis. The Commission – which was established through the Infrastructure and Investment Jobs Act – is composed of representatives from federal agencies, state, local and tribal governments, and representatives from the private sector.

The report recommends a whole-of-society approach to address fundamental connections between the temporal phases of wildfire, including pre-fire risk reduction and post-fire recovery, and between communities, landscapes, public health, utilities, research and technology, and other impacted sectors. Additionally, the Commission emphasizes the need to shift the U.S.’ approach away from reactive measures and towards proactive planning, mitigation, and risk reduction.

Pending Legislation of Interest

[H.R.125](#) — To prohibit the imposition of mask mandates on public transportation.

Sponsor: Biggs, Andy [Rep.-R-AZ-5]

Introduced: 1/9/2023

[H.R.327](#) — To reduce the tax credit for new qualified plug-in electric drive motor vehicles by State subsidies for these vehicles.

Sponsor: Estes, Ron [Rep.-R-KS-4]

Introduced: 1/12/2023

[H.R.490](#) — To establish the Federal Infrastructure Bank to facilitate investment in, and the long-term financing of, economically viable U.S. infrastructure projects that provide a public benefit.

Sponsor: Webster, Daniel [Rep.-R-FL-11]

Introduced: 1/24/2023

[S.63](#) — **A bill to adjust the effective date for application of certain amendments made with respect to the credit for new clean vehicles.**

Sponsor: Manchin, Joe, III [Sen.-D-WV]

Introduced: 1/25/2023

[H.R.495](#) — **To amend the National Environmental Policy Act of 1969 to authorize assignment to States of Federal agency environmental review responsibilities.**

Sponsor: Calvert, Ken [Rep.-R-CA-41]

Introduced: 1/25/2023

[H.R.852](#) — **To direct the Attorney General to establish a grant program for civilian traffic violation enforcement.**

Sponsor: Rep. Torres, Ritchie [D-NY-15]

Introduced: 2/06/2023

[H.R.873](#) — **To authorize the Administrator of the Environmental Protection Agency to award grants and contracts for projects that use emerging technologies to address threats to water quality, and for other purposes.**

Sponsor: Rep. Donalds, Byron [R-FL-19]

Introduced: 2/08/2023

[S.352](#) — **Highway Formula Modernization Act of 2023**

Sponsor: Kelly, Mark [Sen.-D-AZ]

Introduced: 2/09/2023

[H.R. 1500](#) – **To establish a program to use anonymized data from third party entities to inform infrastructure planning decisions and improve transportation management capabilities.**

Introduced: 3/09/2023

Status: Advanced from Transportation & Infrastructure Committee

[H.R.1665](#) — **To direct the Secretary of Transportation to establish a program to provide grants to local governments to install publicly accessible safety charging stations for electric bicycles and scooters, and for other purposes.**

Sponsor: Velazquez, Nydia M. [Rep.-D-NY-7]

Introduced: 03/17/2023

[S.876](#) — **A bill to establish a 90-day limit to file a petition for judicial review of a permit, license, or approval for a highway or public transportation project, and for other purposes.**

Sponsor: Cruz, Ted [Sen.-R-TX]

Introduced: 03/21/2023

[H.R.1668](#) — **To amend title 23, United States Code, with respect to the highway safety improvement program, and for other purposes.**

Sponsor: Blumenauer, Earl [Rep.-D-OR-3]

Introduced: 03/21/2023

[H.R.2664](#) — **Transportation Innovation Coordination Act**

Sponsor: DelBene, Suzan K. [Rep.-D-WA-1]

Introduced: 04/18/2023

[H.R.3082](#) - **Mobility aids On Board Improve Lives and Empower all (MOBILE) Act**

Sponsor: Cohen, Steve [D-TN-9]

Introduced: 05/05/2023

[S.1535](#) — **A bill to require the Administrator of the Federal Aviation Administration to promulgate regulations to allow the transport of firefighters on board a covered aircraft operated on a mission to suppress a wildfire, and for other purposes.**

Sponsor: Kelly, Mark [Sen.-D-AZ]

Introduced: 05/10/2023

[H.R.3411](#) - **To increase access to higher education by providing public transit grants.**

Sponsor: Fitzpatrick, Brian K. [R-PA-1]

Introduced: 05/17/2023

[H.R.3468](#) — **To direct the Secretary of Energy to establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.**

Sponsor: Barragan, Nanette Diaz [D-CA-44]

