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MANAGEMENT COMMITTEE

**City of Calexico
City Hall
608 Heber Avenue
Calexico, CA 92231**

**Wednesday, April 11, 2018
10:30 A.M.**

CHAIR: DAVID DALE

VICE CHAIR: NICK WELLS

Individuals wishing accessibility accommodations at this meeting, under the Americans with Disabilities Act (ADA), may request such accommodations to aid hearing, visual, or mobility impairment by contacting ICTC offices at (760) 592-4494. Please note that 48 hours advance notice will be necessary to honor your request.

I. CALL TO ORDER AND ROLL CALL

II. EMERGENCY ITEMS

- A. Discussion/Action of emergency items, if necessary.

III. PUBLIC COMMENTS

Any member of the public may address the Committee for a period not to exceed three minutes on any item of interest not on the agenda within the jurisdiction of the Committee. The Committee will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

IV. CONSENT CALENDAR

- | | | | |
|----|--|-------------------|------------|
| A. | Approval of Management Committee Draft Minutes: | March 14, 2018 | Pages 5-16 |
| B. | Receive and File: | | |
| | 1. ICTC Draft Commission Minutes: | March 28, 2018 | |
| | 2. ICTC TAC Minutes: | February 22, 2018 | |
| | 3. ICTC SSTAC Minutes: | March 7, 2018 | |
| C. | Low Carbon Transit Operations Program (LCTOP) Application for FY 2017-18 Funds | | Page 18 |

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Authorize the ICTC Chairperson to sign the attached resolution;
2. Authorization for the Execution of the LCTOP Project: Capital construction costs for the Calexico Intermodal Transportation Center (ITC).

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

- D. Transportation Development Act (TDA) and Miscellaneous Fiscal Audits for FY 2016-17 Page 22

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Receive and file the Transportation Development Act and other fiscal audits for the Imperial County Transportation Commission, for FY 2016-17.
2. Direct staff to transmit the fiscal audits to the State Controller's Office.

- E. Specific Transit Operator Fiscal Reports FY 2016-17 for Imperial Valley Transit, IVT Access, IVT Ride and IVT MedTrans Page 112

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Receive and file the Specific Transit Operator Fiscal Reports FY 2016-17; IMPERIAL VALLEY TRANSIT, IVT ACCESS, IVT RIDE and IVT MedTrans

V. REPORTS

- A. ICTC/LTA Executive Director
- See attached Executive Director Report on page 168
- B. Southern California Association of Governments
- See attached report on page 184
- C. California Department of Transportation – District 11
- See attached report on page 189
- D. Committee Member Reports

VI. ACTION CALENDAR

- A. Agreement for Professional Services for the 2018 Environmental Engineering Services—EPA Brownfield Assessments Page 204

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Authorize the Chairman to sign the agreement with the firm of SCS Engineers for the 2018 Environmental Engineering Services—EPA Brownfield Assessments Project, for a not to exceed fee set at \$257,980.

- B. Unmet Transit Needs Public Hearing Process - Fiscal Year 2018-2019 Page 222

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Adopt the FY 2018-19 "Findings" and the prioritized Unmet Transit Needs List as presented or amended, after a review of the SSTAC response.
2. Direct staff to contact the City of El Centro for concurrence with the extension of an IVT RIDE El Centro vehicle to Heber for nutrition service for four months annually, and return to the Commission for further direction.
3. Authorize the Chairman to sign the attached resolution.
4. Direct staff to forward the FY 2018-19 "Findings", and all other public hearing documentation and resolution to the State Department of Transportation.

- C. Senate Bill 1 Ballot Measures in June 2018 and November 2018 Page 231

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Approve the attached resolution that would support Proposition 69 on the June 2018 that will add additional protections for taxpayers by preventing the State Legislature from diverting or raiding any new tax transportation revenues for non-transportation purposes; and,
2. Oppose the proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future.

VII. INFORMATION CALENDAR

- A. FY 2017/2018 Work Program Update Page 236
- B. Mobility Coordination Project Update - Federal Transit Administration (FTA) Section 5310 Grant Program for Elderly and Disabled Transportation Services Page 239

VIII. NEXT MEETING DATE AND PLACE

- A. The next meeting of the Management Committee is currently scheduled for **Wednesday, May 9, 2018 at 10:30 a.m.**, at the **City of Calipatria**, Calipatria CA.

IX. ADJOURNMENT

- A. Motion to Adjourn

IV. CONSENT CALENDAR

A. APPROVAL OF MANAGEMENT COMMITTEE DRAFT
MINUTES:
MARCH 14, 2018

B. RECEIVE AND FILE:

1. ICTC BOARD DRAFT MINUTES:
MARCH 28, 2018

2. ICTC TAC MINUTES:
FEBRUARY 22, 2018

3. ICTC SSTAC MINUTES:
MARCH 7, 2018

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
MANAGEMENT COMMITTEE**

DRAFT MINUTES OF March 14, 2018

10:00 a.m.

VOTING MEMBERS PRESENT:

City of Brawley	Rosanna Bayon Moore
City of Calexico	David Dale
City of Calipatria	Rom Medina
City of El Centro	Marcela Piedra
City of Holtville	Nick Wells
City of Imperial	Stefan Chatwin
County of Imperial	Tony Rouhutas

STAFF PRESENT: Kathi Williams, Michelle Bastidas, Cristi Lerma

OTHERS PRESENT: David Salgado: SCAG; Beth Landrum, Bing Luu: Caltrans; Liz Zarate: City of El Centro

The following minutes are listed as they were acted upon by the Imperial County Transportation Commission Management Committee and as listed on the agenda for the meeting held Wednesday, March 14, 2018 together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

Chair Dale called the Committee meeting to order at 10:44 a.m. Roll call was taken. Introductions were made.

II. EMERGENCY ITEMS

A. There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT ITEMS

A motion was made by Wells seconded by Chatwin to approve the consent calendar as presented. **Motion carried.** Items 4A through 4B were approved.

V. REPORTS

A. ICTC Executive Director

- Please “save the date” of May 30-31, 2018 for the Imperial Valley General Assembly and Economic Summit. Congressman Juan Vargas is confirmed to be the keynote speaker at ICTC’s General Assembly on the evening of May 31, 2018. The location of event and more information will be released as it is developed.
- Recruitment is underway for one Office Technician position for the Regional Mobility Management Program at ICTC. Applications were due on March 9, 2018. Staff will be reviewing applications and proceeding with the selection process.

- Mr. Dale inquired about the status of the Calexico Intermodal Transportation Center. Staff was not present to accurately answer his question; however Mr. Dale was ensured that staff would provide the update at another time.
- A list of ICTC updates can be found on Page 13 of the agenda.

B. Southern California Association of Governments (SCAG)

- Mr. Salgado stated that SCAG's Executive Team would be in Imperial Valley on March 29, 2018. An Executive Board luncheon is scheduled at noon at the SCAG Office with a tour and networking to follow, and a VIP dinner later that evening. Hasan Ikhtrata Executive Director, Darin Chidsey Chief Operating Officer, President Margaret Finlay (Duarte), 1st VP Alan Wapner (Ontario), and 2nd VP Bill Jahn (Big Bear Lake City) will be in attendance. Please RSVP to David Salgado for lunch and tour if interested.
- The SCAG General Assembly and Regional Council will be held on May 3-4, 2018 in Indian Wells. City clerks should have begun the process to select their delegates and alternate for the
- SCAG Go Human Campaign is entering its 3rd year. If agencies would like to participate and partner with SCAG to promote Go Human, contact David Salgado.
- A list of SCAG updates can be found on Page 21 of the agenda.

C. Caltrans Department of Transportation – District 11

The following updates were provided by Mr. Luu:

- A list was updated on March 2, 2018 regarding inactive projects. All inactive and future inactive projects should submit an invoice by April 2, 2018. Ms. Bayon Moore suggested that the inactive list is attached to the report.
- April 2018 is the deadline to submit FRA's for FY 2017/18 obligations.
- The next SCLAMM meeting will be hosted by District 7 and will be on April 18, 2018 at 9 a.m.
- A full report is on page 24 of the agenda.
- Ms. Bayon Moore expressed thanks to Caltrans staff for recent assistance.

The following updates were provided by Ms. Landrum:

- Regarding the Calexico Traffic Circulation Study, proposals were due today, March 14, 2018. Proposals will be reviewed and scored on March 20, 2018, interviews will be held on March 27, 2018 (if needed) and a consultant will be on board shortly thereafter.
- Four applications were submitted for Imperial County for the ATP program. Caltrans will be offering a debrief for agencies that were not successful.

D. Committee Member Reports

- Ms. Bayon Moore stated that there was a complaint with the HERO program regarding a local contractor. The consumer was well served during the complaint process and the issue was resolved.

VI. LTA INFORMATION / DISCUSSION CALENDAR

A. Imperial County Local Transportation Authority Annual Financial Audit for Fiscal Year Ended June 30, 2017

Ms. Bastidas stated that the Measure D Local Taxpayer Supervising Committee met on March 13, 2018 to discuss the LTA audits. The following were the auditor's comments regarding the Measure D Sales Tax Fund revenues and expenditures and not a reflection of the financial position of the agency as a whole.

- The City of Brawley: Per the auditor, there were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program.

- The City of Calexico: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program. The City of Calexico, for FY 2015-16 had a finding regarding timely performance of reconciliation which has been corrected.
- The City of Calipatria: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program.
- The City of El Centro: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program.
- The City of Holtville: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program. The City of Holtville had a finding in FY 2015-16 regarding their five year list of projects which has been corrected.
- The City of Imperial: There was an instance of non-compliance of \$46,000. Although the costs were eligible it was not in the 5 year plan.
- The County of Imperial: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program.
- ICLTA: There were no instances of non-compliance, no significant deficiencies or material weaknesses as it relates to the measure D program. The LTA had a finding in FY 2015-16 regarding year-end closing procedures which have now been implemented.

The recommendations from the Oversight Committee were:

- That the City of Brawley remove “Various Alleys” from their Five year program of projects.
- That City and County staff ensure allowability of costs by assuring the street is on the five year program of projects and if not on the list to amend by council or board action.
- Regarding the City of Imperial \$46,000 ineligible cost, the recommendation was that the ICLTA board shall decide what the resolution shall be. Currently the City is working on a management response that will be included in the final draft of the audit.
- Regarding the City of Westmorland, audit staff has now been in contact with Joel Hamby and he has been assisting auditors with documentation needed. No specific timeline was given for the draft of the report as the auditors are waiting for documentation.

This item was presented for informational purposes and to accept any comments that the committee wishes to convey to the LTA Board.

VII. NEXT MEETING DATE AND PLACE

The next meeting of the **Management Committee** will be held on **April 11, 2018** at the **City of Calexico**, Calexico, CA.

VIII. ADJOURNMENT

- A. Meeting adjourned at 11:33 a.m. ([Piedra/Chatwin](#)), **Motion Carried.**

IMPERIAL COUNTY TRANSPORTATION COMMISSION**DRAFT MINUTES FOR March 28, 2018****6:00 p.m.****VOTING MEMBERS PRESENT:**

City of Brawley	George Nava
City of El Centro	Cheryl Viejas-Walker
City of Imperial	Robert Amparano (Vice Chair)
City of Westmorland	Larry Ritchie
County of Imperial	Ryan Kelley
Imperial Irrigation District	Erik Ortega

NON-VOTING MEMBERS PRESENT: Caltrans District 11 Ann Fox

STAFF PRESENT: Mark Baza, Vicky Hernandez, Michelle Bastidas

OTHERS PRESENT: Eric Havens: ICTC Counsel; Marcelo Peinado, Jesus Vargas: Caltrans

The following action minutes are listed as they were acted upon by the Imperial County Transportation Commission and as listed on the agenda for the meeting held Wednesday, March 28, 2018 together with staff reports and related documents attached thereto and incorporated therein by reference.

I. CALL TO ORDER AND ROLL CALL

[Vice Chair Amparano](#) called the Commission meeting to order at 6:07 p.m. Roll call was taken and a quorum was present.

II. EMERGENCY ITEMS

There were none.

III. PUBLIC COMMENTS

There were none.

IV. CONSENT CALENDAR

A.	Approval of the Commission Draft Minutes:	February 28, 2018
B.	Receive and File:	
	1. ICTC Management Committee Draft Minutes:	March 14, 2018
	2. ICTC TAC Minutes:	February 22, 2018
	3. ICTC SSTAC Minutes:	February 7, 2018

A motion was made by [Viegas-Walker](#) and seconded by [Nava](#) to approve consent items A through C, **Motion carried unanimously.**

V. REPORTS

A. ICTC Executive Director
Mr. Baza and staff had the following announcements:

- Mr. Baza asked the Commission to “Save the Date” for the Imperial Valley General Assembly and Economic Summit for May 30-31, 2018. On May 30th a networking reception is planned for the evening. Congressman Juan Vargas is confirmed to be the keynote speaker at the ICTC’s General Assembly on the evening of May 31st.

- State Route 98 and Cesar Chavez Blvd. have been approved by the CTC. The City of Calexico received CTC approval for allocation of Border Infrastructure Program funds on March 21, 2018; the City is scheduled to begin construction in early summer 2018. Caltrans' SR-98 work between VV Williams and Ollie Avenue is scheduled for completion in March 2018. Caltrans is working on a second segment on SR-98 between Rockwood Avenue and Ollie Avenue and is in the design and right-of-way phase.
- Office Technician (Limited Term) recruitment is underway. Staff is reviewing applications and proceeding with the selection process, interviews are pending the week of April 9, 2018.
- 2018-19 Unmet Transit Needs Public Hearing was held on March 22, 2018. Staff will be presenting the findings in April.

B. California Department of Transportation (Caltrans)

Ms. Fox provided Caltrans updates.

- A few updates from previous meetings included:
 - o In regard to drainage issues at Romeo's Car Wash, Caltrans is working with owner to possibly perform grading on the side area.
 - o The Caltrans Operations Branch did a thorough investigation to get additional signage at SR-86 after a fatality was reported in that area.
 - o The Dogwood Rd. overpass relocation of the signage has begun.
- Segment 4 of the CRCP project is divided into two sections located near El Centro from west of I-8 /SR-111 separation to just west Anderholt Road overcrossing and from east of the Highline Canal Bridge west of the I-8/SR-98 separation. The eastbound location 1 lanes are expected to be completed in April.
- Segment 5 of the CRCP project is located near Winterhaven from west of Olgilby Road overcrossing to the west of the I-8/SR-186 separation. Westbound lanes are open now, they are ahead of schedule by 1 year.
- The SR-98/Cesar Chavez Widening Project was completed with the exception of activating the traffic signal at Cesar Chavez. All through lanes and sidewalks were opened in January and the project was scheduled for completion in late March 2018.
- The SR-86/Heber Pedestrian improvements will construct sidewalks and a bus shelter. Construction on Phase 1 is complete. Phase 2 has been awarded and is expected to start construction this spring with phase 3 beginning construction in the summer 2018.
- The SR-86/Customs & Border Protection Checkpoint Expansion project is underway. Caltrans recently provided a design alternative with cost estimate to ICTC. This was approved by the Commission in late 2017. The project team is currently working through permitting process.
- An All American Canal Bridge/SR-186 public hearing was held on February 21, 2018 at the County of Imperial, Department of Public Works Office in El Centro. In attendance were Caltrans, County of Imperial, CHP and the Bureau of Reclamation (BOR) representatives. There were no members of the public that attended. The BOR requested that Caltrans initiate a feasibility study with options in the next couple of months.
- The I-8 Dogwood Interchange project was nominated for a 2018 Award of the Year from the California Transportation Foundation. The awards ceremony will be held on May 24, 2018. Ms. Viegas-Walker and Mr. Baza will be in attendance.
- Calexico Traffic Circulation Plan, Caltrans has been awarded a grant from the Federal Highway Administration (FHWA) State Planning & Research program. The consultant will be on-board by mid-April.
- Invoices from the City of Calexico were returned for clarification from Local Assistance. These projects are on the inactive list and they are due the in mid-April.

- ATP Cycle 2 Call for Projects: Caltrans anticipates the CTC will announce the 2019 (Cycle 4) call for projects in or around May 2018.
- Highway Safety Improvement Programs (HSIP): the next call for projects (HSIP Cycle 9) is expected to be announced around late April or early May 2018.

C. Commission Member Reports

- Mr. Ritchie thanked Caltrans for the help on a local project that started construction on January 1st.
- Ms. Viegas-Walker had the following announcements:
 - o An award for project recognition was announced, further information will be given at a later date.
 - o There will be a Public Safety Summit on May 18, 2018.
 - o Ms. Viegas-Walker and Mr. Baza attended the CALCOG Leadership Summit.
 - o The City of El Centro will be taking action on Prop 69 Lockbox and Opposition for the repeal of SB1.
- Mr. Nava thanked Caltrans for the addition of the signage on Highway 86 as well as for assisting on the signage by McDonalds on Main Street and 1st street. Mr. Nava also thanked ICTC for the assistance with the improvements on bus stops and shelters in the City of Brawley.
- There will be a Health & Wellness Mega Mixer at the REACH Base on Thursday, March 29, 2018 from 6-8pm. There will be 14 vendors and multiple aircrafts. SCAG Executives will attend a VIP Tour at 4:45pm. Mr. Nava encouraged all to attend and support our local vendors.
- Mr. Kelley also thanked Caltrans for the addition of signage on Highway 86.
- A Road Workshop was held on Wednesday, March 27, 2018. Mr. Kelley asked Mr. Baza to contact John Gay at the County and get engaged with a new program that may be able to fund road improvements.
- Ms. Viegas-Walker stated that SCAG has their scholarship program currently open with the deadline on April 27, 2018.
- Mr. Amparano stated that the Safe Routes to School Program (walk to school) was successful and encouraged SCAG to keep enforcing the program.

VI. INFORMATION CALENDER

A. FY 2017-18 Work Program Update

Mr. Baza gave an overview of ICTC's FY 2017-18 Work Program regarding Capitol Projects, Transit Planning Projects, Regional Planning Studies/Projects, FTIP Programming and other projects and transit operations.

VII. ADJOURNMENT / NEXT MEETING DATE AND PLACE

- A. The next meeting of the Imperial County Transportation Commission will be held on **Wednesday, April 25, 2018 at 6:00 p.m.**, at the County of Imperial Board Chambers, at 940 W. Main Street, El Centro, CA.

Meeting adjourned at 7:10 p.m. ([Nava/Ritchie](#)), Motion Carried.



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TECHNICAL ADVISORY COMMITTEE
DRAFT MINUTES

February 22, 2018

Present:

Gordon Gaste	City of Brawley
Steven Sullivan	City of Brawley
Lily Falomir	City of Calexico
Javier Luna	City of El Centro
Adriana Nava	City of El Centro
Isabel Alvarez	City of Imperial
Joel Hamby	City of Westmorland
Veronica Atondo	County of Imperial

Others:

Andres Miramontes	City of Brawley
Mark Baza	ICTC
Virginia Mendoza	ICTC
David Aguirre	ICTC
Cristi Lerma	ICTC
David Salgado	SCAG
Kevin Hovey	Caltrans
Michelle Blake	Caltrans
Ken Johannsen	Caltrans
Bing Luu	Caltrans
Beth Landrum	Caltrans

1. The meeting was called to order at 10:09 a.m. A quorum was present and introductions were made. There were no public comments made.
2. A *motion* was made to adopt the minutes for February 22, 2018 with one correction. (Hamby/Sullivan) **Motion Carried.**
3. Hazardous Waste and Air Quality Training

A presentation was made by Mr. Johannsen regarding the state and local regulations on hazardous waste and air quality.

4. ICTC Updates / Announcements
(By Mark Baza)

➤ Transit Planning Updates:

- The Unmet Transit Needs Hearing is scheduled for February 22, 2018 at 3:00PM at the El Centro City Council Chambers, 1275 Main Street El Centro Ca. 92243.
- The Project Consultant team Kimley Horn and Associates, and Agency Stakeholders from ICTC, Brawley, Calexico, El Centro and Imperial met on January 31, 2018 to review and discuss the current status of the ICTC Bus Stop Inventory, Signage Replacement and Technology Assessment Project. The items reviewed included the consultant prepared Bus Stop Inventory, Asset Condition Report, ADA Assessment Report, Bus Stop Usage Priority List and Bus Stop Signage installation parameters and requirements. The group agreed to continue discussions regarding the Bus Stop Usage Priority List and Bus Stop Signage installation and requirements at a follow up meeting within the month.
- ICTC staff developed a Request for Proposals (RFP) that was released on September 1, 2017 to complete an update to the 2011 Short Range Transit Plan (SRTP). This is a planning document that identifies transit services and capital improvements over the next three to five year period, with expected available resources. The project unfolds over an approximately 12 month period. The goal is to have an updated report with bilingual public participation. ICTC awarded the contract to the firm AECOM at the December 13, 2017 Commission meeting. The project kick off meeting was held on January 17 at the ICTC offices. The outreach process has begun with stakeholder meetings underway in the month of February.

➤ Transportation Planning Updates:

- The 2019 Federal Transportation Improvement Program (FTIP) Guidelines have been prepared to facilitate the work of the County Transportation Commissions (CTCs) (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties), transit operators, and the State of California Department of Transportation Caltrans) in development of county Transportation Improvement Programs (TIPs) for inclusion in the Southern California Association of Governments (SCAG) 2019 FTIP. These Guidelines assist in the development of the county TIPs that fulfill the legal, administrative and technical requirements prescribed by the law and which minimizes duplicate efforts by the CTCs, Caltrans, SCAG and/or other agencies. ICTC staff will reach out to cities and county staff to obtain project updates on all programmed 2019 FTIP projects. During the month of November, ICTC staff received project updates from member agencies. ICTC staff will be updating the 2019 FTIP database for all Imperial County projects. A recommendation to approve the resolution will be on the Commission's agenda in February 2018.
- As part of the POE Expansion project, traffic will be rerouted from the existing roadways to SR-98 and Cesar Chavez Boulevard which are not designed to handle the high volumes of traffic associated with the border travel. The City of Calexico has completed the right-of-way acquisition and an environmental amendment for widening Cesar Chavez Boulevard. CTC approved funding on January 30, 2018; the City is scheduled to begin construction in early summer 2018. Caltrans has initiated construction for widening SR-98 for more details

on the project, refer to Caltrans report. Caltrans construction is in progress and is scheduled for completion in March 2018.

- Funding for Phase II of the Calexico West Port of Entry is in the President's budget and is pending Congressional approval.
 - FFY 2017-18 Programmed Project Updates
 - Beginning October 1, 2017, agencies are allowed to move forward with request for authorization (RFA) for Congestion Mitigation Air Quality (CMAQ), Regional Surface Transportation Program (RSTP) and Active Transportation Program (ATP) programmed in FY 2017/2018. A complete list of programmed projects were provided on an attachment to the agenda. RFA's are due to Caltrans in the month of April.
 - LTA Updates:
 - The LTA Board met on September 27, 2017, staff presented the Board with a fund request for \$1.3 million from the 5% Regional Highway Set-Aside from the Measure D allocations to fund an expansion at the Border Patrol Checkpoint at SR-86. The request was approved. Staff met with Caltrans and CBP on December 20, 2017 at the ICTC to finalize agreements and discuss next steps. A meeting was held on February 13, 2018 with CBP, Caltrans, County of Imperial and ICTC at the ICTC offices. The design is currently being developed.
5. SCAG Updates / Announcements: (By Mr. Salgado)
- Caltrans authorized a special planning grant to perform a traffic management study to assist the City of Calexico and the Imperial Valley region to analyze and propose traffic management strategies and alternatives to serve traffic flow for the Calexico West Port of Entry expansion. The expansion will have two access points: One, from current access at SR-111/Imperial Ave.; and, a Second at Cesar Chavez Blvd and 2nd St. SCAG, Caltrans and ICTC will lead study in partnership with the City of Calexico, Customs and Border Protection and General Services Administration. The Request for Proposals was released on January 29, 2018 and can be found on the SCAG website.
 - SCAG is entering the 3rd year of the GO-Human Marketing and Advertising Safety and Encouragement Campaign implemented throughout the 6 county SCAG region. If any agencies would like to participate and partner with SCAG to promote GO Human, please reach out to David Salgado to obtain the request form.
 - SCAG has developed a Draft 2018 Public Participation Plan, and would like your input. SCAG does transportation and land use planning for a large, diverse region-- this plan is key to helping us make sure we're engaging the public effectively & inclusively. The plan is available online for review until April 2018. For questions please contact SCAG RAO David Salgado.
6. Cities and County Planning / Public Works Updates:
- There were various local agencies that gave an update on their local projects in progress.
7. Caltrans Updates / Announcements
- Mr. Luu thanked ICTC for the coordination with the one on one meetings.
 - The E76 request form has been updated. It will be available statewide in May and will be mandatory in October. A training in March or April will cover the new process, ATP and Timely Use of Funds.
 - The DBE Annual Submittal and ADA Annual Certification deadline is June 30, 2018.
 - A Caltrans DLAE report was provided at the meeting and can be obtained by request.
 - Mr. Hovey stated that the new Caltrans District Director is Laurie Berman.

- Mr. Hovey will be the lead for environment on the Forrester project (PSR phase).
 - Ms. Landrum stated that February 27, 2018 is CHP Industry Day.
 - A public hearing was held regarding the truck weight and height restrictions on the All American Canal Bridge. There were no public comments.
8. General Discussion / New Business
- Mr. Hamby stated that he appreciated the time spent with Caltrans during one on one meetings. Local Assistance will be available the day before TAC meetings at their Caltrans office.
9. Meeting adjourned at 11:58 a.m.



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SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

MINUTES

March 7, 2018

Present

Voting Attendees:

Ted Ceasar – Chair	Consumer
Sonia Silva	Access to Independence
Mitzi Perez	ARC – Imperial Valley
Raul Cordova	Work Training Center
Rosie Blankenship	Area Agency on Aging
Kathi Williams	CTSA – ICTC
David Aguirre	CTSA – ICTC
Kathleen Lang	California Health and Wellness
Victor Torres	Imperial Valley College
Michelle Soto	California Children Services (CCS)
Debora Garcia	Imperial County Public Authority / IHSS

Non-Voting Attendees:

Raul Martinez	Imperial County Public Health
Peter Pacheco	Pioneers Memorial Healthcare
Eric Estell	IVT/IVT Access/IVT Ride/IVT MedTrans
Cesar Sanchez	IVT/IVT Access/IVT Ride/IVT MedTrans
Karla Aguilar	IVT/IVT Access/IVT Ride/IVT MedTrans
Karla Pacheco	IVT/IVT Access/IVT Ride/IVT MedTrans
Helio Sanchez	IVT/IVT Access/IVT Ride/IVT MedTrans
David Salgado	Southern California Association of Governments

1. Mr. Ceasar called the meeting to order at 10:04 a.m. A quorum was present. Introductions were made.
2. Minutes adopted for February 7, 2018.
3. CTSA Reports:

Ms. Williams had the following announcements:

- Recruitment is underway for one Office Technician position (bilingual) for the Regional Mobility Management Program at ICTC. Applications are due on March 9, 2018. More information on the position and full copies of the job description and job announcement are on the website at <http://www.imperialctc.org/employment-opportunities/>. A written test will be held on March 23, 2018.

Mr. Gonzalez had the following announcements:

- Community outreach attended by ICTC and IVT staff:
 - o The Carrot Festival on February 10, 2018

- Tri Tip Cook-off on February 24, 2018
- Future outreach events include the Niland Health Fair and the IVC Transition Fair.
- IVT Ride sign-ups will be held on February 21 and 22, 2018 in El Centro.
- The Short Range Plan consultant team had public bus stop workshops on February the 13-14, 2018. A public meeting will be held on April 23, 2018.

Mr. Aguirre had the following announcements:

- ICTC and IVT staff have attended outreach in the West Shores area to inform residents that a change to IVT Ride will be effective February 27, 2018. IVT Ride will now be going directly to Brawley on Tuesdays stopping at the Brawley Bus Terminal and at Walmart.
- The Unmet Transit Needs Hearing was held on February 22, 2018. Staff received a lot of feedback. Staff is currently reviewing all the comments. The findings document will be presented at the April SSTAC meeting. Ms. Williams stated if there is a need that is reasonable to meet and there is no funding then it will become an official unmet need.

4. Transit Operator Reports

- Imperial Valley Transit: Updates were given by Mr. Sanchez for 1st and 2nd quarters of the fiscal year for Imperial Valley Transit including the Blue Line, Green Line and the Gold Line.
- IVT Access: Updates were given by Ms. Pacheco for 1st and 2nd quarters of the fiscal year for Imperial Valley Transit Access.
- IVT Ride – Updates were given by Ms. Aguilar for 1st and 2nd quarters of the fiscal year for Imperial Valley Transit Ride for the Cities of Brawley, Calexico, El Centro, Imperial and West Shores.
- IVT MedTrans – Updates were given by Mr. Helio Sanchez for 1st and 2nd quarters of the fiscal year for Imperial Valley Transit MedTrans. Med Trans is a Transportation service that travels to San Diego County to medical facilities

5. General Discussion

- There were none.

6. Adjournment

- Meeting adjourned at 11:02 a.m.
- Next meeting will be on April 4, 2018.

IV. CONSENT CALENDAR

IV. CONSENT CALENDAR

C. LCTOP APPLICATION FOR FY 2017-18 FUNDS



**IMPERIAL COUNTY
TRANSPORTATION COMMISSION**

1503 N. IMPERIAL AVENUE, SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

SUBJECT: Low Carbon Transit Operations Program (LCTOP) Application for FY 2017-18 Funds

Dear Committee Members:

Imperial County Transportation Commission (ICTC) proposes to submit an application for use of Low Carbon Transit Operations Program (LCTOP) funds in Fiscal Year (FY) 2017-18. The LCTOP is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862 (SB 862). The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas (GHG) emissions and improve mobility, with a priority on serving disadvantaged communities. Approved projects in LCTOP will support the following:

1. Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities.
2. Operational expenditures that increase transit mode share.
3. Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support zero-emission buses.

Per the State Controller's Office, ICTC has an eligible allocation in FY 2017-18 in the amount of \$250,517. LCTOP guidelines provide an opportunity to request a roll-over of funds in order to accumulate program funds prior to implementation. In FY 2015-2016, ICTC requested the rollover of \$193,483 for the future use of the planned Calexico Intermodal Transportation Center (ITC). It is the intent of ICTC staff to also roll over the FY 2016-2017 funds toward capital costs associated with the planned Calexico ITC. The Calexico ITC will be a large multi-modal bus transit transfer facility and access point. A site selection study has been completed by ICTC and Congestion Mitigation and Air Quality (CMAQ) funding has been obtained through a call for projects to fund the environmental and design phases of the project.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

Following the LCTOP guidelines, ICTC staff recommends to submit an application requesting the roll-over of FY 2017-2018 LCTOP funds in the amount of \$250,517 to FY 2018-2019 with the intent to use the funds for the Calexico ITC. Implementation of the Calexico ITC is not proposed for FY2017-2018. The rollover funding will be used as match to possibly leverage other cap and trade funding for the overall construction of the facility.

It is requested that the ICTC Management Committee forwards this item to the Commission for review and approval after public comment, if any:

1. Authorize the ICTC Chairperson to sign the attached resolution;
2. Authorization for the Execution of the LCTOP Project: Capital construction costs for the Calexico Intermodal Transportation Center (ITC).

Sincerely,



MARK BAZA
Executive Director

Attachments

MB/vm

RESOLUTION # _____

AUTHORIZATION FOR THE EXECUTION OF THE LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP) PROJECT: CALEXICO INTERMODAL TRANSPORTATION CENTER - \$250,517 IN FY2017/18 FUNDS

WHEREAS, the Imperial County Transportation Commission (ICTC) is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the California Department of Transportation (Caltrans) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines to administer and distribute LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, ICTC wishes to roll over LCTOP funds to construct the Calexico Intermodal Transportation Center

NOW, THEREFORE, BE IT RESOLVED by the ICTC policy board that ICTC, the fund recipient, agrees to comply with all conditions and requirements set forth in the applicable statutes, regulations and guidelines for all LCTOP funded transit projects

NOW, THEREFORE, BE IT FURTHER RESOLVED by the ICTC policy board that it hereby authorizes the submittal of the following project nomination and allocation request to Caltrans to rollover FY 2017-18 LCTOP funds

Project Name: Calexico Intermodal Transportation Center

Amount of LCTOP funds requested: \$250,517 (\$231,056 from PUC 99313 and \$19,461 from PUC 99314)

Project Description: Construct the Calexico Intermodal Transportation Center to consolidate public and private transit operators into one facility to improve connectivity and increase efficiency and ridership

PASSED AND ADOPTED at a regular meeting of the Imperial County Transportation Commission on April 25, 2018.

BY: _____
Chairperson

ATTEST

BY:

CRISTI LERMA
Secretary of the Commission

IV. CONSENT CALENDAR

IV. CONSENT CALENDAR

D. TDA AND MISCELLANEOUS FISCAL AUDITS FOR FY 2016-17



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Avenue, Suite 104
El Centro, CA 92243

SUBJECT: Transportation Development Act (TDA) and Miscellaneous Fiscal Audits for
FY 2016-17

Dear Committee Members:

As required by the State of California, the Commission must conduct independent fiscal audits of its own financial activities on an annual basis. Attached, please find the following program financial audits and reports for FY 2016-17, performed by the CPA firm, Hutchinson and Bloodgood:

- Transportation Development Act – receipt and allocation by ICTC of ¼ cent retail sales tax under Articles 8c, 8e and Article 3 under the State TDA, for transit programs and services (#7076001)
- State Transit Assistance – receipt and allocation of funding under the State Transit Assistance (STA) Program, the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA), the California Transit Security Grant Program (CTGSP) and the Low Carbon Transit Operations Program (#7079001,7481001,7482001, 7553001)
- Regional Transit Planning and Programs – receipt and allocation of funding by ICTC for programs and services including transit service contracts, grants, project consultants and program staffing (#7416001)
- Regional Planning and Programming – receipt and allocation of funding by ICTC for planning programs and services including long and short range highway, motorized and non-motorized projects, call for projects, project consultants and program staffing (#7417001)
- SB325 report for the State Controller’s Office

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

It is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval, after public comment if any:

1. Receive and file the Transportation Development Act and other fiscal audits for the Imperial County Transportation Commission, for FY 2016-17.
2. Direct staff to transmit the fiscal audits to the State Controller's Office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Baza".

MARK BAZA
Executive Director

MB/ksw/cl

Attachments

IMPERIAL COUNTY TRANSPORTATION COMMISSION

Financial Report of the
Transit Planning and Programs Management Fund
June 30, 2017 and 2016

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Statements of Net Position	5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to the Financial Statements	8 - 10
SUPPLEMENTARY INFORMATION	
Schedule I - State Transit Revenues	12
Schedule II - Federal Grant Revenues	12
Schedule III - ICTC Reimbursements Revenues	12
Schedule IV - Purchased Transportation Services	12
Schedule V - Professional Services	12
Schedule VI - General Administration	13
Schedule VII - Capital Project Expenses	14
SINGLE AUDIT SECTION	
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	15 - 16
REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE	17 - 19
Schedule of Expenditures of Federal Awards	20
Schedule of Findings and Responses	21 - 23
Notes to Schedule of Expenditures of Federal Awards	24



INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Transit Planning and Programs Management fund of the Imperial County Transportation Commission as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Transit Planning and Programs Management fund of the Imperial County Transportation Commission as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

As discussed in Note 2, the financial statements present only the Transit Planning and Programs Management fund and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the changes in financial position and cash flows in accordance with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2018 on our consideration of the Imperial County Transportation Commission Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 31, 2018

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND**

Statements of Net Position
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current Assets:		
Cash and Investments	\$ 6,478,803	\$ 7,819,772
Federal Grant Receivable	2,609,924	789,497
Due From Other Funds	26,705	--
Interest Receivable	<u>12,804</u>	<u>10,631</u>
Total Current Assets	<u>9,128,236</u>	<u>8,619,900</u>
Noncurrent Assets:		
Fixed Assets	10,389,736	9,574,433
Less Accumulated Depreciation	<u>(2,291,120)</u>	<u>(1,305,708)</u>
Total Noncurrent Assets	<u>8,098,616</u>	<u>8,268,725</u>
Total Assets	<u>17,226,852</u>	<u>16,888,625</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	612,569	706,264
Due To Other Funds	<u>33</u>	<u>158</u>
Total Current Liabilities	<u>612,602</u>	<u>706,422</u>
NET POSITION		
Net Position:		
Investment In Fixed Assets	8,098,616	8,268,725
Restricted	7,153,660	5,404,928
Unrestricted	<u>1,361,974</u>	<u>2,508,550</u>
Total Net Position	<u>\$ 16,614,250</u>	<u>\$ 16,182,203</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Operating Revenues:		
State Transit Revenues	\$ 5,833,751	\$ 10,898,944
Federal Grant Revenues	2,670,157	2,933,425
Passenger Fares	823,282	866,903
ICTC Reimbursements	<u>1,863,912</u>	<u>1,132,025</u>
Total Operating Revenues	<u>11,191,102</u>	<u>15,831,297</u>
Operating Expenses:		
Purchased Transportation Services	8,069,840	7,009,743
Professional Services	332,137	201,589
General Administration	1,611,945	1,367,399
Capital Projects	<u>800,000</u>	<u>--</u>
Total Operating Expenses	<u>10,813,922</u>	<u>8,578,731</u>
Operating Income	<u>377,180</u>	<u>7,252,566</u>
Nonoperating Revenues:		
Interest Revenue	<u>54,867</u>	<u>38,370</u>
Total Nonoperating Revenues	<u>54,867</u>	<u>38,370</u>
Change in Net Position	432,047	7,290,936
Net Position Beginning, July 1	<u>16,182,203</u>	<u>8,891,267</u>
Net Position Ending, June 30	<u>\$ 16,614,250</u>	<u>\$ 16,182,203</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND**

Statements of Cash Flows

For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Passenger Fares	\$ 823,282	\$ 866,903
Receipts From Transit Services	6,656,776	13,321,859
Other Receipts	1,863,912	1,132,025
Payment For Transportation Services	(8,963,660)	(6,845,608)
Payment For General Administration	(626,533)	(597,139)
Payment For Professional Services	<u>(332,137)</u>	<u>(201,589)</u>
Net Cash Provided (Used) By Operating Activities	<u>(578,360)</u>	<u>7,676,451</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Acquisition Of Fixed Assets	<u>(815,303)</u>	<u>(4,501,290)</u>
Net Cash Used For Capital Activities	<u>(815,303)</u>	<u>(4,501,290)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earned	<u>52,694</u>	<u>35,693</u>
Net Cash Provided By Investing Activities	<u>52,694</u>	<u>35,693</u>
Net Increase (Decrease) In Cash And Cash Equivalents	(1,340,969)	3,210,854
Cash and Cash Equivalents, July 1	<u>7,819,772</u>	<u>4,608,918</u>
Cash and Cash Equivalents, June 30	<u>\$ 6,478,803</u>	<u>\$ 7,819,772</u>
Reconciliation Of Operating Income To Net Cash Provided By Operating Activities:		
Operating Income	<u>\$ 377,180</u>	<u>\$ 7,252,566</u>
Adjustments To Reconcile Operating Income To Net Cash Provided By Operating Activities:		
Depreciation Expense	985,412	770,260
(Increase) Decrease In:		
Accounts Receivable	(1,820,427)	(510,510)
(Increase) Decrease In Due From Other Funds	(26,705)	--
(Decrease) Increase In:		
Accounts Payable	(93,695)	163,977
Due To Other Funds	<u>(125)</u>	<u>158</u>
Total Adjustments	<u>(955,540)</u>	<u>423,885</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ (578,360)</u>	<u>\$ 7,676,451</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT**

Notes to the Financial Statements
June 30, 2017 and 2016

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entities

The Transit Planning and Programs Management Section of the Imperial County Transportation Commission was established in order to effectively administer the various transit programs, grants and services provided either in house or under contract with various providers. The program utilizes various State and federal grants including the Federal Transportation Administration "FTA" Sections 5307, 5310 and 5311. The specific federal funds received are programmed to be utilized for operational costs of Imperial Valley Transit (IVT), the IVT Blue, Green and Gold Lines and IVT ACCESS, the ADA paratransit system and the Mobility Coordination program.

