

KINGS COUNTY AREA PUBLIC TRANSIT AGENCY
Board of Directors
Special Meeting (Time and Place)

610 W. 7th Street - Hanford, California 93230 (559) 852-2692 www.kartbus.org

Meeting Date: January 25, 2023
Time: 2:00 PM
In Person: City of Hanford Council Chambers
400 N Douty Street
Hanford, CA 93230

Virtual: Join Zoom Meeting
<https://us06web.zoom.us/j/89552546815?pwd=aDErcFovZmVnTnp4RlduQmlLR1NxUT09>
Meeting ID: 895 5254 6815
Passcode: **Kart0125**

Link to our Website: <https://www.kartbus.org/category/board/>

If you need special assistance to participate in this meeting or language assistance, please contact the Clerk of the Board at (559) 852-4623 by 4:00 PM on the Monday before this meeting. The Agenda backup information and any public records provided to the Board after the posting of the agenda for this meeting will be available for public review at 610 W. 7th Street, Hanford, CA 93230.

HYBRID MEETING AGENDA

KINGS COUNTY AREA PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONA VIRUS COVID-19

California Governor Galvin Newsom signed into Law AB 361 on September 16, 2021, relating to the convening of public agency meetings via teleconference in light of the COVID-19 pandemic. Under this authority, the Kings County Area Public Transit Agency will convene its public meetings via video and teleconference. Pursuant to AB 361, and as advised by local Health Officials, The Kings County Area Public Transit Agency, Agency staff, and interested members of the public may attend the meeting in person

The meeting can also be attended via Internet by clicking this link **Zoom Meeting** address:

<https://us06web.zoom.us/j/89552546815?pwd=aDErcFovZmVnTnp4RlduQmlLR1NxUT09> and select **open zoom meeting**

Members of the public attending via **Zoom** will have the opportunity to provide public comments during the meetings. The link will be posted on our website: <https://www.kartbus.org/category/board/>

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for Board consideration or action. Those comments will be entered into the administrative record of the meeting. To submit written comments by U.S. Mail or email for inclusion in the meeting record, they must be received by the Clerk of the Board of KCAPTA no later than 11:00 AM on the morning of the noticed meeting. To submit written comments by email, please forward them info@kartbus.org. To provide such comments by U.S. Mail, please send them to: Clerk of the Board of KCAPTA, 610 W 7th Street, Hanford, CA 93230

<u>ITEM #</u>	<u>DESCRIPTION</u>	<u>ACTION</u>
1.	CALL TO ORDER <i>Roll Call – Clerk of the Board</i>	
2.	UNSCHEDULED APPEARANCE <i>Any person may directly address the Board at this time on any item on the agenda or on any other topics of interest to the public that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.</i>	
3.	CONSENT ITEMS <i>All items listed as consent items are considered routine and will be enacted by one motion. Any discussion of any consent item will be removed at the request of any Board member and made a part of the regular agenda.</i>	ACTION
	A. Summary Minutes of Special Meeting December 07, 2022 B. KCAPTA Board Meeting Calendar (Jan 2023-Dec 2023)	
4.	ACCEPT FY 2021/2022 COMPREHENSIVE FINANCIAL UPDATE	ACTION
5.	SOUTHERN CALIFORNIA EDISON CHARGE READY TRANSPORT PROGRAM AND CHARGE READY PROGRAM	ACTION
6.	AWARD VANPOOL SERVICE PROVIDER CONTRACT TO GREEN COMMUTER	ACTION
7.	MISCELLANEOUS COMMENTS FROM STAFF	INFORMATION

Attachments:

- A – MINUTES OF DECEMBER 7, 2022
- B – FISCAL YEAR 2021/2022 COMPREHENSIVE FINANCIAL REPORT
- C – AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE REQUIRED DOCUMENTS INCLUDING AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR THEIR CHARGE READY TRANSPORT PROGRAM AND CHARGE READY PROGRAM
- D – NON-EXCLUSIVE VANPOOL SERVICE PROVIDER GREEN COMMUTER AGREEMENT
- E – BOARD MEETING CALENDER (JAN 2023-DEC 2023)