Introduced: 05/18/2023

[H.R.3785](#) — **To amend title 23, United States Code, to require that public employees perform construction inspection work for federally funded highway projects, and for other purposes.**

Sponsor: Rep. Garamendi, John [D-CA-8]

Introduced: 06/01/2023

[H.R.3845](#) — **To amend title 23, United States Code, to increase accessible transportation for individuals with disabilities.**

Sponsor: Titus, Dina [Rep.-D-NV-1]

Introduced: 06/06/2023

[H.R.3896](#) — **To establish an airport infrastructure resilience pilot program.**

Sponsor: Cohen, Steve [Rep.-D-TN-9]

Introduced: 06/07/2023

[S.1929](#) — **A bill to direct the Administrator of the Federal Aviation Administration to provide progress reports on the development and implementation of the national transition plan related to a fluorine-free firefighting foam, and for other purposes.**

Sponsor: Peters, Gary C. [Sen.-D-MI]

Introduced: 06/12/2023

[S.1946](#) — **A bill to amend title 49, United States Code, to allow the owner or operator of a small hub airport that is reclassified as a medium hub airport to elect to be treated as a small hub airport, and for other purposes.**

Sponsor: Sen. Blackburn, Marsha [R-TN]

Introduced: 06/13/2023

[S.2075](#) — **A bill to amend the Infrastructure Investment and Jobs Act to modify the Safe Streets and Roads for All program.**

Sponsor: Fetterman, John [Sen.-D-PA]

Introduced: 06/21/2023

[S.Res.274](#) — **A resolution expressing the sense of the Senate to reduce traffic fatalities to zero by 2050.**

Sponsor: Blumenthal, Richard [Sen.-D-CT]

Introduced: 06/22/2023

[H.R.4598](#) — **To provide for disadvantaged business enterprise supportive services programs at modal administrations of the Department of Transportation, and for other purposes.**

Sponsor: Aguilar, Pete [Rep.-D-CA-33]

Introduced: 07/13/2023

[H.R.4621](#) — **To improve the environmental review process for highway projects through the use of interactive, digital, cloud-based platforms, and for other purposes.**

Sponsor: Johnson, Dusty [R-SD-At Large]

Introduced: 07/13/2023

[H.R.4636](#) — **To direct the Secretary of Transportation to establish a Wireless Electric Vehicle Charging Grant Program, and for other purposes.**

Sponsor: Stevens, Haley M. [Rep.-D-MI-11]

Introduced: 07/14/2023

[H.R.4728](#) — **To amend title 49, United States Code, to provide for free public transportation for individuals who are recently released from incarceration.**

Sponsor: Cleaver, Emanuel [Rep.-D-MO-5]

Introduced: 07/20/2023

[H.R.4857](#) — **Equitable Transit Oriented Development Support Act**

Sponsor: DeSaulnier, Mark [Rep.-D-CA-10]

Introduced: 07/25/2023

[S.2480](#) — **Connecting Hard-to-reach Areas with Renewably Generated Energy (CHARGE) Act of 2023**

Sponsor: Markey, Edward J. [Sen.-D-MA]

Introduced 07/25/2023

[H.R.4908](#) — **Expedited Federal Permitting for California Act**

Sponsor: Garamendi, John [Rep.-D-CA-8]

Introduced: 07/26/2023

[H.R.4982](#) — **Tolling Transparency Act of 2023**

Sponsor: Chavez-DeRemer, Lori [Rep.-R-OR-5]

Introduced: 07/27/2023

[H.R.5154](#) — **Connecting Hard-to-reach Areas with Renewably Generated Energy (CHARGE) Act of 2023**

Sponsor: Ocasio-Cortez, Alexandria [Rep.-D-NY-14]

Introduced: 08/04/2023

[H.R.5242](#) — **Connecting Our Neighbors to Networks and Ensuring Competitive Telecommunications (CONNECT) Act of 2023**

Sponsor: Pettersen, Brittany [Rep.-D-CO-7]

Introduced: 08/18/2023

[H.R.5359](#) — **Rural Development Modernization Act**

Sponsor: Costa, Jim [Rep.-D-CA-21]

Introduced: 09/08/2023

[H.R.5437](#) — **Protecting Infrastructure Investments for Rural America Act**

Sponsor: Finstad, Brad [Rep.-R-MN-1]

Introduced: 09/13/2023

[S.2855](#) — **A bill to modernize and streamline the permitting process for broadband infrastructure on Federal land, and for other purposes.**

Sponsor: Barrasso, John [Sen.-R-WY]

Introduced: 09/20/2023

[H.R.5656](#) — To amend the Internal Revenue Code of 1986 to provide a tax credit for new off-road plug-in electric vehicles.