The Imperial County Auditor-Controller's office acts as a trustee for the funds received and disbursed. The FTA Section 5307 and 5311 funds are not accessed until a scope of work is approved. The FTA Section 5307 and 5311 grants are developed based on estimates for each fiscal year, which are not available until October of each year.

Basis of Accounting

The funds are accounted for in a proprietary fund using the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

Cash Equivalents

For purposes of the statement of cash flows, the Imperial County Transportation Commission considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Comparative Data

Comparative data for the prior year is presented in the accompanying financial statements in order to provide an understanding of changes in the funds' financial positions and operations.

Note 2. ANNUAL FINANCIAL STATEMENTS

The financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for the Imperial County Transportation Commission Transit Planning and Programs Management fund only.

Note 3. CASH AND INVESTMENTS

Cash is pooled with other cash of the County of Imperial to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County's financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller's office in El Centro, CA.

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT**

Notes to the Financial Statements
June 30, 2017 and 2016

Note 3. CASH AND INVESTMENTS (Continued)

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Note 4. FEDERAL GRANTS RECEIVABLE

During fiscal years ended June 30, 2017 and 2016 there was an amount of \$2,609,924 and \$789,497, respectively, to recognize the Federal Grant revenues accrued for the year that were received in the subsequent year.

Note 5. FIXED ASSETS

During fiscal years ended June 30, 2017 and 2016 there was an amount of \$8,098,616 and \$8,268,725, respectively, which is the total fixed assets less accumulated depreciation and represents the total net investment in fixed assets. During the fiscal year ended June 30, 2017 there was an acquisition of three MV1 vans (MedTrans, IVT-Access, and IVT), and five 2016 cutaways (IVT RIDE) in the amount of \$815,303 accumulated depreciation had a net increase of \$985,412.

Note 6. ACCOUNTS PAYABLE

During fiscal years ended June 30, 2017 and 2016 there was an amount of \$612,569 and \$706,264, respectively, to recognize operational expenses for the year that were paid in the following fiscal year.

Note 7. NET POSITION

The total net position is composed of those funds invested in fixed assets, restricted funds and all other net position is unrestricted. Investment in fixed assets includes fixed assets net of accumulated depreciation. Net position is restricted and it includes funds reserved for future capital expenditures and other liabilities.

Net Position at June 30,	2016	2015
Investment in Fixed Assets	\$ 8,098,616	\$ 8,268,725
Restricted	\$ 7,153,660	\$ 5,404,928
Unrestricted	\$ 1,361,974	\$ 2,508,550

During the fiscal years ended June 30, 2017 and 2016 the total net position amount of \$16,614,250 and \$16,182,203, respectively.

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT**

Notes to the Financial Statements
June 30, 2017 and 2016

Note 8. FEDERAL TRANSIT FORMULA GRANTS

The following consists of the Activity of the U.S. Department of Transportation Federal Transit Grant (Urbanized Area Formula Program - Federal Grant 5307 and 5310):

Program Number CA-90-Z258		50% Federal	100% Federal	
		Reimbursement	Reimbursement	
for IVT, IVT Access		Operations	Capital	Total
Fiscal Year 15/16	Operations	<u>\$ 2,133,875</u>	<u>\$ --</u>	<u>\$ 2,133,875</u>
Requested	6/30/17	<u>528,061</u>	<u>--</u>	<u>528,061</u>
	Per grant	<u>528,061</u>	<u>--</u>	<u>528,061</u>
FTA 5307	Available Grant	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
fully expended	Balance at 6/30/17			
Program Number CA-2017-033		50% Federal	100% Federal	
		Reimbursement	Reimbursement	
for IVT, IVT Access		Operations	Capital	Total
Fiscal Year 16/17	Operations	<u>\$ 2,609,924</u>	<u>\$ --</u>	<u>\$ 2,609,924</u>
Requested	6/30/17	<u>2,609,924</u>	<u>--</u>	<u>2,609,924</u>
	Per grant	<u>2,609,924</u>	<u>--</u>	<u>2,609,924</u>
FTA 5307	Available Grant	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
fully expended	Balance at 6/30/17			
Program Number SA64AM16-0045		50% Federal	80% Federal	
		Reimbursement	Reimbursement	
Mobility		Operations	Capital	Total
Management				
Fiscal Year 14/15	Operations	<u>\$ 180,000</u>	<u>\$ --</u>	<u>\$ 180,000</u>
Requested	6/30/17	<u>60,233</u>	<u>--</u>	<u>60,233</u>
	Per grant	<u>165,210</u>	<u>--</u>	<u>165,210</u>
FTA 5310	Available Grant	<u>\$ 104,977</u>	<u>\$ --</u>	<u>\$ 104,977</u>
	Balance at 6/30/17			

Note 9. SUBSEQUENT EVENTS

Management has evaluated its June 30, 2017 and 2016, financial statements for subsequent events through March 31, 2018, the date of issuance of the financial statements. The Commission is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND**

Schedules of Supplementary Information
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Schedule I - State Transit Revenues		
State Transit Revenue - TDA/LTF/STA	\$ 4,991,404	\$ 7,224,948
State Transit Revenue - PTMISEA	815,642	3,562,606
State Transit Revenue - CTSGP	<u>26,705</u>	<u>111,390</u>
State Transit Revenues - Total	<u>\$ 5,833,751</u>	<u>\$ 10,898,944</u>
Schedule II - Federal Grant Revenues		
Federal Grant Revenue - Section 5307	\$ 2,609,924	\$ 2,657,199
Federal Grant Revenue - Section 5310	60,233	14,790
Federal Grant Revenue - Section 5311	<u>--</u>	<u>261,436</u>
Federal Grant Revenues - Total	<u>\$ 2,670,157</u>	<u>\$ 2,933,425</u>
Schedule III - ICTC Reimbursements Revenues		
Transfer from Admin, Plans and Programs Funds	\$ 792,870	\$ 851,744
LTA Transit 2% Allocation	350,000	270,000
LTA SHR 5% Allocation	708,240	--
Miscellaneous Revenue	<u>12,802</u>	<u>10,281</u>
ICTC Reimbursement Revenues - Total	<u>\$ 1,863,912</u>	<u>\$ 1,132,025</u>
Schedule IV - Purchased Transportation Services		
Countywide Transit System	\$ 2,686,508	\$ 2,524,693
YCAT	138,710	172,270
IVT - Blue/Green Line	634,044	647,139
IVT- Gold Line	263,125	256,457
IVT-ACCESS	1,532,356	1,502,926
MedTrans	527,408	206,497
IVT-Ride	1,464,406	832,858
Transportation Reserves & Fare Adjustments	<u>823,283</u>	<u>866,903</u>
Purchased Transportation Services - Total	<u>\$ 8,069,840</u>	<u>\$ 7,009,743</u>
Schedule V - Professional Services		
Professional & Special Services	\$ 230,916	\$ 71,368
Prof & Spec Svs Data Pro	1,976	3,215
Prof & Spec Svs -Audit	89,983	126,868
Adm-Legal & Accounting Fees	--	138
Overhead Reimbursement	<u>9,262</u>	<u>--</u>
Professional Services - Total	<u>\$ 332,137</u>	<u>\$ 201,589</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND**

Schedules of Supplementary Information
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Schedule VI - General Administration		
<i>General Administration - Salaries & Benefits</i>		
Salaries	\$ 330,629	\$ 311,716
Tuition Reimbursement	1,000	--
Social Security - Medicare	9,588	9,040
County Contr Retirement	54,166	56,732
Ins-Workers Comp	12,521	10,730
Ins-Unemployment	2,068	2,156
Group Insurance	56,657	47,997
Retirement-Pension Bond	6,034	--
Retirement - Health Plan	9,024	13,648
Redemption of Benefits	20,969	15,782
Ins- Dental/Vision	4,981	6,904
Payroll Taxes	2,362	2,450
Insurance - Voluntary Life	<u>357</u>	<u>348</u>
<i>General Administration - Salaries & Benefits Total</i>	<u>510,356</u>	<u>477,503</u>
<i>General Administration - Other</i>		
Communications - Phone Charge	\$ 2,360	\$ 1,954
Communications - Services	--	3,421
Communications - Cell Phones	4,006	4,595
Insurance Liability	56,871	21,454
Memberships	1,748	1,820
Office Expenses	8,711	9,262
Fuel Expense	993	745
Publications and Legal Notices	3,749	5,294
Rents & Leases	22,899	29,316
Maintenance	145	926
Travel Out of Cnty Misc	8,670	17,073
Special Dept Expense	603	1,585
Utilities	5,422	3,609
Equipment	--	18,582
Depreciation Equipment	<u>985,412</u>	<u>770,260</u>
<i>General Administration - Other Total</i>	<u>1,101,589</u>	<u>889,896</u>
General Administration - Grand Total	<u>\$ 1,611,945</u>	<u>\$ 1,367,399</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
Schedules of Supplementary Information
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Schedule VII - Capital Project Expenses		
Heber/SR-86 Bus Stop & Ped Improvements	<u>\$ 800,000</u>	<u>\$ --</u>
Capital Project Expenses - Total	<u><u>\$ 800,000</u></u>	<u><u>\$ --</u></u>

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Transit Planning and Programs Management fund of the Imperial County Transportation Commission as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Transit Planning and Programs Management fund of the Imperial County Transportation Commission's financial statements, and have issued our report thereon dated March 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Transit Planning and Programs Management fund of the Imperial County Transportation Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, the Transportation Development Act (TDA) Statutes and the California Code of Regulation Section 6667, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Imperial County Transportation Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Imperial County Transportation Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 31, 2018



REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on Compliance for Each Major Federal Program

We have audited the Imperial County Transportation Commission's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Imperial County Transportation Commission's major federal programs for the year ended June 30, 2017. The Imperial County Transportation Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, contracts, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Imperial County Transportation Commission's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Imperial County Transportation Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Imperial County Transportation Commission's compliance.

Opinion on Each Major Federal Program

In our opinion, the Imperial County Transportation Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the Imperial County Transportation Commission is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Imperial County Transportation Commission's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Imperial County Transportation Commission's Transit Planning and Programs Management fund as of and for the year ended June 30, 2017, and have issued our report thereon dated March 31, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Hutchinson and Bloodgood LLP

March 31, 2018

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2017

<u>Federal Grant/Pass-Through Grantor</u>	<u>Federal C.F.D.A. Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Program Expenditures</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
FTA Section 5307 - Urban Funding **	20.507	CA-90-Z258	\$ 528,061
FTA Section 5307 - Urban Funding **	20.507	CA-2017-033	<u>2,609,924</u>
		Subtotal 20.507	<u>3,137,985</u>
Passed Through State Department of Transportation:			
FTA Section 5310 -Mobility Management	20.513	SA-64AM16-0045	<u>60,233</u>
		Subtotal 20.513	<u>60,233</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>3,198,218</u>
TOTAL FEDERAL ASSISTANCE			<u>\$ 3,198,218</u>

** Major Fund

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
 Schedule of Findings and Responses
 For the Fiscal Year Ended June 30, 2017

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified not considered to be material weaknesses? yes none reported

Type of auditors' report issued on compliance: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Grants Guidance, at 2 CFR Part 200.515(d)(1)(vi)? yes no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.507	Department of Transportation

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2017

SECTION II – FINANCIAL STATEMENTS FINDINGS

There are no current year findings.

IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND
Schedule of Findings and Responses
For the Fiscal Year Ended June 30, 2017

SECTION III – STATUS OF PRIOR YEAR FINDINGS AND RESPONSES

There are no prior year findings.

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSIT PLANNING AND PROGRAMS MANAGEMENT FUND**
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The expenditures included in the accompanying schedule of expenditures of federal awards were reported on the modified accrual basis of accounting, which is further described in Note 1 to the Imperial County Transportation Commission's fund financial statements. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards presents the activity of all federal financial assistance programs of the Imperial County Transportation Commission. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through the State Department of Transportation, are included in the Schedule. The Schedule was prepared from only the accounts of various grant programs and, therefore, does not represent the financial position or results of operations of the Imperial County Transportation Commission.

Note 2. INDIRECT COSTS

The Imperial County Transportation Commission did not elect to use the 10% de minimis cost rate.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

Financial Report of the
Regional Planning and Programs
June 30, 2017 and 2016

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Balance Sheets	5
Statements of Revenues, Expenditures and Changes in Fund Balance	6
Notes to the Financial Statements	7 - 9
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	10 - 11
SUPPLEMENTARY INFORMATION	
Schedule I - General Administration	13
Schedule II - Professional Services	13
Schedule III - STIP-PPM Category A	13
Schedule IV - STIP-PPM Category B	13
Schedule V - STIP-PPM Category C	14



INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Regional Planning and Programs fund of the Imperial County Transportation Commission as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Regional Planning and Programs fund of the Imperial County Transportation Commission as of June 30, 2017 and 2016, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

As discussed in Note 2, the financial statements present only the Regional Planning and Programs fund and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2018 on our consideration of the Imperial County Transportation Commission Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 31, 2018

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
REGIONAL PLANNING AND PROGRAMS**

Balance Sheets
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and Investments	\$ 565,085	\$ 283,674
Interest Receivable	<u>1,161</u>	<u>464</u>
Total Assets	<u>\$ 566,246</u>	<u>\$ 284,138</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	<u>\$ 6,654</u>	<u>\$ 470</u>
Total Liabilities	<u>6,654</u>	<u>470</u>
Fund Balance		
Fund Balance - Unassigned	332,183	256,259
Fund Balance - Assigned	<u>227,409</u>	<u>27,409</u>
Total Fund Balance	<u>559,592</u>	<u>283,668</u>
Total Liabilities and Fund Balance	<u>\$ 566,246</u>	<u>\$ 284,138</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
REGIONAL PLANNING AND PROGRAMS**

Statements of Revenues, Expenditures, and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Revenues		
Revenues	\$ 547,978	\$ 376,928
Membership Revenues	100,028	99,723
Interest Revenues	<u>2,451</u>	<u>2,224</u>
Total Revenues	<u>650,457</u>	<u>478,875</u>
Expenditures		
STIP-PPM Category A	106,151	80,144
STIP-PPM Category B	100,000	95,314
STIP-PPM Category C	96,489	56,600
General and Administrative Expenditures	54,123	59,959
Professional Services	<u>17,770</u>	<u>181,566</u>
Total Expenditures	<u>374,533</u>	<u>473,583</u>
Change in Fund Balance	275,924	5,292
Fund Balance Beginning, July 1	<u>283,668</u>	<u>278,376</u>
Fund Balance Ending, June 30	<u>\$ 559,592</u>	<u>\$ 283,668</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION

REGIONAL PLANNING AND PROGRAMS

Notes to the Financial Statements

June 30, 2017 and 2016

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entities

The Imperial County Transportation Commission (ICTC) Regional Planning and Programs fund was established by ICTC in order to administer regional transportation programs and services.

The operations of the Regional Planning and Programs fund of the Imperial County Transportation Commission are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures.

The County's Auditor-Controller's office acts as a trustee for the State and federal funds received and disbursed.

Basis of Accounting

The Regional Planning and Programs funds are accounted for in a special revenue fund using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues and expenditures are recognized as soon as they are both measurable and available.

Comparative Data

Comparative data for the prior year is presented in the accompanying financial statements in order to provide an understanding of changes in the funds' financial positions and operations.

Note 2. ANNUAL FINANCIAL STATEMENTS

The financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for only the Regional Planning and Programs fund of the Imperial County Transportation Commission.

Note 3. CASH AND INVESTMENTS

Cash is pooled with other cash of the County to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds, including the Regional Planning and Programs fund, based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County's financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller's office in El Centro, CA.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

REGIONAL PLANNING AND PROGRAMS

Notes to the Financial Statements

June 30, 2017 and 2016

Note 4. ACCOUNTS PAYABLE

During fiscal year ended June 30, 2017 there was an amount of \$6,654 in accounts payable that is the total of accrued expenditures for the year related to day to day operations. For fiscal year ended June 30, 2016 the amount of accrued expenditures was \$470.

Note 5. FUND BALANCE - ASSIGNED

During fiscal year ended June 30, 2017 the amount of \$227,409 represents the assigned fund balance which includes the total purchase price of a vehicle acquired during fiscal year 2011-12 and Long Range Transportation Plan (LRTP) consultant fees. For fiscal year ended June 30, 2016 the amount of \$27,409 represents the total purchase price of a vehicle acquired during fiscal year 2011-12 only.

Note 6. STIP-PLANNING, PROGRAMMING & MONITORING PROGRAM

The California State Budget Act of 2010 appropriates State Highway funds under local assistance for the State Transportation Improvement Program (STIP) Planning, Programming and Monitoring Program (PPM). 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 and for the monitoring of project implementation for approved projects, referred as PPM projects. The California Transportation Commission (ICTC) 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.

These funds are to be used for the following expenditure categories:

Category A: Regional transportation planning activities including development of the Regional Transportation Plan Update.

Category B: Program development and monitoring including the preparation of the ICTC Improvement Program and the State Transportation Improvement Program, monitoring the implementation of projects including project delivery and compliance with federal and state law, and California Transportation Commission Guidelines.

Category C: Regional transit planning activities, including program development and monitoring.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

REGIONAL PLANNING AND PROGRAMS

Notes to the Financial Statements

June 30, 2017 and 2016

Note 6. STIP-PLANNING, PROGRAMMING & MONITORING PROGRAM (Continued)

During the fiscal year ended June 30, 2016, the Imperial County Transportation Commission applied for and received proceeds of \$19,000 from the State of California STIP-PPM Program based on an agreement entered. As of June 30, 2016, the remaining balance of the total in STIP-PPM proceeds received for the year is \$44,765 which includes; the remaining funds of the Category A proceeds in the amount of \$6,151, the remainder of Category C in the amount of \$38,614 (2015 C proceeds are \$32,614 and 2016 C proceeds are \$6,000). All proceeds have been fully expended.

During the fiscal year ended June 30, 2017, the Imperial County Transportation Commission applied for and received proceeds of \$300,000 from the State of California STIP-PPM Program based on an agreement entered. As of June 30, 2017, the remaining balance of the total in STIP-PPM proceeds received for the year is \$42,126 which is the remaining of 2017 Category C proceeds. Category A and B proceeds have been fully expended.

Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

Note 7. SUBSEQUENT EVENTS

Management has evaluated its June 30, 2017 and 2016, financial statements for subsequent events through March 31, 2018, the date of issuance of the financial statements. The Commission is not aware of any subsequent events that would require recognition or disclosure in the financial statements.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Regional Planning and Programs fund of the Imperial County Transportation Commission as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Regional Planning and Programs fund of the Imperial County Transportation Commission's financial statements, and have issued our report thereon dated March 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Regional Planning and Programs fund of the Imperial County Transportation Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, the Transportation Development Act (TDA) Statutes and the California Code of Regulation Section 6662, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Imperial County Transportation Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Imperial County Transportation Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 31, 2018

SUPPLEMENTARY INFORMATION

IMPERIAL COUNTY TRANSPORTATION COMMISSION
REGIONAL PLANNING AND PROGRAMS
Schedules of Supplementary Information
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Schedule I - General and Administration Expenditures		
Communications - Phone Charges	\$ 1,331	\$ 1,008
Communications - Cell Phone/Pager	2,388	1,951
Communications - Services	--	2,230
Overhead Reimbursement	--	2,341
Insurance Liability	13,560	12,283
Memberships	6,487	6,175
Fuel Expense	1,166	959
Publications and Legal Notices	458	303
Rents & Leases	11,809	15,205
Special Dept Expenditure	4,812	5,181
Utilities	3,752	3,609
Office Expenditures	4,053	4,545
Equipment	2,653	3,616
Maintenance	<u>1,654</u>	<u>553</u>
General and Administration Expenditures - Total	<u>\$ 54,123</u>	<u>\$ 59,959</u>
Schedule II - Professional Services		
Professional & Special Service	\$ 10,250	\$ 176,244
Professional & Special Services - Legal and Accounting	6,878	4,302
Professional & Special Services - Data Pro	<u>642</u>	<u>1,020</u>
Professional Services - Total	<u>\$ 17,770</u>	<u>\$ 181,566</u>
Schedule III - STIP-PPM Category A		
Salaries & Benefits	\$ 106,151	\$ 79,295
Professional & Special Services	<u>--</u>	<u>849</u>
STIP-PPM Category A - Total	<u>\$ 106,151</u>	<u>\$ 80,144</u>
Schedule IV - STIP-PPM Category B		
Salaries & Benefits	\$ 97,252	\$ 88,101
Professional & Special Services	<u>2,748</u>	<u>7,213</u>
STIP-PPM Category B - Total	<u>\$ 100,000</u>	<u>\$ 95,314</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
REGIONAL PLANNING AND PROGRAMS
Schedules of Supplementary Information
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Schedule V - STIP-PPM Category C		
Salaries & Benefits	\$ 57,319	\$ --
Professional & Special Services	16,697	34,595
Travel	<u>22,473</u>	<u>22,005</u>
STIP-PPM Category C - Total	<u>\$ 96,489</u>	<u>\$ 56,600</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION

Financial Report of the
SB 325 Funds for Article 8(c)
June 30, 2017 and 2016

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Statements of Net Position - Article 8(c)	5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to the Financial Statements	8 - 10
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	11 - 12



INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on the Financial Statements

We have audited the accompanying financial statements of the SB 325 Funds for Article 8(c) of the Imperial County Transportation Commission as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SB 325 Funds for Article 8(c) of the Imperial County Transportation Commission as of June 30, 2017 and 2016, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

As discussed in Note 2, the financial statements present only the SB 325 Funds for Article 8(c) and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the changes in financial position and cash flows in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2018 on our consideration of the Imperial County Transportation Commission Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 31, 2018

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
 Statements of Net Position
 June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and Investments	\$ _____ --	\$ _____ --
Total Assets	_____ --	_____ --
NET POSITION		
Restricted	_____ --	_____ --
Total Net Position	\$ _____ --	\$ _____ --

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Operating Revenues:		
SB 325 Article 8(c)	<u>\$ 3,525,096</u>	<u>\$ 6,687,780</u>
Total Operating Revenues	<u>3,525,096</u>	<u>6,687,780</u>
Operating Expenses:		
Purchased Transportation Services	<u>3,525,096</u>	<u>6,687,780</u>
Total Operating Expenses	<u>3,525,096</u>	<u>6,687,780</u>
Operating Income	<u>--</u>	<u>--</u>
Changes in Net Position	--	--
Net Position Beginning, July 1	<u>--</u>	<u>--</u>
Net Position Ending, June 30	<u>\$ --</u>	<u>\$ --</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
 Statements of Cash Flows
 For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Transit Services	\$ 3,525,096	\$ 6,687,780
Payment for Transportation Services	<u>(3,525,096)</u>	<u>(6,687,780)</u>
Net Cash Provided By (Used For) Operating Activities	<u> --</u>	<u> --</u>
Net Increase (Decrease) in Cash and Cash Equivalents	--	--
Cash and Cash Equivalents Beginning, July 1	<u> --</u>	<u> --</u>
Cash and Cash Equivalents Ending, June 30	<u>\$ --</u>	<u>\$ --</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
Operating Income (Loss)	<u>\$ --</u>	<u>\$ --</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:		
(Increase) Decrease in Accounts Receivable	--	--
(Decrease) Increase in Accounts Payable	<u> --</u>	<u> --</u>
Total Adjustments	<u> --</u>	<u> --</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ --</u>	<u>\$ --</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
Notes to the Financial Statements
June 30, 2017 and 2016

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entities

The operations of the SB 325 Fund of the Imperial County Transportation Commission, “the ICTC,” are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, net position, revenues and expenses.

Article 8(c) of the SB 325 Fund is provided by the Imperial County Transportation Commission through five contracts with outside vendors. They are held with First Transit, Inc. to provide the *Imperial Valley Transit* fixed route bus service, the *IVT ACCESS* which provides paratransit service exclusively for disabled persons under the Americans with Disabilities Act (ADA), *IVT-RIDE* an intra city dial-a-ride for seniors and persons with disabilities within Brawley, Calexico, Imperial and the West Shores, *IVT-RIDE El Centro* an intra city dial-a-ride for seniors and persons with disabilities within El Centro, and *IVT MedTrans* which provides non-emergency transportation to medical facilities in San Diego.

Basis of Accounting

The Public Service Transit Fund, Article 8(c), is accounted for in a proprietary fund using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Comparative Data

Comparative data for the prior year is presented in the accompanying financial statements in order to provide an understanding of changes in the funds' financial positions and operations.

Note 2. ANNUAL FINANCIAL STATEMENTS

The financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for only the Public Service Transit Fund of the Imperial County Transportation Commission.

Note 3. CASH AND INVESTMENTS

Cash is pooled with other cash of the County of Imperial to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds, including the SB 325 Fund, based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County’s financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller’s office in El Centro, CA.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
Notes to the Financial Statements
June 30, 2017 and 2016

Note 4. TRANSPORTATION DEVELOPMENT ACT COMPLIANCE REQUIREMENTS

In accordance with Section 99400(c) of the Public Utilities Code, funds received pursuant to this section may only be used for public transportation services. The Imperial County Transportation Commission has complied with the guidelines in respect to the use of funds.

The Imperial County Transportation Commission is subject to provisions pursuant to Section 6634 and 6637 of the California Administrative Code (CAC) and Sections 99268.3, 99268.4, and 99268.5 of the Public Utilities Code.

Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the required fare, local support and the amount received during the year from a city or county to which the operator has provided service beyond its boundaries.

Section 6637

Pursuant to Section 6637, the claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records adopted by the State Controller. The Imperial County Transportation Commission did maintain its accounts and records in accordance with the Uniform System of Accounts and Records.

Section 99268.3, 99268.4 and 99268.5

The Imperial County Transportation Commission has several fare box recovery ratios for the various services.

	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>2017</u>
	Required	Actual	Required	Actual
IVT	17%	19.8%	17%	21.97%
The blended fare box recovery ratio requirement for IVT is 17.0%.				
IVT Access	10%	4.4%	10%	4.8%
IVT RIDE	10%	6.9%	10%	5.3%
MedTrans	N/A	N/A	15%	8.1%

For fiscal year June 30, 2017 the fare box recovery ratio requirement was not met for IVT ACCESS, IVT RIDE (consolidated) or IVT MedTrans.

For fiscal year June 30, 2016 the fare box recovery ratio requirement was not met for IVT ACCESS, IVT RIDE or Medexpress.

IMPERIAL COUNTY TRANSPORTATION COMMISSION
SB 325 FUND ARTICLE 8(c)
PERTAINING TO SECTION 994000(c) OF THE PUBLIC UTILITIES CODE
Notes to the Financial Statements
June 30, 2017 and 2016

Note 5. NET POSITION

The net position represents restricted funds for use in the TDA programs for which these funds have been authorized.

Note 6. SUBSEQUENT EVENTS

Management has evaluated its June 30, 2017 and 2016, financial statements for subsequent events through March 31, 2018, the date of issuance of the financial statements. The Commission is not aware of any subsequent events that would require recognition or disclosure in the financial statements.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the SB 325 Funds for Article 8(c) of the Imperial County Transportation Commission as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the SB 325 Funds for Article 8(c) of the Imperial County Transportation Commission's financial statements, and have issued our report thereon dated March 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the SB 325 Funds for Article 8(c) of the Imperial County Transportation Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, the Transportation Development Act (TDA) Statutes and the California Code of Regulation Section 6667, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Imperial County Transportation Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Imperial County Transportation Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 31, 2018

IMPERIAL COUNTY TRANSPORTATION COMMISSION

Financial Report of the
Transportation Development Act Fund (TDA)
June 30, 2017 and 2016

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3 - 4
FINANCIAL STATEMENTS	
Balance Sheets	5
Statements of Revenues, Expenditures and Changes in Fund Balance	6
Notes to Financial Statements	7 - 8
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	9 - 10
SUPPLEMENTARY INFORMATION	
Schedule of Allocations and Disbursements	12 - 13



INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission as of June 30, 2017 and 2016, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

As discussed in Note 2, the financial statements present only the Transportation Development Act fund (TDA) and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2018 on our consideration of the Imperial County Transportation Commission Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 31, 2018

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Balance Sheets
June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and Investments	\$ 9,482,195	\$ 8,804,519
Accounts Receivable	195,097	28,253
Interest Receivable	<u>19,307</u>	<u>19,111</u>
Total Assets	<u>\$ 9,696,599</u>	<u>\$ 8,851,883</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ --	\$ 10,668
Total Liabilities	<u>--</u>	<u>10,668</u>
Fund Balance		
Fund Balance - Assigned	8,397,785	8,404,938
Fund Balance - Unassigned	<u>1,298,814</u>	<u>436,277</u>
Total Fund Balance	<u>9,696,599</u>	<u>8,841,215</u>
Total Liabilities and Fund Balance	<u>\$ 9,696,599</u>	<u>\$ 8,851,883</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Statements of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Revenues		
Transportation Development Act fund	\$ 6,092,290	\$ 6,767,577
Interest Pooled Money	<u>62,958</u>	<u>68,733</u>
Total Revenues	<u>6,155,248</u>	<u>6,836,310</u>
Expenditures		
City of Brawley	87,422	149,157
City of Calexico	--	--
City of Calipatria	13,773	37,166
City of El Centro	126,085	490,670
City of Holtville	16,330	29,411
City of Imperial	--	7,478
City of Westmorland	--	10,668
County of Imperial	47,528	43,903
IC Transportation Commission	<u>5,008,726</u>	<u>7,359,484</u>
Total Expenditures	<u>5,299,864</u>	<u>8,127,937</u>
Change in Fund Balance	855,384	(1,291,627)
Fund Balance Beginning, July 1	<u>8,841,215</u>	<u>10,132,842</u>
Fund Balance Ending, June 30	<u>\$ 9,696,599</u>	<u>\$ 8,841,215</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Notes to Financial Statements
June 30, 2017 and 2016

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entities

The operations of the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures.

The County's Auditor-Controller's office acts as a trustee for the funds received and disbursed. The revenues of the fund are derived from ¼ cent of the local general sales tax collected statewide. The State Board of Equalization returns the ¼ cent to each county according to the amount of the tax collected.

The County's Auditor-Controller, based upon allocation instructions received from the Imperial County Transportation Commission, makes disbursements from the TDA fund to the County of Imperial and the cities, located within the County for projects, which are eligible for TDA funds. The allocation instructions apportion the revenues received by the TDA fund among the eligible projects in the incorporated and unincorporated areas of the County and based on population.

Basis of Accounting

The TDA funds are accounted for in a special revenue fund using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues and expenditures are recognized as soon as they are both measurable and available.

Comparative Data

Comparative data for the prior year is presented in the accompanying financial statements in order to provide an understanding of changes in the funds' financial positions and operations.

Note 2. ANNUAL FINANCIAL STATEMENTS

The financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for only the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission.

Note 3. CASH AND INVESTMENTS

Cash is pooled with other cash of the County to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds, including the TDA fund, based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County's financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller's office in El Centro, CA.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Notes to Financial Statements
June 30, 2017 and 2016

Note 4. ACCOUNTS RECEIVABLE

During fiscal years ended June 30, 2017 and 2016 there was an amount of \$195,097 and \$28,253, respectively, to recognize the amounts owed from the STA fund which was used to provide paratransit services and from the City of Holtville, which was received the following fiscal year.

Note 5. ACCOUNTS PAYABLE

During fiscal year ended June 30, 2016 there was an amount of \$10,668 to recognize the amount owed to City of Westmorland for the year that was paid in the following fiscal year.

Note 6. FUND BALANCE

The TDA fund distributes funds according to the annual regional ICTC Overall Work Plan & Budget and in accordance with the annual disbursements schedule adopted each year by ICTC. Any monies allocated and assigned in the local transportation fund and not authorized for payment within three years after the date of allocation shall cease to be allocated or assigned and shall become and be treated as an unallocated apportionment retained in the fund in accordance with Section 6655.1. Also, allocations for benches and shades made in accordance with PUC Code Section 99400(e) do not carryover, and lapse if not claimed in the year allocated.

Out of the total fund balance for fiscal years 2016-17 and 2015-16 the amounts of \$8,397,785 and \$8,404,938 represent the reserve of the apportioned but unallocated TDA funds as of June 30, 2017 and June 30, 2016, respectively. The assigned funds are for claims that have been submitted by member entities that have not completed the requirements for disbursement as well as reserves for capital outlay and revenue stabilization, contingencies and operations.

Note 7. BUDGETED EXPENDITURES

The TDA distributes funds in accordance with the annual disbursements schedule and according to the annual regional ICTC Overall Work Plan & Budget adopted each year by ICTC. Any variance is due to cities not spending their current year's budgeted appropriations or spending prior year's appropriations in the current year.

Note 8. SUBSEQUENT EVENTS

Management has evaluated its June 30, 2017 and 2016, financial statements for subsequent events through March 31, 2018, the date of issuance of the financial statements. The Commission is not aware of any subsequent events that would require recognition or disclosure in the financial statements.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission's financial statements, and have issued our report thereon dated March 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Transportation Development Act fund (TDA) of the Imperial County Transportation Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, the Transportation Development Act (TDA) Statutes and the California Code of Regulation Section 6661, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Imperial County Transportation Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Imperial County Transportation Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 31, 2018

SUPPLEMENTARY INFORMATION

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Schedule of Allocations and Disbursements
For the Fiscal Year Ended June 30, 2017

ALLOCATIONS	PUC Section	Budget	Actual	Variance Favorable (Unfavorable)
<u>City of Brawley</u>				
Bicycles	99233.3	\$ 26,245	\$ 26,245	\$ --
Benches and Shades	99400(e)	<u>61,177</u>	<u>61,177</u>	<u>--</u>
Total		<u>87,422</u>	<u>87,422</u>	<u>--</u>
<u>City of Calexico</u>				
Bicycles	99233.3	34,689	--	34,689
Benches and Shades	99400(e)	<u>41,988</u>	<u>--</u>	<u>41,988</u>
Total		<u>76,677</u>	<u>--</u>	<u>76,677</u>
<u>City of Calipatria</u>				
Bicycles	99233.3	12,235	12,235	--
Benches and Shades	99400(e)	<u>1,538</u>	<u>1,538</u>	<u>--</u>
Total		<u>13,773</u>	<u>13,773</u>	<u>--</u>
<u>City of El Centro</u>				
Bicycles	99233.3	37,300	37,300	--
Benches and Shades	99400(e)	<u>88,785</u>	<u>88,785</u>	<u>--</u>
Total		<u>126,085</u>	<u>126,085</u>	<u>--</u>
<u>City of Holtville</u>				
Bicycles	99233.3	13,750	13,750	--
Benches and Shades	99400(e)	<u>2,580</u>	<u>2,580</u>	<u>--</u>
Total		<u>16,330</u>	<u>16,330</u>	<u>--</u>
<u>City of Imperial</u>				
Bicycles	99233.3	21,162	--	21,162
Benches and Shades	99400(e)	<u>7,680</u>	<u>--</u>	<u>7,680</u>
Total		<u>28,842</u>	<u>--</u>	<u>28,842</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
TRANSPORTATION DEVELOPMENT ACT FUND (TDA)**

Schedule of Allocations and Disbursements
For the Fiscal Year Ended June 30, 2017

<u>ALLOCATIONS</u>	<u>PUC Section</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>City of Westmorland</u>				
Bicycles	99233.3	11,389	--	11,389
Benches and Shades	99400(e)	<u>955</u>	<u>--</u>	<u>955</u>
Total		<u>12,344</u>	<u>--</u>	<u>12,344</u>
<u>County of Imperial</u>				
Bicycles	99233.3	32,230	32,232	(2)
Benches and Shades	99400(e)	<u>15,296</u>	<u>15,296</u>	<u>--</u>
Total		<u>47,526</u>	<u>47,528</u>	<u>(2)</u>
<u>IC Transportation Commission</u>				
SB 325 - IVT-RIDE	99400(c)	1,293,117	1,293,117	--
SB 325 - County Wide Transit	99400(c)	1,938,101	1,938,101	--
SB 325 - MEDTRANS	99400(c)	117,533	117,533	--
SB 325 - ACCESS	99400(c)	37,635	37,635	--
SB 325 - Quechan Tribe/YCAT	99400(c)	138,710	138,710	--
SB 325 - Benches & Shelters	99400(e)	91,760	91,760	--
SB 325 - ICTC Admin	92233.1	792,870	792,870	--
SB 325 - ICTC Planning	99400(a)	<u>599,000</u>	<u>599,000</u>	<u>--</u>
Total		<u>5,008,726</u>	<u>5,008,726</u>	<u>--</u>
Grand Total		<u>\$ 5,417,725</u>	<u>\$ 5,299,864</u>	<u>\$ 117,861</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION

Financial Report of the
State Transit Assistance Fund
June 30, 2017 and 2016

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT	3 - 4
COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheets	5
Combined Statements of Revenues, Expenditures and Changes in Fund Balances	6
Notes to the Combined Financial Statements	7 - 10
REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH STATUTES, RULES, AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE TRANSPORTATION COMMISSION	11 - 12
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	13 - 14
SUPPLEMENTARY INFORMATION	
Schedule I - Balance Sheets - STA	16
Schedule II - Statements of Revenues, Expenditures and Changes in Fund Balances - STA	17
Schedule III - Balance Sheets - PTMISEA	18
Schedule IV - Statements of Revenues, Expenditures and Changes in Fund Balances - PTMISEA	19
Schedule V - Balance Sheets - CTSGP	20
Schedule VI - Statements of Revenues, Expenditures and Changes in Fund Balances - CTSGP	21
Schedule VII - Balance Sheets - LCTOP	22
Schedule VIII - Statements of Revenues, Expenditures and Changes in Fund Balances - LCTOP	23



INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

Report on the Financial Statements

We have audited the accompanying combined financial statements of the State Transit Assistance fund of the Imperial County Transportation Commission as of and for the years ended June 30, 2017 and 2016, and the related notes to the combined financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the Guidelines on Auditing for Conformance, published by the Imperial Valley Association of Governments and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the State Transit Assistance fund of the Imperial County Transportation Commission as of June 30, 2017 and 2016, and the respective changes in financial position thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

As discussed in Note 2, the combined financial statements present only the State Transit Assistance fund and are not intended to present fairly the financial position of the Imperial County Transportation Commission and the results of its operations in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated March 31, 2018 on our consideration of the Imperial County Transportation Commission Management's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

We have also issued a report dated March 31, 2018 on our consideration of the State Transit Assistance Fund's compliance over financial reporting based on an audit performed in accordance with statutes, rules and regulations of the California Development Act and the allocation instructions and resolutions of the Transportation Commission. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Imperial County Transportation Commission's internal control over financial reporting and compliance.

Hutchinson and Bloodgood LLP

March 31, 2018

IMPERIAL COUNTY TRANSPORTATION COMMISSION**STATE TRANSIT ASSISTANCE FUND**

Combined Balance Sheets

June 30, 2017 and 2016

	2017	2016
ASSETS		
Cash and Investments	\$ 1,516,368	\$ 2,087,444
Interest Receivable	<u>3,131</u>	<u>4,201</u>
Total Assets	<u>\$ 1,519,499</u>	<u>\$ 2,091,645</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	<u>\$ 221,802</u>	<u>\$ --</u>
Total Liabilities	<u>221,802</u>	<u>--</u>
Fund Balance		
Fund Balance - Unassigned	660,659	943,469
Fund Balance - Restricted	<u>637,038</u>	<u>1,148,176</u>
Total Fund Balance	<u>1,297,697</u>	<u>2,091,645</u>
Total Liabilities and Fund Balance	<u>\$ 1,519,499</u>	<u>\$ 2,091,645</u>

**IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND**

Combined Statements of Revenues, Expenditures, and Changes in Fund Balance
For the Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Revenues		
STA Funds	\$ 878,924	\$ 664,090
LCTOP Funds	--	193,483
CTSGP Funds	133,338	133,338
Interest - STA	7,297	9,705
Interest - LCTOP	1,420	--
Interest - CTSGP	1,081	1,304
Interest - PTMISEA	<u>1,887</u>	<u>13,185</u>
Total Revenues	<u>1,023,947</u>	<u>1,015,105</u>
Expenditures		
STA Projects	1,169,031	904,208
PTMISEA Projects	622,159	3,562,606
CTSGP Projects	<u>26,705</u>	<u>111,390</u>
Total Expenditures	<u>1,817,895</u>	<u>4,578,204</u>
Change in Fund Balance	(793,948)	(3,563,099)
Fund Balance Beginning, July 1	<u>2,091,645</u>	<u>5,654,744</u>
Fund Balance Ending, June 30	<u>\$ 1,297,697</u>	<u>\$ 2,091,645</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION

STATE TRANSIT ASSISTANCE FUND

Notes to the Combined Financial Statements

June 30, 2017 and 2016

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entities

The State Transit Assistance fund (STAF) of the County of Imperial, California, an agency fund was created pursuant to SB 620 to supplement existing funding sources for public transit services. The Imperial County Transportation Commission (ICTC) administers the STAF.