STAFF REPORT

3. CONSENT ITEM:

A. Summary Minutes of Special Meeting December 7, 2022

4. ACCEPT FY 2021/2022 COMPREHENSIVE FINANCIAL REPORT (Heather Corder):

It is a pleasure to submit to you the Comprehensive Annual Financial Report (CAFR) of the Kings County Area Public Transit Agency (KCAPTA) for the year ending June 30, 2022. The CAFR has become the standard format used in presenting the results of KCAPTA's operations, financial position, cash flow and related statistical information. The report enables the Agency to comply with the provision of the Single Audit Act, U.S. Office of Management, Budget, and State laws.

Management assumes full responsibility for the completeness and reliability of the information in this report, based upon a comprehensive framework of internal controls established for this purpose. The cost of internal controls should not exceed the anticipated benefit. Therefore the objective is to provide reasonable rather than an absolute assurance that the financial statements are free of any material misstatements.

Brown Armstrong, Independent Auditors, have issued an opinion that the financial statements present fairly, in all material respects, the financial position of Kings County Area Public Transit Agency as of June 30, 2022. The respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Beginning our overview of the financial statements is a review of the operating revenues. Passenger fares in FY2022 increased \$123,776 from FY2021 or 18%. This increase is due to the KCAPTA working with Enterprise on the Vanpool program and an increase in passenger fares on the local transit system. The amount of LTF funds used for operating increased by \$98,812. This is still historically lower due to the availability of using CARES ACT and ARPA funds to cover operating costs. CARES ACT funding was made available to KCAPTA with an effective date of January 20, 2020. KCAPTA utilized \$5.15 million of the CARES Act funding in FY 2022 and \$90 thousand of CRRSSA funding. No other federal funds were utilized for operating expenses. In the prior fiscal year KCAPTA used 5311 (Rural Areas) in the amount of \$269,794. The increase over FY2021, as a majority of the operating expenses increased and CARES funds were used to cover expenses.

OPERATING REVENUES

	FY 2022	FY 2021	INCREASE/ (DECREASE)	%
PASSENGER FARES	794,566	670,790	123,776	18%
LTF FUNDS	200,442	101,630	98,812	97%
CARES FUNDS	5,244,991	4,391,322	853,659	19%
OTHER FEDERAL FUNDS	-	269,794	(269,794)	(100%)

The next area on the financial statements is an overview of the operating expenditures. The first section is Salaries and Benefits. The salaries and benefits have decreased in the amount of \$68,109 or 11%. This decrease was due to a credit received from CalPERS for the unfunded liability. Fuel increased from \$233,633 to \$357,667 an increase of \$124,034 or 53%. This increase was due to increases in the cost of fuel. The Professional services in total increased from FY2021 from \$4.4 million to \$5 million. This increase was due to

an increase in the contracted prices for MV Transportation, increases with the other professional services and a new contract with Uber.

OPERATING EXPENDITURES

	FY 2022	FY 2021	INCREASE/ (DECREASE)	%
SALARIES & BENEFITS	553,349	621,458	(68,109)	(11)%
FUEL	357,667	233,633	124,034	53%
SERVICES	874,622	688,031	186,591	27%
MV TRANSIT	4,143,419	3,741,841	401,578	11%

The available cash increased in the amount of \$325,770 from FY2021 to FY2022. KCAPTA will place this increase into the capital reserves in anticipation of the new transit center's costs. The total Operating reserves remained the same at \$1,100,000 per Board approval. Capital reserves increased from \$2,413,387 to \$2,739,157.

AVAILABLE CASH

	FY 2022	FY 2021
TOTAL CASH	8,338,726	5,131,817
RECEIVABLES	1,805,086	2,588,417
PAYABLE	408,477	271,606
DEFERRED REVENUES	5,896,177	3,935,852
AVAILABLE CASH	3,839,158	3,513,387

Three financial statements are presented in the CAFR. The statement of net position, statement of revenues, expenses, and change in net assets and cash flows statement. Each statement presents the information regarding the financials of the organization in different ways.