Sponsor: Phillips, Dean [Rep.-D-MN-3]

Introduced: 09/21/2023

Executive Branch

Department of Transportation (DOT)

DOT filed a Federal Register notice announcing the adoption of a Department of Energy Electric Vehicle Charging Station Categorical Exclusion (CE) that will allow for faster environmental review processes for state and local governments to install EV charging networks.

DOT [released](#) a Notice of Funding Opportunity for up to \$22 million in grants to provide technical assistance and a Call for Letters of Interest from communities seeking support through the Thriving Communities Program (TCP). The TCP provides intensive technical assistance to under-resourced and disadvantaged communities to help them identify, develop, and deliver transportation and community revitalization opportunities.

DOT [opened applications](#) for the Electric Vehicle (EV) Charger Reliability and Accessibility Accelerator which will provide up to \$100 million in Federal funding to repair and replace existing but non-operational, EV charging infrastructure. The National Electric Vehicle Infrastructure (NEVI) Formula Program stipulates a 10% set-aside for grants to States and localities that require additional assistance to strategically deploy electric vehicle charging infrastructure.

Federal Motor Carrier Safety Administration (FMCSA)

FMCSA [announced](#) more than \$80 million in High Priority grant program awards to help reduce the frequency and severity of commercial motor vehicle crashes on U.S. roadway and support truck drivers by investing in critical technology and improving safety in work zones, rural areas, and high crash corridors.

Federal Railroad Administration (FRA)

FRA [announced](#) \$1.4 billion in funding from the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program. Projects selected through the CRISI program support community safety through track improvements and bridge rehabilitations. Selected projects also improve connectivity, reduce shipping costs, increase resiliency to extreme weather, reduce emissions, and support workforce development. The Napa Valley Railroad Locomotive Emissions Improvement Project was awarded a CRISI grant to purchase new near-zero emissions locomotives. The SMART Healdsburg Green Rail

Modernization Project also received a CRISI grant which will help expand SMART's short line freight rail capacity while reducing the climate impact of the freight rail services.

Federal Aviation Administration (FAA)

The FAA [announced](#) nearly \$300 million in funding for projects to help achieve the U.S.' goal of net-zero emissions from aviation by 2050. The funding consists of \$245 million in Sustainable Aviation Fuels infrastructure projects and \$47 million in low-emission aviation technology projects. The new Fueling Aviation's Sustainable Transition (FAST)-SAF grants will focus on producing, transporting, and blending sustainable aviation fuel.

Environmental Protection Agency (EPA)

The EPA [announced](#) \$7.5 billion in available Water Infrastructure Finance and Innovation Act (WIFIA) funding. This low-interest loan program helps communities invest in drinking water, wastewater, and stormwater infrastructure. In the latest funding round, EPA identified priority areas such as: increasing investment in economically stressed communities; making rapid progress on lead service line replacement; addressing PFAS and emerging contaminants; mitigating the impacts of drought and supporting water innovation and resilience.

The EPA [launched](#) \$4.6 billion in Climate Pollution Reduction Grants (CPRG) program funds to support state, local, and tribal programs and policies that cut climate pollution, advance environmental justice, and deploy clean energy solutions across the country. The CPRG program considers projects that bring economic and health benefits to low-income and disadvantaged communities.

The EPA [announced](#) its final Clean Water Act Section 401 Water Quality Certification Improvement Rule. Section 401 of the Clean Water Act prevents federal agencies from conducting activity that could discharge into a "water of the United States" unless a state issues a water quality certification. The final rule emphasizes that states can only consider the adverse water quality-impacts from the proposed federal agency activity.

The EPA [announced](#) \$19 million in new grant funding that will work to improve the climate resilience of the nation's water infrastructure. EPA's Drinking Water System Infrastructure Resilience and Sustainability grant program will support drinking water systems in underserved, small and disadvantaged communities that are working to prepare for and reduce vulnerability to impacts from climate change ranging from extreme flooding to extreme drought.

PLATINUM | ADVISORS

October 3, 2023

TO: Kate Miller, Executive Director
Napa Valley Transportation Authority

FR: Steve Wallauch
Platinum Advisors

RE: Legislative Update

Revenue: With the deadline to file taxes extended to October 16th this year, October revenues will be a critical test for the state's fiscal outlook. Normally in the month of October revenues total about \$2 billion. With the extended filing deadline, the budget forecast expects revenue for the month to total \$52.3 billion. Budget works will be closely monitoring the Franchise Tax Board's daily revenue tracker.

End of Session: The California Legislature wrapped up its 2023 session just moments before midnight on September 14th. The Legislature is now on pause until January 3rd. The closing week was marked by the customary flurry of activity and tight deadlines at the State Capitol Building but was absent the usual fireworks and acrimony present during previous end of session sprints. The mundane end of session was primarily due to the 72-hour in print rule that has put an end to end-of-session amendments on last minute deals.

This year saw a fresh wave of faces in the Legislature, with over a quarter of its members being newcomers. Additionally, the shadow of a new Assembly Speaker, Robert Rivas, loomed large. His ascent to one of California's most influential positions, after a tumultuous year-long struggle, marked a significant shift in the state's political landscape. It is rumored Speaker Rivas used his new position to ensure passage of SB 253 (Wiener) in the Assembly. Last year's attempt to require large corporations to provide detailed reports on carbon emissions narrowly failed on the Assembly floor. This year SB 253 was approved with the minimum votes needed for passage.

As the session concluded, Governor Newsom found himself with a desk laden with bills awaiting his decision. He has until October 14th to sign or veto all the measures sent to his desk. So far, the Governor has about 800 bills left to consider over the next two weeks.

The following highlights some of the key measures sent to the Governor for consideration:

Climate & Energy Issues

AB 1373 – Renewable Energy: [AB 1373 \(Garcia – D\)](#) enables California to procure offshore wind, geothermal, and other long lead-time energy resources that are foundational to our clean energy future, all while creating tens of thousands of California jobs. The bill authorizes the Department of Water Resources (DWR) to serve as a central procurement entity to procure energy resources to help the state meet its renewable and zero-carbon energy resources and reliability goals should the California Public Utilities Commission (CPUC) identify a specific procurement need and make a request of DWR.

SB 253 – Climate Corporate Data Accountability Act: [SB 253 \(Wiener –D\)](#) would require large U.S.-based companies doing business in California to publicly report their annual greenhouse gas emissions. Proponents claim that the goal is to discourage corporate greenwashing, or marketing that falsely portrays a company's efforts to reduce climate-warming emissions. During Climate Week events in New York, Governor Newsom stated his intention to sign this measure; however, he also indicated he would seek unspecified clean-up changes to the bill.

Constitutional Amendments

A pair of constitutional amendments aimed at the 2024 ballot would lower or preempt barriers to raising revenue, sparking a clash between Labor and cities on one side and business and real estate groups on the other. Constitutional amendments do not require the Governor's approval and are sent directly to the ballot upon approval by the legislature.

Lowering the Threshold: [ACA 1 \(Aguiar-Curry – D\)](#) would lower the voter threshold to 55% for the approval of local levies intended to take on bonded debt or to introduce specific special taxes. These funds would be earmarked for capital projects such as affordable housing, permanent supportive housing, or public infrastructure, including public transit projects. Presently, a supermajority—often at least two-thirds—is mandated for many such proposals.

Countering Supermajorities: [ACA 13 \(Ward – D\)](#) comes as a counter to a 2024 ballot proposition put forth by the California Business Roundtable. The Roundtable's proposition seeks to mandate a two-thirds vote for all tax hikes at both the state and local levels. In a strategic move, Democrats countered this with ACA 13, which would necessitate a two-thirds vote for any proposal aiming to increase a voter threshold. This is a direct challenge to the Roundtable's initiative.

Labor Issues:

AB 316 – Autonomous Vehicles: In a move that underscores the tension between safety and technological advancement, Labor-backed [AB 316 \(Aguiar-Curry – D\)](#) requires human drivers to remain behind the wheel of autonomous trucks on state highways for a minimum of five years.

Governor Newsom wasted little time in vetoing this measure. While the Legislature cites safety concerns as the driving force behind the bill, Newsom's office raised alarms about potential stifling of innovation. The Governor's veto message stated, "*Assembly Bill 316 is unnecessary for the regulation and oversight of heavy-duty autonomous vehicle technology in California, as existing law provides sufficient authority to create the appropriate regulatory framework.*"

AB 1228 – Fast Food Wage Deal Faces Labor Tensions Amid Last-Minute Negotiations: In a culmination of a two-year standoff between Labor and the fast-food industry, [AB 1228 \(Holden – D\)](#), is at the center of a rapidly evolving labor deal. The agreement, reached this week between franchise corporations and SEIU California, guarantees a \$20 minimum wage for fast-food workers. In return, local governments are prohibited from raising these wages further, a move seen as a nod to the industry. The statewide minimum wage rises to \$16 on Jan. 1.

SB 525 – Minimum Wage for Health Care Workers: [SB 525 \(Durazo – D\)](#) proposes a wage increase to \$25 an hour over the next few years, for health care workers. The agreement is now backed by both labor groups and employers, guarantees escalating wages for workers while granting employers a 10-year freeze on local initiatives aiming to further boost medical worker compensation. The minimum wage will be raised to \$25 by 2026 for major hospitals and health systems. Other hospitals will see this increase by 2028, while rural hospitals or those predominantly funded by the government will adopt this wage by 2033 at the latest.

SB 799 – Unemployment Insurance for Striking Workers: In a move inspired by California's summer of strikes, [SB 799 \(Portantino – D\)](#) emerged as a last-minute legislative effort to grant unemployment benefits to workers on strike after a two-week wait period. While states like New York and New Jersey have adopted similar measures, California's current stance restricts those who leave work due to a "trade dispute" from accessing unemployment benefits, which are financed by a business payroll tax.

Gun Violence Prevention

Gun and Ammo Tax: [AB 28 \(Gabriel –D\)](#), proposes an 11% tax on firearms dealers, manufacturers, and ammunition vendors. The funds raised, estimated to be around \$160 million annually, would be channeled into school safety measures and gun violence prevention programs.

Concealed-Carry: [SB 2 \(Portantino –D\)](#) seeks to strike a balance between the Supreme Court's recent Bruen decision and the state's stringent limitations on concealed-carry permits. The bill delineates over two dozen "sensitive places" where concealed firearms would be prohibited in the state. It also aimed to bolster the application process, ensuring that those seeking permits undergo rigorous checks and training.

PLATINUM | ADVISORS

October 3, 2023

ATTACHMENT 3
NVTB Board Item 11.7
October 18, 2023

Governor Newsom has until October 14th to act on all bills sent to his desk.

TABLE 1: BOARD ADOPTED POSITIONS

	Subject	Status	Board Position
AB 16 (Dixon R) Motor Vehicle Fuel Tax Law: adjustment suspension	<p>Existing law requires the state to annually adjust the tax rate on fuel based on the Consumer Price Index. This adjustment is determined in January, and the adjustment takes effect on July 1st of each year. This annual adjustment was a key change made by SB 1.</p> <p>AB 16 would, starting on July 1, 2024, authorize the Governor to suspend this adjustment based on a determination that the adjustment would impose an undue burden on low-income and middle-class families. AB 16 would impose the following requirements:</p> <p>AB 16 was not heard by the Assembly Transportation Committee before the April 27th deadline for policy committee to act on bills with a fiscal impact.</p>	Assembly Transportation Two-Year Bill	Watch
AB 463 (Hart D) Electricity: prioritization of service: public transit vehicles	<p>The goal of AB 463 is to ensure utilities take into consideration the electricity needs to charge electric buses when planning for power shutoffs.</p> <p>This measure would require the California Public Utilities Commission (CPUC) to consider the economic, social equity, and mobility impacts of a temporary power discontinuance to customers that rely on electrical service to operate public transit vehicles. In addition, AB 463 would require electric utilities to include in their public safety power shutoff plans protocols related to mitigating those public safety impacts on public transit vehicle charging infrastructure.</p>	Assembly Appropriations Held on Suspense File Two Year Bill	Support

	Subject	Status	Board Position
<u>AB 463 (Cont.)</u>	Due to the costs this bill would impose on the CPUC, AB 463 was placed on the Suspense File. The CPUC estimated it would cost \$210,000 annually, and a one-time cost of \$500,000 to hire a consultant to determine how to rank public transit charging stations.		
<u>AB 540 (Wicks D)</u> Social Service Transportation Improvement Act: coordinated transportation services agencies	<p>Assemblywoman Wicks has decided to make AB 540 a two-year bill, meaning it will not move forward this year. The author's office will continue to work with interested parties in an effort to build consensus on addressing paratransit service needs.</p> <p>This bill would amend the Social Services Transportation Improvement Act and impose a \$10 vehicle registration fee.</p> <p>Specifically, the bill would require the <i>coordination</i>, rather than the <i>consolidation</i>, of social service transportation services under the act and would recharacterize consolidated transportation service agencies in the act as coordinated transportation service agencies. The \$10 vehicle fee proposed in the bill would be allocated to each county based on population.</p>	<p>Assembly Transportation</p> <p>Two-Year Bill</p>	Oppose Unless Amended
<u>AB 557 (Hart D)</u> Open meetings: local agencies: teleconferences	<p>AB 557 would extend indefinitely the existing authorization for local legislative bodies with a majority vote to hold remote meetings if a proclaimed state of emergency exists.</p> <p>Specifically, AB 557 would eliminate the January 1, 2024, sunset date on provisions of law authorizing remote meetings during a proclaimed state emergency. The bill also changes the requirement to reauthorize the use of remote meetings from every 30 days to every 45 days.</p>	Governor's Desk	SUPPORT
<u>AB 610 (Holden D)</u> Youth Transit Pass Pilot Program: free youth transit passes	<p>AB 610 would create a pilot program that would only take effect if funds are appropriated in the budget. No funding was appropriated in the 2023-24 budget for this program.</p> <p>AB 610 would create a Youth Transit Pass Pilot Program, administered by the Department</p>	<p>Senate Floor Inactive File</p> <p>Two-Year Bill</p>	Support If Amended

	Subject	Status	Board Position
<u>AB 610</u> (Cont.)	of Transportation (Caltrans) and upon appropriation of funds, to provide grants to transit agencies for specified costs, including to create, maintain, subsidize, or expand free youth transit pass programs for students attending college or K-12 schools. The bill would require Caltrans to submit a specified report to the Legislature on the outcomes of the program and the status of transit pass programs statewide by January 1, 2027.		
<u>AB 817</u> (Pacheco D) Open meetings: teleconferencing: subsidiary body	<p>The Assembly Local Government Committee hearing on AB 817 was postponed. The bill must be heard before the May 5th hearing deadline for policy committees to remain active.</p> <p>AB 817 would authorize a “subsidiary body” to remotely hold a public meeting if specified conditions are met.</p> <p>The bill defines a subsidiary body to include:</p> <ul style="list-style-type: none"> • certain types of commissions, committees, or other body as defined in paragraph (b) of Government Code Section 54952, • a body that serves exclusively as an advisory body, • a body that is not authorized to take final action on any contract, legislation, regulation, or permit. <p>AB 817 would also require the members of the body to participate through both audio and visual technology. The public must be able to participate in the body’s proceedings either by phone line or through an internet-based platform.</p>	Assembly Local Government 2-Year Bill	SUPPORT
<u>AB 1377</u> (Friedman D) Interagency Council on Homelessness	<p>Under the Homeless Housing, Assistance and Prevention Program, applicants for funds are required to provide data and other information on progress toward meeting the goals of the program.</p> <p>As amended, AB 1377 would add to these reporting requirements data and a narrative of</p>	Governor’s Desk	Support

	Subject	Status	Board Position
<u>AB 1377</u> (Cont.)	specific and quantifiable steps that the applicant has taken to improve the delivery of housing and services to people experiencing homelessness or at risk of homelessness, on transit properties that operate in their jurisdiction.		
<u>AB 1379</u> (Papan D) Open meetings: local agencies: teleconferences	<p>The Assembly Local Government Committee hearing on AB 1379 was cancelled. Since this bill is “keyed” fiscal it becomes a two-year bill and will not move until January 2024. The reason for this action was likely due to concerns expressed by the committee staff and chair.</p> <p>AB 1379 would amend the Brown Act to allow a legislative body to hold meetings in any combination of in person or remote participation.</p> <p>The bill specifies a quorum can be established by any of the following:</p> <ul style="list-style-type: none"> • Consisting of members participating remotely. • Consisting of members participating at a designated location. • Consisting of members participating remotely and at a designated location. <p>AB 1379 specifies that the “singular designated physical meeting location” must be open to the public and located within the legislative body’s jurisdiction.</p>	<p>Assembly Local Government</p> <p>2-Year Bill</p>	WATCH
<u>ACA 1</u> (Aguiar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval	<p>ACA 1 would lower the voter threshold for property tax increases, parcel taxes and sales taxes to 55% if the funds are used for affordable housing and infrastructure projects. This includes capital improvements to transit and streets and highways.</p> <p>ACA 1 was amended to include specific conditions on the use of funds as outlined below:</p> <ul style="list-style-type: none"> • Imposes a 5% cap on administrative costs for projects funded by 	<p>Approved</p> <p>Chapter 173, Statutes of 2023</p> <p>To be placed on the November 2024 Ballot</p>	Support

	Subject	Status	Board Position
ACA 1 (Cont.)	<p>propositions approved with a 55% vote.</p> <ul style="list-style-type: none"> • The proceeds of the tax shall only be spent on projects and programs that serve the jurisdiction of the local government. • Requires annual audits to be submitted to the California State Auditor for review. • Requires the creation of a citizen oversight committee, and the members of that committee shall receive educational training on local taxation and fiscal oversight. • An entity owned or controlled by a local official that votes on whether to put a proposition on the ballot pursuant will be prohibited from bidding on any work funded by the proposition. • If the voters of the local government have previously approved a tax pursuant to ACA 1, the local government shall not place a proposition on the ballot pursuant to this section until all funds from the previous proposition are committed to programs and projects listed in the specific local program or ordinance. • The legislature by a 2/3 vote may enact laws establishing additional accountability measures. <p><i>ACA 1 does not allow for the 55% local measure to use the tax revenue for transit operations.</i></p>		
SB 5 (Nguyen R) Motor Vehicle Fuel Tax Law: limitation on adjustment	<p>Existing law requires the state to annually adjust the tax rate on fuel based on the Consumer Price Index. This adjustment is determined in January, and the adjustment takes effect on July 1st of each year. This annual adjustment was a key change made by SB 1.</p>	Senate Governance & Finance 2-Year Bill	Oppose

	Subject	Status	Board Position
<u>SB 5</u> (Cont.)	Under SB 5 any adjustment shall not exceed 2 percent. Limiting the adjustment will impact the ability for transportation programs to keep pace with inflation.		
<u>SB 411</u> (Portantino D) Open meetings: teleconferences: bodies with appointed membership	<p>SB 411 authorizes a neighborhood council within the City of Los Angeles, to use alternate teleconferencing provisions related to notice, agenda, and public participation, subject to certain requirements and restrictions, if the city council has adopted an authorizing resolution and two-thirds of an eligible legislative body votes to use the alternate teleconferencing provisions.</p> <p>The provisions of SB 411 sunset on January 1, 2026, and require that, at least once per year, at least a quorum of the members of the eligible legislative body must participate in person from a singular physical location.</p>	Governor's Desk	WATCH
<u>SB 537</u> (Becker D) Open meetings: local agencies: teleconferences	SB 537 allows multi-jurisdictional, cross-county local agencies with appointed members to use teleconferencing without posting agendas at each teleconference location, identifying each teleconference location in the notice and agenda, making each teleconference location accessible to the public, and requiring at least a quorum of the eligible legislative body to participate from within the local agency's jurisdiction if the legislative body complies with specified conditions.	Assembly Floor Inactive File Two-Year Bill	WATCH
<u>SB 670</u> (Allen D) Transportation: vehicle miles traveled; maps	As amended, SB 670 directs the California Air Resources Board (CARB), in consultation with Caltrans and Office of Planning and Research (OPR), to develop maps of average vehicle miles traveled (VMT) at the local, regional, and statewide levels, and provides direction to how those maps should be reconciled with existing ones.	Senate Appropriations Held on Suspense File Two-Year bill	Watch

	Subject	Status	Board Position
SB 769 (Gonzalez D) Local government: fiscal and financial training	<p>SB 769 would require, if a local agency provides any type of compensation, or expense reimbursement to members of its legislative body, to provide the members of the legislative body at least two hours of fiscal and financial training at least once every two years.</p> <p>Fiscal and financial training is defined to include the following:</p> <ul style="list-style-type: none"> • Laws and principles relating to financial administration and short-and long-term fiscal management, • Laws and principles relating to capital financing and debt management, pensions and other postemployment benefits, and cash management and investments. • General fiscal and financial planning principles and any pertinent laws relevant to the local agency official's public service and role in overseeing the local agency's operations. 	<p>Assembly Appropriations</p> <p>Held on Suspense File</p>	<p>Watch</p>