The revenues of the fund are derived from a portion of the sales tax on gasoline, and are subject to appropriation by the legislature. Disbursements from the fund are made by the Imperial County Auditor-Controller based upon allocation instructions received from ICTC.

Basis of Accounting

The accounting policies of the State Transit Assistance fund of the County of Imperial conform to generally accepted accounting principles as applicable to governments.

The State Transit Assistance fund of the County of Imperial, California, is accounted for by the Imperial County Transportation Commission in a special revenue fund using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues and expenditures are recognized as soon as they are both measurable and available.

Combination Policy

The accompanying combined balance sheets and combined statements of revenues, expenditures and changes in fund net assets referred to as "State Transit Assistance Fund," include the account balances of:

- STA
- PTMISEA
- CTSGP
- LCTOP

Interfund balances and transactions are eliminated in the combination. There were no interfund balances per fiscal years 2017 and 2016.

Comparative Data

Comparative data for the prior year is presented in the accompanying combined financial statements in order to provide an understanding of changes in the fund's financial positions and operations.

Note 2. ANNUAL FINANCIAL STATEMENTS

The combined financial statements are intended to present the financial position, results of operations and compliance with the Transportation Development Act for the State Transit Assistance Fund of the County of Imperial.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

STATE TRANSIT ASSISTANCE FUND

Notes to the Combined Financial Statements

June 30, 2017 and 2016

Note 3. CASH AND INVESTMENTS

Cash is pooled with other cash of the County of Imperial to maximize investment opportunity and yields. Investment income resulting from this pooling is allocated to the respective funds based upon monthly average cash balances. Information regarding categorization of investments and risk can be found in the County of Imperial's financial statements. The financial statements for the County of Imperial may be obtained by contacting the Auditor-Controller's office in El Centro, California.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Note 4. ACCOUNTS PAYABLE

During fiscal year ended June 30, 2017 there was an amount of \$221,802 to recognize the amount owed to the TDA from STA funds which was used to provide paratransit services and the CTSGP bus camera expenditure recognized this year.

Note 5. PTMISEA

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement

Each year the State of California solicits grant requests for projects meeting the necessary criteria and then finances the programs through the sale of bonds.

During the fiscal year ended June 30, 2011, ICTC applied for FY 2009-10 funds of \$754,290 from the State's PTMISEA account for the various rights of acquisition, design and construction phases for the Brawley (\$511,290) and Imperial (\$243,000) bus transfer terminals. The proceeds were received in FY 2011-12. The funds for the Brawley Transfer terminal have been expensed. For the Imperial project funds expensed to date total \$56,750.

During the fiscal year ended June 30, 2013, ICTC applied for \$3,332,677 from the State's PTMISEA account for six (6) Gillig buses (IVT) and nine (9) cutaway (IVT RIDE) bus purchases. The proceeds were received in FY 2012-13. All FY 2012-13 funds have been expensed.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

STATE TRANSIT ASSISTANCE FUND

Notes to the Combined Financial Statements

June 30, 2017 and 2016

Note 5. PTMISEA (Continued)

During the fiscal year ended June 30, 2015 ICTC applied for FY 2014-15 funds of \$1,730,000 from the State's PTMISEA account for up to twenty (20) cutaway buses (various contracts) (IVT) and one (1) MV1 (IVT RIDE) purchase. The proceeds were received in FY 2014-15. Funds expensed include purchases of six (6) IVT cutaways, one (1) IVT Ride MV1, four (4) MedTrans cutaways, five (5) IVT Ride cutaways & four (4) ACCESS cutaways. All FY 2014-15 funds have been expensed.

As of June 30, 2017 the remaining balance of the proceeds is \$199,539 which includes; the remainder of FY 2009-10 funds from the Imperial bus transfer terminal project.

Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

Note 6. CTSGP

In November 2006, California Voters passed a bond measure (Proposition 1B) enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$1 billion was set aside by the State as instructed by statute as the Transit System Safety, Security and Disaster Response Account.

Sixty percent of this set aside (\$600 million) is available to agencies and transit operators eligible to receive State Transit Assistance (STA) funds through the California Transit Security Grant Program (CTSGP). These funds are to be used for capital expenditures to provide increased protection against security or safety threats or to increase the capacity of transit operators to develop disaster response transportation systems.

During the fiscal year ended June 30, 2012 ICTC applied for FY 2010-11 CTSGP funds of \$133,338 for the procurement and installation of security camera systems for the IVT Access bus system. The proceeds were received in FY 2012-13. The FY 2010-11 funds were fully expended on the procurement and installation of security camera systems for the IVT bus and the IVT RIDE paratransit systems.

During the fiscal year ended June 30, 2015 ICTC applied for FY 2012-13 funds of \$133,338 for the city of Imperial Transfer Terminal Solar Lighting project. The proceeds were received in FY 2015-16.

As of June 30, 2016, the remaining balance was of \$134,882 from the FY 2012-13 CTSGP City of Imperial Transfer Terminal Solar Lighting project.

IMPERIAL COUNTY TRANSPORTATION COMMISSION

STATE TRANSIT ASSISTANCE FUND

Notes to the Combined Financial Statements

June 30, 2017 and 2016

Note 6. CTSGP (Continued)

During the fiscal year ended June 30, 2017 ICTC applied for FY 2014-15 funds of \$133,338 to be utilized toward the installation of additional vehicle camera systems. The proceeds were received late FY 2016-17.

As of June 30, 2017, the remaining balance is \$242,596 from the FY 2012-13 CTSGP City of Imperial Transfer Terminal Solar Lighting project and the FY 2014-15 Security Cameras for IVT buses.

Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

Note 7. LCTOP

The Low Carbon Transit Operations Program (LCTOP) is one of several programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 by Senate Bill 862. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emission and improve mobility, with a priority on serving disadvantaged communities.

During the fiscal year ended June 30, 2016 ICTC applied for FY 2015-16 Low Carbon Transit Operations Program (LCTOP) funds of \$193,483 for the Calexico Intermodal Transportation Center, the proceeds were received in FY 2015-16.

As of June 30, 2017 the remaining balance of the proceeds is \$194,903 from the FY 2015-16 Calexico Intermodal Transportation Center.

Note 8. SUBSEQUENT EVENTS

Management has evaluated its June 30, 2017 and 2016, financial statements for subsequent events through March 31, 2018, the date of issuance of the financial statements. The Commission is not aware of any subsequent events that would require recognition or disclosure in the financial statements.



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

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited the financial statements of the State Transit Assistance fund of the Imperial County Transportation Commission as of and for the year ended June 30, 2017 and have issued our report therein dated March 31, 2018. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

As part of obtaining reasonable assurance about whether the State Transit Assistance fund of the Imperial County Transportation Commission's financial statements are free of material misstatement we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by the State Transit Assistance Fund of the Imperial County Transportation Commission were made in accordance with allocation instructions and resolutions of the Imperial County Transportation Commission and in conformance with the Transportation Development Act (TDA) Statutes and California Code of Regulation 6751. In connection with our audit, nothing came to our attention that caused us to believe the State Transit Assistance Fund of the Imperial County Transportation Commission failed to comply with the the Transportation Development Act (TDA) Statutes and California Codes of Regulation (CCR) and the allocation instructions and resolutions of the Imperial County Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audits and accordingly, we do not express such an opinion.

Also as part of our audits we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the PTMISEA guidelines and state accounting requirements.

In November 2006, California Voters passed a bond measure enacting the Highway Safety, Traffic reduction, Air Quality and Port Security Bond Act of 2006. This Bond Act set aside funds for two categories of transportation improvement programs:

1. The Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) to fund capital projects that relate to infrastructure improvement

2. The California Transit Security Grant Program-California Transit Assistance Fund (CTSGP) for transit system safety, security and disaster response capital projects

Each year the State of California solicits grant requests for projects meeting the necessary criteria and then finances the programs through the sale of bonds.

The Imperial County Transportation Commission has successfully applied and received proceeds from the State's PTMISEA account for the design and construction of several bus transfer terminals projects in the Imperial County.

As of June 30, 2017, the PTMISEA funds received, interest earned and expended were verified in the course of our audits as follows:

PTMISEA Funds Current Year Activity:	
Beginning Balance	\$ 819,811
Interest earned	<u>1,887</u>
	821,698
Expenditures Incurred this Year:	
Bus Purchases - IVT RIDE	<u>622,159</u>
	622,159
Unexpended proceeds as of June 30, 2017	<u>\$ 199,539</u>

The Imperial County Transportation Commission has successfully applied for CTSGP grants each year for the procurement and installation of security infrastructure for several bus transfer terminals projects in the Imperial County.

As of June 30, 2017, CTSGP funds received, interest earned and funds expended were verified in the course of our audits as follows:

CTSGP Funds Current Year Activity:	
Beginning Balance	\$ 134,882
Interest earned	<u>1,081</u>
	269,301
Expenditures Incurred this Year:	
Bus Security Cameras	<u>26,705</u>
Unexpended proceeds as of June 30, 2017	<u>\$ 242,596</u>

This report is intended solely for the information and use of the State Transit Assistance Fund of the Imperial County Transportation Commission's management, the California Department of Transportation, and the State Controller's Office and is not intended to be and should not be used by anyone other than these specified parties.

Hutchinson and Bloodgood LLP

March 31, 2018



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

INDEPENDENT AUDITORS' REPORT

To the Commission Board Members
County of Imperial, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of the State Transit Assistance fund of the Imperial County Transportation Commission as of and for the year ended June 30, 2017, and the related notes to the combined financial statements, which collectively comprise the State Transit Assistance fund of the Imperial County Transportation Commission's combined financial statements, and have issued our report thereon dated March 31, 2018.

Internal Control Over Financial Reporting

In planning and performing our audits of the combined financial statements, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's combined financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State Transit Assistance fund of the Imperial County Transportation Commission's combined financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, the Transportation Development Act (TDA) Statutes and the California Code of Regulation Section 6751, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Imperial County Transportation Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Imperial County Transportation Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Hutchinson and Bloodgood LLP

March 31, 2018

SUPPLEMENTARY INFORMATION

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule I - Balance Sheets - STA		
ASSETS		
Cash and Investments- STA	\$ 853,783	\$ 941,861
Accounts Receivable - Interest on STA	<u>1,973</u>	<u>1,608</u>
Total Assets	<u>\$ 855,756</u>	<u>\$ 943,469</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	\$ <u>195,097</u>	\$ --
Total Liabilities	<u>195,097</u>	<u>--</u>
Fund Balance		
Fund Balance - Unassigned- STA	<u>660,659</u>	<u>943,469</u>
Total Fund Balance	<u>660,659</u>	<u>943,469</u>
Total Liabilities and Fund Balance	<u>\$ 855,756</u>	<u>\$ 943,469</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION**STATE TRANSIT ASSISTANCE FUND**

Schedules of Supplementary Information

June 30, 2017 and 2016

	2017	2016
Schedule II - Statements of Revenues, Expenditures and Changes in Fund Balances - STA		
Revenues		
STA Funds	\$ 878,924	\$ 664,090
Interest - STA	<u>7,297</u>	<u>9,705</u>
Total Revenues	<u>886,221</u>	<u>673,795</u>
Expenditures		
Transfer Out	--	904,208
Med Express	390,194	--
ADA Paratransit	<u>778,837</u>	<u>--</u>
Total Expenditures	<u>1,169,031</u>	<u>904,208</u>
Change in Fund Balance	(282,810)	(230,413)
Fund Balance Beginning, July 1	<u>943,469</u>	<u>1,173,882</u>
Fund balance Ending, June 30	<u>\$ 660,659</u>	<u>\$ 943,469</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule III - Balance Sheets - PTMISEA		
ASSETS		
Cash and Investments - PTMISEA	\$ 199,149	\$ 817,509
Accounts Receivable - Interest on PTMISEA	<u>390</u>	<u>2,302</u>
Total Assets	<u>\$ 199,539</u>	<u>\$ 819,811</u>
FUND BALANCE		
Fund Balance		
Fund Balance - Restricted PTMISEA	<u>\$ 199,539</u>	<u>\$ 819,811</u>
Total Fund Balance	<u>\$ 199,539</u>	<u>\$ 819,811</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule IV - Statements of Revenues, Expenditures and Changes in Fund Balances - PTMISEA		
Revenues		
Interest - PTMISEA	<u>\$ 1,887</u>	<u>\$ 13,185</u>
Total Revenues	<u>1,887</u>	<u>13,185</u>
Expenditures		
Buses - IVT-RIDE	<u>622,159</u>	<u>3,562,606</u>
Total Expenditures	<u>622,159</u>	<u>3,562,606</u>
Change in Fund Balance	(620,272)	(3,549,421)
Fund Balance Beginning, July 1	<u>819,811</u>	<u>4,369,232</u>
Fund Balance Ending, June 30	<u>\$ 199,539</u>	<u>\$ 819,811</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule V - Balance Sheets - CTSGP		
ASSETS		
Cash and Investments - CTSGP	\$ 268,913	\$ 134,591
Accounts Receivable - Interest on CTSGP	<u>388</u>	<u>291</u>
Total Assets	<u>\$ 269,301</u>	<u>\$ 134,882</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts Payable	<u>\$ 26,705</u>	\$ --
Total Liabilities	<u>26,705</u>	<u>--</u>
Fund Balance		
Fund Balance - Restricted CTSGP	<u>242,596</u>	<u>134,882</u>
Total Fund Balance	<u>242,596</u>	<u>134,882</u>
Total Liabilities and Fund Balance	<u>\$ 269,301</u>	<u>\$ 134,882</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule VI - Statements of Revenues, Expenditures and Changes in Fund Balances - CTSGP		
Revenues		
CTSGP Funds	\$ 133,338	\$ 133,338
Interest - CTSGP	<u>1,081</u>	<u>1,304</u>
Total Revenues	<u>134,419</u>	<u>134,642</u>
Expenditures		
Security Cameras - CTSGP	<u>26,705</u>	<u>111,390</u>
Total Expenditures	<u>26,705</u>	<u>111,390</u>
Change in Fund Balance	107,714	23,252
Fund Balance Beginning, July 1	<u>134,882</u>	<u>111,630</u>
Fund Balance Ending, June 30	<u>\$ 242,596</u>	<u>\$ 134,882</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule VII - Balance Sheets - LCTOP		
ASSETS		
Cash and Investments - LCTOP	\$ 194,523	\$ 193,483
Interest Receivable - LCTOP	<u>380</u>	<u>--</u>
Total Assets	<u>\$ 194,903</u>	<u>\$ 193,483</u>
FUND BALANCE		
Fund Balance - Restricted LCTOP	<u>\$ 194,903</u>	<u>\$ 193,483</u>
Total Fund Balance	<u>\$ 194,903</u>	<u>\$ 193,483</u>

IMPERIAL COUNTY TRANSPORTATION COMMISSION
STATE TRANSIT ASSISTANCE FUND
Schedules of Supplementary Information
June 30, 2017 and 2016

	2017	2016
Schedule VIII - Statements of Revenues, Expenditures and Changes in Fund Balances - LCTOP		
Revenues		
LCTOP Funds	\$ --	\$ 193,483
Interest - LCTOP	<u>1,420</u>	<u>--</u>
Total Revenues	<u>1,420</u>	<u>193,483</u>
Change in Fund Balance	1,420	193,483
Fund Balance Beginning, July 1	<u>193,483</u>	<u>--</u>
Fund Balance Ending, June 30	<u>\$ 194,903</u>	<u>\$ 193,483</u>



Commission Board and Management

Imperial County Transportation Commission

1503 North Imperial Avenue Suite 104
El Centro, CA 92243

In planning and performing our audits of the financial statements of the five single fund of Imperial County Transportation Commission for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the Imperial County Transportation Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Imperial County Transportation Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Imperial County Transportation Commission's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify deficiencies in internal control that we consider to be significant deficiencies.

This communication is intended solely for the information and use of management, the commission board, others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Hutchinson and Bloodgood LLP

El Centro, CA

March 31, 2018

IV. CONSENT CALENDAR

- E. SPECIFIC TRANSIT OPERATORS FISCAL REPORTS
FY 2016-17 FOR IVT, IVT ACCESS, IVT RIDE AND
IVT MEDTRANS**



1503 N. IMPERIAL AVE. SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

SUBJECT: Specific Transit Operator Fiscal Reports FY 2016-17 for Imperial Valley Transit, IVT Access, IVT Ride and IVT MedTrans

Dear Committee Members:

The Commission conducts fiscal reviews of its transit operators on an annual basis. For FY 2016-17 they were performed by the CPA firm, Vavrinek Trine and Day LLP, on the four transit services performed under contracts with FIRST TRANSIT, Inc. Attached, please find the FY 2016-17 fiscal reports for: Imperial Valley Transit, IVT Access, IVT Ride and IVT MedTrans.

The review focuses on observations and sampling of administrative and operational areas that have a direct impact on service cost including; a review of services hours operated versus budgeted, cash handling of fare revenues, controls over spare parts usage and inventories, invoicing etc.

There have been several areas identified for improvement in the report including; the handling of the fareboxes and management participation in the inventory of spare parts. There has been improvement in these areas as compared to the same reports for FY 2015-16. While meaningful, none of the findings present a serious violation to ICTC. ICTC staff have discussed the appropriate actions with First Transit. First Transit has also provided a written response to the findings presented in the reports which includes actions to be used as a remedy.

Therefore, it is requested that the ICTC Management Committee forward this item to the ICTC Commission for their review and approval after public comment, if any.

CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND, IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL

1. Receive and file the Specific Transit Operator Fiscal Reports FY 2016-17; IMPERIAL VALLEY TRANSIT, IVT ACCESS, IVT RIDE and IVT MedTrans

Sincerely,



MARK BAZA
Executive Director

MB/ksw/cl

Attachments

Specific Transit Operator Fiscal Reports Multi Year Comparison

Scope of Work Categories	IVT FY 2015-16	IVT FY 2016-17	IVT Access FY 2015-16	IVT Access FY 2016-17	IVT RIDE FY 2015-16	IVT RIDE FY 2016-17	IVT MEDTRANS N/A	IVT MEDTRANS FY 2016-17
Observation of Service Provided	FT/ICTC	FT/ICTC	FT/ICTC	FT/ICTC	FT/ICTC	FT/ICTC	N/A	FT/ICTC
Cash Handling Controls	FT	FT	FT	FT	FT	FT	N/A	FT
Spare Parts Inventory and Controls	FT	FT	FT	FT	FT	FT	N/A	FT
Invoice Process Control							N/A	
Data Reporting Process Controls							N/A	
Financial Data Analysis							N/A	
Budget Development							N/A	

LEGEND

satisfactory

requires response

requires immediate action



source: Vavrinik, Trine and Day Co, LLP FY 2015-16 and FY 2016-17 reports

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Imperial County Transportation Commission
El Centro, California

We have performed the procedures enumerated below, which were agreed to by management of the Imperial County Transportation Commission (ICTC) (the specified parties) solely to assist ICTC in monitoring the fiscal accountability and reporting of First Transit, Inc. (Transit Operator), and its records relating to the Imperial Valley Transit Line, Green Line, Blue Line and Gold Line for the period ending June 30, 2017. The Transit Operator's management is responsible for its accounting records and reporting requirements. Management of ICTC is responsible for monitoring the accounting records and reporting of the Transit Operator. The sufficiency of these procedures is solely the responsibility of management of ICTC. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are listed below.

1) *Observation of service provided*

Obtain an understanding of the service being provided based on inquiry of management and inspection of the agreement. Perform an observation and obtain supporting documentation regarding the services provided by the operator.

Results: We inquired of the Transit Operator management, inspected the First Transit Fixed Route Transit Service Agreement (May 2011) and related amendments (#1-8), and inspected the Imperial Valley Transit (IVT) Rider's Guide (June 2016) in order to obtain an understanding of the services being provided. The Imperial Valley Transit provides public bus services throughout the Imperial County. The fixed routes operate on a set pattern of travel and published schedules.

We haphazardly selected a sample of 4 fixed routes (1 South, Green 850AM, 2 North, and 2 South) and observed that each route was operating as documented within the IVT Rider's Guide. See Exhibit A for details of procedure #1. See complete listing of routes listed as part of Exhibit C.

No exceptions were found as a result of procedures performed.

2) *Cash Handling Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over cash handling during the year ending June 30, 2017. Observe that the procedures provide for adequate safeguards of cash and separation of duties. Perform an observation over cash handling and compare the results of the observation to the policy.

Results: We inquired of the Transit Operator management, inspected the First Transit Operations Manual over cash handling and performed an observation over the cash handling process on January 10, 2018. We observed the following:

The Transit Operator drivers are required to complete the *Driver's Daily Log Sheet* which tracks the number of riders per route and the estimated cash collections. We observed that the driver does not have access to the cash deposited into the cash box within the farebox located on each bus.

Cash boxes are collected and exchanged on a daily basis upon the vehicle's return to the yard. A key is required to release the cash box from the farebox. A separate key is required to access the contents of the cash box. The key to access the cash boxes are located in the Safety Manager's office. Access to the cash box keys is limited to the dispatchers. We observed that the cash boxes are equipped with a security feature in which the cash box is to automatically lock when the cash box is removed from the farebox cabinet.

Per inspection of the Cash Handling policies, cash boxes are to be stored in a locked vault until the cash is counted and picked up by the armored service. We observed that not all cash boxes are stored in the locked vault prior to being counted as there is limited space in the vault, which is an exception to the documented policies. The remaining cash boxes not stored in the vault are stored in the locked cash count room. Access to the vault and cash count room is limited to First Transit dispatchers and is under video surveillance.

Per inspection of the Cash Handling policies, cashbox pullers must wear special pocket-less clothing provided by the Transit Operator during the cashbox pulling process. We observed that the bus driver pulling the cash box was wearing a uniform consistent with their primary driving responsibilities which have pockets.

We observed the cash counting process is under video surveillance.

We observed that two dispatchers participate in the emptying of the cash boxes and the counting of cash. The cash counts are logged on the *IVT Vault & Farebox LogDay Sheet*, which includes the cash box identification number, bus number, time and date of count, dispatchers present, and the total bill and coin collections. The counted cash is then bagged and labeled with the appropriate deposit information and is picked up for deposit by the third party armored service truck.

A spreadsheet summarizing the monthly cash collections is maintained. On a monthly basis, a Senior Financial Analyst at the Transit Operator's corporate office will reconcile the total balance counted and reported by the dispatchers with the balance deposited per the bank statement.

We observed actual cash collections and the estimated cash collections based on the number of riders over the *Driver's Daily Log Sheet* is subject to fluctuate as the driver cannot provide change for customers and cannot verify payment once the fare is deposited into the farebox.

No other exceptions were found as a result of procedures performed.

3) *Spare Parts and Inventory Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over the purchasing, safeguarding and use of spare parts and inventory, in the maintenance department. Identify how the maintenance department tracks the use of spare parts and inventory and identify the safeguards that are in place for the maintenance of inventory. Identify whether the procedures provide for periodic inventory counts and reconciliation of such counts to the general ledger. Perform an observation over the spare parts and inventory and compare the results of the observation to the policy. Identify evidence of pilferage, other losses, or instances of improper usage.

Results: We inquired of the Transit Operator management, inspected the First Transit Inventory Count Policies and Purchase Order Policies and performed an observation over the spare parts and inventory controls on January 10, 2018. We observed the following:

We observed that the purchase of spare parts and inventory is initiated and tracked by the Maintenance Manager. The Maintenance Manager has the authority to purchase any items below \$2,500. Purchases between \$2,500 and \$5,000 must be approved by the General Manager. Purchases between \$5,000 and \$10,000 have to be approved by the Director of Maintenance located at the Transit Operator's corporate office. Any purchases above \$10,000 must be approved by the First Transit Vice President. Spare parts and inventory are stored in a locked gated area that is under 24 hour video surveillance. The key to the locked gate is kept in the maintenance shop. Access to spare parts and inventory after hours is limited to the Maintenance Manager, Operations Managers, Mechanics, and the General Manager. The use of spare parts and inventory is tracked through the use of separate work orders for each project.

Each spare part and inventory item is tracked by the use of a pin or part number. A complete inventory is taken on a quarterly basis. Any variances from expected inventory counts (based on part usage and the work order process) greater than 5% require explanation. The inventory is performed by the Maintenance Manager and is submitted to the Director of Maintenance at the corporate office for his review and approval. We identified that there is no evidence of the Director of Maintenance review. In addition, we observed there are no up to date policies with regards to the inventory process.

The Maintenance Manager performs spot checks every few weeks to ensure inventory levels are appropriate; however, we observed there is no documentary evidence of this review process.

No other exceptions were found as a result of procedures performed.

4) *Invoicing Process Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the invoicing process. Scan the current year detail for invoices and select a sample of three to ensure policy was followed.

Results: We inquired of the Transit Operator management and performed an observation on January 9, 2018 over the invoicing process and observed the following:

The Transit Operator submits an invoice to ICTC on a monthly basis which includes the monthly fixed costs, determined as part of the contractual agreement, the total revenue hours requested for reimbursement and any marketing expenses incurred during the month.

The invoices are prepared by the IVT Operations Manager and then reviewed and approved by the Transit Operator's General Manager. All invoices are prepared based on source documents which include *Driver's Daily Log Sheets*, *Time Sheets*, *IVT Fault & Farebox LogDay Sheets*, and supporting marketing invoices. The source documents are summarized in an excel file which generates the monthly invoice.

We selected the months of December 2016, February 2017, and May 2017 and observed that the invoices agreed to the summarized excel files and supporting marketing invoices without exception. In addition, on a sample basis, we observed that the monthly excel files agreed to supporting source documents. See details of samples tested documented at procedure 6 (Financial Data Analysis).

We observed that all monthly invoices for the period ending June 30, 2017 were reviewed and approved by the Transit Operator's General Manager.

No exceptions were found as a result of procedures performed.

5) **Reporting Process**

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the reporting process.

Results: We inquired of the Transit Operator management, inspected the First Transit Fixed Route Transit Service Agreement (May 2011), related amendments and annexes and performed observations and observed the following:

Transit Operator is required to submit monthly reports regarding the monthly operations, route statistics, management summary statements, and passenger data. Transit Operator submits the required reporting information on a monthly basis as part of the monthly invoice process.

The invoices and required reports are prepared by the IVT Operations Manager and then reviewed and signed off by the General Manager. All reports are prepared based on source documents which include *Driver's Daily Log Sheets, Time Sheets, IVT Fault & Farebox LogDay Sheets*, etc. The source documents are summarized in an excel file which generates the monthly reports.

No exceptions were found as a result of procedures performed.

6) **Financial Data Analysis**

- 6.1 Inspect documents provided by ICTC and the Transit Operator to identify expenditures and fare revenue amounts reported to ICTC are accurate.
- 6.2 Select a sample of three months of expense reports and compare amounts to supporting documentation.
- 6.3 Select a sample of three months of fuel expenditures and determine whether amounts exceeded the escalators stated in the contract. Identify any evidence of loss or improper fuel usage.
- 6.4 Select a sample of three daily fare collection reports in each of a sample of three months and compare to supporting documentation.
- 6.5 Recalculate service hours from published schedules and compare to the contract and to actual hours billed. Inspect supporting documentation on the daily routes and daily operating schedule to determine actual hours versus invoices revenue hours.

Results: We inquired of the Transit Operator management, inspected the First Transit Fixed Route Transit Service Agreement (May 2011) and related amendments inspected the First Transit Riders Guide (June 2016) and performed observations and observed the following:

- 6.1 We inspected the monthly invoices provided by the Transit Operator for the IVT Line, Green Line, Blue Line, and Gold Line services and noted the invoices provided by the Transit Operator agreed to the invoices received by ICTC. No exceptions were found as a result of procedures performed.

6.2 We selected the months of December 2016, February 2017 and May 2017 and obtained the monthly invoices for the IVT Line, Green Line, Blue Line, and Gold Line services. We compared the monthly invoices to the supporting data schedule and marketing invoices. No exceptions were found as a result of procedures performed.

The revenue hours in the monthly invoices are prepared based on the *Driver's Daily Log Sheets* and the *Time Sheets*. The *Driver's Daily Log Sheets* and the *Time Sheets* should agree; the *Time Sheets* are to be reviewed and approved by the supervisor on duty. We randomly selected the following lines and obtained all related *Driver's Daily Log Sheets* and *Time Sheets* for a selected date and compared them to the data schedule which supports the monthly invoices. We observed the following:

- Line 2S - Date: October 15, 2016
 - A 20 minute variance was noted through inspection of the Driver's Daily Log Sheet for Work Run#S3 when compared to the input excel file which the October invoice data is derived from.
- Line 1N - Date: October 29, 2016
 - No variances were observed.
- Line 1S - Date: March 14, 2017
 - No variances were observed.
- Line 1N - Date: March 15, 2017
 - No variances were observed.
- Line 2N - Date: May 7, 2017
 - No variances were observed.
- Line 2S - Date: May 21, 2017
 - No Variances were observed.
- Line 3E - Date: June 5th, 2017
 - No variances were observed.
- Blue Line - Date: June 16th, 2017- Bus #117
 - No variances were observed.
- Green Line - Date: June 20, 2017- Bus #119 and Bus #1104
 - No variances were observed.
- Gold Line - Date: June 26, 2017
 - No variances were observed.

6.3 We inspected the monthly invoices for the IVT Line, Green Line, Blue Line, and Gold Line services for the fiscal year ending June 30, 2017 and observed no additional fuel expenditures were incurred outside of the fuel expenditure costs included in the revenue hour rate determined as part of the annual contract. No exceptions were found as a result of procedures performed.

6.4 We selected the months of December 2016, February 2017 and May 2017 and obtained the fare collections by day from the "Farebox Accounting" report included in the monthly reporting packet. We selected 3 days for each month to inspect the daily fares per the source document "Daily Fare Collections Report". We observed that for the samples selected for the months of December 2016, February 2017 and May 2017, the daily fare collections per the "Farebox Accounting" report agreed to the supporting source document, "Daily Fare Collection Reports" without exception. See Exhibit B for details.

6.5 We prepared an estimate of the service hours per inspection of the First Transit Riders Guide (June 2016) and compared the calculated estimate to the revenue hours per the First Transit Fixed Route Transit

Service Agreement (May 2011) and related amendments and the revenue hours billed for the IVT Line, Green Line, Blue Line and Gold Line services. See Exhibit C for details.

7) **Budget Development**

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's methodology related to developing an annual budget.

Results: We inquired of the Transit Operator management and inspected the IVT Line, Green Line, Blue Line, and Gold Line services budget for the fiscal year ending June 30, 2017 and observed the following:

The budget is developed primarily by the Transit Operator's General Manager who follows the "Preparing Fiscal Year Budget" policies of the Transit Operator. The budget accounts for the estimated fixed costs, estimated revenue hours, and estimated fare revenues which together do not exceed the agreed upon subsidy in the First Transit Fixed Route Transit Service Agreement (May 2011) and related amendments. The estimates are based on prior year's data and changes in route schedules. A separate budget is developed for estimated marketing expenditures.

Per procedures performed as documented at Exhibit A we noted that the Transit Operator did not meet the Farebox Ratio for the Green and Blue line as required by the First Transit Fixed Route Transit Service Agreement.

No other exceptions were found as a result of procedures performed.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and reporting requirements of the Transit Operator or its controls. Accordingly, we do not express such opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Imperial County Transportation Commission audit management and is not intended to be and should not be used by anyone other than those specified parties.

Riverside, California
_____, 2018

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

DRAFT COPY 02/20/18

IVT Operating Services							
	A	B	C= (A-B)	D	E	F= (C+E)	G= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit	Total
July 2016	\$ 278,047	\$ 42,355	\$ 235,692	\$ -	\$ -	\$ 235,692	\$ 235,692
August 2016	292,518	50,824	241,694	-	-	241,694	241,694
September 2016	286,431	74,127	212,304	-	2,894	215,198	215,198
October 2016	304,198	56,313	247,885	-	-	247,885	247,885
November 2016	276,681	51,521	225,160	-	928	226,088	226,088
December 2016	281,993	41,677	240,316	-	6,760	247,076	247,076
January 2017	281,140	42,542	238,598	-	5,152	243,750	243,750
February 2017	265,816	54,070	211,746	-	8,297	220,043	220,043
March 2017	307,408	58,169	249,239	-	-	249,239	249,239
April 2017	281,041	48,046	232,995	-	-	232,995	232,995
May 2017	298,777	51,674	247,103	-	9,842	256,945	256,945
June 2017	290,839	43,067	247,772	-	-	247,772	247,772
Total:	<u>\$ 3,444,889</u>	<u>\$ 614,385</u>	<u>\$ 2,830,504</u>	<u>\$ -</u>	<u>\$ 33,873</u>	<u>\$ 2,864,377</u>	<u>\$ 2,864,377</u>
Contract Specifications paragraph 8.1.1.1 For Base Cost and Base Subsidy							
	<u>\$ 3,421,091</u>	<u>\$ 581,585</u>	<u>\$ 2,839,506</u>				
Over (Under) Contract Requirements							
	<u>\$ 23,798</u>	<u>\$ 32,800</u>	<u>\$ (9,002)</u>				
Operating Costs (A+E)	\$ 3,478,762						
Farebox Ratio Actual	18%						
Minimum Farebox Ratio Contract	17%						

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

DRAFT COPY 02/20/18

Green Line Services						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 26,597	\$ 620	\$ 25,977	\$ -	\$ -	\$ 25,977
August 2016	29,321	679	28,642	-	-	28,642
September 2016	27,512	658	26,854	-	648	27,502
October 2016	25,996	660	25,336	-	-	25,336
November 2016	25,090	766	24,324	-	12	24,336
December 2016	26,012	598	25,414	-	20	25,434
January 2017	24,576	499	24,077	-	-	24,077
February 2017	23,685	535	23,150	-	441	23,591
March 2017	27,305	740	26,565	-	-	26,565
April 2017	24,566	580	23,986	-	-	23,986
May 2017	26,382	737	25,645	-	-	25,645
June 2017	26,407	578	25,829	-	-	25,829
Total:	<u>\$ 313,449</u>	<u>\$ 7,650</u>	<u>\$ 305,799</u>	<u>\$ -</u>	<u>\$ 1,121</u>	<u>\$ 306,920</u>

Contract Specifications paragraph 8.1.2.6 For Base Cost and Base Subsidy

\$ 325,180	\$ 16,259	\$ 308,921
------------	-----------	------------

Over (Under) Contract Requirements

\$ (11,731)	\$ (8,609)	\$ (3,122)
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Operating Costs (A+E) \$ 314,570

Farebox Ratio Actual 2%

Minimum Farebox Ratio Contract 5%

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

DRAFT COPY 03/20/18

Blue Line Services						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 26,595	\$ 938	\$ 25,657	\$ -	\$ -	\$ 25,657
August 2016	29,323	943	28,380	-	-	28,380
September 2016	27,505	1,258	26,247	-	-	26,247
October 2016	25,987	1,174	24,813	-	-	24,813
November 2016	25,085	1,699	23,386	-	15	23,401
December 2016	26,002	685	25,317	-	27	25,344
January 2017	25,088	821	24,267	-	640	24,907
February 2017	24,192	1,202	22,990	-	441	23,431
March 2017	27,804	1,616	26,188	-	-	26,188
April 2017	25,086	697	24,389	-	-	24,389
May 2017	26,895	1,394	25,501	-	-	25,501
June 2017	26,895	1,086	25,809	-	-	25,809
Total:	<u>\$ 316,457</u>	<u>\$ 13,513</u>	<u>\$ 302,944</u>	<u>\$ -</u>	<u>\$ 1,123</u>	<u>\$ 304,067</u>
Contract Specifications paragraph 8.1.2.6 For Base Cost and Base Subsidy	<u>\$ 325,180</u>	<u>\$ 16,259</u>	<u>\$ 308,921</u>			
Over (Under) Contract Requirements	<u>\$ (8,723)</u>	<u>\$ (2,746)</u>	<u>\$ (5,977)</u>			
Operating Costs (A+E)		\$ 317,580				
Farebox Ratio Actual			4%			
Minimum Farebox Ratio Contract			5%			

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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Gold Line Services						
	A	B	C= (A-B)	D	E	F= (C+D+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 20,660	\$ 777	\$ 19,883	\$ -	\$ -	\$ 19,883
August 2016	23,482	939	22,543	-	-	22,543
September 2016	21,581	924	20,657	-	-	20,657
October 2016	21,588	968	20,620	-	-	20,620
November 2016	20,651	903	19,748	-	128	19,876
December 2016	21,579	812	20,767	-	32	20,799
January 2017	21,140	848	20,292	-	-	20,292
February 2017	20,196	867	19,329	-	-	19,329
March 2017	23,962	997	22,965	-	-	22,965
April 2017	21,138	1,374	19,764	-	-	19,764
May 2017	23,020	937	22,083	-	-	22,083
June 2017	23,020	885	22,135	-	-	22,135
Total:	<u>\$ 262,017</u>	<u>\$ 11,231</u>	<u>\$ 250,786</u>	<u>\$ -</u>	<u>\$ 160</u>	<u>\$ 250,946</u>

Contract Specifications paragraph 8.1.3.4 For Base Cost and Base Subsidy

\$ 265,758	\$ 10,630	\$ 255,128
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Over (Under) Contract Requirements

\$ (3,741)	\$ 601	\$ (4,342)
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Operating Costs (A+E) \$ 262,177

Farebox Ratio Actual 4%

Minimum Farebox Ratio Contract 4%

Exhibit B
 Procedure #6- Daily Fare Collections
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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Date	Daily Fare Collections - Per Monthly Invoice/Reporting	Daily Fare Collections - Per Daily Fare Collection Report
December 2016		
IVT		
1	\$ 2,127.99	\$ 2,127.99
5	2,124.16	2,124.16
30	1,140.70	1,140.77
Green Line		
9	25.70	25.70
12	45.35	45.35
20	14.75	14.75
Blue Line		
5	24.98	24.98
14	37.99	37.99
21	14.44	14.44
Gold Line		
8	29.50	29.50
19	40.22	40.22
28	21.50	21.50
February 2017		
IVT		
3	\$ 2,112.14	\$ 2,112.14
11	906.87	906.87
26	200.17	200.17
Green Line		
13	15.48	15.48
17	18.20	18.20
28	18.77	18.77
Blue Line		
3	15.87	15.87
15	35.50	35.50
22	40.63	40.63
Gold Line		
13	28.76	28.76
22	52.83	52.83
27	26.36	26.36

Exhibit B
 Procedure #6- Daily Fare Collections
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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May 2017				
IVT				
7	\$	199.79	\$	199.79
15		2,035.16		2,035.16
28		206.81		206.81
Green Line				
12		15.51		15.51
18		19.60		19.60
22		36.35		36.35
Blue Line				
4		27.63		27.63
18		15.96		15.96
25		41.63		41.63
Gold Line				
1		35.65		35.65
9		33.20		33.20
26		32.00		32.00

Exhibit C
 Procedure #6- Annual Revenue Hours Analytic
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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Gold Line-				
<i>Sched. Run Time (hrs)</i>	<i>Sched. Layover Time (hrs)</i>	<i>Estimated Service Hours per Published Rider's Guide- June 2016 (Annualized)</i>	<i>Estimated Annual Service Hours per First Transit Fixed Route Agreement</i>	<i>Annual Billed Service Hours</i>
11.03	2	3,284	3,276	3,542

Blue Line				
<i>Sched. Run Time (hrs)</i>	<i>Sched. Layover Time (hrs)</i>	<i>Estimated Service Hours per Published Rider's Guide- June 2016 (Annualized)</i>	<i>Estimated Annual Service Hours per First Transit Fixed Route Agreement</i>	<i>Annual Billed Service Hours</i>
10.63	2	3,184	3,200	3,290

Green Line				
<i>Sched. Run Time (hrs)</i>	<i>Sched. Layover Time (hrs)</i>	<i>Estimated Service Hours per Published Rider's Guide- June 2016 (Annualized)</i>	<i>Estimated Annual Service Hours per First Transit Fixed Route Agreement</i>	<i>Annual Billed Service Hours</i>
10.63	2	3,184	3,200	3,291

IVT Service Line				
<i>Route</i>	<i>Sched. Run Time (hrs)</i>	<i>Estimated Service Hours per Published Rider's Guide- June 2016 (Annualized)</i>	<i>Estimated Annual Service Hours per First Transit Fixed Route Agreement</i>	<i>Annual Billed Service Hours</i>
1 South (Weekdays)	15.52	3,910		
1 South (Weekends)	9.75	1,014		
1 North (Weekdays)	27.05	6,817		
1 North (Weekend)	18.08	1,881		
2 South (Weekdays)	18.12	4,565		
2 South (Weekends)	17.15	1,784		
2 North (Weekdays)	15.97	4,024		
2 North (Weekends)	17.83	1,855		
3 East (Weekdays)	5.08	1,281		
3 East (Saturday Only)	2.00	104		
3 West (Weekdays)	4.88	1,231		
3 West (Saturday Only)	2.50	130		
4 West (Weekdays)	2.00	504		
4 West (Saturday Only)	2.37	123		
4 East (Weekdays)	2.00	504		
4 East (Saturday Only)	2.37	123		
21 IVC Express*	9.33	1,748		
22 IVC Express*	4.62	942		
31 Direct (Weekdays)	2.58	651		
31 Direct (Saturday Only)	2.67	139		
32 Direct (Weekdays)	2.58	651		
32 Direct (Saturday Only)	2.67	139		
41 S	0.88	223		
41 N	0.42	105		
45W	0.75	189		
45E	0.42	105		
51S		-		
51N	2.12	106		
		34,845	34,600	34,967

Total for all Service Lines:				
<i>Sched. Run Time (hrs)</i>	<i>Sched. Layover Time (hrs)</i>	<i>Estimated Service Hours per Published Rider's Guide- June 2016 (Annualized)</i>	<i>Estimated Annual Service Hours per First Transit Fixed Route Agreement</i>	<i>Annual Billed Service Hours</i>
224.00	6	44,497	44,276	45,089

*Estimated that the Monday through Friday routes run 204 days per year and the Monday through Thursday routes run 166 days per year.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Imperial County Transportation Commission
El Centro, California

We have performed the procedures enumerated below, which were agreed to by management of the Imperial County Transportation Commission (ICTC) (the specified parties) solely to assist ICTC in monitoring the fiscal accountability and reporting of First Transit, Inc. (Transit Operator), and its records relating to the IVT-Access transit services for the period ending June 30, 2017. The Transit Operator's management is responsible for its accounting records and reporting requirements. Management of ICTC is responsible for monitoring the accounting records and reporting of the Transit Operator. The sufficiency of these procedures is solely the responsibility of management of ICTC. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are listed below.

1) *Observation of service provided*

Obtain an understanding of the service being provided based on inquiry of management and inspection of the agreement. Perform an observation and obtain supporting documentation regarding the services provided by the operator.

Results: We inquired of the Transit Operator management, inspected the ADA Paratransit Service Agreement (May 2011) and related amendments (#1-3), and inspected the Imperial Valley Transit (IVT) Rider's Guide in order to obtain an understanding of the services being provided. IVT-Access provides curb-to-curb transportation service with wheelchair lifts for mobility disadvantaged persons that have completed a certification and eligibility process. The IVT-Access program operates through an advanced reservation system and covers much of the County of Imperial. See Exhibit A for details of procedure #1.

Based on procedures performed as documented at Exhibit A we noted that the Transit Operator exceeded the not-to-exceed amount of subsidy and also did not meet the Farebox Ratio as required per the First Transit ADA Paratransit Service Agreement (as amended by amendment #3).

No exceptions were found as a result of procedures performed.

2) *Cash Handling Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over cash handling during the year ending June 30, 2017. Observe that the procedures provide for adequate safeguards of cash and separation of duties. Perform an observation over cash handling and compare the results of the observation to the policy.

Results: We inquired of the Transit Operator management, inspected the First Transit Operations Manual over cash handling and performed an observation over the cash handling process on January 10, 2018. We observed the following:

The Transit Operator drivers are required to complete the *Driver's Daily Log Sheet* which tracks the number of riders per route and the estimated cash collections. We observed that the driver does not have access to the cash deposited into the cash box within the farebox located on each bus.

Cash boxes are collected and exchanged on a daily basis upon the vehicle's return to the yard. A key is required to release the cash box from the farebox. A separate key is required to access the contents of the cash box. The key to access the cash boxes are located in the Safety Manager's office. Access to the cash box keys is limited to the dispatchers. We observed that the cash boxes are equipped with a security feature in which the cash box is to automatically lock when the cash box is removed from the farebox cabinet.

Per inspection of the Cash Handling policies, cash boxes are to be stored in a locked vault until the cash is counted and picked up by the armored service. We observed that not all cash boxes are stored in the locked vault prior to being counted as there is limited space in the vault, which is an exception to the documented policies. The remaining cash boxes not stored in the vault are stored in the locked cash count room. Access to the vault and cash count room is limited to First Transit dispatchers and is under video surveillance.

Per inspection of the Cash Handling policies, cashbox pullers must wear special pocket-less clothing provided by the Transit Operator during the cashbox pulling process. We observed that the bus driver pulling the cash box was wearing a uniform consistent with their primary driving responsibilities which have pockets.

We observed the cash counting process is under video surveillance.

We observed that two dispatchers participate in the emptying of the cash boxes and the counting of cash. The cash counts are logged on the *IVT Access Vault & Farebox LogDay Sheet*, which includes the cash box identification number, bus number, time and date of count, dispatchers present, and the total bill and coin collections. The counted cash is then bagged and labeled with the appropriate deposit information and is picked up for deposit by the third party armored service truck.

A spreadsheet summarizing the monthly cash collections is maintained. On a monthly basis, a Senior Financial Analyst at the Transit Operator's corporate office will reconcile the total balance counted and reported by the dispatchers with the balance deposited per the bank statement.

We observed actual cash collections and the estimated cash collections based on the number of riders over the *Driver's Daily Log Sheet* is subject to fluctuate as the driver cannot provide change for customers and cannot verify payment once the fare is deposited into the farebox.

No other exceptions were found as a result of procedures performed.

3) *Spare Parts and Inventory Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over the purchasing, safeguarding and use of spare parts and inventory, in the maintenance department. Identify how the maintenance department tracks the use of spare parts and inventory and identify the safeguards that are in place for the maintenance of inventory. Identify whether the procedures provide for periodic inventory counts and reconciliation of such counts to the general ledger. Perform an observation over the spare parts and inventory and compare the results of the observation to the policy. Identify evidence of pilferage, other losses, or instances of improper usage.

Results: We inquired of the Transit Operator management, inspected the First Transit Inventory Count Policies and Purchase Order Policies and performed an observation over the spare parts and inventory controls on January 10, 2018. We observed the following:

We observed that the purchase of spare parts and inventory is initiated and tracked by the Maintenance Manager. The Maintenance Manager has the authority to purchase any items below \$2,500. Purchases between \$2,500 and \$5,000 must be approved by the General Manager. Purchases between \$5,000 and \$10,000 have to be approved by the Director of Maintenance located at the Transit Operator's corporate office. Any purchases above \$10,000 must be approved by the First Transit Vice President. Spare parts and inventory are stored in a locked gated area that is under 24 hour video surveillance. The key to the locked gate is kept in the maintenance shop. Access to spare parts and inventory after hours is limited to the Maintenance Manager, Operations Managers, Mechanics, and the General Manager. The use of spare parts and inventory is tracked through the use of separate work orders for each project.

Each spare part and inventory item is tracked by the use of a pin or part number. A complete inventory is taken on a quarterly basis. Any variances from expected inventory counts (based on part usage and the work order process) greater than 5% require explanation. The inventory is performed by the Maintenance Manager and is submitted to the Director of Maintenance at the corporate office for his review and approval. We identified that there is no evidence of the Director of Maintenance review.

The Maintenance Manager performs spot checks every few weeks to ensure inventory levels are appropriate; however, we observed there is no documentary evidence of this review process.

No other exceptions were found as a result of procedures performed.

4) *Invoicing Process Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the invoicing process. Scan the current year detail for invoices and select a sample to ensure policy was followed.

Results: We inquired of the Transit Operator management and performed an observation on January 9, 2018 over the invoicing process and observed the following:

The Transit Operator submits an invoice to ICTC on a monthly basis which includes the monthly fixed costs, determined as part of the contractual agreement, the total revenue hours requested for reimbursement and any marketing expenses incurred during the month.

The invoices are prepared by the Operations Manager and then reviewed and approved by the First Transit General Manager. All invoices are prepared based on source documents which include *Driver's Daily Log Sheets*, *Time Sheets*, *IVT Access Vault & Farebox LogDay Sheets*, and supporting marketing invoices. The source documents are summarized in an excel file which generates the monthly invoice.

We selected the months of July 2016, November 2016, and April 2017 and observed that the invoices agreed to the summarized excel files and supporting marketing invoices without exception. In addition, on a sample basis, we observed that the monthly excel files agreed to supporting source documents. See details documented at procedure 6 (Financial Data Analysis).

We observed that all monthly invoices for the period ending June 30, 2017 were reviewed and approved by the First Transit General Manager.

No exceptions were found as a result of procedures performed.

5) *Reporting Process*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the reporting process.

Results: We inquired of the Transit Operator management, inspected the ADA Paratransit Service Agreement (May 2011) and related amendments and performed observations and observed the following:

The Transit Operator is required to submit monthly reports regarding the monthly operations, route statistics, management summary statements, and passenger data. Transit Operator submits the required reporting information on a monthly basis as part of the monthly invoice process.

The invoices and required reports are prepared by the IVT-Access Operations Manager and then reviewed and signed off by the General Manager. All reports are prepared based on source documents which include *Driver's Daily Log Sheets*, *Time Sheets*, *IVT Access Vault & Farebox LogDay Sheets*, etc. The source documents are summarized in an excel file which generates the monthly reports.

No exceptions were found as a result of procedures performed.

6) *Financial Data Analysis*

- 6.1 Inspect documents provided by ICTC and the transit operator to identify expenditures and fare revenue amounts reported to ICTC are accurate.
- 6.2 Select a sample of three months of expense reports and compare amounts to supporting documentation.
- 6.3 Select a sample of three months of fuel expenditures and determine whether amounts exceeded the escalators stated in the contract. Identify any evidence of loss or improper fuel usage.
- 6.4 Select a sample of three daily fare collection reports in each of a sample of three months and compare to supporting documentation.
- 6.5 Recalculate service hours from published schedules and compare to the contract and to actual hours billed. Inspect supporting documentation on the daily routes and daily operating schedule to determine actual hours versus invoices revenue hours.

Results: We inquired of First Transit management, inspected the First Transit ADA Paratransit Service Agreement (May 2011) and related amendments, inspected the First Transit Rider's Guide, performed observations and observed the following:

- 6.1 We inspected the monthly invoices provided by the transit operator for IVT-Access and identified the invoices provided by the Transit Operator agreed to the invoices received by ICTC. No exceptions were found as a result of procedures performed.
- 6.2 We selected the months of July 2016, November 2016 and April 2017 and obtained the monthly invoices for IVT-Access. We compared the monthly invoices to the supporting data schedule and marketing invoices. No exceptions were found as a result of procedures performed.

- 6.3 We inspected the monthly invoices for IVT-Access for the fiscal year ending June 30, 2017 and identified no additional fuel expenditures were incurred outside of the fuel expenditure costs included in the revenue hour rate determined as part of the annual contract. No exceptions were found as a result of procedures performed.
- 6.4 We selected the months of July 2016, November 2016 and April 2017 and obtained the fare collections by day from the "Farebox Accounting" report included in the monthly reporting packet. We selected 3 days for each month to inspect the daily fares per the source document "Daily Fare Collections Report". We observed that for the samples selected for the months of July 2016, November 2016, and April 2017, the daily fare collections per the "Farebox Accounting" report agreed to the supporting source document, "Daily Fare Collection Reports" without exception. See Exhibit B for details.
- 6.5 The IVT-Access provides curb to curb transportation service with wheelchair lifts for mobility disadvantaged persons that have completed a certification and eligibility process and is not a fixed route with published schedules. The revenue hours in the monthly invoices are prepared based on the Driver's Daily Log Sheets and the Time Sheets. The Driver's Daily Log Sheets and the Time Sheets should agree; the Time Sheets are to be reviewed and approved by the supervisor on duty. We randomly selected the following IVT-Access Routes and obtained all related Driver's Daily Log Sheets and Time Sheets for a selected date and compared them to the data schedule which supports the monthly invoices. We observed the following:

<u>Route</u>	<u>Date</u>	<u>First PU</u>	<u>Last DO</u>	<u>Route End</u>	<u>Rev Hours</u>
300	6/8/2017	6:27	13:57	14:30	6.72
301	6/8/2017	7:29	14:35	14:51	6.20
302	6/8/2017	14:12	20:34	21:45	6.72
303A	6/8/2017	5:51	8:54	9:15	3.23
303B	6/8/2017	12:09	15:34	16:08	3.82
304	6/8/2017	6:02	14:18	14:50	7.63
305	6/8/2017	6:47	9:55	10:25	3.63
306	6/8/2017	6:45	12:21	13:15	5.83
307A	6/8/2017	7:10	10:25	11:00	3.83
307B	6/8/2017	12:45	15:05	15:40	2.67
308	6/8/2017	9:22	17:48	18:30	7.97
309	6/8/2017	10:59	16:15	16:56	5.12
309B	6/8/2017	17:28	17:44	17:58	0.50
Total					63.87
Invoiced to ICTC					63.68
Difference					(0.19)

Through review of the Driver's Daily Log Sheets and Time Sheets we noted that for Route 301 two ten minute breaks were reported on the Driver's Daily Log Sheet but only one ten minute break was reported on the employee's Time Sheet. For Route 304 we noted that the time at which the driver took their ten minute break on the Driver Daily Log Sheet did not agree to the employee's Time Sheet. For Route 307A we noted that the time at which the driver took their ten minute break on the Driver Daily Log Sheet did not agree to the employee's Time Sheet.

No other exceptions were found as a result of procedures performed.

7) **Budget Development**

Inspect the operator’s accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator’s methodology related to developing an annual budget.

Results: We inquired of the Transit Operator management and inspected the IVT-Access services budget for the fiscal year ending June 30, 2017 and observed the following:

The budget is developed primarily by the Transit Operator’s General Manager who follows the “Preparing Fiscal Year Budget” policies of First Transit, Inc. The budget accounts for the estimated fixed costs, estimated revenue hours, and estimated fare revenues which together do not exceed the agreed upon subsidies in the First Transit ADA Paratransit Service Agreement (May 2011) and related amendments. The estimates are based on prior year’s data and changes in route schedules. A separate budget is developed for estimated marketing expenditures.

No other exceptions were found as a result of procedures performed.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and reporting requirements of the transit operator or its controls. Accordingly, we do not express such opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Imperial County Transportation Commission audit management and is not intended to be and should not be used by anyone other than those specified parties.

Riverside, California
_____, 2018

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Exhibit A
 Procedure #1- Services Provided
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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IVT-ACCESS ADA Paratransit Service Line						
	A	B	C= (A-B)	D	E	F= (C+D)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	115,138	5,323	\$ 109,815	\$ -	6,005	\$ 115,820
August 2016	130,729	6,615	124,114	-	4,206	128,320
September 2016	128,947	6,648	122,299	-	-	122,299
October 2016	130,323	6,118	124,205	-	-	124,205
November 2016	121,821	5,810	116,011	-	1,875	117,886
December 2016	123,385	5,256	118,129	-	69	118,198
January 2017	120,827	5,307	115,520	-	143	115,663
February 2017	119,199	4,901	114,298	-	23	114,321
March 2017	137,858	6,660	131,198	-	54	131,252
April 2017	123,370	5,047	118,323	-	1,157	119,480
May 2017	131,931	5,607	126,324	-	83	126,407
June 2017	129,839	5,391	124,448	-	60	124,508
Total:	<u>\$ 1,513,367</u>	<u>\$ 68,683</u>	<u>\$ 1,444,684</u>	<u>\$ -</u>	<u>\$ 13,675</u>	<u>\$ 1,458,359</u>

Contract Specifications paragraph 8.1.1 For Base Cost and Base Subsidy

	<u>\$ 1,596,742</u>	<u>\$ 159,674</u>	<u>\$ 1,437,068</u>
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Over (Under) Contract Requirements

	<u>\$ (83,375)</u>	<u>\$ (90,991)</u>	<u>\$ 7,616</u>
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Operating Costs (A+E) \$ 1,527,042

Farebox Ratio Actual 4.50%

Minimum Farebox Ratio Contract 10%

Exhibit B
 Procedure #6.4- Daily Fare Collections
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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Date	Daily Fare Collections- Per Monthly Invoice/Reporting		Daily Fare Collections- Per Daily Fare Collection Report	
July 2016				
IVT Access				
3	\$	19.50	\$	19.50
17		10.75		10.75
31		20.75		20.75
Novemeber 2016				
IVT Access				
6	\$	17.00	\$	17.00
20		20.20		20.20
26		20.00		20.00
April 2017				
IVT Access				
2	\$	25.59	\$	25.59
16		13.31		13.31
29		11.55		11.55

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Imperial County Transportation Commission
El Centro, California

We have performed the procedures enumerated below, which were agreed to by management of the Imperial County Transportation Commission (ICTC) (the specified parties) solely to assist ICTC in monitoring the fiscal accountability and reporting of First Transit, Inc. (Transit Operator), and its records relating to the IVT-Ride transit services for the period ending June 30, 2017. The Transit Operator's management is responsible for its accounting records and reporting requirements. Management of ICTC is responsible for monitoring the accounting records and reporting of the Transit Operator. The sufficiency of these procedures is solely the responsibility of management of ICTC. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are listed below.

1) *Observation of service provided*

Obtain an understanding of the service being provided based on inquiry of management and inspection of the agreement. Perform an observation and obtain supporting documentation regarding the services provided by the operator.

Results: We inquired of the Transit Operator management, inspected the First Transit Agreement for Paratransit Services (September 2014 and April 2016), and inspected the IVT-Ride published brochure in order to obtain an understanding of the services being provided. IVT-Ride provides dial-a-ride services for seniors and persons with disabilities. The IVT-Ride program operates upon request and services the cities of Brawley, Calexico, El Centro, Imperial, and West Shores. See Exhibit A for details of procedure #1.

Based on procedures performed as documented at Exhibit A we noted that the Transit Operator did not meet the Farebox Ratio for any of the Ride Service lines as required by the First Transit Agreement for Paratransit Services and its related amendments. Additionally, we noted that the IVT-Ride Calexico service line exceeded the not-to-exceed subsidy limit as stipulated in the agreement.

No exceptions were found as a result of procedures performed.

2) *Cash Handling Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over cash handling during the year ending June 30, 2017. Observe that the procedures provide for adequate safeguards of cash and separation of duties. Perform an observation over cash handling and compare the results of the observation to the policy.

Results: We inquired of the Transit Operator management, inspected the First Transit Operations Manual over cash handling and performed an observation over the cash handling process on January 10, 2018. We observed the following:

The Transit Operator drivers are required to complete the *Driver's Daily Log Sheet* which tracks the number of riders per route and the estimated cash collections. We observed that the driver does not have access to the cash deposited into the cash box within the farebox located on each bus.

Cash boxes are collected and exchanged on a daily basis upon the vehicle's return to the yard. A key is required to release the cash box from the farebox. A separate key is required to access the contents of the cash box. The key to access the cash boxes are located in the Safety Manager's office. Access to the cash box keys is limited to the dispatchers. We observed that the cash boxes are equipped with a security feature in which the cash box is to automatically lock when the cash box is removed from the farebox cabinet.

Per inspection of the Cash Handling policies, cash boxes are to be stored in a locked vault until the cash is counted and picked up by the armored service. We observed that not all cash boxes are stored in the locked vault prior to being counted as there is limited space in the vault, which is an exception to the documented policies. The remaining cash boxes not stored in the vault are stored in the locked cash count room. Access to the vault and cash count room is limited to First Transit dispatchers and is under video surveillance.

Per inspection of the Cash Handling policies, cashbox pullers must wear special pocket-less clothing provided by the Transit Operator during the cashbox pulling process. We observed that the bus driver pulling the cash box was wearing a uniform consistent with their primary driving responsibilities which have pockets.

We observed the cash counting process is under video surveillance.

We observed that two dispatchers participate in the emptying of the cash boxes and the counting of cash. The cash counts are logged on the *IVT Ride Vault & Farebox LogDay Sheet*, which includes the cash box identification number, bus number, time and date of count, dispatchers present, and the total bill and coin collections. The counted cash is then bagged and labeled with the appropriate deposit information and is picked up for deposit by the third party armored service truck.

A spreadsheet summarizing the monthly cash collections is maintained. On a monthly basis, a Senior Financial Analyst at the Transit Operator's corporate office will reconcile the total balance counted and reported by the dispatchers with the balance deposited per the bank statement.

We observed actual cash collections and the estimated cash collections based on the number of riders over the *Driver's Daily Log Sheet* is subject to fluctuate as the driver cannot provide change for customers and cannot verify payment once the fare is deposited into the farebox.

No other exceptions were found as a result of procedures performed.

3) *Spare Parts and Inventory Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over the purchasing, safeguarding and use of spare parts and inventory, in the maintenance department. Identify how the maintenance department tracks the use of spare parts and inventory and identify the safeguards that are in place for the maintenance of inventory. Identify whether the procedures provide for periodic inventory counts and reconciliation of such counts to the general ledger. Perform an observation over the spare parts and inventory and compare the results of the observation to the policy. Identify evidence of pilferage, other losses, or instances of improper usage.

Results: We inquired of the Transit Operator management, inspected the First Transit Inventory Count Policies and Purchase Order Policies and performed an observation over the spare parts and inventory controls on January 10, 2018. We observed the following:

We observed that the purchase of spare parts and inventory is initiated and tracked by the Maintenance Manager. The Maintenance Manager has the authority to purchase any items below \$2,500. Purchases between \$2,500 and \$5,000 must be approved by the General Manager. Purchases between \$5,000 and \$10,000 have to be approved by the Director of Maintenance located at the Transit Operator's corporate office. Any purchases above \$10,000 must be approved by the First Transit Vice President. Spare parts and inventory are stored in a locked gated area that is under 24 hour video surveillance. The key to the locked gate is kept in the maintenance shop. Access to spare parts and inventory after hours is limited to the Maintenance Manager, Operations Managers, Mechanics, and the General Manager. The use of spare parts and inventory is tracked through the use of separate work orders for each project.

Each spare part and inventory item is tracked by the use of a pin or part number. A complete inventory is taken on a quarterly basis. Any variances from expected inventory counts (based on part usage and the work order process) greater than 5% require explanation. The inventory is performed by the Maintenance Manager and is submitted to the Director of Maintenance at the corporate office for his review and approval. We identified that there is no evidence of the Director of Maintenance review.

The Maintenance Manager performs spot checks every few weeks to ensure inventory levels are appropriate; however, we observed there is no documentary evidence of this review process.

No other exceptions were found as a result of procedures performed.

4) *Invoicing Process Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the invoicing process. Scan the current year detail for invoices and select a sample to ensure policy was followed.

Results: We inquired of the Transit Operator management and performed an observation on January 9, 2018 over the invoicing process and observed the following:

The Transit Operator submits an invoice to ICTC on a monthly basis which includes the monthly fixed costs, determined as part of the contractual agreement, the total revenue hours requested for reimbursement and any marketing expenses incurred during the month.

The invoices are prepared by the IVT-Ride Operations Manager and then reviewed and approved by the Transit Operator's General Manager. All invoices are prepared based on source documents which include *Driver's Daily Log Sheets, Time Sheets, IVT Ride Vault & Farebox LogDay Sheets*, and supporting marketing invoices. The source documents are summarized in an excel file which generates the monthly invoice.

We selected the months of July 2016, November 2016, and June 2017 and observed that the invoices agreed to the summarized excel files and supporting marketing invoices without exception. In addition, on a sample basis, we observed that the monthly excel files agreed to supporting source documents. See details documented at procedure 6 (Financial Data Analysis).

We observed that all monthly invoices for the period ending June 30, 2017 were reviewed and approved by the First Transit General Manager.

No exceptions were found as a result of procedures performed.

5) *Reporting Process*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls related to the reporting process.

Results: We inquired of the Transit Operator management, inspected the First Transit Paratransit Service Agreement (September 2014 and April 2016), and performed observations and observed the following:

The Transit Operator is required to submit monthly reports regarding the monthly operations, route statistics, management summary statements, and passenger data. First Transit submits the required reporting information on a monthly basis as part of the monthly invoice process.

The invoices and required reports are prepared by the IVT- Ride Operations Manager and then reviewed and signed off by the General Manager. All reports are prepared based on source documents which include *Driver's Daily Log Sheets, Time Sheets, IVT Ride Vault & Farebox LogDay Sheets*, etc. The source documents are summarized in an excel file which generates the monthly reports.

No exceptions were found as a result of procedures performed.

6) *Financial Data Analysis*

- 6.1 Inspect documents provided by ICTC and the transit operator to identify expenditures and fare revenue amounts reported to ICTC are accurate.
- 6.2 Select a sample of three months of expense reports and compare amounts to supporting documentation.
- 6.3 Select a sample of three months of fuel expenditures and determine whether amounts exceeded the escalators stated in the contract. Identify any evidence of loss or improper fuel usage.
- 6.4 Select a sample of three daily fare collection reports in each of a sample of three months and compare to supporting documentation.
- 6.5 Recalculate service hours from published schedules and compare to the contract and to actual hours billed. Inspect supporting documentation on the daily routes and daily operating schedule to determine actual hours versus invoices revenue hours.

Results: We inquired of First Transit management, inspected the First Transit Paratransit Service Agreement (September 2014 and April 2016) and related amendments and inspected the IVT-Ride published brochure and performed observations and observed the following:

- 6.1 We inspected the monthly invoices provided by the Transit Operator for IVT-Ride Brawley, IVT-Ride Calexico, IVT-Ride Imperial, IVT-Ride West Shores, and IVT-Ride El Centro service lines and identified the invoices provided by the Transit Operator agreed to the invoices received by ICTC. No exceptions were found as a result of procedures performed.
- 6.2 We selected the months of July 2016, November 2016 and June 2017 and obtained the monthly invoices for IVT-Ride Brawley, IVT-Ride Calexico, IVT-Ride Imperial, IVT-Ride West Shores, and IVT-Ride El Centro service lines. We compared the monthly invoices to the supporting data schedule and marketing invoices. No exceptions were found as a result of procedures performed.

- 6.3** We inspected the monthly invoices for IVT-Ride Brawley, IVT-Ride Calexico, IVT-Ride Imperial, IVT-Ride West Shores, and IVT-Ride El Centro service lines for the fiscal year ending June 30, 2017 and identified no additional fuel expenditures were incurred outside of the fuel expenditure costs included in the revenue hour rate determined as part of the annual contract. No exceptions were found as a result of procedures performed.
- 6.4** We selected the months of July 2016, November 2016 and June 2017 and obtained the fare collections by day from the “Farebox Accounting” report included in the monthly reporting packet. We selected 3 days for each month to inspect the daily fares per the source document “Daily Fare Collections Report”. We observed that for the samples selected for the months of July 2016, November 2016, and June 2017, the daily fare collections per the “Farebox Accounting” report agreed to the supporting source document, “Daily Fare Collection Reports” without exception. See Exhibit B for details.
- 6.5** The IVT-Ride provides curb to curb transportation services upon advance reservations and operates upon request by eligible persons. The revenue hours in the monthly invoices are prepared based on the Driver’s Daily Log Sheets and the Time Sheets. The Driver’s Daily Log Sheets and the Time Sheets should agree; the Time Sheets are to be reviewed and approved by the supervisor on duty. We randomly selected the following IVT-Ride Routes and obtained all related Driver’s Daily Log Sheets and Time Sheets for a selected date and compared them to the data schedule which supports the monthly invoices. We excluded hours for breaks and lunch to estimate the revenue hours that would be reported for the selected day. We observed the following:

<u>Route</u>	<u>Date</u>	<u>First PU</u>	<u>Last DO</u>	<u>Route End</u>	<u>Rev Hours</u>
Brawley 1	6/20/2017	7:00	15:35	17:00	8.67
Brawley 2	6/20/2017	8:27	17:00	18:00	8.22
				Total	<u>16.89</u>
				Invoiced to ICTC	<u>16.17</u>
				Difference	(0.72)
Calexico 1	6/20/2017	7:05	16:57	17:15	8.83
Calexico 2	6/20/2017	7:18	16:36	17:45	9.12
Calexico 3	6/20/2017	7:13	16:42	17:09	8.60
				Total	<u>26.55</u>
				Invoiced to ICTC	<u>26.24</u>
				Difference	(0.31)
El Centro 1	6/20/2017	7:13	16:36	17:55	8.87
El Centro 2	6/20/2017	7:15	17:15	18:00	8.92
El Centro 3	6/20/2017	7:15	17:00	17:45	8.67
El Centro 4	6/20/2017	8:20	17:22	18:00	7.83
El Centro 5	6/20/2017	9:12	14:40	15:15	5.22
				Total	<u>39.50</u>
				Invoiced to ICTC	<u>40.45</u>
				Difference	0.95
Imperial	6/20/2017	7:25	13:41	17:30	7.75
				Total	<u>7.75</u>
				Invoiced to ICTC	<u>7.35</u>
				Difference	(0.40)
Westshores	6/20/2017	15:05	15:47	17:45	0.7
				Total	<u>0.70</u>
				Invoiced to ICTC	<u>0.08</u>
				Difference	(0.62)

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7) Budget Development

Inspect the operator’s accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator’s methodology related to developing an annual budget.

Results: We inquired of the Transit Operator management and inspected the IVT-Ride services budgets for the fiscal year ending June 30, 2017 and observed the following:

The budget is developed primarily by the Transit Operator’s General Manager who follows the “Preparing Fiscal Year Budget” policies of First Transit, Inc. The budget accounts for the estimated fixed costs, estimated revenue hours, and estimated fare revenues which together do not exceed the agreed upon subsidies in the First Transit Paratransit Service Agreements (September 2014 and April 2016). The estimates are based on prior year’s data and changes in route schedules. A separate budget is developed for estimated marketing expenditures.

No other exceptions were found as a result of procedures performed.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and reporting requirements of the transit operator or its controls. Accordingly, we do not express such opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Imperial County Transportation Commission audit management and is not intended to be and should not be used by anyone other than those specified parties.

Riverside, California
June 28, 2017

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Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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All IVT-Ride Combined Services						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2015	\$ 111,843	\$ 4,861	\$ 106,982	\$ -	\$ 7,498	\$ 114,480
August 2015	123,198	6,914	116,284	-	5,793	122,077
September 2015	118,965	6,281	112,684	-	-	112,684
October 2015	121,458	6,276	115,182	-	-	115,182
November 2015	115,723	5,839	109,884	-	3,862	113,746
December 2015	121,533	5,092	116,441	-	122	116,563
January 2016	114,873	5,425	109,448	-	76	109,524
February 2016	112,152	5,339	106,813	-	-	106,813
March 2016	127,184	6,408	120,776	-	-	120,776
April 2016	119,469	5,315	114,154	-	-	114,154
May 2016	124,503	5,436	119,067	-	-	119,067
June 2016	124,759	5,517	119,242	-	-	119,242
Total:	<u>\$ 1,435,660</u>	<u>\$ 68,703</u>	<u>\$ 1,366,957</u>	<u>\$ -</u>	<u>\$ 17,351</u>	<u>\$ 1,384,308</u>

Combined Contract Specifications
For Base Cost and Base Subsidy

\$ 1,652,505	\$ 161,525	\$ 1,490,980
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Over (Under) Contract Requirements

<u>\$ (216,845)</u>	<u>\$ (92,822)</u>	<u>\$ (124,023)</u>
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Operating Costs (A+E) \$ 1,453,011

Farebox Ratio Actual 4.73%

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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IVT Ride Brawley Service Line						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 18,364	\$ 1,096	\$ 17,268	\$ -	\$ -	\$ 17,268
August 2016	20,718	1,429	19,289	-	-	19,289
September 2016	20,954	1,217	19,737	-	-	19,737
October 2016	21,271	1,330	19,941	-	-	19,941
November 2016	20,266	1,138	19,128	-	-	19,128
December 2016	21,294	1,118	20,176	-	17	20,193
January 2017	20,004	1,091	18,913	-	19	18,932
February 2017	18,886	1,150	17,736	-	-	17,736
March 2017	22,805	1,433	21,372	-	-	21,372
April 2017	21,435	1,141	20,294	-	-	20,294
May 2017	22,160	1,169	20,991	-	-	20,991
June 2017	22,186	1,194	20,992	-	-	20,992
Total:	<u>\$ 250,343</u>	<u>\$ 14,506</u>	<u>\$ 235,837</u>	<u>\$ -</u>	<u>\$ 36</u>	<u>\$ 235,873</u>

Contract
Specifications
paragraph 8.1.1.3
For Base Cost and
Base Subsidy

<u>\$ 297,665</u>	<u>\$ 29,767</u>	<u>\$ 267,899</u>
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Over (Under)
Contract
Requirements

<u>\$ (47,322)</u>	<u>\$ (15,261)</u>	<u>\$ (32,062)</u>
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Operating Costs (A+E) \$ 250,379

Farebox Ratio Actual 5.79%

Minimum Farebox Ratio Contract 10%

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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IVT Ride Calxico Service Line						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 31,683	\$ 1,766	\$ 29,917	\$ -	\$ -	\$ 29,917
August 2016	33,380	1,829	31,551	-	-	31,551
September 2016	32,429	1,603	30,826	-	-	30,826
October 2016	34,042	1,668	32,374	-	-	32,374
November 2016	32,290	1,540	30,750	-	-	30,750
December 2016	33,896	1,529	32,367	-	58	32,425
January 2017	32,137	1,451	30,686	-	19	30,705
February 2017	31,175	1,317	29,858	-	-	29,858
March 2017	34,955	1,556	33,399	-	-	33,399
April 2017	33,132	1,298	31,834	-	-	31,834
May 2017	34,313	1,279	33,034	-	-	33,034
June 2017	34,553	1,506	33,047	-	-	33,047
Total:	<u>\$ 397,985</u>	<u>\$ 18,342</u>	<u>\$ 379,643</u>	<u>\$ -</u>	<u>\$ 77</u>	<u>\$ 379,720</u>
Contract Specifications paragraph 8.1.2.3 For Base Cost and Base Subsidy						
	<u>\$ 419,074</u>	<u>\$ 41,907</u>	<u>\$ 377,167</u>			
Over (Under) Contract Requirements						
	<u>\$ (21,089)</u>	<u>\$ (23,565)</u>	<u>\$ 2,476</u>			
Operating Costs (A+E)	\$ 398,062					
Farebox Ratio Actual	4.61%					
Minimum Farebox Ratio Contract	10%					

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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IVT Ride Imperial Service Line						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 13,317	\$ 540	\$ 12,777	\$ -	\$ -	\$ 12,777
August 2016	14,696	668	14,028	-	-	14,028
September 2016	14,110	641	13,469	-	-	13,469
October 2016	14,593	602	13,991	-	-	13,991
November 2016	13,960	678	13,282	-	-	13,282
December 2016	14,142	56	14,086	-	11	14,097
January 2017	13,138	512	12,626	-	-	12,626
February 2017	13,534	559	12,975	-	-	12,975
March 2017	14,770	620	14,150	-	-	14,150
April 2017	14,237	590	13,647	-	-	13,647
May 2017	14,791	569	14,222	-	-	14,222
June 2017	14,774	417	14,357	-	-	14,357
Total:	<u>\$ 170,062</u>	<u>\$ 6,452</u>	<u>\$ 163,610</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 163,621</u>

Contract Specifications paragraph 8.1.3.3 For Base Cost and Base Subsidy

\$ 204,504	\$ 20,450	\$ 184,054
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Over (Under) Contract Requirements

<u>\$ (34,442)</u>	<u>\$ (13,998)</u>	<u>\$ (20,444)</u>
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Operating Costs (A+E) \$ 170,073

Farebox Ratio Actual 3.79%

Minimum Farebox Ratio Contract 10%

Exhibit A
 Procedure #1- Services Provided
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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IVT Ride West Shores Service Line							
	A	B	C= (A-B)	D	E	F= (C+E)	Net Cost & Total Paid to First Transit
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing		
July 2016	\$ 4,539	\$ 106	\$ 4,433	\$ -	\$ -	\$ -	\$ 4,433
August 2016	4,923	130	4,793	-	-	-	4,793
September 2016	4,383	119	4,264	-	-	-	4,264
October 2016	4,027	73	3,954	-	-	-	3,954
November 2016	4,405	98	4,307	-	-	-	4,307
December 2016	4,462	98	4,364	-	-	-	4,364
January 2017	4,285	66	4,219	-	19	-	4,238
February 2017	4,248	63	4,185	-	-	-	4,185
March 2017	4,214	120	4,094	-	-	-	4,094
April 2017	4,212	103	4,109	-	-	-	4,109
May 2017	4,305	90	4,215	-	-	-	4,215
June 2017	4,597	102	4,495	-	-	-	4,495
Total:	<u>\$ 52,600</u>	<u>\$ 1,168</u>	<u>\$ 51,432</u>	<u>\$ -</u>	<u>\$ 19</u>	<u>\$ -</u>	<u>\$ 51,451</u>

Contract
 Specifications
 paragraph 8.1.4.3
 For Base Cost and
 Base Subsidy

\$ 74,513	\$ 3,726	\$ 70,787
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Over (Under)
 Contract
 Requirements

<u>\$ (21,913)</u>	<u>\$ (2,558)</u>	<u>\$ (19,355)</u>
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Operating Costs (A+E) \$ 52,619

Farebox Ratio Actual 2.22%

Minimum Farebox Ratio Contract 5%

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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IVT Ride El Centro Service Line							
	A	B	C= (A-B)	D	E	F= (C+D)	G= (F+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit	Total
July 2016	\$ 43,940	\$ 1,353	\$ 42,587	\$ -	\$ 7,498	\$ 50,085	\$ 50,085
August 2016	49,481	2,858	46,623	-	5,793	52,416	52,416
September 2016	47,089	2,701	44,388	-	-	44,388	44,388
October 2016	47,525	2,603	44,922	-	-	44,922	44,922
November 2016	44,802	2,385	42,417	-	3,862	46,279	46,279
December 2016	47,739	2,291	45,448	-	36	45,484	45,484
January 2017	45,309	2,305	43,004	-	19	43,023	43,023
February 2017	44,309	2,250	42,059	-	-	42,059	42,059
March 2017	50,440	2,679	47,761	-	-	47,761	47,761
April 2017	46,453	2,183	44,270	-	-	44,270	44,270
May 2017	48,934	2,329	46,605	-	-	46,605	46,605
June 2017	48,649	2,298	46,351	-	-	46,351	46,351
Total:	<u>\$ 564,670</u>	<u>\$ 28,235</u>	<u>\$ 536,435</u>	<u>\$ -</u>	<u>\$ 17,208</u>	<u>\$ 553,643</u>	<u>\$ 553,643</u>
Contract Specifications paragraph 8.3.1 For Base Cost and Base Subsidy							
	<u>\$ 656,749</u>	<u>\$ 65,675</u>	<u>\$ 591,074</u>				
Over (Under) Contract Requirements							
	<u>\$ (92,079)</u>	<u>\$ (37,440)</u>	<u>\$ (54,639)</u>				
Operating Costs (A+E)		\$ 581,878					
Farebox Ratio Actual		4.85%					
Minimum Farebox Ratio Contract		10%					

Exhibit B
 Procedure #6.4- Daily Fare Collections
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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Date	Daily Fare Collections - Per Monthly Invoice/Reporting	Daily Fare Collections - Per Daily Fare Collection Report
July 2016		
Brawley		
1	\$ 14.50	\$ 14.50
14	15.95	15.95
21	34.12	34.12
Calexico		
3	17.00	17.00
9	70.40	70.40
21	51.88	51.88
Imperial		
13	12.26	12.26
21	7.00	7.00
26	10.25	10.25
Westshores		
5	12.00	12.00
7	9.00	9.00
21	4.10	4.10
El Centro		
2	29.25	29.25
6	56.14	56.14
27	56.31	56.31
November 2016		
Brawley		
3	\$ 12.51	\$ 12.51
16	4.50	4.50
29	20.39	20.39
Calexico		
3	90.81	90.81
9	71.00	71.00
21	62.05	62.05
Imperial		
1	19.25	19.25
12	15.75	15.75
23	23.50	23.50
Westshores		
8	11.00	11.00
15	5.41	5.41
29	21.60	21.60
El Centro		
1	77.70	77.70
7	59.26	59.26
29	55.31	55.31

Exhibit B
 Procedure #6.4- Daily Fare Collections (Continued)
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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June 2017			
Brawley			
6	\$	3.96	\$ 3.96
20		3.10	3.10
27		2.62	2.62
Calexico			
7		12.00	12.00
15		7.00	7.00
30		6.80	6.80
Imperial			
8		9.00	9.00
20		3.50	3.50
24		6.88	6.88
Westshores			
6		5.00	5.00
13		7.00	7.00
17		8.00	8.00
El Centro			
14		9.75	9.75
28		3.75	3.75
30		7.50	7.50

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Imperial County Transportation Commission
El Centro, California

We have performed the procedures enumerated below, which were agreed to by management of the Imperial County Transportation Commission (ICTC) (the specified parties) solely to assist ICTC in monitoring the fiscal accountability and reporting of First Transit, Inc. (Transit Operator), and its records relating to the IVT MedTrans transit services for the period ending June 30, 2017. The Transit Operator's management is responsible for its accounting records and reporting requirements. Management of ICTC is responsible for monitoring the accounting records and reporting of Transit Operator. The sufficiency of these procedures is solely the responsibility of management of ICTC. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are listed below.