The statement of net position presents the financial position of KCAPTA. This statement provides a presentation of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the net position of KCAPTA in two categories, governmental activities and business-type activities. As of June 30, 2022, the total assets for KCAPTA were a total of \$24,170,313. There were deferred outflows in the amount of \$106,444 and Deferred inflows of \$106,134. These inflows and outflows are related to the change in pension projections vs. actual. The total amount of Liabilities is \$6,492,990 for a net position of \$17,677,633.

STATEMENT OF NET POSITION

	JUNE 30 2022
TOTAL ASSETS	24,170,313
DEFERRED OUTFLOWS (PENSION RELATED)	106,444
TOTAL LIABILITIES	6,492,990
DEFERRED OUTFLOWS (PENSION RELATED)	106,134
NET POSITION	17,677,633

The Statement of Revenues, Expenses and Changes in Net position is the income statement for governmental funds. Revenues are shown by source or type, and expenditures are shown by function and object with the operating expenditures presented apart from capital expenditures. This statement is used to calculate the farebox ratio. The farebox recovery ratio is the fraction of operating expense met by the fares paid by passengers. It is computed by dividing the system's total fare revenue by its total operating expenses. Prior to COVID-19 pursuant to sections 6633.2 and 6633.5 of the TDA, the farebox ratio could go as low as 15%. Assembly Bill No. 90, approved by the Governor on June 29, 2020, allowed the use of the farebox ratio from FY19-20 for the years of FY19-20 and FY20-21 to compensate for the effect of COVID-19. The farebox ratio for FY21-22 was 15.25%.

FAREBOX RATIO

	JUNE 30 2022
PASSENGER FARES/AD REVENUE/FARES PAID BY OTHERS	960,159
OPERATING EXPENSES	6,297,337
FAREBOX RATIO	15.25%

The cash flow statement is a financial statement that provides a total of all the cash inflows that KCAPTA has received and all the cash outflows that KCAPTA paid for the fiscal year. This statement groups all the sources and uses of cash. The cash flow statement measures how well KCAPTA manages its cash position, how KCAPTA generates cash to pay its obligations and fund its operating expenses.

CASH FLOW STATEMENT

	JUNE 30 2022
OPERATING ACTIVITIES	(5,324,970)
NON-CAPITAL FINANCING ACTIVITIES	8,466,742
CAPITAL ACTIVITIES	18,684
INVESTING ACTIVITIES	46,453
INCREASE IN CASH	3,206,909
CASH AT THE END OF THE YEAR	8,338,726

The final piece of the CAFR is the statistical section. The statistical section includes selected financial and demographic information presented on a multi-year basis.

As noted in the auditor’s opinion, the CAFR fairly presents the fiscal year ending June 30, 2022, financial activity for Kings County Area Public Transit Agency.

Recommendation

Staff is recommending the Board accept the Fiscal Year 2021/2022 Comprehensive Annual Financial Report

5. SOUTHERN CALIFORNIA EDISON CHARGE READY TRANSPORT PROGRAM AND CHARGE READY PROGRAM (Angie Dow):

Southern California Edison (SCE) has two(2) electric vehicle charging programs. The Charge Ready Transport Program is only for Medium- and Heavy Duty Fleets such as buses and the Charge Ready Program for public sector charging stations.

Charge Ready Transport

This is a five-year Program that began in 2018 with \$342.6 million in funding available. At a minimum of 15% (51.3 million) of the funding will serve transit agencies.

Through this Program, SCE will provide the infrastructure to support the installation of the charging equipment at no cost to KCAPTA. KCAPTA can choose one of two paths, the Make-Ready Infrastructure (SCE-Build) or the Make Ready Infrastructure (Customer-Build).

The SCE Build, Option 1, SCE will design, construct and install the necessary infrastructure on both the utility side and the customer side of the electric meter. KCAPTA will be responsible for the selection, purchase, and installation of the EV charging equipment.

The SCE Customer-Build, Option 2. KCAPTA will design procure and install the customer-side of the meter infrastructure work. SCE will provide up to 80% of the costs that SCE would otherwise incur for performing the work.