1) *Observation of service provided*

Obtain an understanding of the service being provided based on inquiry of management and inspection of the agreement. Perform an observation and obtain supporting documentation regarding the services provided by the operator.

Results: We inquired of the Transit Operator management, inspected the MedTrans Service Agreement (April 2016) and inspected the IVT MedTrans Rider's Guide (July 2016 - June 2017) in order to obtain an understanding of the services being provided. IVT MedTrans is specifically intended to link Imperial Valley and San Diego Counties for non-emergency transportation to access medical facilities, clinics and doctor offices.

As part of our inquiries, we identified that there is no formal application or interview process to verify if a passenger is eligible to receive the services being provided.

Per procedures performed as documented at Exhibit A we noted that the Transit Operator exceeded the not-to-exceed amount of subsidy and also did not meet the Farebox Ratio as required per the First Transit Agreement for MedTrans Paratransit Services.

No other exceptions were found as a result of procedures performed.

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2) *Cash Handling Control*

Inspect the operator's accounting policies and procedures, and interview management and staff in order to obtain an understanding of the operator's internal controls over cash handling during the year ending June 30, 2017. Observe that the procedures provide for adequate safeguards of cash and separation of duties. Perform an observation over cash handling and compare the results of the observation to the policy.

Results: We inquired of the Transit Operator management to obtain an understanding of the cash handling process. We noted that the Transit Operator does not have written policies in place over the cash handling procedures as they relate to the IVT MedTrans service line.

The Transit Operator shuttle operators are required to complete the *Driver's Daily Log Sheet* which tracks the number of riders per route and fare amount per rider. We noted that passengers must call the IVT MedTrans office to book a reservation and must pay their fare in person prior to their trip. As such, money is not collected by the MedTrans shuttle operators and the IVT MedTrans shuttles are not equipped with fare boxes.

We observed the First Transit Inc. dispatch offices on January 9, 2018 and noted that the money for the IVT MedTrans fares is received by an Office Clerk within the Safety Manager's Office. The customer is given a receipt and a copy is kept for the Operations Manager to retrieve. We noted that cash is kept in a locked cash box within a locker in the Safety Manager's office. The Safety Manager's office is under 24 hour video surveillance which is monitored by the Maintenance Manager.

The Operations Manager will retrieve receipts for the IVT MedTrans fare multiple times throughout the workday. We noted that the receipts are cataloged by date of scheduled ride and are kept in the Operations Manager's office. We noted there is no reconciliation between the cash collected and the receipts issued.

We noted that there is no set schedule as to when deposits are to be made. Per inquiry with the Transit Operator we noted that bank deposits are typically performed twice a month by the Dispatch Manager. The amount to be deposited at the end of each month should be the remainder for the month based on the receipts kept by the Operations Manager.

We noted that the Dispatch Manager will keep a spreadsheet that summarizes the total amount of money collected for all of the IVT service lines and will send the spreadsheet to an offsite Senior Financial Analyst for reconciliation to the total balance by the counters and balance per the bank statement. We noted that this procedure is performed at the First Transit corporate offices and contact will only be made with the El Centro location if a discrepancy was noted during the reconciliation. As such, evidence of this process could not be obtained.

We selected June 13, 2017 and obtained the catalog of IVT MedTrans receipts for that day as well as the *Driver's Daily Log Sheet*. We noted that the log sheet was approved by the shuttle driver's supervisor and the fare information had been entered by an Office Dispatcher. We noted that the amount from the receipts agreed to the fare revenue for the day on the "Farebox" tab of the electronic invoice file that is sent to ICTC without error.

No other exceptions were found as a result of procedures performed.

3) *Spare Parts and Inventory Control*

Inspect the operator's accounting policies and procedures and interview management and staff in order to obtain an understanding of the operator's internal controls over the purchasing, safeguarding and use of spare parts and inventory, in the maintenance department. Identify how the maintenance department tracks the use of spare parts and inventory and identify the safeguards that are in place for the maintenance of inventory. Identify whether the procedures provide for periodic inventory counts and reconciliation of such counts to the general ledger. Perform an observation over the spare parts and inventory and compare the results of the observation to the policy. Identify evidence of pilferage, other losses, or instances of improper usage.

Results: We inquired of the Transit Operator management, inspected the First Transit Inventory Count Policies and Purchase Order Policies and performed an observation over the spare parts and inventory controls on January 10, 2018. We observed the following:

We observed that the purchase of spare parts and inventory is initiated and tracked by the Maintenance Manager. The Maintenance Manager has the authority to purchase any items below \$2,500. Purchases between \$2,500 and \$5,000 must be approved by the General Manager. Purchases between \$5,000 and \$10,000 have to be approved by the Director of Maintenance located at the Transit Operator's corporate office. Any purchases above \$10,000 must be approved by the First Transit Vice President. Spare parts and inventory are stored in a locked gated area that is under 24 hour video surveillance. The key to the locked gate is kept in the maintenance shop. Access to spare parts and inventory after hours is limited to the Maintenance Manager, Operations Manager, Mechanics, and the General Manager. The use of spare parts and inventory is tracked through the use of separate work orders for each project.

Each spare part and inventory item is tracked by the use of a pin or part number. A complete inventory is taken on a quarterly basis. Any variances from expected inventory counts (based on part usage and the work order process) greater than 5% require explanation. The inventory is performed by the Maintenance Manager and is submitted to the Director of Maintenance at the corporate office for his review and approval. We identified that there is no evidence of the Director of Maintenance review.

The Maintenance Manager performs spot checks every few weeks to ensure inventory levels are appropriate; however, we observed there is no documentary evidence of this review process.

No other exceptions were found as a result of procedures performed.

4) *Invoicing Process Control*

Inspect the operator's accounting policies and procedures and interview management and staff in order to obtain an understanding of the operator's internal controls related to the invoicing process. Scan the current year detail for invoices and select a sample to ensure policy was followed.

Results: We inquired of the Transit Operator management and performed an observation on January 9, 2018 over the invoicing process and observed the following:

The Transit Operator submits an invoice to ICTC on a monthly basis which includes the monthly fixed costs, determined as part of the contractual agreement, the total revenue hours requested for reimbursement and any marketing expenses incurred during the month.

The invoices are prepared by the IVT MedTrans Operations Manager and then reviewed and approved by the Transit Operator's General Manager. All invoices are prepared based on source documented which include *Driver's Daily Log Sheets, Time Sheets, Fare Receipt Catalogs*, and supporting marketing invoices. The source documents are summarized in an excel file which generates the monthly invoice.

We selected the months of August 2016, February 2017, and June 2017 and observed that the invoices agreed to the summarized excel files and supporting marketing invoices without exception. In addition, on a sample basis, we observed that the monthly excel files agreed to supporting source documents. See details of samples tested documented at procedure 6 (Financial Data Analysis).

We observed that all invoices for the period ending June 30, 2017 were reviewed and approved by the Transit Operator's General Manager.

No exceptions were found as a result of procedures performed.

5) *Reporting Process*

Inspect the operator's accounting policies and procedures and interview management and staff in order to obtain an understanding of the operator's internal controls related to the reporting process.

Results: We inquired of the Transit Operator management, inspected the First Transit MedTrans Paratransit Services Agreement (April 2016) and performed observations and observed the following:

The Transit Operator is required to submit monthly reports regarding the monthly operations, route statistics, management summary statements, and passenger data. The Transit Operator submits the required reporting information on a monthly basis as part of the monthly invoice process.

The invoices and required reports are prepared by the IVT MedTrans Operations Manager and then reviewed and signed off by the General Manager. All reports are prepared based on source documents which include *Driver's Daily Log Sheets, Time Sheets, Fare Receipts Catalogs, etc.* The source documents are summarized in an excel file which generates the monthly reports.

No exceptions were found as a result of procedures performed.

6) *Financial Data Analysis*

- 6.1 Inspect documents provided by ICTC and the transit operator to identify expenditures and fare revenue amounts reported to ICTC are accurate.
- 6.2 Select a sample of three months of expense reports and compare amounts to supporting documentation.
- 6.3 Select a sample of three months of fuel expenditures and determine whether amounts exceeded the escalators stated in the contract. Identify any evidence of loss or improper fuel usage.
- 6.4 Select a sample of three daily fare collection reports in each of a sample of three months and compare to supporting documentation.
- 6.5 Recalculate service hours from published schedules and compare to the contract and to actual hours billed. Inspect supporting documentation on the daily routes and daily operating schedule to determine actual hours versus invoices revenue hours.

Results: We inquired of the Transit Operator management, inspected the MedTrans Paratransit Services Agreement (April 2016) and performed observations and observed the following:

- 6.1 We inspected the monthly invoices provided by the Transit Operator for MedTrans and observed the invoices provided by the Transit Operator agreed to the invoices received by ICTC. No exceptions were found as a result of procedures performed.
- 6.2 We selected the months of August 2016, February 2017 and June 2017 and obtained the monthly invoices for IVT MedTrans. We compared the monthly invoices to the supporting data schedule and marketing invoices. No exceptions were found as a result of procedures performed.
- 6.3 We inspected the monthly invoices for IVT MedTrans for the fiscal year ending June 30, 2017 and observed no additional fuel expenditures were incurred outside of the fuel expenditure costs included in the revenue hour rate determined as part of the annual contract. No exceptions were found as a result of procedures performed.
- 6.4 We selected the months of August 2016, February 2017 and June 2017 and obtained the cash fare collections by day from the Daily Fare Collections report included in the monthly reporting packet. We selected 3 days for each month to inspect the daily fares per the fare receipt catalogs. We observed that for the samples selected for the months of August 2016, February 2017, and June

2017, the daily fare collections per the Daily Fare Collections report agreed to the supporting source document without exception. See Exhibit B for details.

- 6.5 IVT MedTrans provides non-emergency transportation services for transit dependent individuals and is not a fixed route with published schedules. The revenue hours in the monthly invoices are prepared based on the Driver's Daily Log Sheet. The Driver's Daily Log Sheets and the Time Sheets should agree; the Time Sheets are to be reviewed and approved by the supervisor on duty. We selected June 13, 2017 and obtained the Driver's Daily Log Sheets and Time Sheets and compared them to the data schedule which supports the monthly invoices. We observed the following:

<u>Route/Paddle</u>	<u>Date</u>	<u>1st PU</u>	<u>Last Do</u>	<u>Rev. Hours</u>
MedTrans 1	6/13/2017	6:30	17:30	8.67
MedTrans 2	6/13/2017	16:10	19:30	3.33
			Total	12.00
			Invoiced to ICTC	11.43
			Variance	0.57

7) **Budget Development**

Inspect the operator's accounting policies and procedures and interview management and staff in order to obtain an understanding of the operator's methodology related to developing an annual budget.

Results: We inquired of Transit Operator management and inspected the IVT MedTrans services budget for the fiscal year ending June 30, 2017. We observed the following:

The budget is developed primarily by the Transit Operator's General Manager who follows the "Preparing Fiscal Year Budget" policies of the Transit Operator. The budget accounts for the estimated fixed costs, estimated revenue hours, and estimated fare revenues which together do not exceed the agreed upon subsidies in the First Transit MedTrans Paratransit Services Agreement (April 2016). The estimates were based on internal calculations prepared by the Transit Operator's prior General Manager. A separate budget is developed for estimated marketing expenditures.

No other exceptions were found as a result of procedures performed.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

We were not engaged to and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records and reporting requirements of the transit operator or its controls. Accordingly, we do not express such opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Imperial County Transportation Commission audit management and is not intended to be and should not be used by anyone other than those specified parties.

Riverside, California
 _____, 2018

Exhibit A
Procedure #1- Services Provided
Fiscal Year Ending June 30, 2017
(Unaudited)

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First Transit - IVT MedTrans Service Line						
	A	B	C= (A-B)	D	E	F= (C+E)
Date	Base Cost	Farebox	Net Subsidy	Fuel Escalator	Marketing	Net Cost & Total Paid to First Transit
July 2016	\$ 40,869	\$ 2,617	\$ 38,252	\$ -	\$ 7,268	\$ 45,520
August 2016	43,779	4,014	39,765	-	26,748	66,513
September 2016	41,351	2,503	38,848	-	-	38,848
October 2016	36,820	2,225	34,595	-	-	34,595
November 2016	39,110	5,902	33,208	-	-	33,208
December 2016	38,836	2,178	36,658	-	-	36,658
January 2017	37,386	2,591	34,795	-	95	34,890
February 2017	38,113	2,367	35,746	-	-	35,746
March 2017	39,204	3,818	35,386	-	-	35,386
April 2017	36,963	2,581	34,382	-	-	34,382
May 2017	39,856	3,096	36,760	-	-	36,760
June 2017	38,615	4,610	34,005	-	-	34,005
Total:	<u>\$ 470,902</u>	<u>\$ 38,502</u>	<u>\$ 432,400</u>	<u>\$ -</u>	<u>\$ 34,111</u>	<u>\$ 466,511</u>

Contract Specifications paragraph 8.3.1 For Base Cost and Base Subsidy

\$ 470,830	\$ 70,624	\$ 400,206
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Over (Under) Contract Requirements

\$ 72	\$ (32,122)	\$ 32,194
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Operating Costs (A+E) \$ 505,013

Farebox Ratio Actual 7.62%

Minimum Farebox Ratio Contract 15%

Exhibit B
 Procedure #6.4- Daily Fare Collections
 Fiscal Year Ending June 30, 2017
 (Unaudited)

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Date	Daily Fare Collections- Per Monthly Invoice/Reporting		Daily Fare Collections- Per Daily Fare Collection Report	
August 2016				
First Transit IVT MedTrans				
2	\$	184.00	\$	184.00
11		148.00		148.00
24		111.00		111.00
February 2017				
First Transit IVT MedTrans				
14	\$	149.00	\$	149.00
22		103.00		103.00
28		170.00		170.00
June 2017				
First Transit IVT MedTrans				
8	\$	168.00	\$	168.00
13		178.00		178.00
29		253.00		253.00

To: Kathi Williams, Transit Programs Manager, ICTC

From: Eric Estell, General Manager, First Transit

Subject: IVT Fixed Route Audit Response

Date: April 6, 2018



First Transit has read the Independent Accountants' report on Applying Agreed Upon Procedures for the IVT Fixed Route service. The following is First Transit's response to the findings of that audit.

1) Observation of service provided

Four various fixed routes were selected as a sample and it was observed that each was operating as indicated in the IVT Rider's Guide.

No exceptions were found.

2) Cash Handling Control

Not all cash boxes are stored in the locked vault in the money counting room. This is primarily due to size of the vault and the number of cash boxes there are. The additional cash boxes are kept on the floor in the money counting room still behind a double locked door. Not until ICTC and First Transit acquire a new facility with more room for a larger vault will this issue be more readily resolved.

As was noted last year, money counting is started in the early morning and completed by 9:00AM allowing for the least amount of time the money is left in the cash boxes and on the floor of the counting room. The armored car for bank deposit picks up the bagged money daily, Mon – Fri, before 12 noon.

Pocket-less jump suits are not yet required of the money counters. This is going to be rectified after additional ventilation is provided in the money counting room.

3) Spare Parts and Inventory

First Transit's inventory is monitored and controlled in a software database called "Infor". The inventory levels noted in Infor are reviewed regularly by the local Maintenance Manager, Regional Maintenance Manager, Regional Maintenance Director and the local General Manager. The Regional Maintenance Manager, as well as the local Maintenance Manager, review inventory levels at least twice a month at random times. The inventory reviewed includes information pertaining to bus parts, tires, and fluids. Inventory levels are reviewed on 0-6 months, 7-12 months and 1-2-year time frames. First Transit is always working on keeping

inventory levels no older than 6 months unless there is contractual obligation to keep the item always available. The most recent inventory, performed in March, indicated a variance of less than 2%. Only discrepancies greater than 5% require any further action or explanation. The Maintenance Manager provided the auditor with the most recent inventory result.

4) Invoicing Process Control

No exceptions were found as a result of procedures performed in this area.

5) Reporting Process

The auditor inspected First Transit's accounting policies and procedures to obtain an understanding of the internal controls related to the reporting process. No exceptions were found as a result of procedures performed in this area.

6) Financial Data Analysis

The revenue hours in the monthly invoices are prepared based on the Driver's Daily Log Sheets and the Time Sheets. These two documents should agree. The auditor randomly selected and compared several fixed route lines of these two reports. No variances were found in 9 of the 10 reports compared. On one report, there was a 20 minute variance noted.

Other inspections of monthly invoices revealed no findings of exceptions.

7) Budget Development

First Transit did not meet the required Farebox Ratio for the Green and Blue lines. First Transit is working diligently with its bus operators to improve fare collection relative to receiving the correct amount of fare and avoiding receipt of foreign coin or amusement park tokens.

No other exceptions were noted relative to the First Transit's development of the IVT Ride budget.

To: Kathi Williams, Transit Programs Manager, ICTC

From: Eric Estell, General Manager, First Transit

Subject: IVT Access Audit Response

Date: April 6, 2018



792 E. Ross Road "B"
El Centro, CA 92243
Tel: 790 482 2900

First Transit has read the Independent Accountants' report on Applying Agreed Upon Procedures for the IVT Access service. The following is First Transit's response to the findings of that audit.

1) Observation of service provided

Based upon procedures performed the auditor noted the First Transit exceeded the not-to-exceed amount of subsidy and did not meet the Farebox Ratio.

First Transit local management is ardently working with its bus operators to collect the proper fares from its riders. This includes the observation and declining of service to those passengers who place Mexican coins and/or amusement park tokens into the fare box.

2) Cash Handling Control

Auditors noted that not all cash boxes were stored nightly in the limited space vault. Some had to place on the floor in the counting room, however still behind a double-locked door. As was noted last year, money counting is performed early in the morning and completed by 9:00AM. By then all the counted money is stored in the locked cash vault until picked up by the armored service. The armored service picks up daily, Mon – Fri, by twelve noon.

The auditors also noted that the money room counters are not wearing pocket-less jump suits as noted in the Cash Handling Policies Manual. First Transit has just recently secured these jump-suits and will be requiring the money counters to wear them. One issue however is the poor ventilation in the money counting room. First Transit is investigating the possibility of placing an air conditioner in the money counting room, vented into the shop area. Any such addition will be safeguarded to protect from any easy access to the counting room.

Fareboxes on the IVT Access units are not in an ideal location for the bus operator to verify the fare deposited. Therefore, First Transit is investigating the possibility of replacing these fareboxes with ones that can be mounted from the floor making the deposited cash more readily visible to the bus operator for verification.

3) Spare parts and Inventory Control

First Transit's inventory is monitored and controlled in a software database called "Infor". The inventory levels noted in Infor are reviewed regularly by the local Maintenance Manager, Regional Maintenance Manager, Regional Maintenance Director and the local General Manager. The Regional Maintenance Manager, as well as the local Maintenance Manager, review inventory levels at least twice a month at random times. The inventory reviewed includes information pertaining to bus parts, tires, and fluids. Inventory levels are reviewed on 0-6 months, 7-12 months and 1-2-year time frames. First Transit is always working on keeping

inventory levels no older than 6 months unless there is contractual obligation to keep the item always available. The most recent inventory, performed in March, indicated a variance of less than 2%. Only discrepancies greater than 5% require any further action or explanation. The Maintenance Manager provided the auditor with the most recent inventory result.

4) Invoicing Process Control

No exceptions were found as a result of procedures performed in this area.

5) Reporting process

No exceptions were found as a result of procedures performed in this area.

6) Financial Data Analysis

Drivers' daily log sheets and time sheets were compared for one working day to determine if they matched as they should. For the day reviewed, June 8, 2017, there was a negative difference of (0.19) in favor of ICTC. Also for one route reviewed, the time at which the driver took a ten-minute break was different between the time sheet and the Driver's Daily Log Sheet. No other exceptions were found.

7) Budget Development

The budget is developed by First Transit's General Manager and it accounts for the estimated fixed costs, revenue hours and estimated fare collections. The estimates are based upon the prior year's data and changes in routes and schedules.

No exceptions were found relative to this area.

To: Kathi Williams, Transit Programs Manager, ICTC

From: Eric Estell, General Manager, First Transit

Subject: IVT Ride Audit Response

Date: April 6, 2018

First Transit has read the Independent Accountants' report on Applying Agreed Upon Procedures for the IVT Ride service. The following is First Transit's response to the findings of that audit.

1) Observation of service provided

As with the other services, IVT Ride is not meeting the farebox ratio goal. First Transit is working with the Ride operators to make sure they confirm proper fare amounts are placed in the farebox by riders. Special attention must be made to Mexican coins and amusement park tokens.

2) Cash Handling Control

Not all cash boxes are stored in the locked vault in the money counting room. This is primarily due to size of the vault and the number of cash boxes there are. The additional cash boxes are kept on the floor in the money counting room still behind a double locked door. Not until ICTC and First Transit acquire a new facility with more room for a larger vault will this issue be more readily resolved.

Pocket-less jump suits are not yet required of the money counters. This is going to be rectified after additional ventilation is provided in the money counting room. First Transit is investigating the possibility of placing an air conditioner in the money counting room, vented into the shop area. Any such addition will be safeguarded to protect from any easy access to the counting room.

3) Spare Parts and Inventory

First Transit's inventory is monitored and controlled in a software database called "Infor". The inventory levels noted in Infor are reviewed regularly by the local Maintenance Manager, Regional Maintenance Manager, Regional Maintenance Director and the local General Manager. The Regional Maintenance Manager, as well as the local Maintenance Manager, review inventory levels at least twice a month at random times. The inventory reviewed includes information pertaining to bus parts, tires, and fluids. Inventory levels are reviewed on 0-6

months, 7-12 months and 1-2-year time frames. First Transit is always working on keeping inventory levels no older than 6 months unless there is contractual obligation to keep the item always available. The most recent inventory, performed in March, indicated a variance of less than 2%. Only discrepancies greater than 5% require any further action or explanation. The Maintenance Manager provided the auditor with the most recent inventory result.

4) Invoicing Process Control

No exceptions were found as a result of procedures performed in this area.

5) Reporting Process

The auditor inspected First Transit's accounting policies and procedures to obtain an understanding of the internal controls related to the reporting process. No exceptions were found as a result of procedures performed in this area.

6) Financial Data Analysis

No exceptions were found relative to the monthly invoices provided by First Transit to ICTC.

Daily Fare Collections per the Monthly Invoice were compared to the Daily Fare Collections Report. No variances were noted. Slight variations were noted in the hours recorded versus the revenue hours billed to ICTC. All variations were in ICTC's favor.

7) Budget Development

No exceptions were noted relative to the First Transit's development of the IVT Ride budget.

To: Kathi Williams, Transit Programs Manager, ICTC

From: Eric Estell, General Manager, First Transit

Subject: IVT MedTrans Audit Response

Date: April 6, 2018



First Transit has read the Independent Accountants' report on Applying Agreed Upon Procedures for the IVT MedTrans service. The following is First Transit's response to the findings of that audit.

1) Observation of service provided

The audit indicates that there is no formal application or interview process to verify if a passenger is eligible to receive the services being provided.

There is no "eligibility" for using this service other than the user is going to a San Diego medical facility. The first-time user contacts IVT's dispatch office and is asked a few basic questions about their need for transportation – what medical facility, is it non-emergency service, is the user transit dependent, is the user wheel-chair bound, is the user considered low-income, is the user a Veteran, is the condition of the user considered chronic, is there a mental or cognitive impairment that would affect the user's ability to drive a vehicle? The potential user is made clear that the service is for non-emergency transportation only between Imperial County and San Diego County. The service is only to medical facilities for those individuals who meet the established criteria.

2) Cash Handling Control

The audit states there are no written policies in place over the cash handling procedures as they relate to the IVT MedTrans service line.

First Transit and ICTC are in the process of developing written procedures for cash handling. Furthermore, the two entities are working together to establish better fare collection processes whether that be use of fare boxes on the vehicles, acceptance of credit cards, or consideration of other types of fare media.

The audit notes that there is no set schedule as to when deposits are made.

First Transit is developing a schedule for making regular deposits of collected fares. Most likely this will be performed every Friday following a full week of fare collections.

No evidence of the First Transit reconciliation process was obtained.

The Dispatch Manager keeps a spreadsheet summarizing all collected money for all IVT services, including MedTrans, by day. This spreadsheet is sent to the First Transit region office who reconciles it to the total deposit submitted by the daily money counters as evidenced by the bank deposit slip for that particular day.

3) Spare Parts and Inventory Control

No evidence of the Director of Maintenance review process of inventory.

First Transit's inventory is monitored and controlled in a software database called "Infor". The inventory levels noted in Infor are reviewed regularly by the local Maintenance Manager, Regional Maintenance Manager, Regional Maintenance Director and the local General Manager. The Regional Maintenance Manager, as well as the local Maintenance Manager, review inventory levels at least twice a month at random times. The inventory reviewed includes information pertaining to bus parts, tires, and fluids. Inventory levels are reviewed on 0-6 months, 7-12 months and 1-2-year time frames. First Transit is always working on keeping inventory levels no older than 6 months unless there is contractual obligation to keep the item always available. The most recent inventory, conducted in March, indicated a variance of less than 2%. Only discrepancies greater than 5% require any further action or explanation. The Maintenance Manager provided the auditor with the most recent inventory result.

The audit indicates that the Maintenance Manager performs spot checks every few weeks but that there was no documented evidence of this process. Indeed, the local Maintenance Manager does perform "cycle" counts once every two weeks. Any variance greater than 10% drives additional inventory counts.

4) Invoicing Process Control

No exceptions were found in this section

5) Reporting process

No exceptions were found in this section

6) Financial Data Analysis

The auditor inspected monthly invoices and compared them to the invoices received by ICTC. No exceptions were noted. The auditor also selected three months of invoices and compared to the supporting data schedule and marketing invoices. Again, no exceptions found. Fuel expenditures were reviewed with no exceptions found. A variance of .57 of an hour, in favor of ICTC, was noted when comparing the MedTrans route paddles for June 13, 2017 to the invoiced amount for that date.

7) Budget Development

The budget, developed by First Transit's General Manager, provided the estimated fixed costs, estimated revenue hours, and estimate fare revenues for the MedTrans service, which together

does not exceed the agreed upon subsidies for this service. These estimates were based upon internal calculations prepared by the Transit Operator's former GM.

No other exceptions were found as a result of procedures performed.

V. REPORTS

- A. ICTC EXECUTIVE DIRECTOR REPORT
- B. SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REPORT
- C. CALTRANS REPORTS



1503 N IMPERIAL AVE SUITE 104
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PHONE: (760) 592-4494
FAX: (760) 592-4410

Memorandum

Date: April 6, 2018
To: ICTC Management Committee Meeting
From: Mark Baza, Executive Director
Re: Executive Director's Report

The following is a summary of the Executive Director's Report for the Management Committee Meeting on April 11, 2018.

- 1) **SAVE THE DATE - Imperial Valley General Assembly and Economic Summit:** Please "Save the Date" of May 30-31, 2018 for the Imperial Valley General Assembly and Economic Summit. On May 30th a networking reception is planned for the evening. Congressman Juan Vargas is confirmed to be the keynote speaker at ICTC's General Assembly on the evening of May 31st.
- 2) **State Route 98 and Cesar Chavez Blvd.:** As part of the POE Expansion project, traffic will be rerouted from the existing roadways to SR-98 and Cesar Chavez Boulevard which are not designed to handle the high volumes of traffic associated with the border travel. The City of Calexico has completed the right-of-way acquisition and an environmental amendment for widening Cesar Chavez Boulevard. *The City of Calexico received CTC approval for allocation of Border Infrastructure Program funds on March 21, 2018; the City is scheduled to begin construction in early summer 2018. Caltrans' SR-98 work between VV Williams and Ollie Avenue is scheduled for completion in March 2018. Caltrans is working on a second segment on SR-98 between Rockwood Avenue and Ollie Avenue is in the design and right-of-way phase.*
- 3) **Executive Director Annual Evaluation Process:** As described in the ICTC Executive Director Evaluation Policy, the process will begin in April with the creation of the evaluation committee.
- 4) **Office Technician (Limited Term) Job Announcement for the Regional Mobility Management Program at ICTC:** Recruitment is underway for one Office Technician position (bilingual) for the Regional Mobility Management Program at ICTC. Applications were received on March 9, 2018. Staff are reviewing applications and proceeding with the selection process.
- 5) **2018-19 Unmet Transit Needs Public Hearing:** The hearing was held on February 22, 2018 at 3:00PM at the El Centro City Council Chambers, 1275 Main Street El Centro Ca. 92243. The Chairman of the hearing was ICTC Chairman Luis Plancarte (County of Imperial). Panel members also included Mayor George Nava (Brawley), Council Member Maria Nava-Froelich (Calipatria) and Council Member Alex Cardenas (El Centro). Members of the public presented comments to the panel and staff.

The second meeting was held on March 22, 2018 at 3 p.m. at the El Centro City Council Chambers, 1275 Main Street El Centro Ca. 92243. Staff presented recommendations to the requests presented at the previous hearing to determine what is reasonable to meet and what is not reasonable to meet at this time. The Chairman of the hearing was ICTC Chairman Luis Plancarte (County of Imperial).

Panel members also included Mayor George Nava (Brawley), Council Member Maria Nava-Froelich (Calipatria) and Council Member Robert Amparano (Imperial). Staff will present the panel adopted "Findings" to the Commission and request approval at the April 25th meeting.

- 6) **Brawley Bus Stop Improvement Project:** The city of Brawley, in conjunction with ICTC, obtained funding to complete citywide bus stop improvements. Improvements consisted of but were not limited to sidewalk, loading pad and bus shelter improvements. The project was awarded to Pyramid Construction for approximately \$1 million and construction activities began in February 2018. *The City of Brawley has served as the project lead and has kept ICTC Staff abreast of the construction progress. As of late March, all concrete work has been completed and the contractor has recently received the bus shelter infrastructure. The contractor anticipates installing the bus shelter infrastructure beginning of April with anticipated completion by late April 2018.*
- 7) **Heber Bus Stop & Pedestrian Access Improvements on State Route 86:** The community of Heber has had a need to improve pedestrian and bus stop access along State Route 86. The ICTC Commission granted the use of Regional Set-Aside Local Transportation Account (LTA) funds for the project. *Caltrans has served as the project lead; the first phase was recently completed in November 2017. Phase 1 included bench, bus shelter and ADA access improvements. Phase 2 and 3 pavement rehab construction will begin Summer 2018. Phase 2 will also consist of curbs and sidewalks improvements from Parkyns Ave to Heber Ave. Phase 3 will also have curb and sidewalk improvements from Heffernan to Parkyns Ave. Phase 2 and 3 Curb and Sidewalks construction will have to be delayed to Fall 2018 when temperatures cool down. Community outreach will be necessary prior to initiating construction in Phase 2 and 3 as road closures and detours will be necessary.*
- 8) **State Route 86 (Northbound) Border Patrol Checkpoint:** In August 2017 following a year of coordination, Caltrans, the County of Imperial and ICTC met with CBP management and operations staff achieved consensus for a new conceptual alternative prepared by Caltrans. The LTA Board met on September 27, 2017, staff presented the Board with a fund request for \$1.3 million from the 5% Regional Highway Set-Aside from the Measure D allocations. The request was approved. Staff met with Caltrans and CBP on December 20, 2017 at the ICTC to finalize agreements and discuss next steps. *A meeting was held on February 13, 2018 with CBP, Caltrans, County of Imperial and ICTC at the ICTC offices. The project team proposes to design and construct two lanes for primary inspection, a newly constructed canopy placed over State Route 86, and two lanes of secondary inspection to use during peak periods. A Consultant Agreement with AECOM for design and construction engineering was approved by the LTA on February 28, 2018. Currently design is underway by the consultant.*
- 9) **Calexico East Commercial Vehicle Port of Entry Expansion Project:** ICTC submitted the Calexico East Commercial Vehicle Port of Entry Expansion Project under the California Sustainable Freight Action Plan: Pilot Project Ideas. The project is a proposed public-private partnership for the construction costs of the freight elements of the Calexico East Expansion that include: bridge expansion, commercial vehicle primary inspection booths and road construction totaling \$65 million. ICTC is pursuing discretionary freight program funding for the bridge expansion for an estimated total cost of \$28 million. Pending the possible funds for the bridge expansion, ICTC is pursuing a donation authority request to U.S. Customs and Border Protection. *In October 2017, ICTC staff submitted a TIGER Grant proposal for the bridge expansion. With no assurances of TIGER grant award, staff coordinated with Caltrans to submit another application for grant funding under the State's Freight funding available under SB-1 and the State's share of the 2015 federal transportation bill (FAST Act).*
- 10) **2018 ICTC Bus Stop Bench and Shelter Inventory:** The Project Consultant team Kimley Horn and Associates, and Agency Stakeholders from ICTC, Brawley, Calexico, El Centro and Imperial met on January 31, 2018 to review and discuss the current status of the ICTC Bus Stop Inventory, Signage Replacement and Technology Assessment Project. The items reviewed included the consultant prepared Bus Stop Inventory, Asset Condition Report, ADA Assessment Report, Bus Stop Usage Priority List and Bus Stop Signage installation parameters and requirements. *ICTC and member agency staff will work to prioritize the list for implementation and pursuit of funding.*

- 11) **Preparation of FTIP 2019:** The 2019 Federal Transportation Improvement Program (FTIP) Guidelines have been prepared to facilitate the work of the County Transportation Commissions (CTCs) (Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties), transit operators, and the State of California Department of Transportation Caltrans) in development of county Transportation Improvement Programs (TIPs) for inclusion in the Southern California Association of Governments (SCAG) 2019 FTIP. These Guidelines assist in the development of the county TIPs that fulfill the legal, administrative and technical requirements prescribed by the law and which minimizes duplicate efforts by the CTCs, Caltrans, SCAG and/or other agencies. *The ICTC Board approved the resolution in February and was submitted to SCAG to proceed with project analysis. FTIP approval is scheduled for December 2018.*

- 12) **Imperial Mexicali Binational Alliance Meeting:** *On March 8, 2018, the IMBA group met in Mexicali at CETYS University. The meeting covered a presentation for the “Tres Lagunas” Rehabilitation Environmental Project by SPA and CDEM. Other updates included a tourism update by CDI and COTUC; internship initiatives, student mobility and campus news by CETYS; economic development updates by CDEM, CDI and IVEDC; and, border infrastructure updates by ICTC and CIDUE. The next IMBA is scheduled for May 10, 2018 in Imperial County.*

- 13) **Calexico West Port of Entry Traffic Management Study:** Caltrans authorized a special planning grant to perform a traffic management study to assist the City of Calexico and the Imperial Valley region to analyze and propose traffic management strategies and alternatives to serve traffic flow for the Calexico West Port of Entry expansion. The expansion will have two access points: One, from current access at SR-111/Imperial Ave.; and, a Second at Cesar Chavez Blvd and 2nd St. SCAG, Caltrans and ICTC will lead study in partnership with the City of Calexico, Customs and Border Protection and General Services Administration. *The Request for Proposals (RFP) was due on March 14, 2018 and consultant selection is currently underway. Consultant selection is anticipated to be completed by mid-April.*

- 14) **2018 Short Range Transit Plan (SRTP):** ICTC staff developed a Request for Proposals (RFP) that was released on September 1, 2017 to complete an update to the 2011 Short Range Transit Plan (SRTP). This is a planning document that identifies transit services and capital improvements over the next three to five year period, with expected available resources. The project unfolds over an approximately 12 month period. The goal is to have an updated report with bilingual public participation. ICTC awarded the contract to the firm AECOM at the December 13, 2017 Commission meeting. The project kick off meeting was held on January 17 at the ICTC offices. The outreach process began in February. The consultant team held intercept interviews at bus stops on February 13th and stakeholder meetings were held with social service agencies at the ICTC offices on February 14, 2018. *Public workshops are scheduled on April 23rd and 24th. Flyers with specific information are being distributed.*

- 14) **Funding for Phase II of the Calexico West Port of Entry:** As previously noted, Congress authorized \$98 million for Phase 1. The U.S. General Services Administration (GSA) began construction for Phase 1 in December 2015 with completion now scheduled for July 2018. *\$275 million for Phase 2 has been identified in the President’s budget for FY 2018/2019 and is pending Congressional approval.*

- 15) **State and Federal funding Obligations:** Beginning October 1, 2017, agencies are allowed to move forward with request for authorization (RFA) for Congestion Mitigation Air Quality (CMAQ), Regional Surface Transportation Program (RSTP) and Active Transportation Program (ATP) programmed in FY 2017/2018. Agencies are encouraged to submit their RFA’s by April 2018.

FY2017/2018 Project List						
Agency	Project Name	Funding Type	Phase	Federal Amount in FY2017/18	Local Match	Total Phase Cost
Calexico	De Las Flores Street paving and sidewalk installation	CMAQ	CON	\$403,000	\$52,000	\$455,000

Calipatria	N. Brown Street road and pedestrian improvements	CMAQ & RSTP	ROW	\$51,000	\$6,000	\$57,000
El Centro	Dogwood and Danenberg synchronization	CMAQ	CON	\$275,000	\$36,000	\$311,000
El Centro	Imperial Ave. extension south	RSTP	CON	\$2,023,000	\$2,090,000	\$4,113,000
El Centro	SR2S Program & bicycle improvements	ATP-MPO	CON	\$247,000	\$ -	\$247,000
Holtville	9th Street improvements from Palm Ave. to Olive Ave.	CMAQ & RSTP	CON	\$216,000	\$28,000	\$244,000
Imperial County	Rio Vista Sidewalk improvements from San Diego Ave. to Holt Ave. in Seeley	CMAQ	CON	\$792,000	\$103,000	\$895,000
Imperial County	Rio Vista Sidewalk improvements from Holt Ave. to Imperial Ave. in Seeley	ATP-MPO	ENG	\$193,000	\$26,000	\$219,000
Regional Total FY2017/2018						\$6,541,000

16) **Partnerships with IVEDC:**

- a) Southern Border Broadband Consortium (SBBC): ICTC in partnership with IVEDC received a California Advanced Services Regional Consortia Grant award of \$450,000 from their Rural and Regional Consortia program. The grant will cover a 3-year period. ICTC will be the fiscal agent and is working on developing an MOU which will define roles and responsibilities (Audits, Administration and Project Management) for ICTC and IVEDC. Since award, IVEDC staff has been meeting monthly with Consortia members and other webinars toward development of strategies for providing Broadband services for underserved communities. A SBBC stakeholder outreach event was held on Thursday, February 9, 2018 at the Farm Credit Services, starting at 8:30AM.
- b) The Brawley Transit Corridor Brownfield Assessment: ICTC in partnership with IVEDC received a U.S. Environmental Protection Agency (EPA) Brownfields Communitywide Assessment Grant award of \$300,000 from the Environmental Protection Agency’s Brownfields Assessment Program. This assessment will be focused along the transit circulator route within the 13 mile Imperial Valley Transit’s (IVTs) Brawley Gold Line Transit Route and the Brawley Transit Center that serves as the IVTs North Imperial County transfer terminal. The commercial corridors in the target assessment area include over 100 known commercial properties and suspected historical gas station sites with known or suspected underground tanks in the target area. ICTC will be the fiscal agent and has developed an MOU which will define roles and responsibilities (Audits, Administration and Project Management) for ICTC and IVEDC. IVEDC staff recently attended an EPA conference that provided guidance for project implementation. ICTC and IVEDC coordinated to develop a Request for Proposals (RFP) for qualified firms to carry out the study analysis. Ten proposals were received. The consultant selection process is in progress.

17) **I-8 / Imperial Avenue Interchange Reconstruction:** ICTC staff submitted the 2018 State Transportation Improvement Plan to the CTC on December 15, 2017. *Caltrans is working to complete the right-of-way acquisition, utility relocation and final design. As presented to the CTC, the current schedule to begin construction is in FY 2019/2020. Mr. Baza presented the STIP recommendations to the CTC at the STIP Hearing on January 25, 2018. The 2018 STIP was adopted by CTC at the March 2018 meeting.*

- 18) **California HERO Program:** The California Hero Program was launched in April 2014 in Imperial County with ICTC as the administering agency. A copy of the program activity report up to March 2018 is attached for your review.
- 19) **State Legislation for Transportation Funding – SB 1:** On August 24th ICTC staff hosted a TAC workgroup to discuss the upcoming expected actions to be undertaken by cities and county. The workshop discussed the Local Streets and Roads Program and the Local Partnership Program. Representatives from the cities and county were recommended to focus on the upcoming deadlines under the Local Streets and Roads Program. An estimate of Local Streets and Roads Program revenues were provided during the workshop. The estimates per agency included FY2017/2018 and FY2018/2019 Local Streets and Roads Program revenues. All cities and the county were responsible to submit a project list and an amended budget for FY2017/2018 to the California Transportation Commission (CTC) by October 16, 2017. ICTC staff has received confirmation that all agencies submitted a project list for FY 2017/2018 to CTC.

\$1.5 Billion annually will go to cities and counties for local road improvements. The following are projected annual revenues for the Cities and the County of Imperial for FY 2017/2018.

Agency	RMRA Amount FY 2017/2018
Brawley	\$150,100
Calexico	\$227,196
Calipatria	\$43,534
El Centro	\$255,215
Holtville	\$34,426
Imperial	\$102,634
Westmorland	\$12,747
County of Imperial	\$2,656,079
TOTAL	\$3,481,931*

**City estimate source is from California League of Cities - [FY 17-18 HUTA and RMRA Funding Estimates](#)*

**County estimate source is from California State Association of Counties -*

http://www.counties.org/sites/main/files/file-attachments/fy_2017-18_huta_and_sb_1_revenue_estimates_041317_0.pdf

Below are the projected annual revenues beyond FY 2017/2018.

Agency	RMRA Amount FY 2018-2019
Brawley	\$456,354
Calexico	\$690,750
Calipatria	\$132,357
El Centro	\$775,936
Holtville	\$104,666
Imperial	\$312,041
Westmorland	\$38,754
County of Imperial	\$7,490,000
TOTAL	\$10,000,858*

The **2018 Local Partnership Program** is comprised of formulaic program and competitive programs. In FY2017/2018 total amount available statewide is \$200M and distribution is 50/50 for both formulaic and competitive programs. The formulaic program share distributions for the Local Partnership Program were presented at the CTC meeting in December 6-7, 2017. During the meeting the CTC Commission took action

and approved the distribution of funds for the formulaic portion, the funding share for Imperial County in FY2017/2018 and in FY2018/2019 is estimated at \$538,000. According to the program guidelines and CTC staff, there is one time opportunity to rollover funds to the following fiscal year in order to maximize opportunity to use funds. Project applications for formulaic program are due December 15, 2017 to CTC. *For FY2017/2018, no projects were submitted for the formulaic program and funds will be rolled over to FY2018/2019.* Applications for the competitive program are due January 30, 2018 to CTC. The following is the link to the 2018 Local Partnership Program guidelines:

http://www.cafc.ca.gov/programs/SB_1/11617_Final_LPP_Guidelines.pdf

Reporting for SB 1 programs are due to the CTC. Please reference the attached letter for details and for a list of agencies pending submittal of reports.

- 20) **Active Transportation Program (ATP) Augmentation Planning Grant Opportunity:** As a part of Senate Bill (SB) 1, the 2017 Active Transportation Program (ATP) Augmentation is funded from the approximately \$200 million allocated from the Road Maintenance and Rehabilitation Account to the ATP in fiscal years 2017-18 and 2018-19. The Road Maintenance and Rehabilitation Account funds are state funds. Therefore, projects funded in the 2017 ATP Augmentation do not need to be federal-aid eligible. The initial programming capacity for the 2017 ATP Augmentation program is in fiscal years 2017-18 and 2018-19. Some fiscal year 2019-20 and 2020-21 programming capacity may become available as previously programmed projects request advancement into fiscal years 2017-18 and 2018-19.

The County of Imperial was awarded an ATP Augmentation Grant for sidewalk improvements on Rio Vista in the Community of Seeley. The grant is \$369,000 with a local match of 1.2 million for a total project of \$1.5 million.

- 21) **SCAG's Sustainability Grant Program – Imperial County Regional Climate Action Plan:** ICTC was awarded a SCAG Sustainable Planning Grant to develop a Regional Climate Action Plan. ICTC staff will work in collaboration with SCAG staff to develop and release a request for proposal to select a consultant that will develop the Regional Climate Action Plan. ICTC will serve as the day to day project manager and SCAG staff will serve as the administrative project manager. The goal of the project is to develop a regional framework for addressing Green House Gas (GHG) emissions for a Regional Climate Action Plan that allows each local agency to customize and fit into the context of the community each jurisdiction serves, that can be used at the local level in the development of jurisdiction – specific Climate Action Plans (CAPs). *ICTC staff is currently finalizing the scope of work language in collaboration with SCAG staff and plans to release a request for proposal May 2018.*
- 22) **Westshores Transit Opportunities:** In Preparation for the Short Range Transit Plan, staff is exploring transit connection opportunities with Sunline Transit that serves the Coachella Valley region, and pursuing grant opportunities for interregional transit services to/from Westshores and Coachella. Together we will be pursuing available grant opportunities to provide service connections. Update - On Friday, May 19, 2017, ICTC and IVT RIDE staff held a 2nd transit service outreach at the Imperial Valley Food Bank's distribution site in Westshores from 7:30 am – 9:30 am. ICTC staff met with SunLine staff in Palm Springs on June 2, 2017 to continue dialogue for potential opportunities. *This area has been listed for review of services in the Short Range Transit Plan.*
- 23) **Community of Niland Bus Stop Bench and Shelter Request:** The ICTC submitted a formal request to the California Department of Transportation (Caltrans) District 11 requesting their assistance in identifying a location for a bus stop bench and shelter in the Community of Niland along State Route 111 (SR-111). *The shelter will be installed in an existing parking lot on the east side of SR-111. The project has been approved and the contractor expects the manufacturing of the shelter to take two months. Construction will begin after receiving the shelter.*
- 24) **California-Baja California Binational Region:** A Fresh Look at Impacts of Border Delays: Building upon previous Caltrans, SANDAG, and ICTC studies, this project will refine the economic models developed to assess economic impacts of delays at the land ports of entry (POEs) between the San Diego and Imperial Counties region and Baja California, Mexico, on the border region economies. It will also estimate greenhouse

gas (GHG) emissions of passenger and commercial vehicles due to northbound and southbound border delays at the six California POEs, and propose strategies to reduce GHG emissions at the border region. Lastly, extensive outreach to government agencies, local border communities, and private sector stakeholders will be conducted. Extensive data collection and modeling work has been conducted on these areas by ICTC, SANDAG and other agencies, this project will build upon that work. The consultant team is completing the development of the survey instrument that will be used in all 6 POEs. *The Consultant team is currently working on the emission analysis deliverables. The upcoming project team meeting is scheduled for February 13, 2018 and will discuss the findings of business interviews conducted by the Consultant.*

25) Meetings attended on behalf of ICTC:

- March 8, 2018 – Imperial Mexicali Binational Alliance Meeting in Mexicali
- March 12, 2018 – Community Leadership Summit: Best Practices for Building Successful Projects in Riverside, CA
- March 13, 2018 – LTA Measure D Local Taxpayer Supervising Committee Meeting at the ICTC Offices
- March 14-16, 2018 – CalCOG Regional Leadership Forum in Monterey, CA
- March 21-22, 2018 – California Transportation Commission Meeting in Orange County
- March 22, 2018 – Unmet Transit Needs Second Meeting at the City of El Centro Council Chambers
- March 22, 2018 – League of California Cities – Imperial County Division Meeting in Brawley, CA
- March 28, 2018 – ICTC Commission and LTA Meetings
- March 28-30, 2018 – NTI Transit Fare Policy Training in Seattle, WA (attended by staff)
- March 29, 2018 – SCAG Management and Elected Official Luncheon and Tour in Imperial Valley
- April 3-6, 2018 – CalACT Spring Conference in Orange County (attended by staff)

26) Community Outreach Events attended on behalf of ICTC:

- February 21-22, 2018 – El Centro CA, Senior Nutrition Sites – IVT Ride Outreach and Sign Ups
- February 24, 2018 – Imperial CA, Tri-Tip Cook-Off – Transit Services Outreach
- March 14, 2018 – Niland CA, Children and Families Health Fair
- March 16, 2018 – Imperial CA, Imperial Valley College Transition Fair
- March 28, 2018 – Brawley CA, Senior Nutrition Site – IVT Ride Outreach and Sign Ups

27) Upcoming Community Outreach Events:

- April 21, 2018 – Brawley CA, The Great Taco Showdown – Transit Services Outreach



California HERO Activity Report
Imperial County Transportation Commission
 Launch Date through March 31, 2018

Program Activity through March 31, 2018

Member	Launch Date	Eligible Housing Units *	Total Applications Received	Applications Approved	Approved Amount	Funded Projects	Funded Amount	Jobs Created and/or Retained***	Type of Projects			Solar kW Installed	Annual kWh Saved	Annual CO2 Reduced (Tons)
									Energy	Water	Renewable			
Brawley	5/23/2014	5,590	290	184	\$5,078,238	100	\$1,363,837	12	114	0	37	93	1,023,696	253
Calexico	3/24/2015	7,374	639	379	\$12,334,923	218	\$2,807,031	25	199	3	96	243	2,451,697	616
Calipatria	3/24/2015	758	11	5	\$134,632	5	\$61,615	1	6	0	0	0	49,993	12
El Centro	5/23/2014	9,250	504	335	\$10,168,037	178	\$2,402,362	22	182	8	60	169	1,871,476	452
Holtville	3/24/2015	1,248	65	47	\$1,248,863	24	\$299,614	3	22	0	10	18	221,729	54
Imperial	6/10/2015	4,622	209	161	\$5,397,099	87	\$1,396,283	13	72	14	45	129	883,015	234
Westmoreland		596							Has not adopted Resolution of Participation					
Imperial County Unincorporated	11/14/2014	9,506	259	158	\$5,101,515	87	\$1,270,336	11	91	3	30	75	889,780	229
Total		38,944	1,977	1,269	\$ 39,463,306	699	\$ 9,601,077	87	686	28	278	725	7,391,386	1,851

** Participation rate based off of funded projects

*** 1 job for every \$117,000 invested.



January 12, 2018

Oversight Committee

*Charles Herbertson
City of Culver City
Chairman*

*Keith Cooke
City of San Leandro*

*Greg Kelley
Los Angeles County*

*Panos Kokkas
Yolo County*

*Dave Leamon
Stanislaus County*

*Damon Letz
City of Santa Clarita*

*William Ridder
LA Metro*

*Theresa Romell
MTC*

*Mike Sartor
City of Palo Alto*

*Dawn Vettese
San Diego Association of
Governments*

*Ron Vicari
Sacramento County*

*Mike Woodman
Nevada County Trans. Comm.*

Staff

*Rony Berdugo
Derek Dalfie
Meghan McKelvey
League of California Cities*

*Merrin Gerety
CEAC*

*Chris Lee
Kiana Valentine
CSAC*

TO REGIONAL TRANSPORTATION PLANNING AGENCIES

SUBJECT: 2018 CALIFORNIA STATEWIDE LOCAL STREETS AND ROADS NEEDS ASSESSMENT

Dear Madam/Sir:

Your help in asking your member jurisdictions to respond to our survey in 2016 made a difference! In large part due to their efforts to provide timely and accurate data on the condition of California Local Streets and Roads, the Governor signed SB1 in April 2017, which provides approximately \$1.5 billion/year for local streets and roads.

As you may know, the 2016 Statewide Needs Assessment Report identified a funding shortfall of almost \$80 billion for local streets and roads pavement and non-pavement needs. The report assisted the California State Association of Counties (CSAC) and the League of California Cities (League) staff to advocate for SB1 (the 2016 report is available at www.SaveCaliforniaStreets.org). In addition to deterring negative policies and budget decisions, CSAC and the League have used the findings in proactive efforts including SB 375 implementation, seeking revenues for Cap and Trade funding, and other sustainable transportation efforts.

In 2018-19, we will continue to use the findings of the 2018 assessment to emphasize the importance of retaining SB1 funding for maintenance of our local streets and roads.

As in the past, this project is being funded through contributions from stakeholders. Regional Transportation Planning Agencies (RTPAs) have provided half the cost, with cities and counties sharing equally in the remaining cost. It is essential that each agency contribute toward this study in order to demonstrate how critical this issue is to sustaining our state's transportation infrastructure.

An ongoing effort is needed to update the local streets and roads needs on a regular, consistent basis, much like the State does in preparing the State Highway Operation and Protection Program (SHOPP). NCE will assist us in performing the 2018 update of the Statewide Needs Assessment.

As our first step, letters have been sent to all cities and counties, addressed to the City Managers, Public Works Directors, City/County Engineers, pavement engineers, as well as the Finance Directors for help in filling out the survey.

We would like to get your assistance in encouraging your member jurisdictions to respond to this survey. Please ask them to fill out the online survey at www.SaveCaliforniaStreets.org. We have included the survey instructions for filling out the survey for your information. Also enclosed is a list of agencies who did not respond to the 2016 survey in case you need more specific information on your jurisdictions.

Specific information we are collecting in the survey to determine the statewide needs include:

- Agency's contact information for both the technical as well as funding/financial projections.
- Technical – pavement, safety, regulatory and traffic needs.
- Financial – projected funding revenues/expenditures.

- Optional survey from the City and County Pavement Improvement Center to identify training and pavement technical needs.

Our intent is to involve your organization in the collection of this data every two years. We believe that to be successful in communicating the needs of local streets and roads in California, we need to have your active involvement.

Our target date to obtain this data from your member jurisdictions is no later than March 30th, 2018. Whatever assistance you provide in helping us meet that date would be greatly appreciated. Should you have any questions, please do not hesitate to contact me at (310) 253-5630 or charles.herbertson@culvercity.org, or Ms. Margot Yapp from NCE at (510) 215-3620 or myapp@ncenet.com.

We appreciate your help in providing this information!

Sincerely,



Charles D. Herbertson, P.E., L.S.
President, Public Works Officers Department
League of California Cities
Director of Public Works/City Engineer
City of Culver City
Project Manager of Statewide Needs Assessment



Jeff Pratt, President
County Engineers Association of California
Public Works Agency, Director/
Road Commissioner
County of Ventura

Enclosures: Fact Sheet
 Instructions for Online Survey
 Agencies Who Did Not Respond to 2016 Survey

Why are we updating the 2016 study?

Transportation funding for Cities and Counties continues to be at risk.

The 2016 statewide needs study identified a funding shortfall of \$73 billion for local streets and roads (the final report is available on the www.SaveCaliforniaStreets.org website). The California State Association of Counties and League of California Cities were successful in using this report to advocate for more funding for local roads.

In April 2017, the Governor signed SB1, which provides over \$5 billion a year for transportation needs, of which \$1.5 billion goes to cities and counties. However, there are efforts underway to repeal it in 2018. This update will help us once again with our efforts to protect our transportation funds.

Why is this update important?

Performing a needs assessment biennially will provide updated information to maintain and obtain transportation funding, similar to Caltrans. Hopefully, the information from this study will embed into the decision makers' minds the importance of maintaining sufficient transportation funding for local streets and roads. Additionally, we need to make it clear what the detrimental consequences are for deferring or reducing local street and road funds. This study is the only comprehensive and systematic statewide approach to quantify the needs for local streets and roads.

Study Achievements

The findings have been used to:

- Successfully advocate for SB1, which includes \$1.5 billion a year for local streets and roads.
- Educate elected officials, policy- and decision-makers, and the public about the condition of the local transportation network and the funding needed. This study has been cited by many media sources and reports.
- Advocate against, and ultimately avoid, potential devastating cuts to local transportation funding over several state budget cycles.
- Proactively advocate for funding from the SB 375 implementation, Cap and Trade, and other sustainable transportation efforts.

How can Cities and Counties help?

Your help in 2016 made a difference; and we need your input again!

Please go to www.SaveCaliforniaStreets.org and login to our online survey to provide updates in the following categories:

- Contact Person from your Agency
- Safety, traffic, and regulatory data
- Pavement condition data
- Funding/expenditure projections



California Statewide Local Streets & Roads Needs Assessment 2018

www.SaveCaliforniaStreets.org

We are anxious to begin the study, so please provide us with the contact person who is responsible for both the technical and funding information in your agency (see our contact information below). We will be in touch with them soon to obtain this information. The deadline for responding to this survey is **March 30th, 2018**.

Who is sponsoring this project?

Many cities and counties contributed funding to this study. The agencies listed below have accepted the leadership responsibility for completing this study on behalf of the cities and counties in California.

- California State Association of Counties (CSAC)
- League of California Cities (League)
- County Engineers Association of California (CEAC)
- County of Los Angeles
- City of Culver City
- California Regional Transportation Planning Agencies (RTPA)
- Metropolitan Transportation Commission (MTC)
- California Rural Counties Task Force (RCTF)

The Oversight Committee is composed of representatives from each organization, with the City of Culver City (representing the League of California Cities) acting as the Project Manager. NCE is the consultant who will be performing the update. Oversight Committee members include:

Charles Herbertson, City of Culver City
Keith Cooke, City of San Leandro
Greg Kelley, Los Angeles County
Panos Kokkas, Yolo County
Dave Leamon, Stanislaus County
Damon Letz, City of Santa Clarita
William Ridder, LA Metro
Theresa Romell, Metropolitan Transportation Commission
Mike Sartor, City of Palo Alto
Dawn Vettese, San Diego Association of Governments

Ron Vicari, Sacramento County
Mike Woodman, Nevada County Transportation Commission

Staff

Rony Berdugo, League of California Cities
Derek Dolfie, League of California Cities
Meghan McKelvey, League of California Cities
Merrin Gerety, CEAC
Chris Lee, CSAC
Kiana Valentine, CSAC

Who should I contact for more information?

Margot Yapp, Vice President
NCE
501 Canal Blvd., Suite I
Pt. Richmond, CA 94804
Tel: (510) 215-3620

Charles Herbertson, Director of Public Works/
City Engineer & President, Public Works
Officers Department
Project Manager
9770 Culver Blvd.
Culver City, CA
Tel: (310) 253-5630

FACT SHEET

Instructions for Online Survey

Step 1. Go to <http://www.savecaliforniastreet.org>. Click on the button that says “Click here to participate”.

Step 2. On the login page, select the name of your agency from the dropdown list. If you responded to the 2016 or earlier surveys, the information you previously entered will be shown so that you can update it. You will need your agency’s login and password, which was mailed to you. If you do not have this information, please contact Mimi Liao at (510) 215-3620 or at mliao@ncenet.com.

Welcome to the Statewide Needs Assessment Survey

Thank you for participating in this study! Your responses are very much appreciated.

Confidentiality

For the purpose of regional planning and analysis, the information you are submitting will be made available to your Regional Transportation Planning Agency (RTPA) upon their request. Otherwise, all responses to this survey will be considered confidential and we will not release the information to any third party without your written consent.

To log in, please select your agency from the list and enter the password provided in your contact letter.

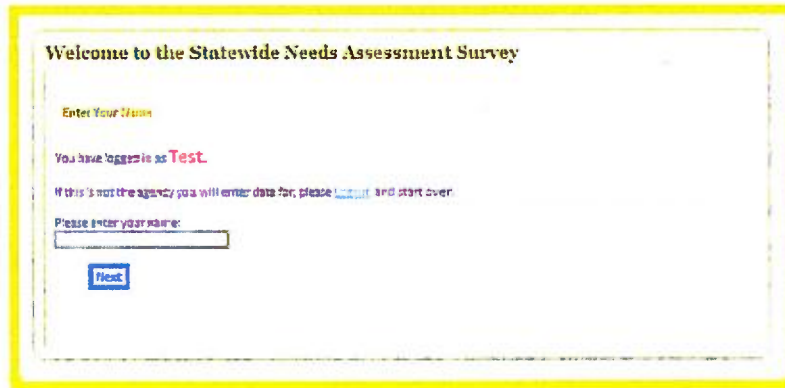
Your Agency

Your Agency:

Password:

If your agency is not on the list or if you need a password, please contact Mimi Liao at mliao@ncenet.com

Step 3. Enter your name, then click "Next" to the main survey page.



Step 4. There are seven (7) parts in this survey (see image below). Click on each button to enter the relevant information. If you do not have all the information requested, skip to the next section.



Step 5. Once data entry is complete, you can view and print your entry by clicking on the "Print a copy for your records" button. If there are no more changes, select "Yes" on the "Are you ready to submit the survey as final?" question.

Step 6. Click "Logout" button when done.

THANK YOU FOR YOUR PARTICIPATION!

**Agencies Who Did Not Respond in 2016
(Sorted by County)**

Agency	County
Biggs	Butte
Gridley	Butte
Oroville	Butte
Paradise	Butte
Williams	Colusa
Crescent City	Del Norte
Coalinga	Fresno
Orange Cove	Fresno
Parlier	Fresno
Glenn County	Glenn
Orland	Glenn
Blue Lake	Humboldt
Rio Dell	Humboldt
Trinidad	Humboldt
Calexico	Imperial
Calipatria	Imperial
Imperial	Imperial
Westmorland	Imperial
Mcfarland	Kern
Corcoran	Kings
Lakeport	Lake
Susanville	Lassen
Artesia	Los Angeles
Baldwin Park	Los Angeles
Bellflower	Los Angeles
Bradbury	Los Angeles
Hawaiian Gardens	Los Angeles
Hidden Hills	Los Angeles
Lynwood	Los Angeles
Rolling Hills	Los Angeles
Sierra Madre	Los Angeles
Signal Hill	Los Angeles
Walnut	Los Angeles
Point Arena	Mendocino
Willits	Mendocino
Del Rey Oaks	Monterey
King City	Monterey
Salinas	Monterey
Sand City	Monterey
Soledad	Monterey
Grass Valley	Nevada
Laguna Beach	Orange
Seal Beach	Orange

**Agencies Who Did Not Respond in 2016
(Sorted by County)**

Agency	County
Portola	Plumas
Beaumont	Riverside
Blythe	Riverside
Canyon Lake	Riverside
Riverside	Riverside
Rancho Cordova	Sacramento
Hollister	San Benito
San Benito County	San Benito
Adelanto	San Bernardino
Chino	San Bernardino
Chino Hills	San Bernardino
Hesperia	San Bernardino
Loma Linda	San Bernardino
Redlands	San Bernardino
Rialto	San Bernardino
San Bernardino	San Bernardino
Twentynine Palms	San Bernardino
Upland	San Bernardino
Lemon Grove	San Diego
National City	San Diego
Santee	San Diego
Vista	San Diego
Escalon	San Joaquin
Grover Beach	San Luis Obispo
Monte Sereno	Santa Clara
Anderson	Shasta
Shasta Lake	Shasta
Dunsmuir	Siskiyou
Mount Shasta	Siskiyou
Live Oak	Sutter
Farmersville	Tulare
Porterville	Tulare
Sonora	Tuolumne
Marysville	Yuba
Yuba County	Yuba

Memorandum

Date: April 11th, 2018
To: ICTC Management Meeting
From: David Salgado, Regional Affairs Officer (RAO)
Re: **Southern California Association of Government's Report**

The following is a summary of the SCAG Executive Director's Report and/or Federal and State Legislature Staff Report for the Imperial County Transportation Commission Management Committee Regular Meeting April 11th, 2018.

- 2018 SCAG Scholarship Program:** The SCAG Scholarship Program is designed to offer local government and planning experience that students can use to develop long-term career goals. The scholarship will provide a \$4,000 scholarship award for seven high school or community college students from the SCAG region (and potentially an additional eighth scholarship award that is not tied to a specific county, but would be awarded at the Committee's discretion) and a two-week internship with a local planning agency, council of governments or SCAG. Recipients may also have an opportunity to meet with their local government representatives and practicing planners to discuss the importance of urban planning and a future career in public service. Further information and the application are available on the SCAG website. Applications are due Friday April 27th, 2018. For information please contact Imperial County RAO David Salgado.
- SCAG Go Human Campaign:** SCAG is entering the 3rd year of the GO-Human Marketing and Advertising Safety and Encouragement Campaign implemented throughout the 6 county SCAG region. We've had great participation and engagement in Imperial County and would like to build upon the success. The new round of advertising will integrate Vision Zero and new messaging developed from gathered feedback. The campaign will run through the month of May to coincide with "National Bike Month" and during July and August to promote safe walking and biking during "back to school." If any agencies would like to participate and partner with SCAG to promote GO Human, please reach out to SCAG Regional Affairs Officer (RAO) David Salgado or Assistant Regional Planner Julia Lippe-Klein (213) 236-1856.

3. **SCAG 2018 Public Participation Plan – DRAFT:** SCAG has developed a Draft 2018 Public Participation Plan, and would like your input. SCAG does transportation and land use planning for a large, diverse region-- this plan is key to helping us make sure we're engaging the public effectively & inclusively. The plan is available online for review until April 2018. For questions please contact SCAG RAO David Salgado.
4. **2018 Regional Conference and General Assembly:** Please save the date for the 2018 Regional Conference and General Assembly. This year's conference will be held at the Renaissance Esmeralda Indian Wells Resort and Spa in Indian Wells on May 3rd and 4th, 2018. City clerks should have received notice to begin the formal process for selecting the 2018 GA delegate and alternate. For questions please contact Regional Affairs Officer (RAO) David Salgado.
5. **SCAG Downtown Los Angeles Relocation:** SCAG relocated to the new Downtown Headquarters located at The Wilshire Grand Center. The new address is 900 Wilshire Boulevard, 17th Floor, Los Angeles, CA 90017. The building is a brand new LEED Certified Class A Building and provides for a more advanced space for SCAG to grow into. The new space will also have improved spaces for SCAG's regular public meetings and workshops.
6. **SB 1 Road Repair and Accountability Act of 2017:** The bill passed by a vote of 27-11. The bill provides \$52.4 billion over 10 years for transportation by raising California's gas excise tax 12 cents to 30 cents a gallon, with annual adjustments for inflation. The diesel excise tax will also go up 20 cents to 36 cents a gallon. Funds will also be raised by fee increases on vehicle registrations which will be proportionate to the vehicle model year and will range from \$25 to \$175 a year annually. Zero emission vehicles will incur a \$100 annual fee. There will be a constitutional amendment put on the 2018 ballot to allow a vote to ensure the funds will be provided for road projects.
7. **SCAG 2017 Local Profiles:** 2017 Final Local Profiles are posted on the SCAG website and readily available. Hard copies may be provided upon request. Questions can be directed to Ping Chang or Mike Gainor at SCAG.
8. **2017 SCAG Presidents Strategic Plan (PSP) Update:** SCAG has convened a strategic planning committee composed of executive management, leadership, and staff in order to develop and update SCAG's Strategic Planning Document. The new SCAG Strategic Plan was adopted as one of the first items of the new year at the February 2018 Regional Council Meeting. The Strategic Plan has not been updated since 2009 and provides a framework for the agencies

Work Plan and continued success. A Staff Strategic Planning (SSP) Committee has been composed to support the work of the PSP. Imperial County RAO David Salgado is participating on the PSP Committee.

9. **2016 RTP/SCS FINAL APPROVAL** – On April 7, 2016, SCAG’s Regional Council adopted the 2016 RTP/SCS, a long range visioning plan that balances future mobility and housing needs with economic, environmental and public health goals. The Plan charts a course for closely integrating land use and transportation – so that the region can grow smartly and sustainably. It outlines more than \$556.5 billion in transportation system investments through 2040. The Plan was prepared through a collaborative, continuous, and comprehensive process with input from local governments, county transportation commissions, tribal governments, non-profit organizations, businesses and local stakeholders within the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura.

The 2016 RTP/SCS is available for download by chapter or as one file. Please note that some files are large and may take longer to download depending on individual connection speeds. We strongly recommend that you first download it onto your computer before opening the file. All files are in Adobe Acrobat PDF format. The executive summary is available upon request.

REGISTER FOR THE 2018 REGIONAL CONFERENCE AND GENERAL ASSEMBLY

An updated program agenda is now available for the 53rd annual Regional Conference and General Assembly, to be held May 3-4 at the Renaissance Indian Wells Resort & Spa. This year's program, themed "Southern California at a Crossroads," will address how online shopping is impacting local retail and revenue, share ways that cities can build resilience for earthquakes and other natural disasters, discuss solutions to the housing crisis and investigate the region's transportation future. Additional details on this and other breakout panels are available on the event website. [Register now](#). The event is free for elected officials and city managers in the region. Discounted early bird registration ends on April 6.

SCAG is also hosting a special pre-conference session on Wednesday, May 2: The Future Communities Forum to showcase how technology, open data, big data, and analytics are being used to solve common challenges. The Forum is part of SCAG's new effort to foster innovation and data-driven decision making in the public sector. The Forum's theme is "The Power of Shared Data" and it will bring together elected officials, public sector chief information officers, data scientists, private sector leaders, and SCAG's international partners to exchange ideas on public-private data-flows as well as how to use big data to solve big problems. For more information, please email John Cho at choj@scag.ca.gov.

SCAG IN SACRAMENTO: DELEGATION LOBBIES FOR THE REGION

A delegation of Southern California leaders traveled to Sacramento in early March to meet with a bipartisan group of state lawmakers and lobby on behalf of the region. This advocacy trip focused on regional-level issues, addressing policy goals related to alleviating the state's severe housing shortage, meeting climate targets and ensuring that Southern California gets the resources it needs to improve its transportation infrastructure and overall mobility.

The delegation stressed the need for reform on the California Environmental Quality Act (CEQA), to prevent slowdowns on much-needed developments; encouraged policies that incentivize local governments to build an adequate, affordable supply of housing; and affirmed support for dedicated funding for badly needed repairs and maintenance to our transportation infrastructure. The group also reiterated the need for equitable distribution of cap-and-trade revenues to transportation improvements and sustainable communities in all areas of the SCAG region. The delegation met directly with 20 state legislators and staff representatives of seven others. For a recap of the trip, visit <http://newsletter.scag.ca.gov/scagupdate/030818.htm>.

AIR RESOURCES BOARD UPDATES REGIONAL GHG REDUCTION TARGET

On March 23, the California Air Resources Board (CARB) voted to adopt new state and regional climate targets. As the region's metropolitan planning area responsible for charting how Southern California will meet its goal, SCAG has been working collaboratively with CARB on a target for reducing greenhouse gas emissions at the regional level that is ambitious and attainable. The new target requires the SCAG region to make a 19 percent reduction in greenhouse gas emissions per capita by the year 2035 – up from a previous target of 13 percent. At the community level, this means considerably reducing per capita vehicle miles traveled. SCAG's 2020 Regional Transportation Plan/Sustainable Communities Strategy, a blueprint for Southern California's long-term transportation and land use planning, will identify a path to meeting the adopted target. We applaud CARB for engaging in a collaborative process towards achieving regional sustainability. Partnership like this is essential to meeting climate goals and making Southern California a leading example for the rest of the world.

2020 REGIONAL TRANSPORTATION PLAN/SUSTAINABLE COMMUNITIES STRATEGY UPDATE

In preparation for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and the upcoming Regional Housing Needs Assessment, SCAG staff has been meeting one-on-one with local jurisdictions to solicit input on the draft forecast of population, households and employment, as well as data on local land use, transportation, environmental factors and sustainability plans and programs. As of this week, staff have met with 123 jurisdictions - 62% of the region. By October of 2018, we expect to have met with all 197 jurisdictions. These meetings have also been an opportunity to educate each jurisdiction on SCAG's planning process, data development techniques, as well as SCAG's web-based Scenario Planning Model – Data Management Site. Additional information on this effort is available on our website at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>.

SCAG CELEBRATES BIKE MONTH WITH RE-LAUNCH OF GO HUMAN CAMPAIGN

This May, SCAG will ring in 2018's National Bike Month by launching the third year of our Go Human advertising campaign. The campaign launch will coincide with other Bike Month efforts throughout the region, including Bike to Work Day and [Bike to School Day](#). Go Human promotes traffic safety and encourages people to walk and bike, with a goal of achieving 250 million impressions through outdoor, digital, social and radio advertising across the SCAG region. The Go Human campaign is planned in coordination with County Transportation Commissions and health departments across the region, and funded through the Office of Traffic Safety. SCAG is seeking local partnerships to extend the reach of the Go Human campaign. To participate in the campaign, please use the request form available at GoHumanSoCal.org. Materials can be resized, co-branded, printed and delivered to city partners, as budget allows.

Go Human also has many open-streets events and temporary demonstration projects planned for the year, including two that are coming up soon in the cities of Costa Mesa and Walnut Park. These events, which promote safer and more accessible bicycling, are part of a broader effort to support local planning projects and making walking and biking safer and more convenient. For more details, please visit the [Go Human Events page](#).

MARCH AND APRIL TOOLBOX TUESDAY LEARNING SESSIONS

Our Toolbox Tuesday workshop series continued in March with a webinar titled “Protecting our Future: Strategies and Tools for Natural and Working Lands Conservation.” This two-hour online session focused on local and regional opportunities, resources, and strategies for conservation. To view a recording of this event and access the presentations, please visit the training site.[LINK: <http://sustain.scag.ca.gov/Pages/ToolboxTuesdayTraining.aspx>].

Toolbox Tuesday will return again on April 10 with a workshop on emerging innovations in first/last mile planning and design. This one-day training focuses on three major curriculum areas: First/Last Mile Policy and Network Planning, Pedestrian and Bicyclist Safety Countermeasures and First/Last Mile Temporary Demonstrations. Speakers include Kome Ajise and Stephen Patchan of SCAG, Alison Kendall of Kendall Planning + Design and Meghan Mitman of Fehr & Peers. The free event will convene on April 10, from 9:00 a.m. to 4:00 p.m., in SCAG’s new Downtown Los Angeles Office at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017. This session is eligible for AICP Certification Maintenance credits. Please [click here](#) for more information and to register for the event. For any questions, please contact India Brookover at brookover@scag.ca.gov.

CALL FOR PROJECTS: ACTIVE TRANSPORTATION PROGRAM

The 2019 Active Transportation Program (ATP) call for projects will open on May 16. The program will award approximately \$440 million through fiscal year 2023 for infrastructure and non-infrastructure projects. As in past cycles, applicants will have two opportunities to receive funding, either through the statewide selection or SCAG’s regional program. Minimum requests for infrastructure funds is \$250,000. There is no minimum for non-infrastructure projects. The deadline to apply is July 31. Awards for the statewide selections will be announced in January 2019, and SCAG’s Regional Program will make announcements in June 2019. For more information on the ATP, please visit <http://www.catc.ca.gov/programs/atp/>. If you have any questions, please contact SCAG staff Stephen Patchan at patchan@scag.ca.gov.

SCAG HOLDS PUBLIC LISTENING SESSION FOR FEDERAL CERTIFICATION REVIEW

A public listening session is scheduled for Tuesday, April 3, to receive input on how to improve the transportation planning process within Southern California. The Federal Highway Administration and the Federal Transit Administration are conducting a review and evaluation of SCAG’s regional transportation planning process for its 2018 certification. These federal agencies complete this process every four years, and invite the public to comment at a listening session that will be held at SCAG’s main office, with videoconferencing capabilities at each regional office.

SCAG HOSTS PEER EXCHANGE ON SAFETY DATA

From Feb. 13-15, SCAG partnered with Caltrans and the Federal Highway Administration (FHWA) to host a peer exchange program focused on developing an integrated business plan for managing California’s safety data. The peer exchange will aid the state as it works to advance its capacity to collect and analyze safety data to support program planning and performance management. In addition to a presentation from SCAG on our Future Communities Initiative, the peer exchange featured presentations from state departments of transportation and metropolitan planning organizations from across the country, representing a total of 13 states. This April, SCAG will meet with FHWA and Caltrans to continue discussions on the California Safety Data Business Plan.

SCAG IN D.C.: CALIFORNIA TRANSPORTATION CONGRESSIONAL RECEPTION

On March 13, staff traveled to Washington, D.C., for the annual California Transportation Congressional Reception, which SCAG sponsors in partnership with the region’s County Transportation Commissions and other transportation agencies. The event convenes members of the House Committee on Transportation and Infrastructure and their staff, administration officials from the Federal Transit Administration and various California stakeholders. The theme of the event highlighted some of California’s applications for the Federal Transit Administration’s discretionary Capital Investments Grants Program. This program funds major transit capital investments, including heavy rail, commuter rail, light rail, streetcars, and bus rapid transit. Attendance at the event included over 150 people, including members of Congress and their staff.

CITY OF CARSON SUSTAINABILITY PLANNING GRANT KICKING OFF THIS MONTH

SCAG is excited to announce the City of Carson’s April launch of a Neighborhood Mobility Area (NMA) study. This innovative planning study, which will examine how Carson can utilize NMAs to promote sustainable mobility and development, is funded by SCAG’s Sustainability Planning Grant Program. NMAs are characterized as urban areas that, due to their density, urban form and other characteristics, have the potential to support active transportation, safer, more active streets and neighborhood-oriented development. The NMA study will be integrated with Carson’s current update of its general plan and zoning codes. SCAG’s Sustainability Planning Grant Program was established as a vehicle to support our jurisdictions and deploy meaningful, state-of-the-art planning tools that connect local planning with 2016 RTP/SCS goals. Our most recent grant awards were announced in 2017, and will fund over 60 planning projects throughout the region. Stay tuned for future project kick-off announcements.

URBAN LAND INSTITUTE HOSTED URBAN MARKETPLACE EVENT

On March 28, SCAG joined much of the region’s planning community at the Urban Land Institute-Los Angeles’ annual Urban Marketplace conference. This year’s event, titled “The Future is Now: The Convergence of Policy, Partnerships & Equity,” brought together more than 250 attendees from real estate development, finance, local government and nonprofits to “make a deal, make a difference.” SCAG sponsored the event, which featured discussions on how to promote equitable development across the Los Angeles region. The “marketplace” session fostered discussion on important topics, including innovative solutions to address the region’s homeless and housing crisis, promote successful public-private partnerships and reduce barriers to equitable development.



Date: April 6, 2018
To: ICTC Management Committee
From: Tim Gubbins, Caltrans District 11, Acting District Director
Re: **District Director's Report**

The following is the California Department of Transportation, District 11 report for the Imperial County Transportation Commission (ICTC) Management meeting of April 11, 2018:

1. Project Updates:

Please see maps at end of report for project level detail.

2. Construction:

Interstate 8 (I-8) Continuously Reinforced Concrete Pavement Project (CRCP)

I-8 CRCP Project was divided into five segments with segments 1-3 being complete. The entire project is scheduled for completion in 2019.

Segment 4: This segment is divided into two sections located near El Centro from west of I-8/SR-111 separation to just west of Anderholt Road overcrossing and from east of the East Highline Canal Bridge to west of the I-8/SR-98 separation. This segment began construction on July 10, 2017. The contractor continues working on I-8 near SR-111, with the *eastbound Location 1 lanes expected to be completed in April*. The contractor is also replacing the existing pavement on Evan Hewes Highway in preparation of establishing this road as a detour.

Segment 5: Located near Winterhaven from west of Ogilby Road overcrossing to west of the I-8/SR-186 separation. This seven-mile segment began construction the week of June 12, 2017. Westbound lanes are expected to be fully open by the *end of April*.

Construction (continued):

The eastbound lanes were fully opened in March. This project is expected to be completed 14 months ahead of schedule.

SR-98 / Cesar Chavez Widening Project

Contract approval was received in January 2017, with construction on the \$12.9 million project beginning in April 2017 and ending in spring 2018.

This project is now complete with signal installation at Cesar Chavez occurring in late March 2018.

SR-86/Heber Pedestrian Improvements

This project will construct sidewalks and a bus shelter. Construction on Phase 1 is complete. *Phases two and three will be starting in late summer or fall 2018.*

SR-111/Main Street in Niland

This project will install a bus stop and shelter in an existing parking lot on the east side of SR-111. The project has been approved and the contractor expects the manufacturing of the shelter to take two months. Construction will begin after receiving the bus shelter.

3. Traffic Operations:

SR-86/Customs & Border Protection Checkpoint Expansion

Caltrans recently provided a design alternative with cost estimate to ICTC. The design will allow for two lanes for use by CBP under a newly constructed canopy to be placed over SR-86, and two lanes of secondary inspection during peak periods, which should reduce or eliminate queuing of traffic during these time periods. This was approved by the Commission late 2017.

A meeting with ICTC, CBP, Caltrans and the consultant AECOM was held on February 13, 2018. It was determined that the work will be done as an Encroachment Permit, and that Caltrans will be providing project support during the planning, design, and construction phases.

The LTA approved the consultant contract with AECOM at their February 28, 2018 meeting.

Traffic Operations (continued):

SR-98/Birch Street

Caltrans Highway Operations is currently working on a Traffic Investigation Report (TIR) that will recommend to remove school zone related signs from the speed feedback posts. In addition, the speed feedback signs will be reset to a 24 hour schedule upon completion of the TIR.

Signage on I-8 Directing Trucks to SR-7:

The TIR to install signs to direct trucks to use SR-7 on I-8 and SR-111 was approved on November 27, 2017. Per the approved TIR, guide signs to direct trucks to use SR-7 will be installed on eastbound I-8 prior to SR-98 and SR-111. An additional guide sign will be installed on southbound SR-111 to direct trucks to use east I-8 to south SR-7, for a total of three guide signs.

No additional guide signs will be installed on westbound I-8 as there are existing guide signs to direct trucks to use SR-7 for border crossing prior to the I-8/SR-7 connector. The proposed signs were sent to Operations Planning Support on November 30, 2017 to process the sign order.

Caltrans Highway Operations is obtaining quotes for new speed feedback signs recommended based on the TIR. The speed feedback signs will be reset to a 24 hour schedule.

All American Canal Bridge/SR-186

A public hearing was held on February 21, 2018 at the County of Imperial Department of Public Works office in El Centro. In attendance were Caltrans, County of Imperial, CHP, and the Bureau of Reclamation (BOR) representatives. There were no members of the public in attendance to discuss or comment on the bridge weight restriction on SR-186. The following topics were discussed:

- Location and description of SR-186 and All American Canal Bridge.
- Description of request from BOR for weight restriction on All American Canal Bridge.
- Display showing proposed advanced warning and Terminal Access Route signs
- Discussed impacts weight restriction would have on the public.
- Answered questions from CHP.

There were no objections to the proposed advanced warning signs for the weight restriction.

District II is addressing the Headquarters Division of Truck Services comments to finalize the Weight Restriction Report. This is currently pending signatures for approval.

4. Planning:

California Transportation Foundation Awards

An application was submitted for the I-8/Dogwood Interchange Reconfiguration Project which was a combined effort between the City of El Centro, Caltrans and County of Imperial and showcased significant new technologies, as well as cooperative partnerships. It has been selected as one of the top three to move to the finals in May 2018.

Senate Bill 1 – New Grant Opportunities - Sustainability Grant Submittals

February 23, 2018 was the last day to submit grant applications in this category, and the region submitted four applications; one from each - ICTC, City of El Centro, City of Brawley and the City of Calipatria. They have been reviewed and ranked internally at District 11; forwarded to Headquarters where they will be reviewed; and finally will compete on a statewide basis. Award letters are expected to be sent out mid-summer, with funding dependent on the passage of the state budget. Once the budget is passed, and funds transferred, projects can typically start in the fall of 2018.

If an application is not awarded, the agency can request a debrief of their project to discuss areas for improvement in future grant cycles.

Trade Corridor Enhancement Projects (TCEP):

Caltrans has been working diligently to develop a comprehensive suite of projects to benefit the U.S./Mexico border region, in the area of goods movement and cross-border traffic. To that end, District 11 has developed a multi-project application submittal that includes projects for both Imperial and San Diego counties. In Imperial, this includes the final phase of the SR-98 widening in Calexico as well as the environmental and design work for the expansion of the bridge over the All American Canal at the Calexico East POE. Final submittals were due on January 23, 2018; and project awards are expected to be announced by the CTC in May 2018.

Calexico Traffic Circulation Plan

Caltrans has been awarded a grant from the Federal Highways Administration (FHWA) State Planning & Research funds, with an 80/20 in-kind match by the Imperial County Transportation Commission (ICTC) to fund a \$100,000 Traffic Circulation Plan (TCP) for access to the Calexico West Port of Entry (POE).

This effort will have a two-phase approach. Phase one will address access for opening day traffic conditions. Phase two will provide further analysis and recommendations for potential traffic shifts for the 60-90 day period beyond opening day conditions.

The Calexico West POE is scheduled to be complete in *late Summer 2018*. Opening of the POE will require the City of Calexico to make necessary improvements to Cesar Chavez

Planning (continued):

Boulevard which will serve as future access to the POE. Caltrans and the City of Calexico will work cooperatively with other local and regional partners to identify other traffic improvements and changes which may be required by changing patterns. Additionally, while Mexico has completed their roadway improvements; their federal customs facility remains to be constructed.

SCAG is currently finalizing contract negotiations. It is expected that a consultant will be on board by mid April 2018. A ½ day workshop conducted by Caltrans and ICTC is scheduled for May 1, 2018 in the City of Calexico which will include stakeholders, business and community members.

Grants Underway:

A Fresh Look at Impacts of Border Delays at CA/BC POEs

In May 2016, the San Diego Association of Governments received two Caltrans grants for a total of \$670,000 to study the Effects of Border Wait Times on the Economy and Air Quality/Climate Change Emissions. This is a cooperative effort between SANDAG, ICTC and Caltrans under contract with HDR.

Recent Activities:

Meetings with the Project Study Team (PST) and the consultant team were held in *January, February, and March 2018.*

The Border Wait Time Technologies and Information Systems White Paper was finalized. A summary report of at-border data collection results, including results of intercept surveys at the six land POEs, and border crossing times for passenger vehicles and truck was reviewed by the PST and finalized.

The PST discussed the status of improvements to the travel demand model that will be used to provide projections of cross border volumes and delays. *The HDR team is actively finalizing the economic and emissions models and analyzing data, including data from the Otay Mesa East model runs.*

The Draft outline for the final report was presented in three volumes at the March 2018 meeting in three volumes. The PST is reviewing the draft outlines for previously submitted comments and new comments presented at the March 2018 meeting.

All 20 interviews with businesses identified in the Economic Outreach Plan were completed. *HDR presented the results in a report entitled: "Economic Outreach: Findings of Business Interviews" at the March 2018 meeting.*

Planning (continued):

Imperial County Transportation Model Update

SCAG has delivered the future years' Social, Economic and Demographic (SED) data to, Cambridge Systematics. They are reviewing the SED data, and working on model run iterations to test the trip generation and traffic assignment results for the future years. As far as the mode-choice is concerned, the consultant has developed a procedure to calibrate mode choice, and the next step is to begin mode choice calibration.

Imperial County Active Transportation Plan

The County of Imperial, Caltrans and the selected consultant, KOA, met in mid March 2018 to discuss final scope of work details and initiate work on this ATP contract. The plan will cover six areas of the county; Heber, Ocotillo, Niland, Salton Sea, and Winterhaven/Bard.

Minor modifications to the contract were made, such as the decision to hold one workshop in each community, which will allow for increased public input and better one-on-one discussion with residents about their needs and concerns for non-motorized travel opportunities.

City of Calexico – Bicycle Plan Update

The City of Calexico, in conjunction with a consultant and with funds (\$75,250) provided through a grant from the State Highway Account – Sustainable Communities program by Caltrans, recently completed the update to their Bicycle Master Plan. The Plan was presented to the City Council and received unanimous approval.

5. Maintenance

Recently, Maintenance crews managed closures and detours on SR-7 and SR-98 during periods of closure at the Calexico East Commercial POE to perform slurry surfacing projects for pavement preservation. This involved an area over 100,000 square feet and was completed in under 12 hours.



SR7/SR98 - Before



SR7/SR98 - After

6. Local Assistance:

Inactive Projects

Future inactives should be billed within the specified and agreed upon timeframe to avoid a unilateral deobligation of funds.

The inactive and future inactive list was updated as of April 3, 2018. Action is required by the following agencies: Brawley, Calexico, City of Imperial, El Centro, Imperial County, and the Imperial County Transportation Commission. All inactive and future inactive invoices should be submitted to the District Local Assistance Engineer (DLAE) before the District II deadline of April 20, 2018.

Note: An invoice is not cleared off the inactive or future inactive until it has been paid by the State Controller's Office.

A complete list of inactive projects can be found at the link provided below.

<http://www.dot.ca.gov/hq/LocalPrograms/Inactiveprojects.htm>

April 2018 Deadline for 17/18 Federal Fiscal Year Requests for Authorization/Obligation

Please transmit Requests for Authorization, de-obligation, etc. due this federal fiscal year before April 6, 2018.

ATP Cycle 4 Call-For Projects

Caltrans anticipates the CTC will announce the 2019 (Cycle 4) call-for-projects in or around May 2018.

The Cycle 4 Call for Projects is expected to include about \$440M in ATP funding made up of Federal funding and State SBI and SHA funding. The funding/programming years are expected to include 19/20, 20/21, 21/22 and 22/23 funding years.

Potential applicants are encouraged to check the Caltrans and CTC ATP websites for future updates.

CTC – ATP website: <http://www.catc.ca.gov/programs/ATP.htm>

For project specific and call for project questions, please contact Bryan Ott, District II ATP Coordinator at (619)220-5310 or via email at bryan.ott@dot.ca.gov

June 30, 2018 Deadline for “DBE Annual Submittal” and “ADA Annual Certification” Forms

Please submit both the “Local Agency Disadvantaged Business Enterprise (DBE) Annual Submittal Form” (Exhibit 9-B) and “Local Agency Americans with Disabilities Act (ADA)

Local Assistance (continued):

Annual Certification Form” (Exhibit 9-C) by June 30, 2018, for the next Federal Fiscal Year (October 1, 2018 to September 30, 2019) per Local Assistance Procedures Manual (LAPM) Chapter 9, Sections 9.3 and 9.6. Include in your 9-B submittal an organizational chart showing the DBELO and his/her contact information.

Note that failure to submit the completed forms will result in a delay to the processing of any Requests for Authorization.

Local Assistance Manuals Updated

The Local Assistance Procedures Manual (LAPM) and the Local Assistance Program Guidelines (LAPG) were updated in January 2018. Below are the links for the manuals:

-LAPM: <http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>
-LAPG: <http://www.dot.ca.gov/hq/LocalPrograms/lam/lapg.htm>

Highway Safety Improvement Program (HSIP)

The next call for projects (HSIP Cycle 9) is expected to be announced around late April or early May 2018. Please visit this website periodically for updates:

http://www.dot.ca.gov/hq/LocalPrograms/HSIP/apply_now.html

For questions, you may contact Bryan Ott, District II HSIP Coordinator at (619) 220-5310 or via email at bryan.ott@dot.ca.gov.

Architectural & Engineering (A&E) Consultant Contract Review Office Bulletin #17-02

A recording of the A&E Exhibit 10-C 2-Hour Intensive training webinar is now available, along with a PDF of the presentation and all accompanying handouts. This webinar recording discusses the revised Local Assistance Procedures Manual (LAPM) Exhibit 10-C Consultant Contract Reviewers Checklist and the new procedure in effect requiring all agencies to obtain acceptance of Exhibit 10-C prior to contract award.

Check out our A&E Exhibit 10-C Webinar Recording and Handouts at the following link:

<http://www.localassistanceblog.com/ae-training/>

Period of Performance

Office Bulletin (OB) 18-01 has been published to revise OB 16-02, which established a procedure to identify a Period of Performance End Date (PPED), to establish when the Period of Performance ends, and an Agreement End Date (AED) to define when the project would close in the Federal Highway Administration's

Local Assistance (continued):

(FHWA) Fiscal Management Information System (FMIS). After having this procedure in practice for two years, and after review, FHWA and the Division of Local Assistance has determined that only one date will be used to define when the Period of Performance ends. [OB 18-01](#) clarifies what the Period of Performance is, eliminates the PPED, and establishes that only one date will need to be established to identify the end of the Period of Performance. Please see Office Bulletin 18-01 at the following link:

http://www.dot.ca.gov/hq/LocalPrograms/DLA_OB/2018/ob18-01.pdf

Subsidized Classes for Local Agencies

The California Local Technical Assistance Program is a jointly funded effort between FHWA and Caltrans to provide local governments with training, information, technology and direct assistance to help improve transportation infrastructure. Upcoming courses are listed at this link:

registration.techtransfer.berkeley.edu/wconnect/ShowSchedule.awp?&Mode=GROUP&Group=:FULL&Title=Complete+Listing

Reminder: Division of Local Assistance Listserver Email Subscription

Sign up for a Division of Local Assistance “Listserver” to receive significant updates or additions to Local Assistance webpages, including changes to the Local Assistance Procedures Manual (LAPM) and Local Assistance Program Guidelines (LAPG), new Office Bulletins and Local Programs Procedures, as well as Calls for Projects.

<http://lists.dot.ca.gov/mailman/listinfo/dla-website-updates-announce>

Reminder: Division of Local Assistance Blog (LAB)

The Caltrans Local Assistance Blog (LAB) provides clarity on issues and contributes to the successful delivery of transportation projects using federal resources. Categories covered by the LAB are: Subsidized Classes for Local Agencies, Policy/Procedures, Program Guidelines, Training, Environmental, and Right of Way.

<http://www.localassistanceblog.com>

Local Assistance Events

April 18, 2018 – Southern California Local Assistance Management Meeting (SCLAMM)

SCLAMM will be held in District 7 at 100 South Main Street, Los Angeles, CA 90012 in Room 01.040-A, B & C. If you have any questions, please contact Joann Eustache at (213) 897-2958 or via email at joann.eustache@dot.ca.gov.

Local Assistance (continued):

The first 50 agencies confirming their attendance will be given preferential parking (one parking space per agency). Only e-mail confirmation is accepted. The SCLAMM flyer is attached to this update.

SAVE THE DATE:
September 13, 2018 - Next SCLAMM

The September SCLAMM Meeting will tentatively be held at the Caltrans, District II San Diego Office in the Garcia Conference Room on September 13, 2018. Please register with Alma Sanchez at (619) 278-3735 or via email at alma.sanchez@dot.ca.gov by September 6, 2018. District II will request topics and discussion items prior to the meeting.

Training

For questions or to register for any training, please contact Local Assistance Training Coordinator, Alma Sanchez at (619) 278-3735 or via email at: alma.sanchez@dot.ca.gov.

Additional dates and location are available statewide for the Federal Aid Series - Please check for updates below.

<http://www.californialtap.org/index.cfm?pid=1077>

Procuring Architectural & Engineering (A&E) Training, May 24, 2018:

Procuring A&E training will be held at Caltrans District II, at 4050 Taylor Street, San Diego, in the Gallegos Conference Room. Start time will be announced at a later date. Limited space is available. To register for this training, you may contact Alma Sanchez - Local Assistance Training Coordinator.

Subsidized Classes for Local Agencies

The California Local Technical Assistance Program is a jointly funded effort between FHWA and Caltrans to provide local governments with training, information, technology and direct assistance to help improve transportation infrastructure. Upcoming courses are listed at this link:

registration.techtransfer.berkeley.edu/wconnect/ShowSchedule.awp?&Mode=GROUP&Group=:FULL&Title=Complete+Listing

Local Assistance (continued):

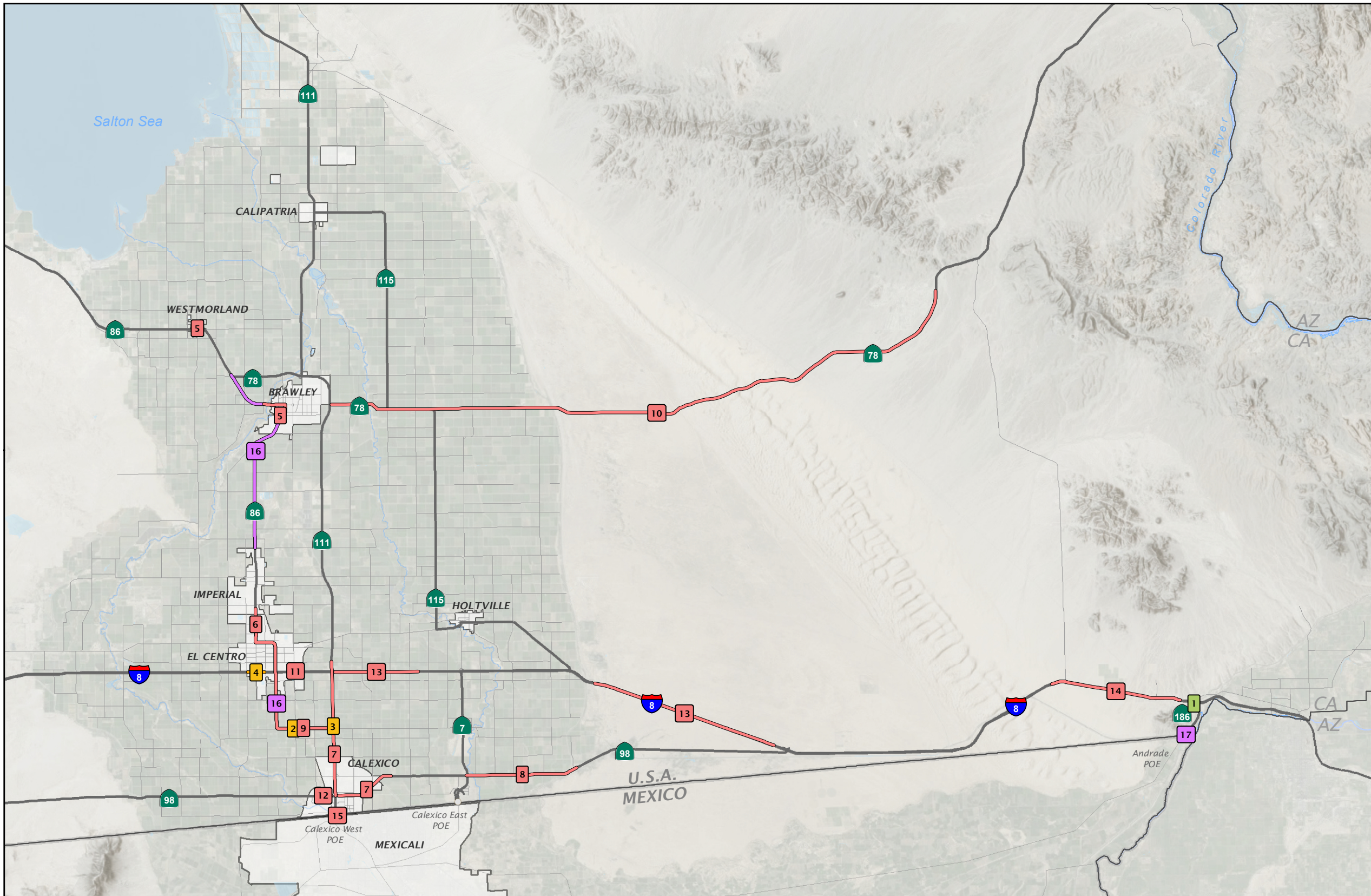
Reminder: Local Assistance Customer Service Survey

This pilot program supports a Caltrans Strategic Management Plan Goal: Organizational Excellence. A survey ranked Local Assistance as the Division of Caltrans that external agencies interact with most on a regular basis. Headquarters, Division of Local Assistance and District Offices will recognize employees who go “above and beyond,” document best practices and identify needed training.

So, how did we do?
Help us serve you better!

The Caltrans Local Assistance Customer Service Survey can be found at the link provided below.

<https://www.surveymonkey.com/r/CTLocalAssistanceFeedback>



ENVIRONMENTAL

1. SR-186/I-8 Interchange Improvements

DESIGN

2. SR-86/Dogwood Road Intersection Improvements*
Design Complete Fall 2018
3. SR-86/SR-111 Intersection Improvements*
Design Complete Fall 2018
4. I-8/Imperial Ave Interchange Improvements
Design Complete Spring 2019

CONSTRUCTION

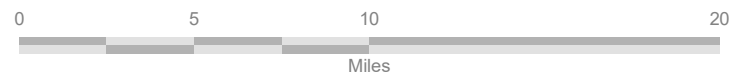
5. SR-86 Pavement Rehabilitation
Construction Start Spring 2018
6. SR-86 Pavement Rehabilitation
Construction Start Summer 2018
7. SR-111/SR-98 Pavement Rehabilitation
Construction Start Summer 2018
8. SR-98 Pavement Rehabilitation
Construction Start Spring 2018
9. SR-86/"Heber Ave" Sidewalk, Transit,
& ADA Improvements Phases 2 & 3*
Construction Start Spring 2018
10. SR-78 Pavement Rehabilitation
Construction Complete Spring 2018
11. Dogwood Road Landscape
Plant Establishment Fall 2018
12. SR-98 West Widening Phase 1 B
Eady Ave to Ollie Ave
Construction Complete Spring 2018
13. I-8 Pavement Rehabilitation at Various Locations
Construction Start Summer 2017
14. I-8 Pavement Rehabilitation at Ogilby Rd to SR-186
Construction Complete Summer 2018
15. SR-111 Calexico West - GSA POE Reconfiguration*
Construction Complete Summer 2018

RELINQUISHMENT

16. SR-86 Relinquishment From SR-78 to SR-111
Senate Bill 788 Approved Fall 2013
17. SR-186 Relinquishment 500 Feet
from Border to GSA*
Complete Summer 2018



- █ Environmental
- █ Design
- █ Construction
- █ Relinquishment



Abbreviations:
GSA: General Services Administration

POE: Port of Entry

Portions of this map contain geographic information copyrighted by the Imperial County GIS program. All rights reserved. The data provided is "as is" without warranty of any kind.

Date: 01/09/2018



* The California Department of Transportation (Caltrans) is a partner in this study/projects, although not the lead agency.

SCLAMM

SOUTHERN CALIFORNIA LOCAL ASSISTANCE MANAGEMENT MEETING

HOSTED BY DISTRICT-7

WHEN

Wednesday
April 18, 2018
9:01am – 2:59pm

WHERE

District 7 office

100 South Main, Los Angeles, CA 90012

Room: 01.040-A, B & C

Suggest any topics/concerns to be addressed and if you need speaking time, please contact

JOANN EUSTACHE at (213)-897-2958

OR

JOANN.EUSTACHE@DOT.CA.GOV

LAST DATE TO SUBMIT A REQUEST: **MARCH 30, 2018**

ATTENDING AGENCIES

- FHWA
- LOCAL AGENCIES IN FOLLOWING COUNTIES:
 - IMPERIAL
 - LOS ANGELES
 - ORANGE
 - RIVERSIDE
 - SAN BERNARDINO
 - SAN DIEGO
 - VENTURA

- CT-HQ-DLA

- DISTRICT 8

- DISTRICT 11

- DISTRICT 12

FIRST 50 AGENCIES CONFIRMING THE ATTENDANCE WILL BE GIVEN PREFERENCE PARKING (ONE PARKING SPACE PER AGENCY)

(ONLY E-MAIL CONFIRMATION IS ACCEPTED)

VI. ACTION CALENDAR

A. AGREEMENT FOR PROFESSIONAL SERVICES FOR THE 2018 ENVIRONMENTAL ENGINEERING SERVICES— EPA BROWNFIELD ASSESSMENTS



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave. Suite 104
El Centro, CA 92243

SUBJECT: Agreement for Professional Services for the 2018 Environmental Engineering Services—
EPA Brownfield Assessments

Dear Committee Members:

ICTC, in partnership with the Imperial Valley Economic Development Corp. (IVEDC) submitted a grant to the U.S. Environmental Protection Agency (EPA) and was awarded a federal grant for \$300,000 under the *Brownfields Assessment* program.

The identification and future clean-up of brownfields sites plays a key role in maximizing redevelopment opportunities to encourage private investment and transform blighted, vacant, and/or underutilized areas into thriving communities. ICTC and IVEDC's redevelopment strategy focuses on infill, mixed-use, and transit-oriented development to attract patrons to the City of Brawley's downtown corridor, while providing opportunity for retail and service oriented establishments.

The activities covered under this EPA grant include consultant conducted environmental site assessments which will help identify the presence or potential presence of hazardous substances and petroleum within the identified target area.

The data and reporting from the environmental site assessments provided through this EPA grant will be used to compile an inventory of sites and their brownfield status (level of contamination). This information will help determine the redevelopment potential of each site and identify any necessary remediation. By conducting assessments in the target areas, we can evaluate the extent of hazardous substances and petroleum contamination on these properties which will help refine the redevelopment strategy and action plan for the brownfields' reuse and revitalization.

In January 2018, the Commission approved a Memorandum of Understanding (MOU) with the Imperial Valley Economic Development Commission (IVEDC), and a new program budget unit entitled "Regional Collaboration" (7557001) was established. Subsequently, a Request for Proposal (RFP) for qualified environmental engineering firms was distributed in February 2018.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

In March 2018, an Evaluation Committee comprised of staff from IVEDC, the City of Brawley, the Southern California Association of Governments (SCAG) and ICTC conducted the initial proposal scoring and ranking process, as well as, subsequent oral interviews.

Ten proposals were received, and three firms were ultimately interviewed.

The Evaluation Committee recommends that a contract be awarded to the firm of SCS Engineers. The proposal from SCS Engineers indicated pricing for a substantial bilingual public outreach plan; and their project team has extensive knowledge and experience with the specific EPA requirements for Brownfield Assessments. SCS Engineers' project team also includes a local office in the Imperial Valley.

It is requested that the ICTC Management Committee forward this item to the Commission for their review and approval after public comment, if any:

1. Authorize the Chairman to sign the agreement with the firm of SCS Engineers for the 2018 Environmental Engineering Services—EPA Brownfield Assessments Project, for a not to exceed fee set at \$257,980.

Sincerely,



MARK BAZA
Executive Director

MB/ksw/cl

1 **AGREEMENT FOR SERVICES**

2
3 THIS AGREEMENT FOR SERVICES (“Agreement”), made and entered into this _____ day
4 of _____, 2018, is by and between the **IMPERIAL COUNTY TRANSPORTATION**
5 **COMMISSION** (“ICTC”) and **STEARNS, CONRAD AND SCHMIDT, CONSULTING**
6 **ENGINEERS, INC.**, dba SCS Engineers, a Virginia corporation qualified to do business in California
7 (“**CONSULTANT**”) (individually, “Party;” collectively, “Parties”).

8 **WITNESSETH**

9 **WHEREAS**, ICTC desires to retain a qualified individual, firm or business entity to provide
10 professional services for the 2018 Environmental Engineering Services—EPA Brownfields Assessment
11 project (“the Project”); and

12 **WHEREAS**, ICTC desires to engage CONSULTANT to provide services by reason of its
13 qualifications and experience for performing such services, and CONSULTANT has offered to provide the
14 required services for the Project on the terms and in the manner set forth herein.

15 **NOW, THEREFORE**, ICTC and CONSULTANT have and hereby agree to the following:

16 1. **DEFINITIONS.**

17 1.1. “RFP” shall mean ICTC’s request for proposals entitled “Imperial County Transportation
18 Commission (ICTC) and Imperial Valley Economic Development Corporation (IVEDC) Request for
19 Proposals for 2018 Environmental Engineering Services—EPA Brownfields Assessment” dated January
20 2018. The RFP is attached as **Exhibit “A”** and incorporated herein by this reference.

21 1.2. “Proposal” shall mean CONSULTANT’s proposal entitled “Proposal to Provide: ICTC
22 2018 EPA Brownfields Assessment Technical Proposal” dated February 9, 2018. The Proposal is attached
23 as **Exhibit “B”** and incorporated herein by this reference.

24 2. **CONTRACT COORDINATION.**

25 CONSULTANT shall assign a single Contract Manager to have overall responsibility for the
26 progress and execution of this Agreement. Cristobal Ramirez, CAC, is hereby designated as the Contract
27 Manager for CONSULTANT. Should circumstances or conditions subsequent to the execution of this
28 Agreement require a substitute Contract Manager for any reason, the Contract Manager’s designee shall be

1 subject to the prior written acceptance and approval of ICTC.

2 3. DESCRIPTION OF WORK.

3 3.1. CONSULTANT shall provide all materials and labor to perform this Agreement. In the
4 event of a conflict among this Agreement, the RFP and the Proposal, the Parties shall in good faith
5 negotiate to harmonize both the RFP and Proposal to ensure work is performed in accordance with all
6 pertinent federal, state, and local laws, and this Agreement shall take precedence over both.

7 3.2. CONSULTANT shall perform additional or extra work if required, utilizing the per hour
8 rate set forth in Exhibit "B".

9 4. WORK TO BE PERFORMED BY CONSULTANT.

10 4.1. CONSULTANT shall comply with all terms, conditions and requirements of the RFP,
11 Proposal and this Agreement.

12 4.2. CONSULTANT shall perform such other tasks as necessary and proper for the full
13 performance of the obligations assumed by CONSULTANT hereunder.

14 4.3. CONSULTANT shall:

15 4.3.1. Procure all permits and licenses, pay all charges and fees, and give all notices that
16 may be necessary and incidental to the due and lawful prosecution of the services to be performed
17 by CONSULTANT pursuant to this Agreement;

18 4.3.2. Use the standard of care usual to CONSULTANT's profession to keep itself fully
19 informed of all applicable existing and proposed federal, state and local laws, ordinances,
20 regulations, orders and decrees which may affect those engaged or employed under this Agreement,
21 any materials used in CONSULTANT's performance under this Agreement or the conduct of the
22 services under this Agreement;

23 4.3.3. At all times observe and comply with, and cause all of its employees to observe and
24 comply with all of said laws, ordinances, regulations, orders and decrees mentioned above; and

25 4.3.4. Immediately report to ICTC in writing any discrepancy or inconsistency it discovers
26 in said laws, ordinances, regulations, orders and decrees mentioned above in relation to any plans,
27 drawings, specifications or provisions of this Agreement.

28 4.4. Any videotape, reports, information, data or other material given to, or prepared or

1 assembled by, CONSULTANT pursuant to this Agreement shall be the property of ICTC and shall not be
2 made available to any individual or organization by CONSULTANT without the prior written approval of
3 ICTC. The preceding restriction shall not apply to information which is in the public domain, was
4 previously known to CONSULTANT, was acquired by CONSULTANT from others who have no
5 confidential relationship to ICTC with respect to same, or which through no fault of CONSULTANT
6 comes into the public domain. CONSULTANT shall not be restricted from releasing information,
7 including confidential information, in response to a subpoena, court order, or other legal process.
8 CONSULTANT shall not be required to resist such subpoena, court order, or legal process, but shall
9 promptly notify ICTC in writing of the demand for information before responding to such demand.

10 5. REPRESENTATIONS BY CONSULTANT.

11 5.1. CONSULTANT understands and agrees that ICTC has limited knowledge in the multiple
12 areas specified in the Proposal. CONSULTANT has represented itself to have experience in these fields
13 and understands that ICTC is relying upon such representation.

14 5.2. Subject to 5.2.1, CONSULTANT represents and warrants that it is a lawful entity
15 possessing all required licenses and authorities to do business in the State of California and perform all
16 aspects of this Agreement.

17 5.2.1. CONSULTANT shall not commence any work pursuant to this Agreement or
18 provide any other services, or materials, in connection therewith until CONSULTANT has received
19 written authorization from ICTC to do so.

20 5.3. CONSULTANT represents and warrants that the people executing this Agreement on behalf
21 of CONSULTANT have the authority of CONSULTANT to sign this Agreement and bind
22 CONSULTANT to the performance of all duties and obligations assumed by CONSULTANT herein.

23 5.4. CONSULTANT represents and warrants that any employee, contractor and/or agent who
24 will be performing any of the duties and obligations of CONSULTANT herein possess all required licenses
25 and authorities, as well as the experience and training, to perform such tasks.

26 5.5. CONSULTANT represents and warrants that the allegations contained in the Proposal are
27 true and correct.
28

1 5.6. CONSULTANT understands that ICTC considers the representations made herein to be
2 material and would not enter into this Agreement with CONSULTANT if such representations were not
3 made.

4 6. COMPENSATION.

5 The total compensation payable under this Agreement shall not exceed two hundred fifty seven
6 thousand eight hundred dollars (\$257,800.00) unless otherwise previously agreed to by ICTC.

7 7. PAYMENT.

8 CONSULTANT will bill ICTC on a time and material basis upon completion of the project or as set
9 forth in the cost schedule attached hereto as **Exhibit "C"**. ICTC shall pay CONSULTANT for completed
10 and approved services upon presentation of its itemized billing.

11 8. METHOD OF PAYMENT.

12 8.1 CONSULTANT shall at any time prior to the 15th day of any month, submit to ICTC a
13 written claim for compensation for services performed. The claim shall be in a format approved by ICTC.
14 CONSULTANT may expect to receive payment within a reasonable time thereafter and in any event in the
15 normal course of business within thirty (30) days after the claim is submitted.

16 9. TERM AND TIME FOR COMPLETION OF THE WORK.

17 9.1. This Agreement shall commence on the date first written above and shall remain in effect
18 through completion of the Project unless otherwise terminated as provided herein.

19 9.2. Program scheduling shall be as described in Exhibit "A" unless revisions to Exhibit "A" are
20 approved by both ICTC and CONSULTANT's Contract Manager. Time extensions may be allowed for
21 delays caused by ICTC, other governmental agencies, or factors not directly brought about by the
22 negligence or lack of due care on the part of CONSULTANT.

23 10. SUSPENSION OF AGREEMENT.

24 ICTC shall have the authority to suspend this Agreement, wholly or in part, for such period as
25 deemed necessary due to the failure on the part of CONSULTANT to perform any provision of this
26 Agreement. CONSULTANT will be paid the compensation due and payable to the date of suspension.

27 11. SUSPENSION AND/OR TERMINATION.

28 11.1. ICTC retains the right to terminate this Agreement for any reason by notifying

1 CONSULTANT in writing seven (7) days prior to termination and by paying the compensation due and
2 payable to the date of termination; provided, however, if this Agreement is terminated for fault of
3 CONSULTANT, ICTC shall be obligated to compensate CONSULTANT only for that portion of
4 CONSULTANT's services which have been performed in accordance with the terms and conditions of this
5 Agreement. Said compensation is to be arrived at by mutual agreement between ICTC and
6 CONSULTANT; should the Parties fail to agree on said compensation, an independent arbitrator shall be
7 appointed and the decision of the arbitrator shall be binding upon the Parties.

8 11.2. Upon such termination, CONSULTANT shall immediately turn over to ICTC any and all
9 copies of videotapes, studies, sketches, drawings, computations and other data, whether or not completed,
10 prepared by CONSULTANT in connection with this Agreement. Such materials shall become the
11 permanent property of ICTC.

12 12. INSPECTION.

13 CONSULTANT shall furnish ICTC with every reasonable opportunity for ICTC to ascertain that
14 the services of CONSULTANT are being performed in accordance with the requirements and intentions of
15 this Agreement. All work done and materials furnished, if any, shall be subject to ICTC's inspection and
16 approval. The inspection of such work shall not relieve CONSULTANT of any of its obligations to fulfill
17 its Agreement as prescribed.

18 13. OWNERSHIP OF MATERIALS.

19 All original drawings, videotapes and other materials prepared by or in possession of
20 CONSULTANT pursuant to this Agreement shall become the permanent property of ICTC, upon payment
21 as set forth in paragraphs 6, 7, and 8 above, and shall be delivered to ICTC upon demand.

22 14. INTEREST OF CONSULTANT.

23 14.1. CONSULTANT covenants that it presently has no interest, and shall not acquire any
24 interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the
25 performance of the services hereunder.

26 14.2. CONSULTANT covenants that, in the performance of this Agreement, no sub-contractor or
27 person having such an interest shall be employed.

1 14.3. CONSULTANT certifies that no one who has or will have any financial interest pursuant to
2 this Agreement is an officer or employee of ICTC.

3 15. INDEMNIFICATION.

4 To the furthest extent allowed by law, including California Civil Code section 2782.8,
5 CONSULTANT shall indemnify, hold harmless and defend ICTC and each of its members, board
6 members, officers, officials, employees, agents and volunteers from any and all loss, liability, fines,
7 penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not
8 limited to personal injury, death at any time and property damage), and from any and all claims,
9 demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) to
10 the extent that any loss, liability, fines, penalties, forfeitures, costs, damages, claims, demands or actions
11 in law or equity arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of
12 CONSULTANT, its principals, officers, employees, agents or volunteers in the performance of this
13 Agreement. In no event shall the cost to defend charged to the design professional exceed the design
14 professional's proportionate percentage of fault. However, notwithstanding the previous sentence, in the
15 event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution
16 of the business, the design professional shall meet and confer with other parties regarding unpaid
17 defense costs.

18 If CONSULTANT should subcontract all or any portion of the services to be performed under
19 this Agreement, CONSULTANT shall require each subcontractor to indemnify, hold harmless and
20 defend ICTC and each of its members, board members, officers, officials, employees, agents and
21 volunteers in accordance with the terms of the preceding paragraph.

22 It is understood and agreed that, in seeking the Services of CONSULTANT under this
23 Agreement, ICTC may be requesting CONSULTANT to undertake obligations for ICTC 's benefit
24 involving the presence or potential presence, or release or potential release to the environment, of
25 hazardous substances and other contaminants. Therefore, ICTC agrees that CONSULTANT will not be
26 responsible for and hereby releases CONSULTANT from and against any and all claims, losses,
27 damages, liability and costs arising out of the presence, discharge, release or escape of hazardous
28 substances or contaminants of any kind, except to the extent that the claims, losses, damages, liability

1 and costs arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the
2 CONSULTANT in the performance of this Agreement.

3 This section shall survive termination or expiration of this Agreement.

4 16. INDEPENDENT CONTRACTOR.

5 In all situations and circumstances arising out of the terms and conditions of this Agreement,
6 CONSULTANT is an independent contractor, and as an independent contractor, the following shall
7 apply:

8 16.1. CONSULTANT is not an employee or agent of ICTC and is only responsible for the
9 requirements and results specified by this Agreement or any other agreement.

10 16.2. CONSULTANT shall be responsible to ICTC only for the requirements and results
11 specified by this Agreement and except as specifically provided in this Agreement, shall not be subject
12 to ICTC's control with respect to the physical actions or activities of CONSULTANT in fulfillment of
13 the requirements of this Agreement.

14 16.3. CONSULTANT is not, and shall not be, entitled to receive from, or through, ICTC, and
15 ICTC shall not provide, or be obligated to provide, CONSULTANT with Worker's Compensation
16 coverage or any other type of employment or worker insurance or benefit coverage required or provided
17 by any Federal, State or local law or regulation for, or normally afforded to, an employee of ICTC.

18 16.4. CONSULTANT shall not be entitled to have ICTC withhold or pay, and ICTC shall not
19 withhold or pay, on behalf of CONSULTANT, any tax or money relating to the Social Security Old Age
20 Pension Program, Social Security Disability Program, or any other type of pension, annuity, or disability
21 program required or provided by any Federal, State or local law or regulation.

22 16.5. CONSULTANT shall not be entitled to participate in, or receive any benefit from, or
23 make any claim against any ICTC fringe program, including, but not limited to, ICTC's pension plan,
24 medical and health care plan, dental plan, life insurance plan, or any other type of benefit program, plan,
25 or coverage designated for, provided to, or offered to ICTC's employee.

26 16.6. ICTC shall not withhold or pay, on behalf of CONSULTANT, any Federal, State, or local
27 tax, including, but not limited to, any personal income tax, owed by CONSULTANT.

1 16.7. CONSULTANT is, and at all times during the term of this Agreement, shall represent
2 and conduct itself as an independent contractor, not as an employee of ICTC.

3 16.8. CONSULTANT shall not have the authority, express or implied, to act on behalf of, bind
4 or obligate ICTC in any way without the written consent of ICTC.

5 17. INSURANCE.

6 Throughout the life of this Agreement, CONSULTANT shall pay for and maintain in full force
7 and effect all policies of insurance required hereunder with an insurance company(ies) either (i)
8 admitted by the California Insurance Commissioner to do business in the State of California and rated
9 not less than "A- VII" in Best's Insurance Rating Guide, or (ii) authorized by ICTC's Executive Director
10 or his/her designee at any time and in his/her sole discretion. The following policies of insurance are
11 required:

12 (i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as
13 broad as the most current version of Insurance Services Office (ISO) Commercial General
14 Liability Coverage Form CG 00 01 and include insurance for "bodily injury," "property damage"
15 and "personal and advertising injury" with coverage for premises and operations (including the
16 use of owned and non-owned equipment), products and completed operations, and contractual
17 liability with limits of liability of not less than the following:

18 \$1,000,000 per occurrence for bodily injury and property damage

19 \$1,000,000 per occurrence for personal and advertising injury

20 \$2,000,000 aggregate for products and completed operations

21 \$2,000,000 general aggregate

22 (ii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least
23 as broad as the most current version of Insurance Service Office (ISO) Business Auto Coverage
24 Form CA 00 01, and include coverage for all owned, hired, and non-owned automobiles or other
25 licensed vehicles (Code 1 - Any Auto) with limits of liability of not less than \$1,000,000 per
26 accident for bodily injury and property damage.

27 (iii) WORKERS' COMPENSATION insurance as required under the California Labor
28 Code.

1 (iv) EMPLOYERS' LIABILITY insurance with limits of liability of not less than
2 \$1,000,000 each accident, \$1,000,000 disease policy limit and \$1,000,000 disease each
3 employee.

4 (v) PROFESSIONAL LIABILITY (ERRORS AND OMISSIONS) insurance appropriate
5 to CONSULTANT'S profession, with limits of liability of not less than \$1,000,000 per
6 claim/occurrence and \$2,000,000 policy aggregate.

7 In the event CONSULTANT maintains insurance or self-insurance with broader coverage and/or
8 limits of liability greater than those shown above, ICTC requires and shall be entitled to the broader
9 coverage and/or the higher limits of liability maintained by CONSULTANT. Any available insurance
10 proceeds in excess of the specified minimum limits of insurance and coverage shall be available to
11 ICTC.

12 CONSULTANT shall be responsible for payment of any deductibles contained in any insurance
13 policies required hereunder and CONSULTANT shall also be responsible for payment of any self-
14 insured retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the
15 ICTC's Executive Director or his/her designee. At the option of the ICTC's Executive Director or
16 his/her designee, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured
17 retentions as respects to ICTC, its board members, officers, employees, agents and volunteers: or (ii)
18 CONSULTANT shall provide a financial guarantee, satisfactory to ICTC's Executive Director or his/her
19 designee, guaranteeing payment of losses and related investigations, claim administration and defense
20 expenses. At no time shall ICTC be responsible for the payment of any deductibles or self-insured
21 retentions.

22 All policies of insurance required hereunder shall be endorsed to provide that the coverage shall
23 not be cancelled, non-renewed, reduced in coverage or in limits except after 30 calendar day written
24 notice has been given to ICTC. Upon issuance by the insurer, broker, or agent of a notice of
25 cancellation, nonrenewal, or reduction in coverage or in limits, CONSULTANT shall furnish ICTC with
26 a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to
27 expire during the work to be performed for ICTC, CONSULTANT shall provide a new certificate, and
28

1 applicable endorsements, evidencing renewal of such policy not less than 15 calendar days prior to the
2 expiration date of the expiring policy.

3 The General Liability and Automobile Liability insurance policies shall be written on an
4 occurrence form and shall name ICTC, its members, board members, officers, employees, agents and
5 volunteers as an additional insured. Such policy(ies) of insurance shall be endorsed so
6 CONSULTANT'S insurance shall be primary and no contribution shall be required of ICTC. The
7 coverage shall contain no special limitations on the scope of protection afforded to ICTC, its members,
8 board members, officers, employees, agents and volunteers. The Workers' Compensation insurance
9 policy shall contain a waiver of subrogation as to ICTC, its members, board members, officers,
10 employees, agents and volunteers.

11 If the Professional Liability (Errors and Omissions) insurance policy is written on a claims-made
12 form:

- 13 1. The retroactive date must be shown, and must be before the effective date of the
14 Agreement or the commencement of work by CONSULTANT.
- 15 2. Insurance must be maintained and evidence of insurance must be provided for at least 3
16 years after any expiration or termination of the Agreement or, in the alternative, the
17 policy shall be endorsed to provide not less than a 3-year discovery period.
- 18 3. If coverage is canceled or non-renewed, and not replaced with another claims-made
19 policy form with a retroactive date prior to the effective date of the Agreement or the
20 commencement of work by CONSULTANT, CONSULTANT must purchase extended
reporting coverage for a minimum of 3 years following the expiration or termination of
the Agreement.
4. A copy of the claims reporting requirements must be submitted to ICTC for review.
5. These requirements shall survive expiration or termination of the Agreement.

21 CONSULTANT shall furnish ICTC with all certificate(s) and applicable endorsements effecting
22 coverage required hereunder. All certificates and applicable endorsements are to be received by ICTC
23 and approved by ICTC's Executive Director or his/her designee prior to ICTC's execution of the
24 Agreement and before work commences. Upon request of ICTC, CONSULTANT shall immediately
25 furnish ICTC with a complete copy of any insurance policy required under this Agreement, including all
26 endorsements, with said copy certified by the underwriter to be a true and correct copy of the original
27 policy. This requirement shall survive expiration or termination of this Agreement.

1 If at any time during the life of this Agreement or any extension, CONSULTANT or any of its
2 subcontractors fail to maintain any required insurance in full force and effect, all work under this
3 Agreement shall be discontinued immediately, and all payments due or that become due to
4 CONSULTANT shall be withheld until notice is received by ICTC that the required insurance has been
5 restored to full force and effect and that the premiums therefore have been paid for a period satisfactory
6 to ICTC. Any failure to maintain the required insurance shall be sufficient cause for ICTC to terminate
7 this Agreement. No action taken by ICTC hereunder shall in any way relieve CONSULTANT of its
8 responsibilities under this Agreement.

9 The fact that insurance is obtained by CONSULTANT shall not be deemed to release or
10 diminish the liability of CONSULTANT, including, without limitation, liability under the indemnity
11 provisions of this Agreement. The duty to indemnify ICTC shall apply to all claims and liability
12 regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation
13 upon the amount of indemnification to be provided by CONSULTANT. Approval or purchase of any
14 insurance contracts or policies shall in no way relieve from liability nor limit the liability of
15 CONSULTANT, its principals, officers, employees, agents, persons under the supervision of
16 CONSULTANT, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone
17 employed directly or indirectly by any of them.

18 If CONSULTANT should subcontract all or any portion of the services to be performed under
19 this Agreement, CONSULTANT shall require each subcontractor to provide insurance protection in
20 favor of ICTC, its board members, officers, employees, agents and volunteers in accordance with the
21 terms of each of the preceding paragraphs, except that the subcontractors' certificates and endorsements
22 shall be on file with CONSULTANT and ICTC prior to the commencement of any work by the
23 subcontractor.

24 18. ASSIGNMENT.

25 Neither this Agreement nor any duties or obligations hereunder shall be assignable by
26 CONSULTANT without the prior written consent of ICTC. CONSULTANT may employ other
27 specialists to perform services as required with prior approval by ICTC.

28 ///

1 19. NON-DISCRIMINATION.

2 During the performance of this Agreement, CONSULTANT shall not unlawfully discriminate
3 against any employee or applicant for employment or employee of ICTC or member of the public
4 because of race, religion, color, national status, age, or sex. CONSULTANT shall ensure that the
5 evaluation and treatment of its employees and applicants for employment and employees and members
6 of the public are free of such discrimination. CONSULTANT shall comply with all provisions of the
7 Fair Employment and Housing Act (Government Code §12900, *et seq.*). The applicable regulations of
8 the Fair Employment Housing Commission implementing Government Code §12900 set forth in
9 Chapter 5 of Division 4 of Title 2 of the California Administrative Code are incorporated into this
10 Agreement by reference and made a part hereof as if set forth in full. CONSULTANT shall abide by the
11 Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and
12 regulations issued pursuant to said Act. CONSULTANT shall also abide by the American Disabilities
13 Act and all amendments thereto, and all administrative rules and regulations issued pursuant to said Act.
14 CONSULTANT shall give written notice of its obligations under this clause to labor organizations with
15 which it has a collective bargain or other agreement. CONSULTANT shall include the non-
16 discrimination and compliance provision of this paragraph in all subcontracts to perform work pursuant
17 to this Agreement.

18 20. NOTICES AND REPORTS.

19 20.1. All notices and reports pursuant to this Agreement shall be in writing and may be given
20 by personal delivery or by mailing by certified mail, addressed as follows:

21 **ICTC**

22 Attn: Executive Director
23 Imperial County Transportation Commission
24 1503 N. Imperial Ave., Ste 104
El Centro, CA 92243

CONSULTANT

Attn: Project Manager
SCS Engineers
1601 N. Imperial Ave.
El Centro, CA 92243

25 20.2. All notices and reports pursuant to this Agreement may be given by personal delivery or
26 by mailing by certified mail at such other address as either Party may designate in a notice to the other
27 Party given in such manner.
28

1 20.3. Any notice given by mail shall be considered given when deposited in the United States
2 Mail, postage prepaid, addressed as provided herein.

3 21. ENTIRE AGREEMENT.

4 This Agreement contains the entire agreement between ICTC and CONSULTANT relating to the
5 transactions contemplated hereby and supersedes all prior or contemporaneous agreements,
6 understandings, provisions, negotiations, representations, or statements, either written or oral.

7 22. MODIFICATION.

8 No modification, waiver, amendment, discharge, or change of this Agreement shall be valid
9 unless the same is in writing and signed by both parties.

10 23. PARTIAL INVALIDITY.

11 If any provision in this Agreement is held by a court of competent jurisdiction to be invalid,
12 void, or unenforceable, the remaining provisions will nevertheless continue in full force without being
13 impaired or invalidated in any way.

14 24. GENDER AND INTERPRETATION OF TERMS AND PROVISIONS.

15 As used in this Agreement and whenever required by the context thereof, each number, both
16 singular and plural, shall include all numbers, and each gender shall include a gender. CONSULTANT
17 as used in this Agreement or in any other document referred to in or made a part of this Agreement shall
18 likewise include both singular and the plural, a corporation, a partnership, individual, firm or person
19 acting in any fiduciary capacity as executor, administrator, trustee or in any other representative capacity
20 or any other entity. All covenants herein contained on the part of CONSULTANT shall be joint and
21 several if more than one person, firm or entity executes the Agreement.

22 25. WAIVER.

23 No waiver of any breach or of any of the covenants or conditions of this Agreement shall be
24 construed to be a waiver of any other breach or to be a consent to any further or succeeding breach of
25 the same or any other covenant or condition.

26 ///

27 ///

28 ///

1 26. CHOICE OF LAW.

2 This Agreement shall be governed by the laws of the State of California. This Agreement is
3 made and entered into in Imperial County, California. Any action brought by either Party with respect
4 to this Agreement shall be brought in a court of competent jurisdiction within said County.

5 27. ATTORNEY'S FEES.

6 If either Party herein brings an action to enforce the terms thereof or declare rights hereunder,
7 each Party in any such action, on trial or appeal, shall bear its own attorney's fees and costs.

8 28. AUTHORITY.

9 Each individual executing this Agreement on behalf of CONSULTANT represents and warrants
10 that:

11 28.1. He/She is duly authorized to execute and deliver this Agreement on behalf of
12 CONSULTANT;

13 28.2. Such execution and delivery is in accordance with the terms of the Articles of
14 Incorporation or Partnership, any by-laws or Resolutions of CONSULTANT and;

15 28.3. This Agreement is binding upon CONSULTANT accordance with its terms.

16 29. COUNTERPARTS.

17 This Agreement may be executed in counterparts.

18 30. REVIEW OF AGREEMENT TERMS.

19 This Agreement has been reviewed and revised by legal counsel for both ICTC and
20 CONSULTANT, and no presumption or rule that ambiguities shall be construed against the drafting
21 Party shall apply to the interpretation or enforcement of the same or any subsequent amendments
22 thereto.

23 ///

24 ///

25 ///

26 ///

27 ///

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1 **IN WITNESS WHEREOF**, the Parties have executed this Agreement on the day and year first
2 above written.

3 **IMPERIAL COUNTY TRANSPORTATION COMMISSION:**

4
5 _____
6 Chair

7 **ATTEST:**

8
9 _____
10 **CRISTI LERMA**
11 Secretary to the Commission

12 **CONSULTANT:**

13
14 By: _____
15 **DANIEL JOHNSON**
16 Vice President

17 **APPROVED AS TO FORM:**

18
19 **KATHERINE TURNER**
20 **COUNTY COUNSEL**

21
22 By: _____
23 **Eric Havens**
24 **Deputy County Counsel**

VI. ACTION CALENDAR

VI. ACTION CALENDAR

B. UTN PUBLIC HEARING PROCESS—FY 2018-19



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave. Suite 104
El Centro, CA 92243

SUBJECT: Unmet Transit Needs Public Hearing Process - Fiscal Year 2018-2019

Dear Committee Members:

Section 99401.5 of the Public Utilities Code states:

“... The Transportation Planning Agency (TPA) shall hold at least one public hearing pursuant to Section 99238.5, for the purpose of soliciting comments on the Unmet Transit Needs that may exist within the jurisdiction...”

Unmet Needs that are determined to be reasonable to meet may be established by offering services directly, contracting for new services or the expansion of existing services.

On February 22, 2018, the Unmet Transit Needs Hearing Panel conducted the required local Public Hearing. The Hearing Panel reconvened on March 22, 2018 to consider the verbal and written testimony, and staff recommendations. After discussion of the analysis portion, the Panel developed the “Findings” regarding public transit services for FY 2018-2019. These “Findings” assist in the allocation of resources and determination of the service levels to be provided. C The process consequently guides the FY 2018-19 Transit Financing Plan and work program activities.

After review of the staff prepared analysis, the Panel accepted three requests as “Reasonable to Meet”. Due to the expectation that revenues will be stagnant this fiscal year, the services considered as “Reasonable to Meet” have been placed on an official Unmet Transit Needs List in prioritized order, which is an attachment to the “Findings” document.

One additional request that Staff considered as revenue neutral was the request for an IVT RIDE service to provide access to the nutrition site in Heber for approximately 20 seniors residents during four summer months only. Staff have considered that one of the IVT RIDE El Centro area vehicles may be able to extend their service area to Heber during the hours of the nutrition services. Staff would like to contact City of El Centro for concurrence with this request and return to the Commission for further direction.

CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND, IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL

April 6, 2018

The Social Services Transportation Advisory Council (SSTAC) has met and developed the required response to the "Findings" on April 4, 2018 for consideration (see attachment).

After adoption of the "Findings", staff will develop the budget for the ICTC Transit Financing Plan for FY 2018-19 and submit it for approval in the June 2018 time frame.

It is requested that the Management Committee forward this item to the Commission for review and approval after public comment, if any:

1. Adopt the FY 2018-19 "Findings" and the prioritized Unmet Transit Needs List as presented or amended, after a review of the SSTAC response.
2. Direct staff to contact the City of El Centro for concurrence with the extension of an IVT RIDE El Centro vehicle to Heber for nutrition service for four months annually, and return to the Commission for further direction.
3. Authorize the Chairman to sign the attached resolution.
4. Direct staff to forward the FY 2018-19 "Findings", and all other public hearing documentation and resolution to the State Department of Transportation.

Sincerely,

MARK BAZA
Executive Director

BY: 

Kathi Williams
Transit Programs Manager

MB/ksw/cl

attachment



1503 N. IMPERIAL AVE. SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

March 22, 2018

**UNMET TRANSIT NEEDS FINDINGS
FISCAL YEAR 2018-19**

The Imperial County Unmet Transit Needs Public Hearing was conducted at 3:00 p.m., on February 22nd, 2018 at the City of El Centro City Council Chambers, in El Centro, Ca. After review and consideration of the testimony received at the hearing, this Panel reconvened on March 22nd, 2018 to make the following “Findings”:

The following “Findings” are unmet transit needs or transit needs which are reasonable to meet. The ICTC Transit Financing Plan and TDA claims for Fiscal Year 2017-18 shall be approved consistent with these stated “Findings”.

- I. Existing transit services should be continued:
 - A. IVT RIDE – Brawley, Calexico, El Centro, Imperial and West Shores
 - B. County-Wide Transit System- Imperial Valley Transit
 - C. ADA Paratransit Services – IVT Access
 - D. IVT MedTrans

- II. Continue coordination between existing transit services, including paratransit services provided by both public and social service agencies. ICTC staff shall provide recommendations and technical assistance when requested by social service and public agencies.

- III. All transit services shall comply with the American's with Disabilities Act of 1990; provisions specific to respective services offered.

- IV. All transit services shall comply with the Federal Transit Administration (FTA) and/or Federal Highway Administration (FHWA) Drug and Alcohol Testing rules; provisions specific to respective services offered.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

- V. Staff will continue to pursue resources for the implementation of the proposed IVT Red Line in Imperial and IVT Garnet Line in Calexico.
- VI. Staff will continue to provide technical assistance to the Cities of Calexico and Imperial for the development of the Cities' transfer terminal projects.
- VII. Staff will continue to pursue resources for the implementation of service changes in accordance with the priorities in the FY 2018-19 Unmet Needs List (attachment).

All other services and issues as presented by written or verbal testimony are hereby declared as not reasonable to meet, at this time.




Luis Plancarte, Chairman
Supervisor, County of Imperial

Not Available for Signature

Cheryl Viegas-Walker, Council Member,
City of El Centro

Not Available for Signature

Ryan Kelley, Supervisor
County of Imperial



George Nava, Alternate
Mayor, City of Brawley



Robert Amparano, Council Member
City of Imperial



Maria Nava-Froelich, Council Member
City of Calipatria

STAFF:



Mark Baza
Executive Director



Kathi Williams
Transit Programs Manager



1503 N. IMPERIAL AVE., SUITE 104
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4410

March 22, 2018

UNMET TRANSIT NEEDS LIST FISCAL YEAR 2018-19

Priority order

1. Expand Sunday service to Niland, Calipatria and Westmorland, and increase frequency on *Imperial Valley Transit* (IVT) routes 2N and 2S. This action includes the addition of service hours on the corresponding ADA paratransit service, *IVT Access*. *Per action taken by ICTC XX-XX-18*
2. Implement two additional trips on *Imperial Valley Transit* route 41S (Brawley to El Centro FAST) to reduce overcrowding on route 2S in the primary corridor. *Per action taken by ICTC XX-XX-18*
3. Implement *IVT Express* schedule modifications and an additional late round trip from IVC to Calexico after 5:30 PM, after IVC adjusts it “college hour” scheduling. *Per action taken by ICTC XX-XX-18*

SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

Ted Cesar, Chairperson
Michael Hack, Vice-Chair
Kathi Williams, Secretary

1503 N. Imperial Ave., Suite 104
El Centro, CA 92243
(760) 592-4494

April 4, 2018

Luis Plancarte, Chairperson
Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

Dear Commissioner Plancarte:

One of the responsibilities of the Social Services Transportation Advisory Council (SSTAC) is to advise ICTC on existing public transportation needs. In addition, the SSTAC must review the "Findings" as developed by the Public Hearing Panel. SSTAC met on April 4, 2018 and reviewed the "Findings" as developed by the Public Hearing Panel on March 22, 2018. SSTAC appreciates the proactive consideration given by the Transit Hearing Panel for the acknowledgement of addressing the "Findings" in previous years.

It is the interest of the SSTAC that should funding be identified for FY 2018-19 or subsequent years, that the issues noted in the Unmet Transit Needs List be implemented in order of priority:

1. Expand Sunday service to Niland, Calipatria and Westmorland, and increase frequency on *Imperial Valley Transit* (IVT) routes 2N and 2S (El Centro to Niland). This action includes the addition of service hours on the corresponding ADA paratransit service, *IVT Access* as necessary.
2. Implement two additional trips on *Imperial Valley Transit* route 41S (Brawley to El Centro FAST) to reduce overcrowding on route 2S in the primary corridor.
3. Implement *IVT Express* schedule modifications and an additional late round trip from IVC to Calexico after 5:30 PM, after IVC adjusts its "college hour" scheduling.

SSTAC would also like to express support in allowing IVT RIDE to provide transportation services to Seniors to congregate meal sites in Heber from June to September on IVT RIDE EL CENTRO, pending discussions with the City of El Centro.

We appreciate the opportunity to participate in the evaluation and delivery of transit services.

Sincerely,



Michael Hack
Vice-Chairperson

T:\projects\sstac\2018\sstac utn 2 ltr hearing FY 18-19

**RESOLUTION _____ OF
THE IMPERIAL COUNTY TRANSPORTATION COMMISSION (ICTC)
MAKING A DETERMINATION AS TO UNMET TRANSIT NEEDS WITHIN THE
REGION OF THE COUNTY OF IMPERIAL FOR FY 2018-19**

WHEREAS, the Imperial County Transportation Commission (ICTC), is the designated Transportation Planning Agency for the County of Imperial, and is therefore responsible for the administration of the Transportation Development Act, Public Utilities Code 99200 et seq; and

WHEREAS, under Sections 99238, 99238.5, 99401.5 and 99401.6, of the Public Utilities Code, because the legislative intent for the use of the funds is for transit purposes, a public hearing should be held. From a review of the testimony received and the adopted Regional Transportation Plan, a finding must be made that there are no unmet public transit needs in the jurisdiction that can be reasonably met, or unmet transit needs that can be reasonably met must be identified and prioritized; and

WHEREAS, a public hearing and subsequent public meeting was held in Imperial County on February 22, 2018 and March 22, 2018, after sufficient public notice was given, and at which time the public testimony and comment was received; and

WHEREAS, the Social Services Transportation Advisory Council reviewed the proposed “Findings” on April 4, 2018 in accordance with the requirements of the Act; and

WHEREAS, the comments of the Social Services Transportation Advisory Council have been taken into consideration; and

WHEREAS, a final opportunity for further public comment was provided on April 25, 2018; and

THEREFORE, BE IT RESOLVED that the Imperial County Transportation Commission, hereby resolves that the Unmet Transit Needs Adopted “Findings” as attached, are identified, and that there are no further unmet public transit needs within the County of Imperial that can be

reasonably met at this time;

PASSED AND ADOPTED at a regular meeting of the Imperial County

Transportation Commission held on April 25, 2018.

By: _____
Chairperson

ATTEST:

By:

Cristi Lerma
Secretary to the Commission

VI. ACTION CALENDAR

VI. ACTION CALENDAR

C. SB 1 BALLOT MEASURES IN JUNE 2018 AND NOVEMBER 2018



**IMPERIAL COUNTY
TRANSPORTATION COMMISSION**

1405 N. IMPERIAL AVE., SUITE 1
EL CENTRO, CA 92243-2875
PHONE: (760) 592-4494
FAX: (760) 592-4497

April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1405 N. Imperial Ave, Suite 1
El Centro, CA 92243

SUBJECT: Senate Bill 1 Ballot Measures in June 2018 and November 2018

Dear Committee Members:

Since passage of Senate Bill 1 (SB 1), the California Transportation Commission (CTC) and the State Controller are authorized to provide funding to each of the cities and counties throughout the State of California through the newly created Road Maintenance and Rehabilitation Account (RMRA) and Local Streets and Roads Program (LSRP). For the RMRA in Fiscal Year (FY) 2018, the cities of Brawley, Calipatria, Calexico, El Centro, Holtville, Imperial, Westmorland, and the County of Imperial have collectively received an estimated total sum of \$3.5 Million (FY 2018 - a partial year of allocation); and for FY 2019 Imperial Valley will receive an estimated total sum of \$10 Million. For the LSRP, the cities and the County will receive an additional sum of over \$1 Million for FYs 2018 and 2019. The total sum allocated for FYs 2018 and 2019 will be \$14.5 million. While this is a great benefit to help our region, it is only the first two allocations to help with the years of deterioration and daily maintenance needs of our local streets and roads here in Imperial Valley.

SB 1 imposes per-gallon excise taxes on gasoline and diesel fuel, sales taxes on diesel fuel, and registration taxes on motor vehicles and dedicates these revenues to transportation purposes. SB 1 revenues are needed to supplement the current Highway Users Tax Account (HUTA). Our traditional HUTA revenues have not allowed us to adequately maintain our local streets, roads and highways.

Proposition 69 will be on the June 2018 ballot, if approved it would add additional protections for taxpayers preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes.

There is also a proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future.

This item is presented for consideration to support Proposition 69 on the June 2018 ballot, and oppose the proposed ballot measure in November 2018 that would repeal the new transportation revenues provided by SB 1.

**CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND,
IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL**

It is requested that the ICTC Management Committee forward this item to the Commission for review and approval after public comment, if any:

1. Approve the attached resolution that would support Proposition 69 on the June 2018 that will add additional protections for taxpayers by preventing the State Legislature from diverting or raiding any new tax transportation revenues for non-transportation purposes; and,
2. Oppose the proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future.

Sincerely,



MARK BAZA
Executive Director

MB/cl

Attachment

RESOLUTION # _____

Resolution to Support Proposition 69 and Oppose SB 1 Repeal

WHEREAS, cities and counties own and operate more than 81 percent of streets and roads in California, and from the moment we open our front door to drive to work, bike to school, or walk to the bus station, people are dependent upon a safe, reliable local transportation network; and

WHEREAS, the 2016 California Statewide Local Streets and Roads Needs Assessment, which provides critical analysis and information on the local transportation network's condition and funding needs, indicates that the condition of the local transportation network is deteriorating at an increasing rate; and

WHEREAS, cities and counties are facing a funding shortfall of \$73 billion over the next 10-years to repair and maintain in a good condition the local streets and roads system and the State Highway System has \$57 billion worth of deferred maintenance; and

WHEREAS, SB 1 – the Road Repair and Accountability Act of 2017 – will raise approximately \$5.4 billion annually in long-term, dedicated transportation funding to rehabilitate and maintain local streets, roads, and highways, make critical, life-saving safety improvements, repair and replace aging bridges and culverts, reduce congestion and increase mobility options including bicycle and pedestrian facilities with the revenues split equally between state and local projects; and

WHEREAS, SB 1 provides critically-needed funding to the Cities of Brawley, Calexico, Calipatria, El Centro, Holtville, Imperial, Westmorland and the County of Imperial that will be used for:

- Local streets, roads and highway improvements throughout Imperial Valley

WHEREAS, SB 1 contains strong accountability and transparency provisions to ensure the public knows how their tax dollars are being invested and the corresponding benefits to their community including annual project lists that identify planned investments and annual expenditure reports that detail multi-year and completed projects; and

WHEREAS, SB 1 requires the State to cut bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively, and also establishes the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency; and

WHEREAS, Proposition 69 on the June 2018 ballot would add additional protections for taxpayers by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes; and

WHEREAS, there is also a proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future; and

WHEREAS, this proposed November proposition would raid an estimated \$10 million annually dedicated to the Cities of Brawley, Calexico, Calipatria, El Centro, Holtville, Imperial, Westmorland and the County of Imperial, and halt critical investments in future transportation improvement projects in our community; and

THEREFORE BE IT RESOLVED, that the Imperial County Transportation Commission hereby supports Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes; and

THEREFORE BE IT RESOLVED, that the Imperial County Transportation Commission hereby opposes the proposed November ballot proposition (Attorney General #17-0033) that would repeal the new transportation funds and make it more difficult to raise state and local transportation funds in the future; and

THEREFORE BE IT FURTHER RESOLVED, that the Imperial County Transportation Commission supports and can be listed as a member of the Coalition to Protect Local Transportation Improvements, a diverse coalition of local government, business, labor, transportation and other organizations throughout the state, in support of Proposition 69 and in opposition to the repeal of SB 1.

PASSED AND ADOPTED at a regular meeting of the Imperial County Transportation Commission on April 25, 2018.

BY: _____
Chairperson

ATTEST

BY:

CRISTI LERMA
Secretary of the Commission

VII. INFORMATION CALENDAR

A. FY 2017/2018 WORK PROGRAM UPDATE

FY 2017-18 Work Program Update

Capital Projects:

Project	Funding Amount	Current Status
I-8/Dogwood Bridge Widening, Landscaping and Lighting	\$33.6 Million	Completed
I-8/Dogwood Bridge Signage	TBD	Coordination to remove signs in progress
I-8/Imperial Ave Interchange Reconfiguration	\$42 Million	In final design and right-of-way acquisition, utility relocation in progress. Construction expected to begin in 2020
Imperial Ave South Extension – City of El Centro - I-8 to Wake Ave	\$6.8 Million	City is in the Environmental Phase, right-of-way phase to follow – ICTC assisting City
Border Patrol Checkpoint	\$1.3 Million	Contract awarded in February 2018
Forrester Road Project Study Report	\$600,000	In progress, 20% complete
RFP Calexico ITC Design	\$559,000	RFP released - March 23, 2018
Cesar Chavez Blvd	\$9 Million	March 2018 CTC allocated \$4.5 Million in Border Infrastructure Program Funds – Construction to begin Summer 2018
Submitted Trade Corridor Enhancement Program (TCEP) Grant for Calexico East Port of Entry Bridge Expansion -environmental and design	\$3.0 Million	Pending award
SR-98 Widening – Ollie Ave to VVWilliams	\$9 Million	Completed
SR-98 Widening – Ollie Ave to Rockwood Ave - Submitted TCEP grant	\$3.5 Million \$7 Million	Currently in design and right-of-way phase – Repurposed Earmark \$7 Million to Complete Construction – Award Pending
Phase 1 Heber/SR-86	See total below	Completed late last year
Phase 2 Heber/SR-86	See total below	To begin late April 2018
Phase 3 Heber/SR-86	\$800,000 Total	To begin Summer of 2018
Phase 1 Calexico West Port Expansion	\$98 Million	Construction scheduled to be completed Summer 2018
Submitted Tiger Grant for Calexico East Bridge Expansion - Construction	\$25 Million	Not awarded
City of Brawley Bus Stop Improvements	\$1 Million	In progress

Transit Planning Projects:

Project	Funding Amount	Current Status
Passenger Statistical Study	\$100,000	Completed
Short Range Transit Plan Update	\$150,000	In progress, 30% complete
IVT Maintenance Audit	\$14,242	Completed February 2018
IVT Bus Stop Inventory Phase III	\$150,000	In progress, 65% complete
IVT Bus Operations Facility Evaluation Phase 1	\$50,000	Completed October 2017
IVT Bus Operations Facility Evaluation Phase 2	\$231,000	In progress, 20% complete

Regional Planning Studies/Projects:

Project	Funding Amount	Current Status
Imperial/San Diego Mobility Hub Study	\$500,000	Completed
Fresh Look at Border Impacts CA-Baja Region	\$700,000	In progress, 80% complete
Regional Climate Action Plan	\$200,000	Scope of work complete, RFP scheduled to be released in late summer 2018
Long Range Transportation Plan	\$200,000	Pending development of scope of work and RFP
Southern Border Broadband Consortium	\$450,000	IVEDC work in progress
Brawley Brownfield Assessment	\$300,000	RFP process completed, consultant award scheduled for April 2018
Calexico Traffic Circulation Plan	\$100,000	Consultant award scheduled for late March 2018

FTIP Programming:

Project	Funding Amount	Current Status
RSTP	\$2,465,000	Obligated
CMAQ	\$1,559,000	Obligated
SHOPP	\$455,687,000	In construction

Other Projects:

Project	Funding Amount	Current Status
Economic Summit and General Assembly March 31, 2018	TBD	Planning and coordination in progress
Office Relocation		Completed
Recruitment of Office Technician for Mobility Management Program	TBD	Recruitment in progress
Ross Road Bus Operations Assessment	N/A	Completed
Unmet Transit Needs FY 2018-19	N/A	75% complete
Acquisition of vans for limited access health service facilities	TBD	In progress
FTA 5310 Three-year grant approval	\$353,000	Grant documentation - In progress

Transit Operations:

Project	Funding Amount	Current Status
Imperial Valley Transit	\$2,923,051	62% Complete
IVT Blue Line	\$315,435	63% Complete
IVT Green Line	\$315,435	65% Complete
IVT Gold Line	\$259,084	59% Complete
IVT ACCESS	\$1,476,122	64% Complete
IVT Ride El Centro	\$580,254	63% Complete
IVT Ride Calexico	\$389,177	68% Complete
IVT Ride Brawley	\$276,454	59% Complete
IVT Ride Imperial	\$189,661	59% Complete
IVT Ride Westshores	\$72,929	56% Complete
IVT MedTrans	\$395,108	72% Complete

*Information noted is based on values up to February 2018

VII. INFORMATION CALENDAR

B. MOBILITY COORDINATION PROJECT UPDATE—FTA SECTION 5310 GRANT PROGRAM



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April 6, 2018

ICTC Management Committee
Imperial County Transportation Commission
1503 N. Imperial Ave., Suite 104
El Centro, CA 92243

SUBJECT: Mobility Coordination Project Update - Federal Transit Administration (FTA) Section 5310 Grant Program for Elderly and Disabled Transportation Services

Dear Committee Members:

In February 2017, the Commission approved ICTC's submittal of a second three year FTA 5310 Grant application. The federal grant program includes funding for certain transit operational expenses and mobility management program functions, which would include a new staff position at ICTC. It was staff's recommendation to continue funding a Mobility Management/Coordination position with the second grant and hire a new Office Technician (OT) employee through the new grant cycle. The grant was recently approved for the three year period.

The existing staff person has been engaged in Mobility Coordination Program since February 2016 as the Regional Mobility Coordinator. The new OT position is classified as a technical support staff member and requires a clerical recruitment process. The recruitment process is expected to be completed in early May 2018.

The Regional Mobility Coordinator and the proposed administrative staff will still be responsible to assist the implementation in the following programs:

1. Continue the implementation of the consultant prepared *2014 Human Services – Public Transit Coordinated Plan*, which included using a bilingual Mobility Coordinator to bridge the gap between current public transit service providers, human service agencies, social service agencies and the senior citizen and disabled communities of Imperial County.
2. Continue the implementation of the recommendations that the consultant prepared *2014 ADA Certification and Eligibility Process, Demand Management Project*. This includes the eligibility and certification process for the Americans with Disabilities paratransit service known as IVT Access.

CITIES OF BRAWLEY, CALEXICO, CALIPATRIA, EL CENTRO, HOLTVILLE, IMPERIAL, WESTMORLAND, IMPERIAL IRRIGATION DISTRICT AND COUNTY OF IMPERIAL

3. Continue to promote, facilitate, educate, and help streamline transition between transportation services particularly for seniors and people with disabilities including scheduling mobility training.

The first grant reached the end of its term as of March 2018. Presentations have been made to social service agencies, service clubs and agencies such as Imperial County Behavioral Health. In addition, public outreach was provided for the recent IVT RIDE service updates that took effect January 2018, as well as there has been continued IVT MedTrans service promotion.

Attached, is a list of the coordination and training provided by the Mobility Coordinator directly, or with transit contractor's transit staff in the previous three months. The position has provided a needed and appreciated point of contact, including some personalized case management for the community, and in particular for seniors and persons with disabilities.

This item is presented for informational purposes.

Sincerely,

MARKBAZA
Executive Director

BY: 

Kathi Williams
Transit Programs Manager

MB/ksw/gg

attachment

Regional Mobility Coordination and Training FY 2017-18

3rd Quarter Highlights

10 IVT Ride Sign Ups Jan and Feb-18

The Mobility Coordinator held IVT Ride Sign-Ups for people 55 and older in the cities of Brawley, Calexico and El Centro. 65 new passengers registered for IVT RIDE through the sign ups and passengers coming directly to the ICTC offices to register.

11 Transit Outreach Jan-18

The Mobility Coordinator attended the annual Senior Appreciation Day Event organized by County Area Agency on Aging. All IVT services were promoted and seniors were able to register for IVT RIDE.

12 Transit Outreach Jan-18

The Mobility Coordinator had an information booth at the first annual Tamale Festival in Heber. This gave ICTC an opportunity to promote transit services to the residents of Heber. First Transit was present to address any transit operations questions.

13 Short Range Transit Plan Jan-18

The Mobility Coordinator worked closely with the consultant, AECOM, to assist in the bilingual public outreach plan development of the SRTP.

14 Transit Outreach Feb-18

The Mobility Coordinator had an information booth at the annual Carrot Festival in Holtville. This gave ICTC an opportunity to promote transit services to the residents of Holtville. First Transit was present to address any transit operations questions.

15 SRTP Bus Stop Workshops Feb-18

In coordination with the SRTP consultant, AECOM, the Mobility Coordinator assisted with the public outreach portion through intercept questionnaires at various bus stops in Calexico, El Centro, Brawley, and IVC.

16 IVT Ride WestShores Service Update Feb-18

The Mobility Coordinator assisted at the IVT RIDE sign-ups, as well as, answered general transit questions at the senior center in West Shores area. This also was an opportunity to inform the public of the changes to service starting Feb 27, 2018. Service on Tuesdays would now be going into Brawley, after Westmorland.

17 Transit Outreach Feb-18

The Mobility Coordinator had an information booth at the annual Tri-Tip in Imperial. This gave ICTC an opportunity to promote transit services to the residents of Imperial. First Transit was present to address any transit operations questions.

18 Mobility Coordination Feb-18

With the service changes to IVT Ride Westshores the Mobility Coordinator assisted passengers during the first trip to Brawley while at the Brawley Transfer terminal and coordinated with First Transit Dispatch Manager on the transit needs of the West shores passengers.

19 Mobility Training Mar-18

I.C. Behavioral Health has many of their clients use public transportation to get to their mental health appointments. 20 of I.C. Behavioral Health clients received Mobility Training on how to use the regular IVT fixed route system. 2 sessions were held with each session averaging around 12 people. The clients were each given an IVT Riders Guide and were given a tour of a 40 ft Gillig and taken on a route around Brawley. The clients had many questions and were enthusiastic about using public transportation in the future.

20 Transit Outreach Mar-18

The Mobility Coordinator had an information booth at the annual Children's and Family Health Fair in Niland. This gave ICTC an opportunity to promote transit services to the residents of the Niland area. First Transit was present to address any transit operations questions.

21 Transit Outreach Mar-18

The Mobility Coordinator had an information booth at the Imperial Valley College Transition Fair at IVC. This gave ICTC an opportunity to promote transit services to the incoming IVC students and their parents. The Mobility Coordinator also provided a general Transit Services Presentation during one of the breakout sessions organized by IVC. First Transit was present to address any transit operations questions.

22 Offsite Transit Training Apr-18

The Mobility Coordinator attended the CalAct public transit conference in Orange County, Ca. Calact gives ICTC an opportunity for professional development at seminars, to network with other transit agencies and learn best practices in various aspects of transit operations.