In August of 2022, KCAPTA staff applied to SCE Charge Ready Transport Program, in our grant application we selected the SCE Build option 1. SCE is currently reviewing our application and will determine if we are eligible based on several factors, including the number and timing of EVs to be acquired, the size of our fleet, the number of projects approved for a similar fleet sector, our existing or planned on-site load management technologies (such as solar or battery storage), the overall complexity and cost of the project, the financial viability of KCPATA, and the level of remaining Program funds.

If the project is accepted, SCE will send KCAPTA a Program Participation Agreement, the Agreement must be fully executed before SCE will reserve and Program funds. KCAPTA will be required to lease, purchase or convert at least two vehicles to electric in order to be considered for the Program.

As part of the Program application, KCAPTA had to submit our EV Acquisition Plan that reflect our Actual procurement plan over the next ten (10)-year period. At least 2 EVs must be on-site within 18 months. Below is KCAPTA EV Acquisition Plan.

	Charger	Brand	BUS DELIVERY										
			22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
JEST Mini Bus	22kW	ABB Terra 24 DC Wallbox	1		8	1							
35' New Flyer	150 kW	ABB HVC-C 150			4	1	3		5			3	

Charge Ready Program

This program is the same as the Charge Ready Transport Program but designed for light-duty passenger vehicles.

Exactly like the Charge Ready Transport, KCAPTA could choose between SCE Build (Option 1) or the Customer Build (Option 2). KCAPTA selected the SCE Build (Option 1) when submitting our application. Soon after our application was submitted, this Program was over subscribe and all future application are on waiting list.

In August of 2022, KCAPTA staff applied to SCE Charge Ready Program for 6 dual ports EV chargers to be installed in the Park N Ride lot on 8th Street. In our grant application, we selected the SCE Build option 1. SCE is currently review our application and will determine if we are eligible.

If the project is accepted, SCE will send KCAPTA a Program Participation Agreement, the Agreement must be fully executed before SCE will reserve the Program funds. KCAPTA will be required to purchase and install the EV chargers.

Recommendation

KCAPTA Board approve the EV Bus acquisition plan and authorize KCAPTA staff to proceed with the application process for both the Charge Ready Transport Program and the Charge Ready Program.

6. AWARD VANPOOL SERVICE PROVIDER CONTRACT TO GREEN COMMUTER (Angie Dow):

In March of 2022, Staff released a Request for Proposal (RFP) for Vanpool Service Providers. Proposals were due on June 8, 2022. Only one proposal was received by Enterprise LLC. In June of 2022, the Board awarded a Non-Exclusive Vanpool Agreement to Enterprise LLC.

Earlier this month we were contacted by one of our Vanpool participant wanting to switch from Enterprise to Green Commuter.

Green Commuter, Inc was incorporated in June of 2014 with the objective to service the vanpool community with the cleanest and safest form of transportation for workers in all industries. Since its inception, Green Commuter has been serving mainly the southern California area providing vanpool services for a variety of employers.

Green Commuter's fleet consists of Tesla Model X or Y with a seating capacity of 7 or a Green Power EV Star with a seating capacity of 10.

Although Green Commuter did not submit a Proposal in response to our RFP released in March 2022. Staff is recommending we do a 1-year Agreement with Green Commuter for up to 5 qualified vehicles. Prior to the Contract term expiring staff will evaluate their performance and report back to the Board.

Similar to our agreement with Enterprise, Green Commuter will furnish, insure, and administer the Electric Vehicle Vanpool Program. They will enter into rental agreements with vanpoolers, and handle maintenance, billing, and other scenarios. Green Commuter will retain ownership of the vehicles; KCAPTA is not obligated any vehicle lease or purchase.

If approved, KCAPTA will enter into an Agreement with Green Commuter to provide Non-Exclusive Electric Vanpool Services. Under this Agreement, KCAPTA will provide subsidies, up to KCPATA's funding allocation for the program, to vanpools that meet KCAPTA eligibility. Green Commuter will reduce each subsidized vanpool price to participants by at least equal to the amount of the subsidy.

Recommendation

Staff recommends the Board approve the Non-Exclusive Vanpool Service Agreement with Green Commuter and authorize the Executive Director to execute the Agreement.

7. MISCELLANEOUS COMMENTS FROM STAFF: