



Regular Meeting of the Board of Directors

Tuesday, June 25, 2019

10:00 a.m.

Antelope Valley Transit Authority Community Room
42210 6th Street West, Lancaster, California
www.avta.com

AGENDA

For record keeping purposes, and if staff may need to contact you, we request that a speaker card, located at the Community Room entrance, be completed and deposited with the AVTA Clerk of the Board. This will then become public information. Please note that you do not have to complete this form or state your name to speak. A three-minute time limit will be imposed on all speakers other than staff members.

In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please contact the Clerk of the Board at (661) 729-2206 at least 72 hours prior to the scheduled Board of Directors meeting.

Translation services for Limited English Proficiency (LEP) persons are also available by contacting the Clerk of the Board at least 72 hours prior to the meeting.

Please turn off, or set to vibrate, cell phones, pagers, and other electronic devices for the duration of this meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL:

Chairman Marvin Crist, Vice Chair Dianne Knippel, Director Steve Hofbauer, Director Angela Underwood–Jacobs, Director Michelle Flanagan, Director Richard Loa

APPROVAL OF AGENDA

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

If you would like to address the Board on any agendized or non-agendized items, you may present your comments at this time. Please complete a speaker card (available as you enter the Community Room) and provide it to the Clerk of the Board. Speaking clearly, state and spell your name for the record. **State law generally prohibits the Board of Directors from taking action on or discussing non-agenda items; therefore, your matter will be referred to the Authority's Executive Director/CEO for follow-up.** Each speaker is limited to three (3) minutes.

SPECIAL REPORTS, PRESENTATIONS, AND REQUESTS FOR DIRECTION (SRP): During this portion of the meeting, staff will present information not normally covered under regular meeting items. This information may include, but is not limited to budget presentations, staff conference presentations, or information from outside sources that relates to the transit industry. **Staff will seek direction as is necessary from the Board with regard to the following item(s).**

SRP 1 RECOGNITION OF TRANSDEV OPERATOR AND EMPLOYEE OF THE MONTH FOR MAY 2019 – MIKE SORENSEN

SRP 2 LEGISLATIVE REPORT FOR JUNE 2019 – JUDY VACCARO-FRY

SRP 3 LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY TRIENNIAL PERFORMANCE REVIEW FINAL REPORT FISCAL YEAR 2016 – FISCAL YEAR (FY) 2018 – JUDY VACCARO-FRY

SRP 4 OPERATIONS KEY PERFORMANCE INDICATORS (KPI) REPORT – MARTIN TOMPKINS

SRP 5 MAINTENANCE KPI REPORT – MARK PERRY

CONSENT CALENDAR (CC): Items 1 through 3 are consent items that may be received and filed and/or approved by the Board in a single motion. If any member of the Executive Board wishes to discuss a consent item, please request that the item be pulled for further discussion and potential action.

CC 1 BOARD OF DIRECTORS MEETING MINUTES OF MAY 28, 2019 – KAREN DARR

Recommended Action: Approve the Board of Directors Regular Meeting Minutes of May 28, 2019.

CC 2 FINANCIAL REPORT FOR MAY 2019 – JUDY VACCARO-FRY

Recommended Action: Receive and file the financial report for May 2019.

CC 3 BOARD OFFICERS FOR FY 2020 – MACY NESHATI

Recommended Action: Suspend the provisions of Section 4.50 (Officers) of the Bylaws for one year and approve Marvin Crist and Dianne Knippel, Chair and Vice Chair respectively, to remain in their elected positions for FY 2020.

NEW BUSINESS (NB):

NB 1 REVISED PERSONNEL RULES AND REGULATIONS MANUAL – MACY NESHATI

Recommended Action: Adopt Resolution No. 2019-003, adopting the Revised Personnel Rules and Regulations Manual.

NB 2 AMENDMENT NO. 1 TO CONTRACT #2016-41 WITH WIRELESS ADVANCED VEHICLE ELECTRIFICATION (WAVE), INC. FOR FOUR SECONDARY RECEIVER SYSTEMS – LYLE BLOCK

Recommended Action: Authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2016-41 with WAVE for four secondary receiver systems with an option to purchase 10 additional units for a combined amount of \$1,113,000 and five-year time extension.

CLOSED SESSION (CS):

PRESENTATION BY LEGAL COUNSEL OF ITEM(S) TO BE DISCUSSED IN CLOSED SESSION:

CS 1 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(a)

Pending Litigation: Clark v. AVTA, LASC Case No. MC026036

Pending Litigation: Sabina M. Andrade v. AVTA

Pending Litigation: Marsh v. AVTA USDC Case No. 2:16-cv-0937-PSG

CS 2 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(2)

Significant exposure to litigation (one potential case)

CS 3 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(4)

Consideration of whether to initiate litigation (one potential case)

CS 4 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(4)
Consideration of initiation of litigation (one potential case)

CS 5 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(c)
Anticipated Litigation (two potential cases)

RECESS TO CLOSED SESSION

RECONVENE TO PUBLIC SESSION

REPORT BY LEGAL COUNSEL OF ACTION TAKEN IN CLOSED SESSION

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 Report by the Executive Director/CEO

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

During this portion of the meeting, Board Members may address non-agenda items by briefly responding to statements made or questions posed by the public, asking a question for clarification, making a brief announcement, or making a brief report on their own activities. **State law generally prohibits the AVTA Board of Directors from taking action on or discussing items not on the agenda.** Matters will be referred to the Executive Director/CEO for follow-up.

ADJOURNMENT:

Adjourn to the Regular Meeting of the Board of Directors on July 23, 2019 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

The agenda was posted by 5:00 p.m. on June 20, 2019 at the entrance to the Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, CA 93534.

Copies of the staff reports and attachments or other written documentation relating to each proposed item of business on the agenda presented for discussion by the Board of Directors are on file in the Office of the Executive Director/CEO. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the AVTA to the Board of Directors less than 72 hours prior to that meeting are on file in the Office of the Executive Director/CEO. These documents are available for public inspection during regular business hours at the Customer Service window of the AVTA at 42210 6th Street West, Lancaster or by contacting the Clerk of the Board at (661) 729-2206.



DATE: June 25, 2019

TO: BOARD OF DIRECTORS

SUBJECT: Los Angeles County Metropolitan Transportation Authority (LACMTA) Triennial Performance Review Final Report FY 2016-FY 2018

RECOMMENDATION

That the Board of Directors receive and file the attached LACMTA Triennial Performance Review Final Report for the period covering July 1, 2015 through June 30, 2018 (FY 2016 – FY 2018).

FISCAL IMPACT

No fiscal impact.

BACKGROUND

California State Department of Transportation (Caltrans) Los Angeles County Metropolitan Transportation Authority (LACMTA) conducts a Triennial Performance Review to review performance trends, evaluate compliance with California's Transportation Development Act (TDA) and obtain a high level review of key functional achievements and challenges during the review period. This triennial performance review was conducted in accordance with the Caltrans TDA Performance Audit Guidebook under California Public Utilities Code (PUC) 99246.

On behalf of BCA Watson Rice LLP, Thomas Altmayer of Altmayer Consulting, Inc. was the reviewer conducting AVTA's review. AVTA received notice of the review on August 28, 2018 and held a kick-off conference call with the Director of Finance and Administration on September 11, 2018. Work commenced immediately upon notification and concluded with a site visit on December 10, 2018. Prior to the on-site portion of the review, Mr. Altmayer reviewed the following information made available from AVTA:

- Compliance with PUC – ensuring compliance with applicable PUC requirements.

- Data Collection and Reporting – verification of TDA collection and reporting procedures.
- Prior Review Recommendations – reporting on implementation of the prior triennial performance review recommendations
- Performance Trends – summaries of performance indicators for the review period.
- Functional Review – high-level review of key functional areas surveyed as part of the process of conducting the review, resulting in suggestions for operational and management improvements.

During the on-site portion of the review, Mr. Altmayer, and Caltrans representatives along with AVTA staff, examined Caltrans funded facilities and equipment, reviewed documents, and visited the operations and maintenance contractor's safety and training manager. An exit conference was held immediately following the site visit.

On April 15, 2019 Mr. Altmayer provided a draft copy of his findings with respect to the following review areas:

- **Compliance with PUC**
 - AVTA met all compliance requirements with respect to PUC Section 99246.
- **Data Collection and Reporting**
 - AVTA's data reporting had minor inconsistencies, but most categories were consistent throughout the audit period.
- **Prior Review Recommendations**
 - AVTA had no prior review recommendations.
- **Performance Trends**
 - AVTA experienced mixed performance trends; reductions in ridership, overall operating costs, and operational efficiency.
- **Functional Review**
 - Review revealed no significant findings.

Final findings and recommendations of the review found that AVTA was compliant with all Transit Development Act requirements. AVTA concurred with the findings and the review was finalized.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO



Antelope Valley Transit Authority

Triennial Performance Review of the Antelope Valley Transit Authority FY 2016 to FY 2018

May 2019

FINAL REPORT

Submitted by
BCA Watson Rice, LLP
in association with
Altmayer Consulting, Inc.



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1. EXECUTIVE SUMMARY

This report presents the results of the triennial performance review of the Antelope Valley Transit Authority (AVTA). The purpose of the review is to provide a tool for AVTA, its management and the California State Department of Transportation (Caltrans) to review performance trends, evaluate compliance with California's Transportation Development Act (TDA) and obtain a high-level review of key functional achievements and challenges during the review period. This triennial performance review was conducted in accordance with the Caltrans TDA Performance Audit Guidebook under California Public Utilities Code (PUC) Section 99246.

The three-year period reviewed encompasses the period from July 1, 2015 through June 30, 2018. The performance review included a review of the following:

- **Compliance with PUC** - ensuring compliance with applicable PUC requirements.
- **Data Collection and Reporting** - verification of TDA data collection and reporting procedures.
- **Prior Review Recommendations** - reporting on implementation of the prior triennial performance review recommendations.
- **Performance Trends** - summaries of performance indicators for the review period.
- **Functional Review** - high-level review of key functional areas surveyed as part of the process of conducting the review, resulting in suggestions for operational and management improvements.

ORGANIZATION OF REPORT

This report is organized into seven sections:

1. Executive Summary
2. Performance Approach and Methodology
3. Background, Challenges and Accomplishments
4. Compliance Review and Prior Review Recommendations
5. Operational Performance Trends



6. Functional Review Findings and Recommendations
7. Conclusion

Our findings and recommendations include the following:

COMPLIANCE WITH PUC

AVTA met all compliance requirements with respect to the PUC Section 99246.

DATA COLLECTION AND REPORTING

AVTA's data reporting had some minor inconsistencies, especially in the areas of Peak Vehicles and Local Subsidies, but most categories were consistent throughout the audit period.

PRIOR REVIEW RECOMMENDATIONS

AVTA had no prior review recommendations.

PERFORMANCE TRENDS

AVTA experienced mixed performance trends during the review period. Overall, the system-wide performance was adversely affected by a 28.1% drop in overall ridership. AVTA, however, did manage to reduce overall Operating Costs by 1.5%, a particularly strong performance given a 14.2% rise in the CPI. Despite those efforts, the cost of operating the system per passenger rose by 37.0%, a significant loss in operational efficiency during the review period.

Within the fixed route system, AVTA was able to cut its Operating Costs by 7.0% during the audit period. This resulted in a positive productivity trend for Operating Cost per Vehicles Service Hour (-8.7%). However, a 29.9% drop in Passengers negatively affected the Operating Cost per Passenger resulting in a 32.7% loss in productivity.

AVTA had mostly positive trends for its demand response system. Ridership increased a dramatic 46.9% during the audit period. Operating Costs rose only 15.0% which resulted in positive productivity with the Operating Cost per Passenger falling 2.17% and the Operating Cost per Vehicle Service Mile falling by 15.5%.



FUNCTIONAL REVIEW

Our review of AVTA's core functions revealed no significant issues or findings.

FINDINGS AND RECOMMENDATIONS

Our review found that AVTA was compliant with all Transit Development Act requirements.



2. PERFORMANCE REVIEW APPROACH AND METHODOLOGY

PERFORMANCE REVIEW APPROACH

The State mandates that all recipients of Transit Development Act (TDA) funding undergo a performance review every three years in order to remain eligible for future TDA funding. In August of 2018, the Los Angeles County Metropolitan Transportation Authority (“Metro”) retained BCA Watson Rice LLP (BCA) to conduct a Triennial Performance Review of the Antelope Valley Transit Authority (AVTA). The BCA Team conducted this Performance Review in accordance within the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* (“Guidebook”) produced by the California Department of Transportation.

The performance review was designed to include a review of the following:

- **Compliance with California Public Utilities Codes (“PUC”) Section 99246**
- ensuring compliance with applicable PUC requirements.
- **Data Collection and Reporting** - verification of TDA data collection and reporting procedures as well as consistency of data reporting between the following reports Transit Performance Management (“TPM”), National Transit Database (“NTD”) and State Controller.
- **Prior Review Recommendations** - reporting on implementation of any prior triennial performance review recommendations.
- **Performance Trends** - summaries of performance indicators for the review period related to specifically to ridership, operational efficiency and effectiveness, and maintenance.
- **Functional Review** - high-level review of key functional areas which were surveyed as part of the review process. Areas of review included general management, finance, administration, service planning, scheduling, dispatch, operations, maintenance, and marketing.

The Guidebook details an approach to conducting the performance review which consists of three key review strategies: 1) review of key financial, administrative and operational documents, 2) interviews with key management staff, and 3) a site visit.



DOCUMENTS REVIEWED PURSUANT TO THIS REVIEW

- National Transit Database reports for FY16 through FY18
- State Controller Reports for FY16 through FY18
- Transit Performance Management Reports for FY16 through FY18
- Prior Triennial Performance Review and written responses to the recommendations
- Comprehensive Annual Financial Reports FY15 through FY17
- Annual Budget FY16 through FY18
- Hours Analysis Reports FY16 through FY18
- Organizational charts
- Service Route Maps and Schedules
- FY16 through FY18 Sick Leave Reports
- FY16 through FY18 Systemwide KPI reports
- FY16 through FY18 Maintenance KPI reports
- California Highway Patrol Inspection Reports for FY16 through FY18

INTERVIEWS WITH KEY MANAGEMENT

- Macy Neshati, Executive Director/CEO
- Judy Fry, Director of Finance and Administration

SITE VISIT

- AVTA Headquarters



3. BACKGROUND, CHALLENGES AND ACCOMPLISHMENTS

AVTA is the primary public transit service within the Antelope Valley beginning service in 1992 in response to area residents who wanted local services in the high desert. AVTA is a joint powers authority between the cities of Lancaster, Palmdale and the County of Los Angeles. AVTA's service includes fixed bus routes, a commuter service and a paratransit/senior option entitled Dial-A-Ride.

SYSTEM PROFILE

The AVTA service area includes the City as well as additional service outside the City for its Express Shuttle Routes and Demand Response services. The service has three main modes of transportation:

- *Fixed Route* – AVTA operates a fixed route services beginning at 5:00 a.m. to 12:45 a.m. on weekdays and 6:30 a.m. to 8:45 p.m. on weekends. The service includes thirteen (13) fixed route lines, utilizing forty-five (45) local transit buses. AVTA also provides supplemental routs during peak times. Transfer centers are located at Sgt. Steve Owen Memorial Park and the Palmdale Transportation Center. One-way trips are \$1.50 with the option to purchase a 4-hour pass, a day pass, a weekly pass and a 31-day pass. Reduced fares are offered for seniors and the disabled.
- *Commuter* – AVTA operates a commuter service that services five locations: West San Fernando Valley, Century City/West Los Angeles, Downtown Los Angeles, Mojave Air and Space Port (to begin in June 2019) and Rosamond/Edwards Air Force Base (began in January 2019). AVTA also operates the 790 TRANSporter providing ten trips each weekday between the Newhall Metrolink Station and the Palmdale Transportation Center with four trips extending to McBean Regional Transit Center, Henry Mayo Newhall Memorial Hospital and College of the Canyons. Service is offered seven (7) days a week. During the week, service runs from approximately 5:00 a.m. to 12:45 a.m. and on weekends 6:30 a.m. to 8:45 p.m. One-way trips are \$5 for Edwards Air Force Base and the other commuter services range from \$8.25 to \$10.75. Discounts are offered for seniors and the disabled.



- *Demand Response* – Dial-A-Ride is a curb-to-curb service for the elderly and disabled, and those living in the outlying regions with no access to public transportation. Trips are offered for any purpose on a first-come, first served basis. Weekday operations are from 6:00 a.m. to 7:30 p.m. and on weekends from 8:00 a.m. to 6:00 p.m.

KEY CHALLENGES DURING THE REVIEW PERIOD

The following is a summary of some of the key challenges addressed by AVTA during the course of the review period:

- AVTA system-side ridership dropped over 28% during the audit period. While many factors contributed to the decline, AVTA attributes much of the decline to easy entry to purchase/lease a car and the geographic nature of the Antelope Valley.
- In 2017, AVTA experienced significant labor disruptions causing service delays and cancellations.
- Adapting to an all-electric fleet caused numerous challenges including:
 - Route planning to accommodate buses within limited range (approximately 150 per charge)
 - Need to provide 80 hours of training to maintenance staff to prepare to maintain an all-electric fleet.
- Recruiting qualified candidates as bus operators was difficult and exacerbated by the fact that turnover remains an issue. These difficulties are attributed to strong employment in the region and increased competition for bus operators in the County.
- AVTA does not provide transfers within its system.



KEY ACCOMPLISHMENTS DURING THE REVIEW PERIOD

The following is a summary of some of the key accomplishments achieved by AVTA during the course of the review period:

- AVTA issued purchase orders for 80 new all-electric zero emission buses, becoming the first transit agency in the United States to commit to an all-electric fleet. They will all be on site by the end of 2019. These accomplishments included:
 - AVTA hired the manufacturer of the buses to provide training to its entire maintenance staff, which included 80 hours of training per staff member
 - AVTA implements the WAVE inductive charging system for its electric fleet
- AVTA developed Campus Connect, a free fare bus program for college students shuttling between Antelope Valley College sites.
- Entered into a new performance-based contract with its operator.
- AVTA obtained a grant to provide Dial-A-Ride services a part of the County's GAIN program. The GAIN program provides employment related services to CalWORKs participants to help them find a job. AVTA received vouchers to provide these job seekers rides to and from job interviews and through the initial stages of employment.
- Expanded eligibility for its Dial-A-Ride service to lower the age from 65 to 62 years old.



4. COMPLIANCE REVIEW

AREAS OF REQUIRED COMPLIANCE

The objective of this section is to detail AVTA's compliance with the State's requirements for transit operations and regional planning, the recommendations set forth in the prior triennial performance review and maintaining a consistent reporting of performance statistics to local, state and federal agencies.

COMPLIANCE WITH THE STATE PUC REGULATION

AVTA must comply with TDA requirements that are specified in PUC Regulations and the California Code of Regulations as noted below in the Compliance Matrix on the following page. The Compliance Matrix provides the degree to which funds allocated to the claimant pursuant to TDA requirements were expended in conformance with applicable laws and rules and regulations.

Exhibit 1 on the following page details AVTA's compliance with TDA requirements. AVTA was found to be in compliance with all of the required elements



Exhibit 1: AVTA's Compliance with PUC Requirements		
Code Reference	Operator Compliance Requirements	Compliance Finding
PUC Section 99243	Submit annual reports to the State Controller, based on the Uniform System of Accounts and Records established by the State Controller, within seven months after the end of the fiscal year.	In Compliance
PUC Section 99245	Submit annual fiscal and compliance reviews to RTPE and State Controller within 180 days of the end of the fiscal year, or receive 90 day extension.	In Compliance
PUC Section 99251	CHP has certified operator's compliance with Vehicle Code 1808.1 within 13 months prior to TDA claim submittal.	In Compliance
PUC Section 99261	Claims for TDA funds are submitted in compliance with RTPE's rules and regulations.	In Compliance
PUC Section 99264	Public transportation vehicles designed to be operated by one person are not routinely staffed with two or more persons.	In Compliance
PUC Section 99266	Operating budget has not increased by more than 15% over preceding year unless reasonable justification has been provided.	In Compliance
PUC Section 99247	The operator's definitions of performance measures are consistent with the PUC.	In Compliance



Exhibit 1: AVTA's Compliance with PUC Requirements		
Code Reference	Operator Compliance Requirements	Compliance Finding
PUC Sections 99268.2 99268.3	Operator has maintained a ratio of fare revenues to operating costs at least equal to or exceeding 20% for the general public service in urban areas.	In Compliance
PUC Section 99271	The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing an RTPE-approved plan to fully fund the retirement system within 40 years.	In Compliance
CA Code of Regs	Available federal funds are used prior to claiming STA Funds	In Compliance



CONSISTENCY OF DATA REPORTING

Operators are expected to consistently report performance statistics to local, state and federal agencies. Exhibit 2 on the following page provides a summary of key statistics provided to the following agencies:

- **LA Metro** – LA Metro annually requires the submission of a Transit Performance Measurement (TPM) form detailing key operating statistics.
- **State Controller's Office (SCO)** – The State Controller's Office requires that all agencies submit an annual summary of financial statistics.
- **National Transit Database** – The Federal Transit Administration requires that transit agencies that receive FTA grants annually submit financial and operating data in uniform categories



Exhibit 2: System-Wide Performance Measures				
Source	Base Year	Review Period		
	FY15	FY16	FY17	FY18
Operating Costs				
FTA National Transit Database	\$21,364,495	\$20,756,917	\$22,030,754	\$21,039,746
State Controller's Report	\$21,364,494	\$21,410,822	\$22,631,176	\$28,811,368
MTA TPM Program	\$21,364,493	\$21,410,823	\$22,631,175	\$21,386,987
Farebox Revenues				
FTA National Transit Database	\$4,844,046	\$5,317,984	\$5,041,398	\$4,981,587
State Controller's Report	\$4,844,045	\$5,317,984	\$5,041,398	\$4,981,587
MTA TPM Program	\$4,844,045	\$5,317,984	\$5,041,398	\$4,981,587
Local Subsidies & Auxiliary Revenues				
FTA National Transit Database	\$357,384	\$448,856	\$370,145	\$316,366
State Controller's Report	\$519,129	\$448,856	\$390,145	Not Reported
MTA TPM Program	\$0	\$0	\$0	\$0
Unlinked Passengers				
FTA National Transit Database	3,462,480	3,075,538	2,576,521	2,489,027
State Controller's Report	3,462,497	3,075,538	2,576,521	2,488,892
MTA TPM Program	3,566,272	3,075,499	2,576,521	2,489,027
Vehicle Service Hours				
FTA National Transit Database	189,652	193,069	176,859	199,430
State Controller's Report	189,652	194,015	176,861	199,410
MTA TPM Program	189,652	194,015	176,861	199,430
Vehicle Service Miles				
FTA National Transit Database	3,312,056	3,457,654	3,416,584	3,610,673
State Controller's Report	3,312,556	3,457,651	3,416,580	3,602,849
MTA TPM Program	3,312,556	3,457,651	3,416,580	3,610,673
Employee Full-Time Equivalents				
FTA National Transit Database	Not Reported	Not Reported	Not Reported	Not Reported
State Controller's Report	231	210	232	232
MTA TPM Program	222	240	232	Not Reported
Total Vehicle Hours				
FTA National Transit Database	209,980	256,437	212,024	227,994
State Controller's Report	Not Reported	Not Reported	Not Reported	Not Reported
MTA TPM Program	209,979	256,439	212,024	227,994
Total Vehicle Miles				
FTA National Transit Database	3,607,895	4,424,006	4,150,843	4,151,592
State Controller's Report	Not Reported	Not Reported	Not Reported	Not Reported
MTA TPM Program	3,607,897	4,351,734	4,150,843	4,151,592
Peak Vehicles				
FTA National Transit Database	73	75	82	74
State Controller's Report	73	75	68	77
MTA TPM Program	73	62	61	61



AVTA was mostly consistent in the reported statistics. on Local Subsidies and Auxiliary Revenues were not included in their TPM report. This issue is related to the differences in calculations for the TPM report and the NTD reports.

PRIOR REVIEW RECOMMENDATIONS

TDA Audit Guidelines requires a follow-up as to whether recommendations from the prior period's review have been implemented. AVTA has addressed the prior triennial performance review recommendations, as detailed in the matrix below:

Exhibit 3: PRIOR REVIEW RECOMMENDATIONS AND FINDINGS		
#	Prior Review Recommendations	Finding
	Not Applicable	Not Applicable



5. OPERATIONAL PERFORMANCE TRENDS

OVERVIEW

In this section, we present the results of our analyses of performance statistics for the three-year review period for transit services operated by AVTA. California PUC Section 99246 mandates that a triennial performance review and analyze an operator's performance of five key performance indicators:

1. Operating cost per passenger
2. Operating cost per vehicle service hour
3. Passengers per vehicle service mile
4. Passengers per vehicle service hour
5. Vehicle service hours per employee

Data for the analysis of these indicators were compiled using data from the National Transit Database (NTD) and the State Controller's reports prepared by AVTA. The performance trends cover the period from FY16 through FY18, with FY15 used as a base year to provide a point of reference for the analyses. The review is designed to assess efficiency and effectiveness trends system-wide. All percentage changes are based on the change from the base year of FY15 through FY18.

Overall, AVTA has experienced mixed trends in its overall system-wide efficiency. The following section examines these costs and trends both system-wide and in greater detail and by mode.

PERFORMANCE INDICATOR TABLES – SYSTEM-WIDE

As set forth in more detail below, system-wide indicators show mixed trends for the total system. The system showed some positives and negatives in key cost efficiency metrics. For overall cost per hour, the systems experienced a 9.7 decrease over the audit period. However, the cost per passenger rose significantly by 37.0%. While AVTA made efforts to reduce its Operating Costs during the audit period, the overall loss in passengers could not offset these efforts. Even compared with a 14.2% change in projected CPI for the



period, the cost per passenger increase is high.¹ Below is a summary of high-level trends within key operational indicators followed by Exhibit 4, which provides detailed reporting by fiscal year:

- **Operating Cost Per Vehicle Service Hour** – This key productivity indicator decreased by 6.4% during the review period representing a positive trend for the Agency, especially when compared to inflation. AVTA's Operating Costs decreased by 1.5% while at the same time it was able to increase the number of Vehicle Service Hours by 5.2%.
- **Operating Cost Per Passenger** – The Operating Cost per Passenger increased notably (37.0%) based on a significant decrease in ridership (28.1%). Even when compared to a 14.2% rise in the CPI, this is an overall negative trend.
- **Passengers Per Vehicle Service Hour** – Passengers per Vehicle Service Hour decreased by 31.6%. This decrease is attributable to a loss in ridership. The loss of ridership was not universally attributed to one source, but rather attributed a series of factors including lower fuel costs, increased car ownership and increased use of micro-transit alternatives. These factors are exacerbated by the fact that AVTA operates in a geographic area with greater distances between destinations.
- **Operating Cost Per Vehicle Service Mile** – Operating Cost per Vehicle Service Mile decreased by 9.7%. This is a positive trend and a reflection of the efforts made by AVTA to address the loss in ridership by containing overall expenses.
- **Vehicle Service Hours Per Employee** – Vehicle Service Hours per Employee rose by 22.4% during the review period. AVTA maintained staffing levels during the audit period while at the same time providing more service, resulting in a positive trend for this indicator.

¹ CPI data is based on the CPI for California from calendar year 2015 through 2018 (projected) based on statistics obtained from the California Department of Finance, http://www.dof.ca.gov/HTML/FS_DATA/LatestEconData/FS_Price.htm



Exhibit 4: System-Wide Performance					
	Base Year	Review Period			
Performance Measure	FY15	FY16	FY17	FY18	Percent Change from Base Year to FY18
Key Base Measures					
Operating Costs	\$21,364,495	\$20,756,917	\$22,030,754	\$21,039,746	-1.52%
Fare Revenue	\$ 4,844,046	\$ 5,317,984	\$ 5,041,398	\$ 4,981,587	2.84%
Vehicle Service Hours	189,652	193,069	176,859	199,430	5.16%
Vehicle Service Miles	3,312,056	3,457,654	3,416,584	3,610,673	9.02%
Unlinked Passengers	3,462,480	3,075,538	2,576,521	2,489,027	-28.11%
Full Time Equivalents	231.00	210.00	232.00	232.00	0.43%
Efficiency Measures					
Operating Cost per VSH	\$ 112.65	\$ 107.51	\$ 124.57	\$ 105.50	-6.35%
Operating Cost per VSM	\$ 6.45	\$ 6.00	\$ 6.45	\$ 5.83	-9.66%
Operating Cost per Passenger	\$ 6.17	\$ 6.75	\$ 8.55	\$ 8.45	37.00%
Passengers per VSH	18.26	15.93	14.57	12.48	-31.64%
Farebox Recovery Ratio	22.67%	25.62%	22.88%	23.68%	4.46%
VSH per FTE	821.00	919.38	762.32	859.61	4.70%
CPI - All Index	1.97%	1.85%	1.75%	2.25%	14.21%



Performance Indicator Tables – Fixed Route

As set forth in more detail below, fixed route indicators exhibit both positive and negative trends. The fixed route system showed a positive trend for related to Operating Costs and Operating Costs per Vehicle Service Hour. Operating Costs dropped 7.0% while the Operating Cost per Vehicle Service Hour dropped by 8.7%. These positive trends were offset by a drop in fixed route passengers which decreased by 29.9%. While AVTA made noticeable efforts to control costs in this environment, the Operating Cost per Passenger was not able to overcome these efforts and dropped 31.2%. Below is a summary of high-level trends within key operational indicators followed by Exhibit 5, which provides detailed reporting by fiscal year:

- **Operating Cost Per Vehicle Service Hour** – This key cost and productivity indicator showed a positive trend during the review period by decreasing 8.7%. This represents a very positive trend for the Agency compared to inflation. Operating Costs decreased during the period by 7.0% while Vehicle Service Hours increased by 1.8%.
- **Operating Cost Per Passenger** – The operating cost per passenger rose by 32.7% during the review period, a reflection of significant decreases in ridership. The decrease was the result of a 29.9% decrease in passengers. While AVTA made efforts to control overall costs, the decrease in passengers was too great to maintain this measure of productivity.
- **Passengers Per Vehicle Service Hour** – Passengers per Vehicle Service Hour decreased by 31.2%. This decrease is attributable to the losses in ridership which, while being experienced by much of the region, needs to be addressed by the Agency in future years.



Exhibit 5: Fixed Route Performance					
	Base Year	Review Period			
Performance Measure	FY15	FY16	FY17	FY18	Percent Change from Base Year to FY18
Key Base Measures					
Operating Costs	\$16,503,103	\$16,047,842	\$16,489,167	\$15,343,875	-7.02%
Fare Revenue	\$ 2,073,019	\$ 2,476,161	\$ 2,550,959	\$ 2,650,140	27.84%
Vehicle Service Hours	146,855	147,331	128,870	149,557	1.84%
Vehicle Service Miles	2,128,994	2,151,325	2,177,755	2,247,937	5.59%
Unlinked Passengers	3,092,101	2,714,344	2,253,645	2,166,653	-29.93%
Efficiency Measures					
Operating Cost per VSH	\$ 112.38	\$ 108.92	\$ 127.95	\$ 102.60	-8.70%
Operating Cost per Passenger	\$ 5.34	\$ 5.91	\$ 7.32	\$ 7.08	32.69%
Passengers per VSH	21.06	18.42	17.49	14.49	-31.20%
CPI -- All Index	1.97%	1.85%	1.75%	2.25%	14.21%



PERFORMANCE INDICATOR TABLES – DEMAND RESPONSE

As set forth in more detail below, the indicators show positive trends for the demand response system. The demand response system showed marked improvements in their key cost efficiency metrics in comparison to inflation: cost per hour and cost per passenger (15.8% decrease and 21.7% decrease, respectively). This stability was aided by both a 46.9% increase in ridership compared to an only 15.0% increase in Operating Costs. Much of the increase in ridership relates to a grant received by AVTA to provide transportation services to GAIN program participants. Additionally, the “senior” age was lowered from 65 years of age to 62 years of age, helping to boost overall ridership.

Below is a summary of high-level trends within key operational indicators followed by Exhibit 5, which provides detailed reporting by fiscal year:

- **Operating Cost Per Vehicle Service Hour** – This key cost indicator decreased by 14.5% during the review period representing a positive trend for the Agency. This efficiency gain was bolstered by a modest rise in operating costs (15.0%) and a 36.1% increase in vehicle service hours. The efficiency gain was largely due to containing operating costs while expanding demand response operations.
- **Operating Cost Per Passenger** – Similarly, the operating cost per passenger also decreased by 21.7%. This productivity gain was based on the small increase in operating costs while at the same time overall ridership increased by 46.9%.
- **Passengers Per Vehicle Service Hour** – Passengers per Vehicle Service Hour increased by 7.9%. This increase is attributable to a significant increase in ridership.



Exhibit 6: Demand Response Performance					
	Base Year	Review Period			
Performance Measure	FY15	FY16	FY17	FY18	Percent Change from Base Year to FY18
Key Base Measures					
Operating Costs	\$ 1,401,681	\$ 1,067,587	\$ 1,134,269	\$ 1,612,065	15.01%
Fare Revenue	\$ 77,859	\$ 99,541.00	\$ 92,653.00	\$115,050.00	47.77%
Vehicle Service Hours	15,343	17,323	17,960	20,878	36.08%
Vehicle Service Miles	312,749	374,725	383,307	432,298	38.23%
Unlinked Passengers	31,824	41,783	41,839	46,745	46.89%
Efficiency Measures					
Operating Cost per VSH	\$ 91.36	\$ 61.63	\$ 63.16	\$ 77.21	-15.48%
Operating Cost per Passenger	\$ 44.04	\$ 25.55	\$ 27.11	\$ 34.49	-21.70%
Passengers per VSH	2.07	2.41	2.33	2.24	7.94%
CPI All Index	1.97%	1.85%	1.75%	2.25%	14.21%



6. FUNCTIONAL REVIEW FINDINGS AND RECOMMENDATIONS

In this section, we summarize specific operational activities related to the core functions of AVTA: Operations, Maintenance, and Administration. Within each area, we recognize accomplishments, identify challenges and, where appropriate, recommend improvement opportunities.

SCHEDULING, DISPATCH AND OPERATIONS

As referenced in Section V above, operational performance over the review period was generally mixed with decreased operational efficiency and significant loss of ridership within the fixed routes system, but improved number for the demand response system. See Exhibits 5 and 6 above for specific performance metrics associated with System-wide Operations.

MAINTENANCE

AVTA decreased its maintenance costs over the audit period despite increases in Total Vehicle Miles. On the negative side, the number of road calls increased from 121 in FY15 to 337 in FY18, a 178.5% increase. Exhibit 7 below provides a more detailed reporting of maintenance performance indicators by fiscal year during our review period:

- **Vehicle Maintenance Costs Per Vehicle Service Mile** – This key cost indicator decreased during the review period by 15.5%. This was largely due to the decrease in overall maintenance costs. However, this cost savings occurred at the same time as a very large increase in road calls.
- **Spare Ratio** – AVTA maintained an acceptable spare ratio over the review period, ending with a 24.3% ratio. The spare ratio refers to the percentage of total vehicles that are not needed in peak service out of all the vehicles that are used for peak service. According to AVTA, the 24.3% number is generally not reflective of the spare ratio which is typically below 20%. The higher number reflects the fact that AVTA does not have a fully operational charging system and as a result will maintain a spare ratio temporarily higher than 20%.
- **Total Miles Between Road Calls** – AVTA showed a negative trend related to Total Miles between Road Calls for its vehicles. During the review period, AVTA's annual road calls increased by 178.5%. This resulted in a 57.7% decline in miles between

road calls, a negative trend for maintenance. This increase is due to AVTA continuing to utilize older buses during the transition to is all electric fleet. Once the entire fleet of new vehicles is obtained by AVTA in FY19, the older buses will be retired and this issue should be resolved.



Exhibit 7: Maintenance Performance					
	Base Year	Review Period			
Performance Measure	FY15	FY16	FY17	FY18	Percent Change from Base Year to FY18
Key Base Measures					
Maintenance Costs	\$ 4,210,357	\$ 4,281,655	\$ 4,484,724	\$ 3,878,176	-7.89%
Vehicle Service Miles	3,312,056	3,457,654	3,416,584	3,610,673	9.02%
Peak Vehicles	73	75	82	74	1.37%
Total Vehicle Miles	3,607,895	4,424,006	4,150,843	4,151,592	15.07%
Road Calls	121	249	241	337	178.51%
Active Vehicles	92	106	91	95	3.26%
Efficiency Measures					
Maintenance Cost per VSM	\$ 1.27	\$ 1.24	\$ 1.31	\$ 1.07	-15.51%
Total Miles Between Road Calls	29,817	17,767	17,223	12,319	-58.68%
Spare Ratio	15.07%	30.67%	19.51%	24.32%	61.43%
CPI -- All Index	1.97%	1.85%	1.75%	2.25%	14.21%



MANAGEMENT AND ADMINISTRATION

AVTA's General Administrative costs rose marginally over the course of the review period (3.7%). Set forth below is a highlight of key performance indicators followed by a more detailed listing within Exhibit 8.

- **Administrative Cost Per Vehicle Service Hours** – Administrative costs per service hour decreased by 1.4%% over the review period, due both to a reduction in hours and containing overall administrative costs.
- **Administrative Cost Per Peak Vehicle** -- Administrative efficiency standards were stable during the review period with the Administrative Cost per Peak Vehicles rising by only 2.3%.



Exhibit 8: Administrative Performance					
	Base Year	Review Period			
Performance Measure	FY15	FY16	FY17	FY18	Percent Change from Base Year to FY18
Key Base Measures					
Administrative Costs	\$ 6,448,324	\$ 6,455,734	\$ 6,878,270	\$ 6,688,023	3.72%
Vehicle Service Hours	189,652	193,069	176,859	199,430	5.16%
Peak Vehicles	73	75	82	74	1.37%
Efficiency Measures					
Admin Costs per VSH	\$ 34.00	\$ 33.44	\$ 38.89	\$ 33.54	-1.37%
Admin Costs per Peak Vehicle	\$ 88,333	\$ 86,076	\$ 83,881	\$ 90,379	2.32%
CPI -- All Index	1.97%	1.85%	1.75%	2.25%	14.21%



AVTA is a joint powers authority between the Cities of Palmdale and Lancaster as well as the County of Los Angeles. The Board of Directors of AVTA is made up of two representatives from each agency participating in the joint powers authority and meets monthly. AVTA is managed by an Executive Director/CEO who has the following direct reports:

- Director of Operations and Maintenance
- Director of Finance and Administration
- Procurement and Contracts
- Director of Strategic Planning and Development
- Clerk of the Board
- Executive Assistant

Day-to-day operations are managed by Transdev and IntelliRide.

SERVICE PLANNING

Management and staff regularly reviews KPIs and submits those results to their Board of Directors quarterly. KPIs for AVTA include Total Boardings, Revenues, Expenditures, Preventable Accidents, Complaints, Schedule Adherence, Average Hold Time, Miles Between Service Interruptions, Boardings per Vehicle Service Hour, Average Weekday Boardings, Average Cost per Service Hour, and Farebox Recovery Ratio. Recent efforts have focused on On-Time Performance to ensure a reliable system for riders.

Service planning is also focusing on the implementation of the all-electric fleet. With the new range of the fleet limited to approximately 150 miles per charge, AVTA will need to ensure that routes and charging stations allow of the electric fleet to operate without interruption. This is especially challenging given the geography of the Antelope Valley and the lack of relative density of its residential and commercial developments.

Finally, AVTA is re-evaluating its routes based on demographic and changes in the development patters within the Antelope Valley. Over the years, work centers and traffic patterns have changed resulting in a need to revamp existing routes.

PERSONNEL MANAGEMENT AND TRAINING

A key challenge for AVTA during the review period and moving forward is the hiring and retention of employees, both for operations and maintenance. AVTA is also focusing on training, especially as it relates to the new all-electric fleet. A trainer from the



manufacturer of the new fleet was hired, in part, to address this issue. AVTA is providing 80 hours of training per mechanic as part of the transition.

MARKETING AND PUBLIC INFORMATION

AVTA has a website (www.citycommbus.com) which provides live mapping, schedules, and announcements. It also has mobile customization for its website to allow easy access from mobile devices. The Agency also has a telephone and text service to hear arrival time information.

CMBL also has a telephone line dedicated to providing information as well as receiving customer feedback. All customer feedback is logged and investigated promptly.



7. CONCLUSION

We find AVTA to be in full compliance with the requirements of the Transportation Development Act. While there were some inconsistencies in reporting of financial and operational data among different agencies, these differences are minimal and/or related to timing differences in the submission of data.

FY19 Monthly Operations Key Performance Indicators

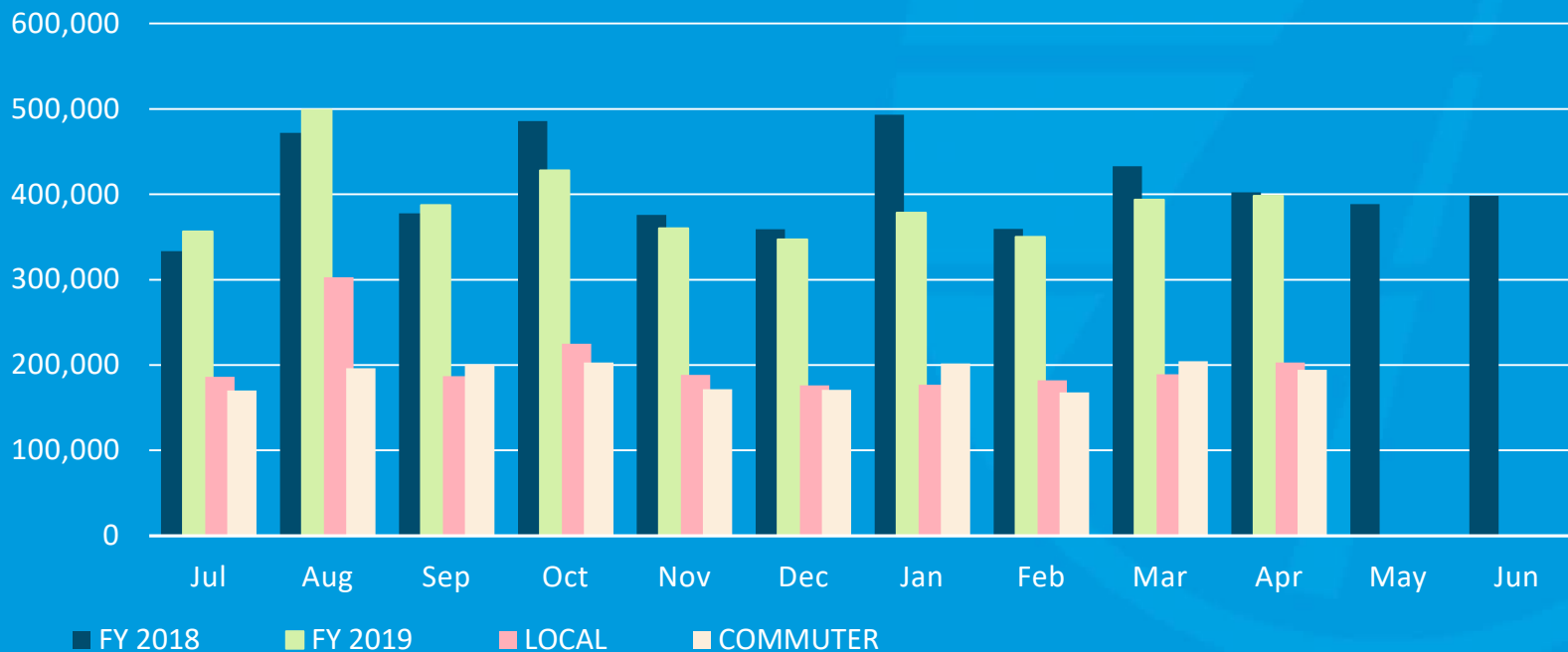
Presentation to the Board of Directors

June 25, 2019



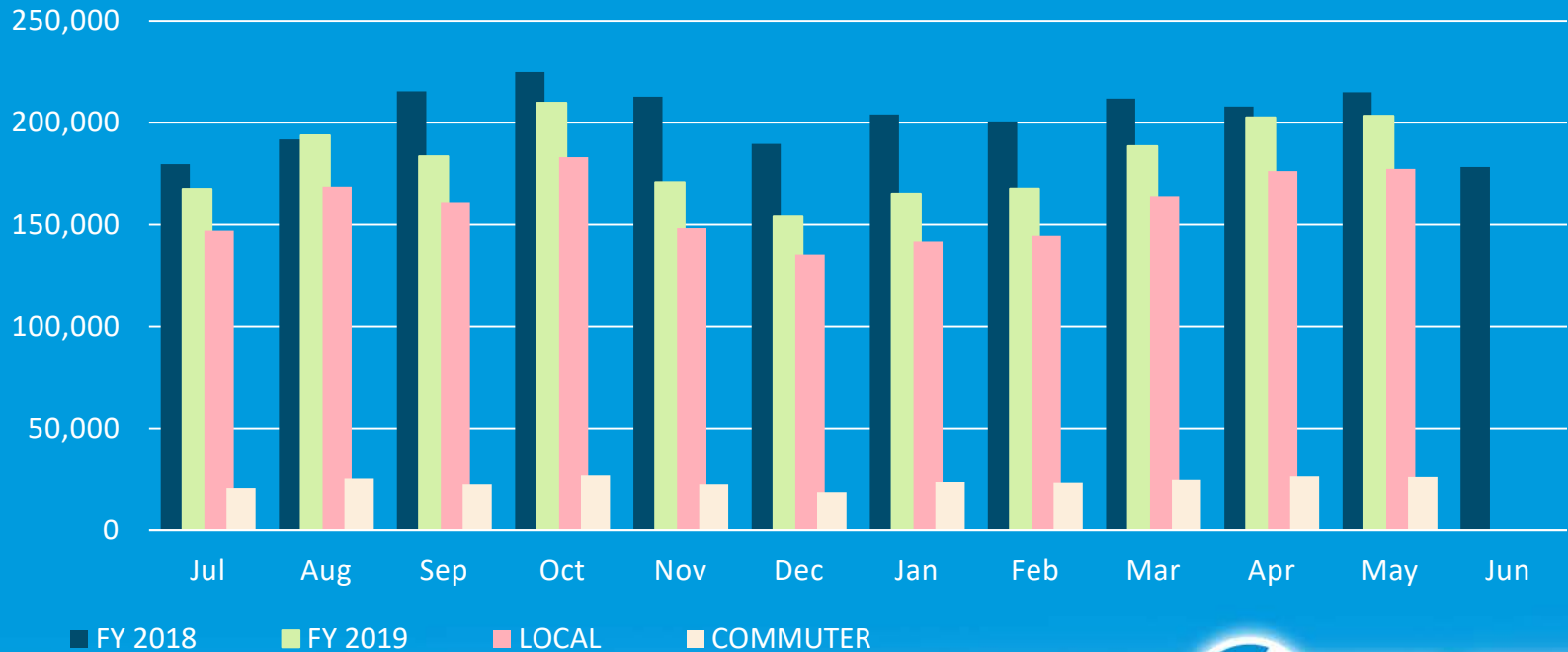
MONTHLY REVENUE ACTIVITY

	April FY 19	March FY 19	April FY 18
System	\$397,377	\$393,639	\$402,921
Local	\$203,140	\$189,214	\$204,829
Commuter	\$194,237	\$204,425	\$198,092



MONTHLY BOARDING ACTIVITY

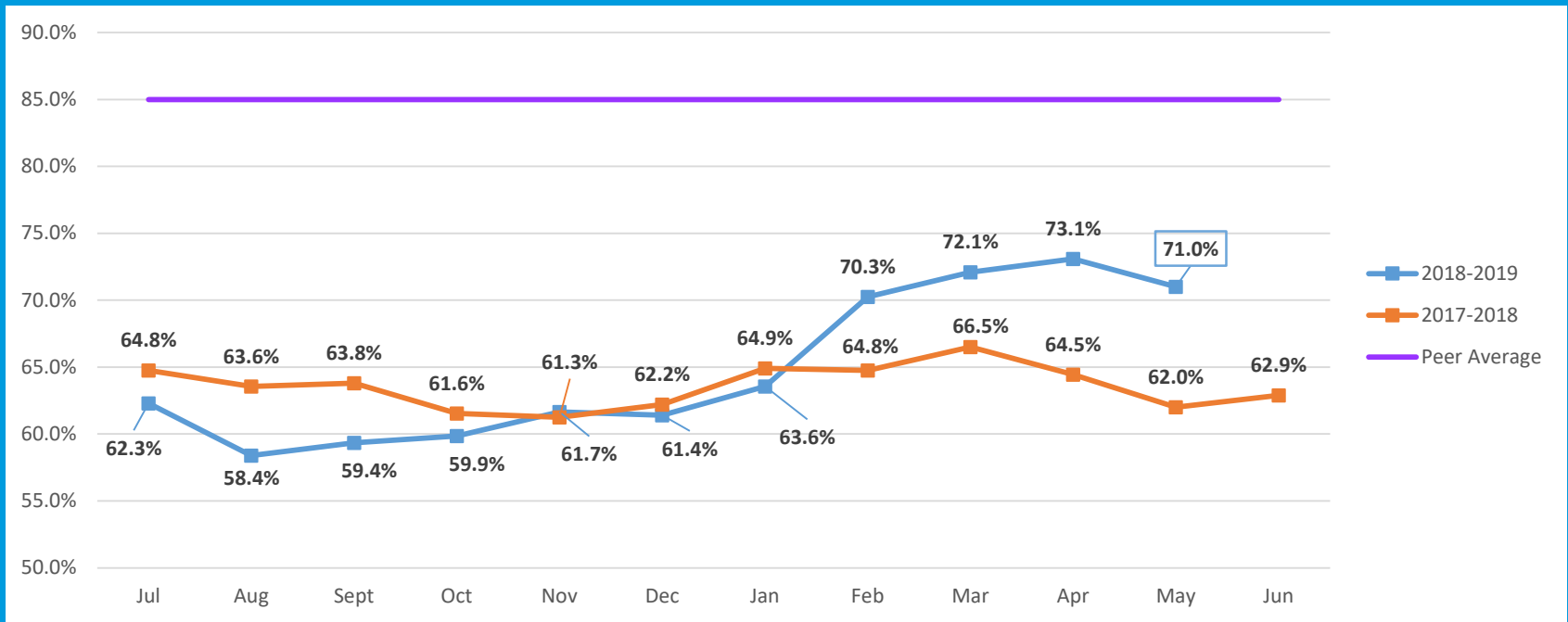
	May FY 19	April FY 19	May FY 18
System	203,530	202,755	214,960
Local	177,430	176,365	191,521
Commuter	26,100	26,390	23,439



On-Time Performance

May - System Wide Average: 71.0 %

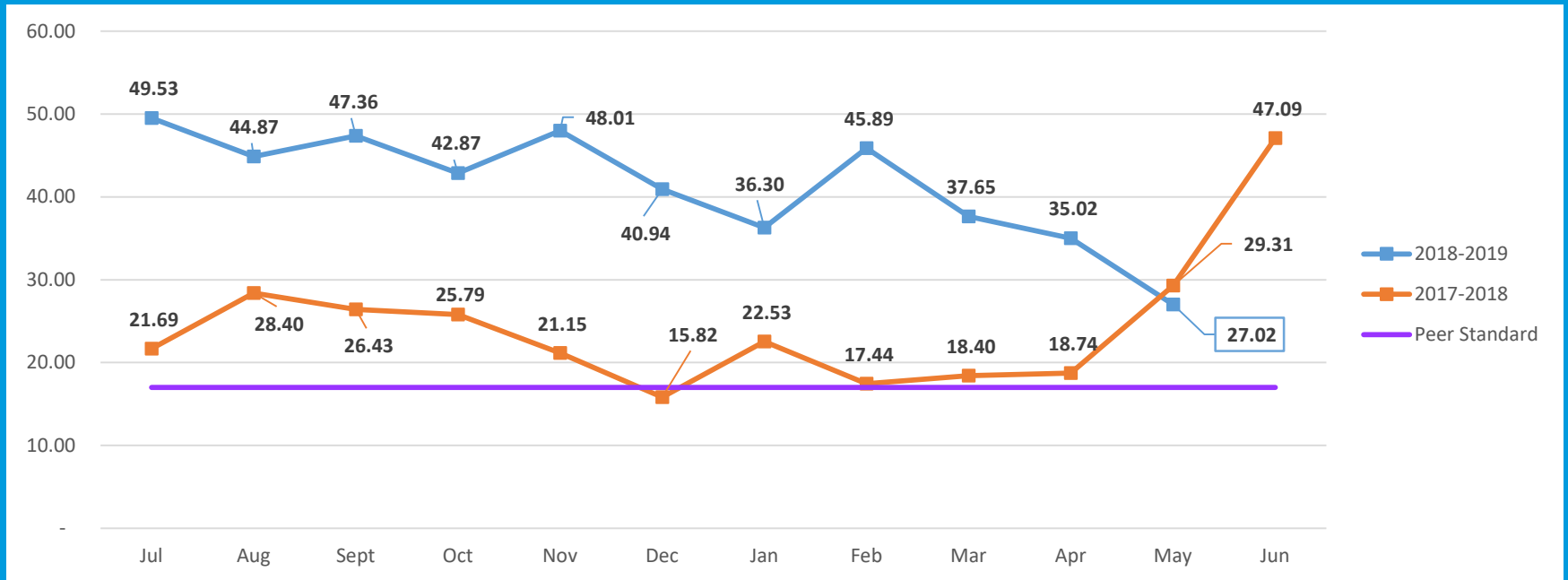
Peer Standard: 85%



Complaints/100,000 Boarding

May System Wide Average: 27.02

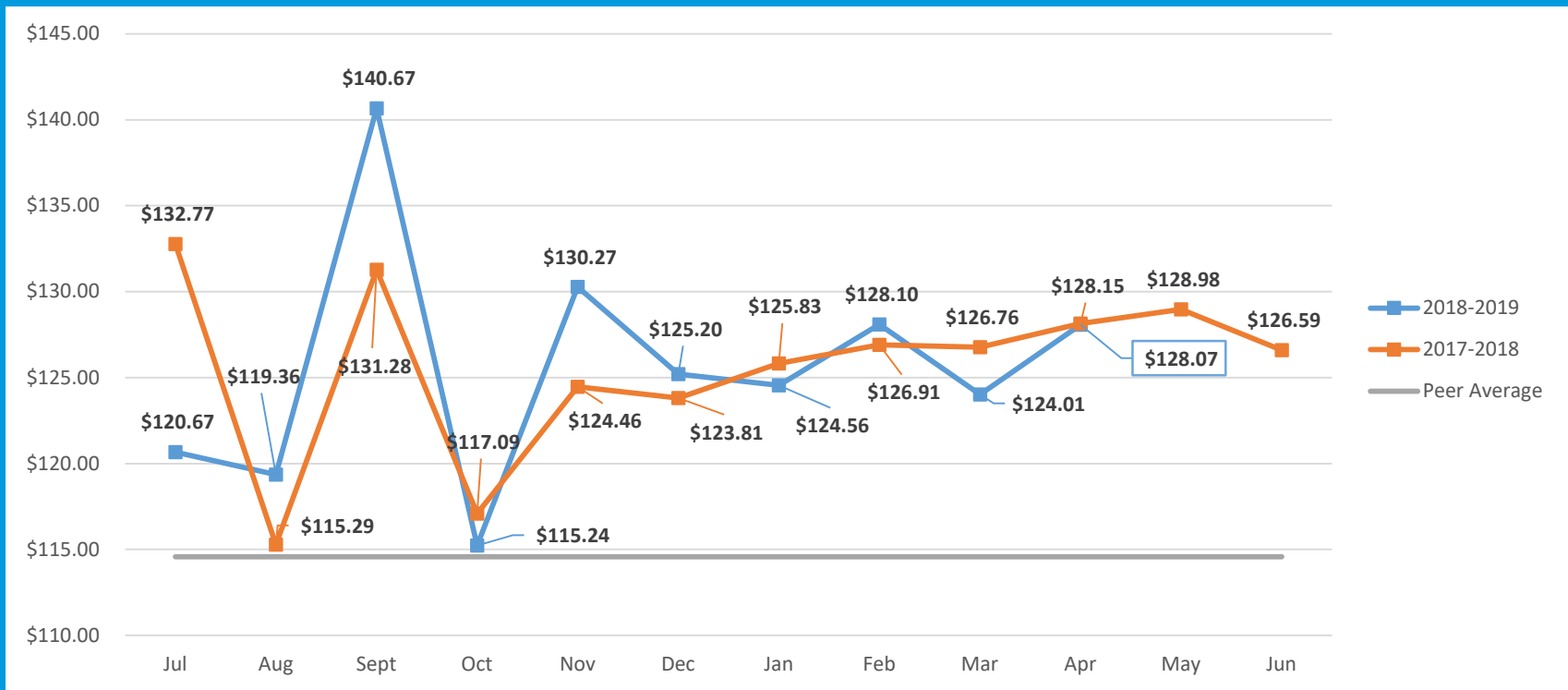
Peer Standard: 17.00



Average Cost/Service Hour

April - Actual Average: \$128.07

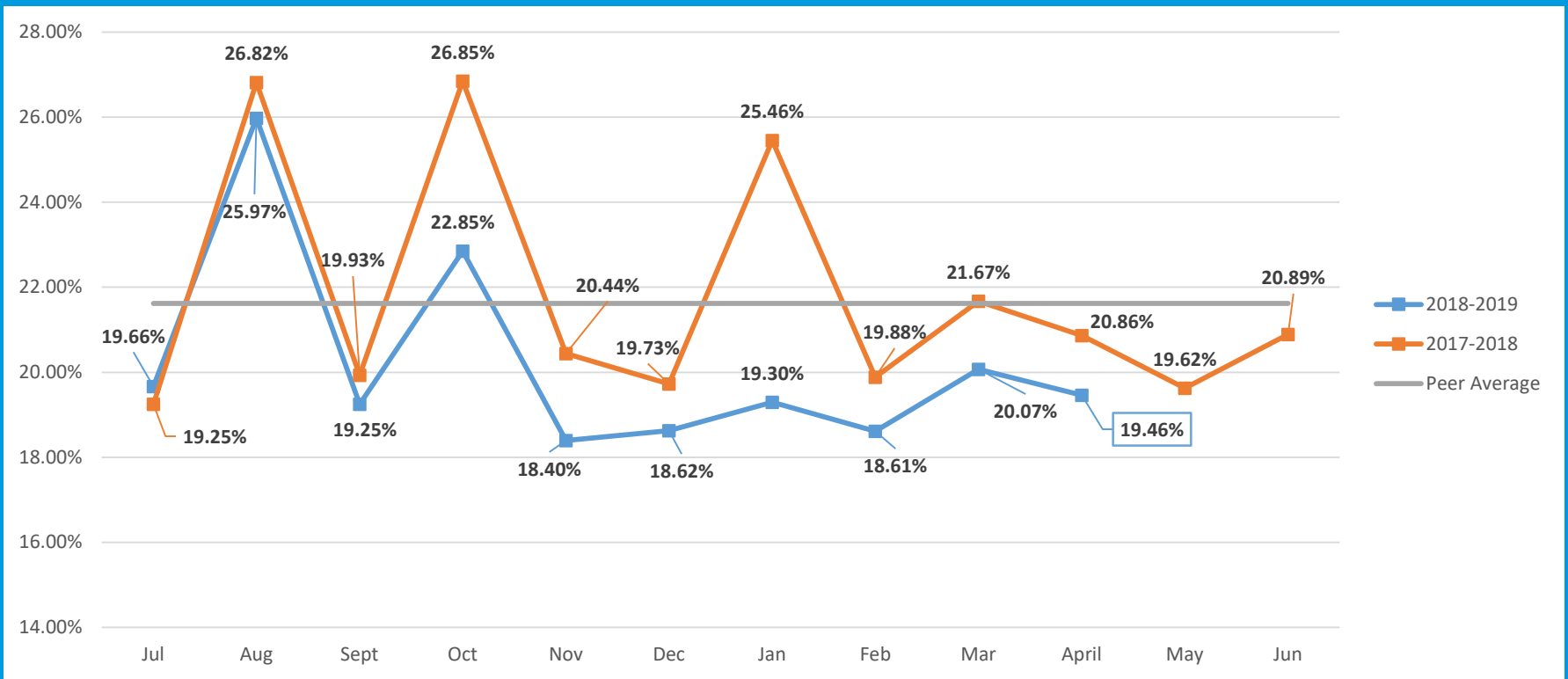
Peer Average: \$114.58



Farebox Recovery

April - Actual Average: 19.46%

Peer Averages: 21.62%



Key Performance Indicators

	May FY 2019	April FY 2019	May FY 2018	Peer Averages
Boarding Activity	203,530	202,755	214,960	171,924
System Wide On Time Performance	71.0%	73.1%	62.0%	85%
Complaints / 100,000 Boardings	27.02	35.02	29.31	17.00
Average Cost / Vehicle Service Hour	\$128.07 **	\$124.01	\$128.15	\$114.58
Farebox Recovery Ratio	19.46% **	20.07%	20.86%	21.62%

** These numbers reflect April's data

Thank you!

Questions?



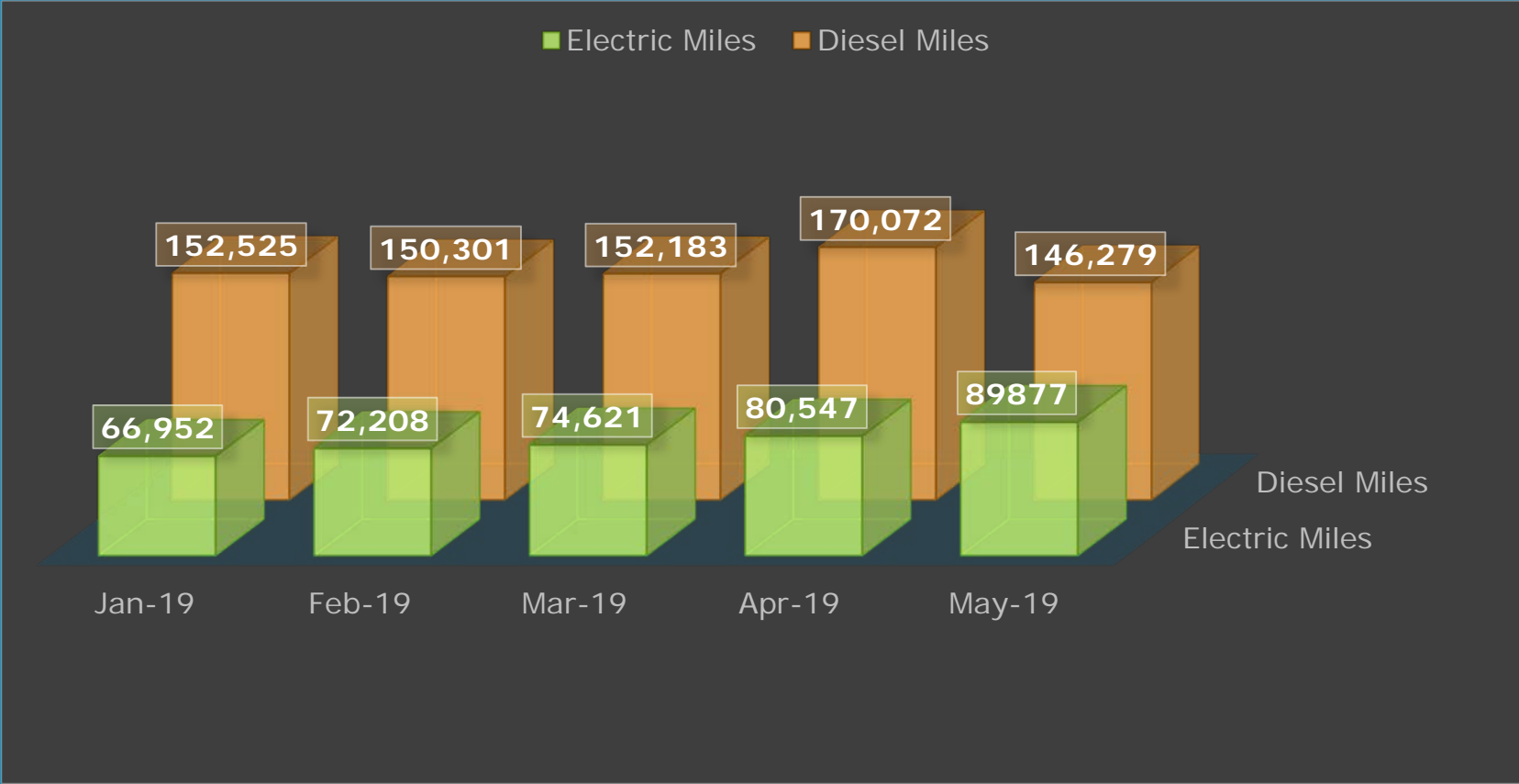
May 2019 Maintenance Key Performance Indicators

Presentation to the Board of Directors

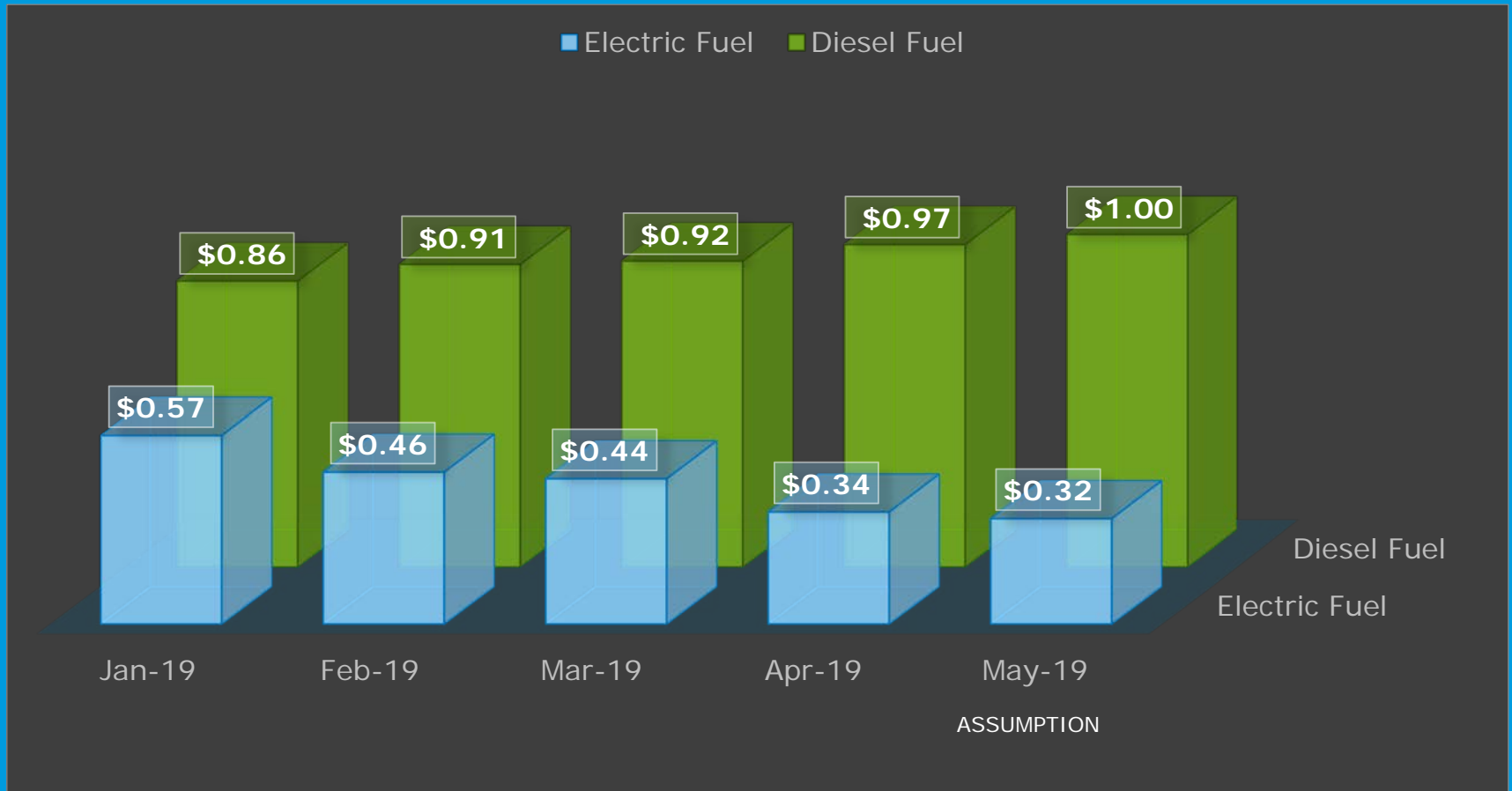
June 25 2019



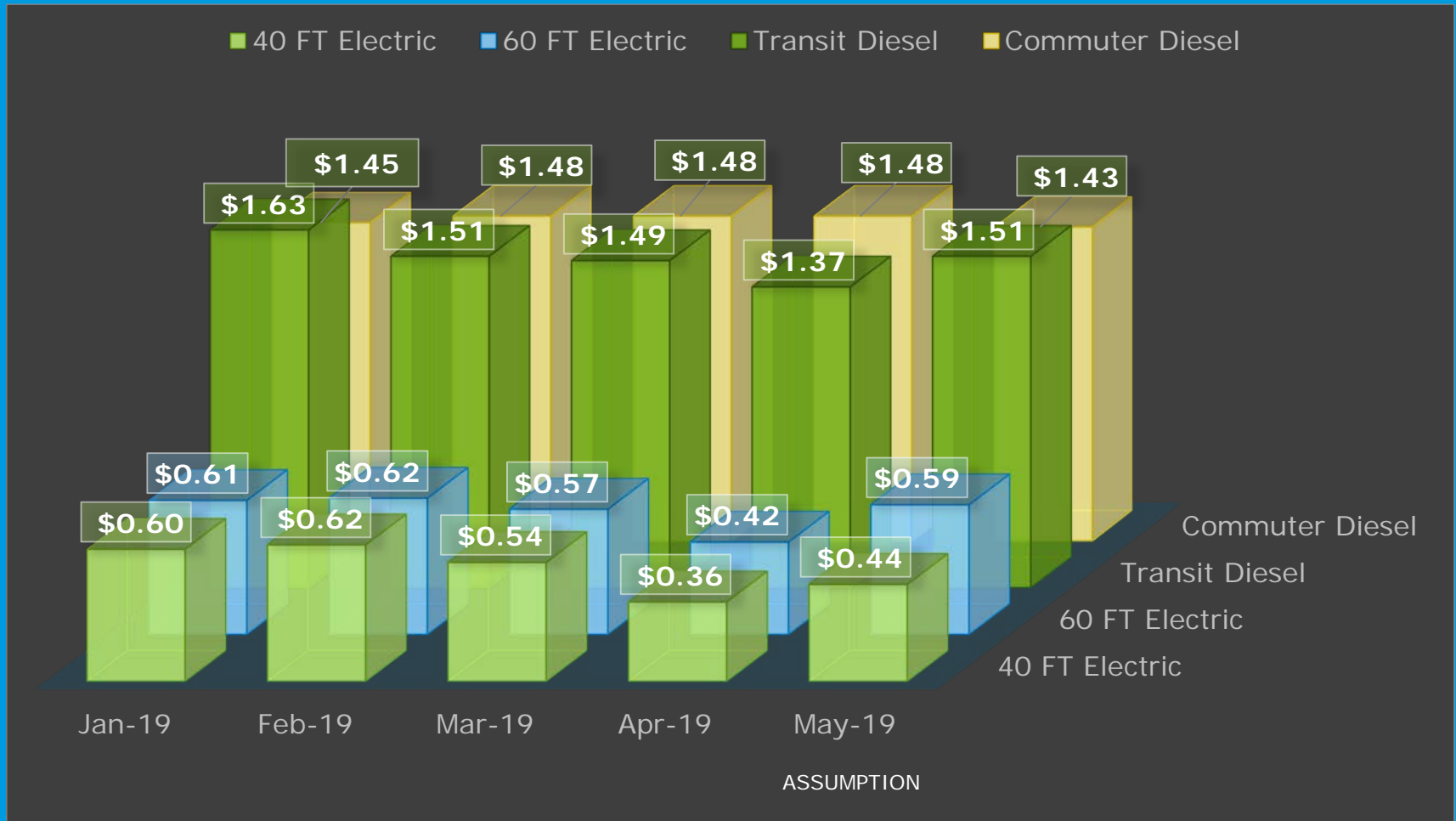
TRANSIT MILES: DIESEL vs ELECTRIC



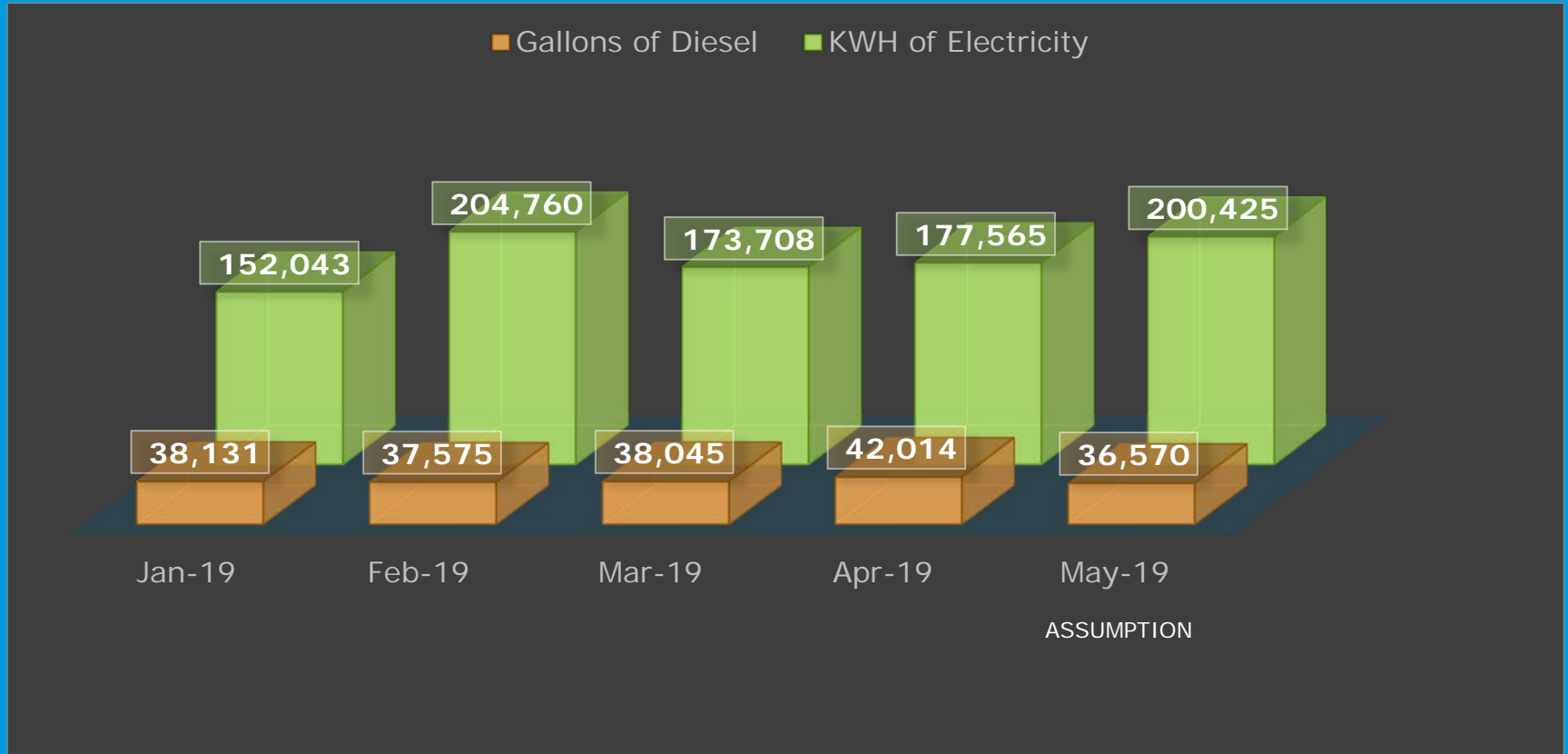
PROPULSION FUEL COST PER MILE



TOTAL MAINTENANCE and Fuel COST PER MILE BY FLEET

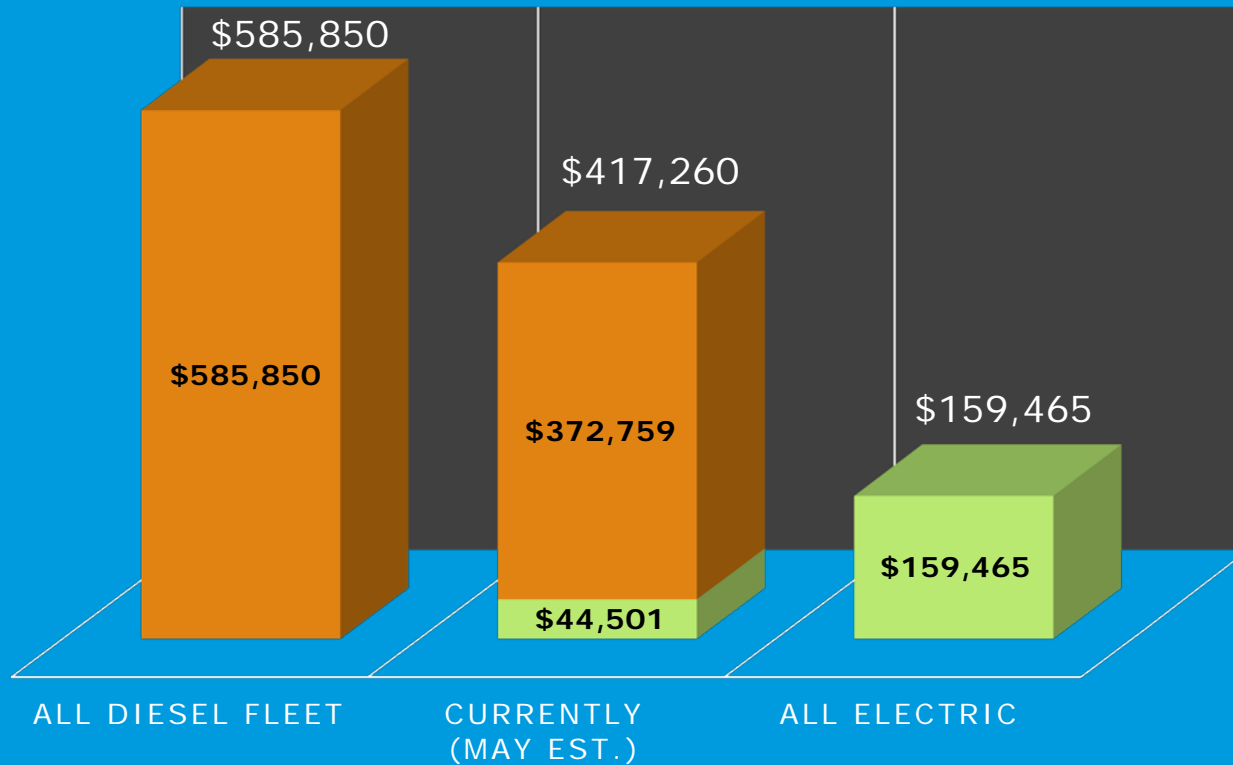


ELECTRIC CONSUMPTION & DIESEL FUEL REDUCTION (Local Only)

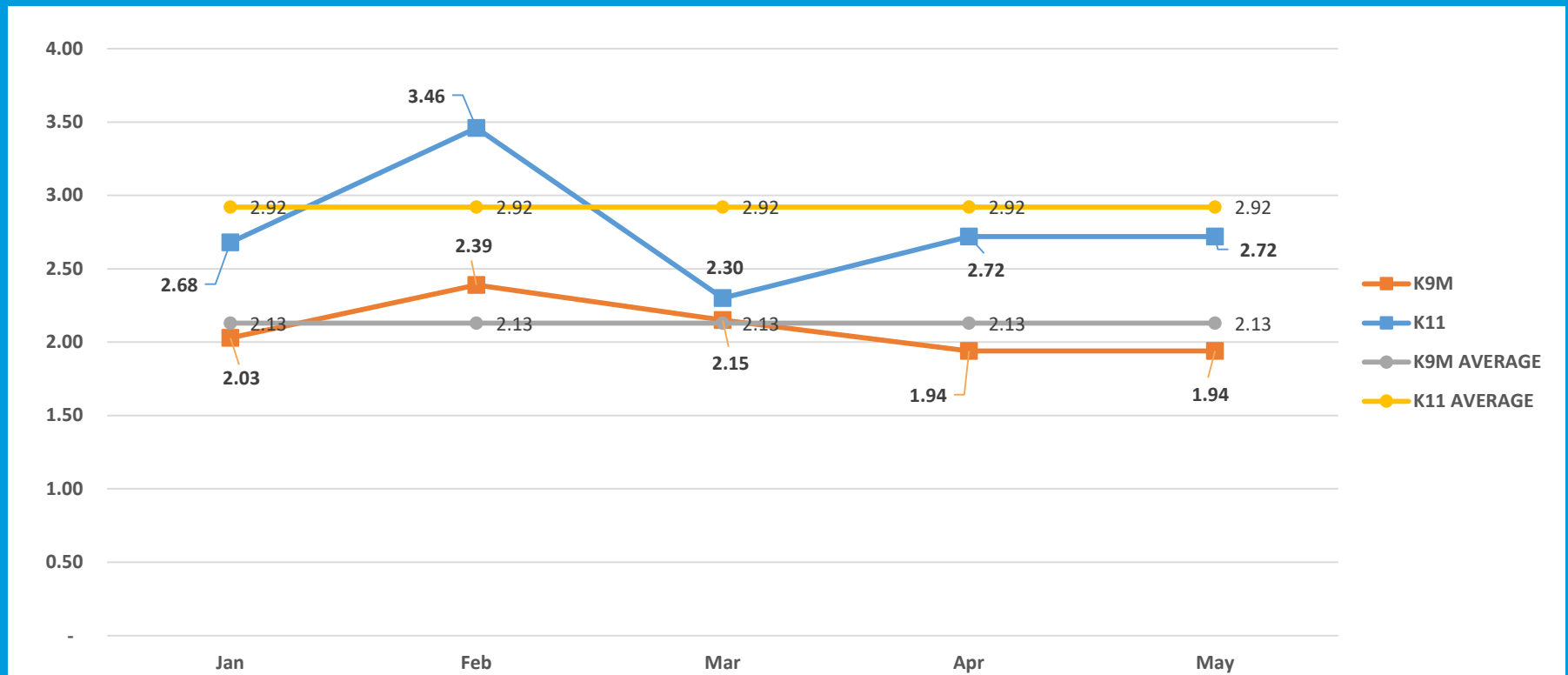


TOTAL MAINTENANCE COST ASSUMPTIONS AT FULL BUILDOUT

■ Electric ■ Diesel



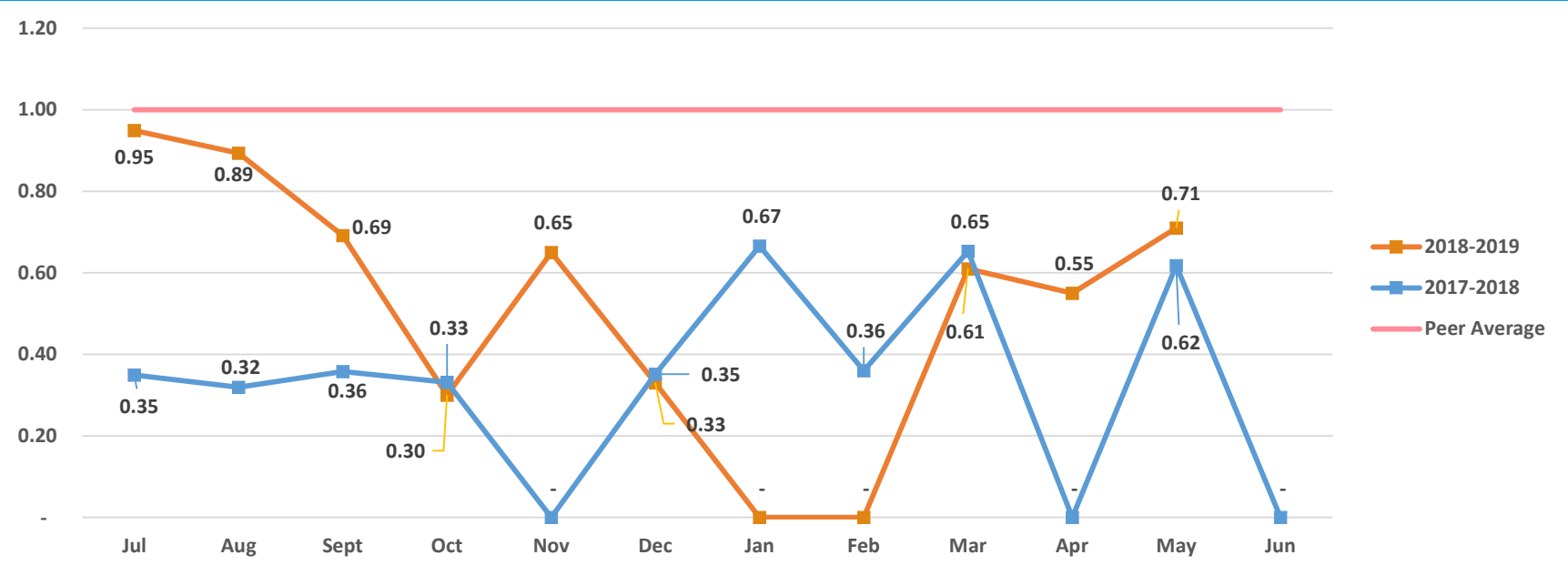
Average Fuel Consumption Per Mile (KWpM)



Preventable Accidents/100,000 Miles

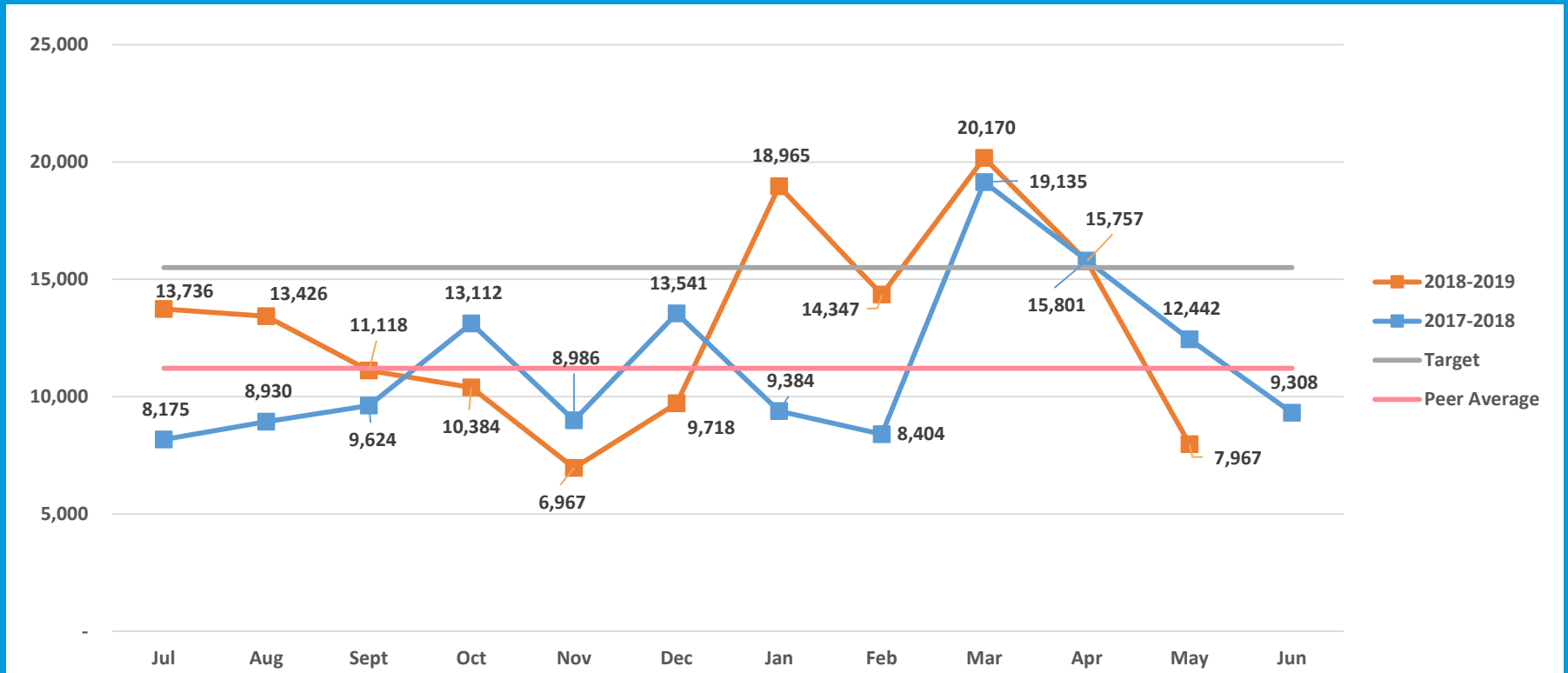
Peer Standard: 1.00 Target 1.00

May Total accidents: 8 / May Preventable Total: 2



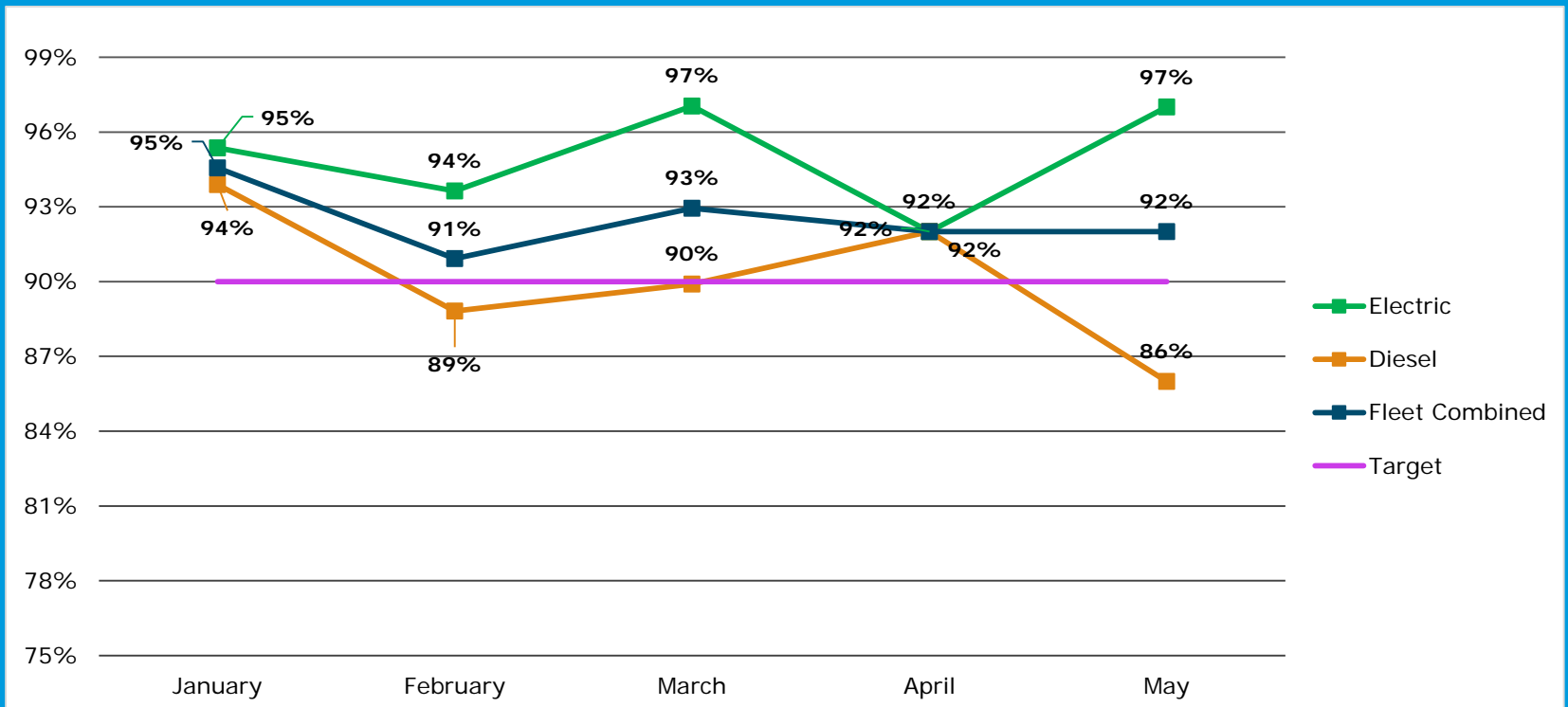
Average Miles Between Service Interruptions

Peer Average: 11,206 / Target: 15,500



Availability

Peer Average: 77% / Target 85%



Summary

Electric bus availability for May is at 97% and diesel buses are at 86%.

The Wave Charging is functioning very well, staff is working with Transdev training staff to give bus operators the best opportunity to charge successfully.

AVAIL 4G router upgrade is completed

Farebox upgrade is set to begin in July

AVTA is developing our own in house Electric bus training department

We have 37 electric buses on site 35 in service



Discussion/Questions?





Regular Meeting of the Board of Directors

Tuesday, May 28, 2019

10:00 a.m.

Antelope Valley Transit Authority Community Room
 42210 6th Street West, Lancaster, California
www.avta.com

UNOFFICIAL MINUTES

Alternate Director Laura Bettencourt was sworn in by General Counsel Allison Burns prior to the meeting.

CALL TO ORDER:

Chairman Crist called the meeting to order at 10:05 a.m.

PLEDGE OF ALLEGIANCE:

Vice Chair Knippel led the Pledge of Allegiance.

ROLL CALL:

Present

Chairman Marvin Crist

Vice Chair Dianne Knippel

Alternate Director Laura Bettencourt (Director Steve Hofbauer absent)

Director Angela Underwood-Jacobs

Director Michelle Flanagan

Director Richard Loa

APPROVAL OF AGENDA:

Motion: Approve the agenda as comprised.

Moved by Director Loa, seconded by Alternate Director Bettencourt

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

PUBLIC BUSINESS – AGENDIZED AND NON-AGENDIZED ITEMS:

Norma U. – Requested bus stops at Avenue L/10th St. W (Route 50) and 10th St. W. north of Avenue J. Chairman Crist directed the Director of Operations and Planning Martin Tompkins to meet with Norma.

Fran Sereseres – Inquired if Access Services Inc. will be replacing their three old vehicles with three electric vehicles and provided information regarding service and fare changes that was presented at the recent Access Services meeting.

SPECIAL REPORTS, PRESENTATIONS, AND REQUESTS FOR DIRECTION (SRP):

SRP 1 RECOGNITION OF TRANSDEV OPERATOR AND EMPLOYEE OF THE MONTH FOR APRIL 2019

Transdev Operations Manager Mike Sorensen presented a plaque to the Operator of the Month Gerald Wall and announced the Employee of the Month was Jasbir Singh; however, Mr. Singh was unable to attend the meeting.

SRP 2 LEGISLATIVE REPORT FOR MAY 2019

Director of Finance and Administration Judy Vaccaro-Fry presented information regarding federal grant opportunities, federal appropriations for FY 2020, proposed state and federal legislation, and the FY 2020 state budget. Ms. Vaccaro-Fry confirmed she receives letters of support from the cities of Lancaster and Palmdale and various agencies that accompany the grant submittals.

SRP 3 OPERATIONS KEY PERFORMANCE INDICATORS (KPI) REPORT

Senior Director of Operations and Planning Martin Tompkins presented the Operations KPI report. The Board discussed on-time performance and the peer average for average cost per service hour.

SRP 4 MAINTENANCE KPI REPORT

Director of Operations and Maintenance Mark Perry presented the Maintenance KPI report. Mr. Perry was instructed to share with BYD the presentation slide showing the total maintenance cost assumptions at full fleet build out, and add a slide showing the kilowatts per mile.

CONSENT CALENDAR (CC):

Item No. CC 5 was pulled for separate discussion. Alternate Director Bettencourt recused herself due to her employment with the Los Angeles County Sheriff's Department and left the dais at this time.

CC 1 BOARD OF DIRECTORS MEETING MINUTES OF APRIL 23, 2019

Approve the Board of Directors Regular Meeting Minutes of April 23, 2019.

CC 2 FINANCIAL REPORT FOR APRIL 2019 – JUDY VACCARO-FRY

Receive and file the financial report for April 2019.

CC 3 FISCAL YEAR 2018/2019 (FY 2019) THIRD QUARTER CAPITAL RESERVE REPORT (JANUARY 1 – MARCH 31, 2019)

Receive and file the FY 2019 Third Quarter Capital Reserve Report for the period covering January 1 through March 31, 2019.

CC 4 GRANT STATUS REPORT

Receive and file the Grant Status Report.

CC 6 FISCAL YEAR 2019/2020 (FY 2020) WORKERS' COMPENSATION, PROPERTY AND CASUALTY INSURANCE POLICIES UNDER CONTRACT #2019-35 WITH VINSAL, INC.

Authorize the Executive Director/CEO to purchase required Workers' Compensation, Property and Casualty Insurance Policies for FY 2020, for an amount not to exceed \$400,000 under Contract #2019-35 with Vinsal, Inc., Lancaster, CA. The final amount may be slightly higher than estimates, which are dependent upon amounts invoiced at the time the policies are issued.

CC 7 FY 2020 LOCAL AGENCY INVESTMENT FUND (LAIF) INVESTMENTS

Adopt Resolution 2019-004, a Resolution of the Board of Directors of the Antelope Valley Transit Authority appointing the Executive Director/CEO as Treasurer and the Director of Finance and Administration as Controller; delegating investment authority to the Treasurer; adopting a policy for the investment of surplus transit funds for Fiscal Year 2019/2020 beginning July 1 2019 through June 30, 2020, and rescinding Resolution No. 2018-010.

Motion: Approve the Consent Calendar with the exception of Item No. CC 5.

Moved by Director Underwood-Jacobs, seconded by Vice Chair Knippel

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

CC 5 RENEWAL OF AGREEMENT WITH LOS ANGELES COUNTY SHERIFF'S DEPARTMENT (LASD) FOR TRANSIT LAW ENFORCEMENT SERVICES – RESERVE UNIT

Authorize the Executive Director/CEO to renew the Letter of Understanding with the LASD for transit law enforcement services covering the term July 1, 2019 through June 30, 2020.

Motion: Approve Item No. CC 5.

Moved by Director Loa, seconded by Vice Chair Knippel

Vote: Motion Carried (5-0-1-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa

Nays: None

Abstain: Alternate Director Bettencourt

Absent: None

Alternate Director Bettencourt returned to the dais at this time.

Addressing the Board on Item No. CC 5:

Michael Rives – Stated the buses are arriving on time; however, the buses on the Route 1 are overcrowded causing tension between passengers and believes there is a need for security officers to ride the buses.

NEW BUSINESS (NB):

NB 1 PROPOSED FY 2020 BUDGET

Ms. Vaccaro-Fry presented the proposed FY 2020 Budget.

Addressing the Board on this item.

Michael Rives – Requested the budget be published in the paper to allow for public comment before approval.

Motion: Approve the Proposed FY 2020 Budget.

Moved by Alternate Director Bettencourt, seconded by Vice Chair Knippel

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

NB 2 CONTRACT #2019-64 TO BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR CPA FINANCIAL AUDITING SERVICES

The Board waived the presentation of the staff report.

Motion: Authorize the Executive Director/CEO to execute Contract #2019-64 for audit services to Brown Armstrong Accountancy Corporation, Bakersfield, CA, for a one-year period with four one-year optional renewal periods for a combined amount not to exceed \$290,000.

Moved by Vice Chair Knippel, seconded by Director Underwood-Jacobs

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

NB 3 REVISED DRAFT PERSONNEL RULES AND REGULATIONS MANUAL

Executive Director/CEO Macy Neshati presented the staff report. The Board received the document for review; there was no action required. The Personnel Rules and Regulations Manual will be agendaized for approval at the June 25, 2019 meeting.

NB 4 AMENDMENT #1 TO CONTRACT NO. 2019-28 WITH CUBIC TRANSPORTATION SYSTEMS, INC. FOR ADDITIONAL FAREBOX EQUIPMENT

The Board waived the presentation of the staff report.

Motion: Authorize the Executive Director/CEO to execute Amendment #1 to Contract No. 2019-28 with Cubic Transportation Systems, Inc. to add eight (8) farebox upgrade kits to support the Farebox Equipment and TAP Validator Upgrade Project in the amount of \$65,648 plus applicable sales tax.

Moved by Vice Chair Knippel, seconded by Director Flanagan

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

NB 5 AMENDED AND RESTATED EXECUTIVE DIRECTOR/CHIEF EXECUTIVE OFFICER (CEO) EMPLOYMENT AGREEMENT

General Counsel Allison Burns presented the report.

Motion: Approve the Amended and Restated Executive Director/CEO Employment Agreement.

Moved by Director Flanagan, seconded by Vice Chair Knippel

Vote: Motion Carried (6-0-0-0)

Ayes: Chairman Crist, Vice Chair Knippel, Directors Underwood-Jacobs, Flanagan, Loa, Alternate Director Bettencourt

Nays: None

Abstain: None

Absent: None

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 Report by the Executive Director/CEO

- Reported on the sponsorship package with the Jethawks Stadium; a video advertising AVTA's new Jethawks Express Service was shown. Chairman Crist suggested sharing the video with the cities of Lancaster and Palmdale to display on their websites and television stations.

- Thanked the Board for the positive performance review and recapped AVTA's accomplishments in the last year.
 - ✓ Implemented an express route to the Jethawks Stadium.
 - ✓ Implemented the Antelope Valley College (AVC) Student Connect (Route 8) service between AVC's Lancaster Campus and Palmdale Center.
 - ✓ Implemented service to the West Los Angeles Veteran's Administration Medical Center.
 - ✓ Launched service to Edwards Air Force Base.
 - ✓ Service to the Mojave Air and Space Port and 15 minute frequencies on the Route 1 will begin on June 3.
 - ✓ Researching funding sources to expand service to Northrop Grumman, Boeing and Lockheed Martin.
 - ✓ The Regional Transit Plan and Micro Transit Study are funded and underway.
- Stated staff continues to look for ways to reduce costs and increase service.

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

There were no miscellaneous business non-agenda items presented.

ADJOURNMENT:

Chairman Crist adjourned the meeting at 11:06 a.m. to the Regular Meeting of the Board of Directors on June 25, 2019 at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

PASSED, APPROVED, and ADOPTED this 25th day of JUNE, 2019

Marvin Crist, Chairman of the Board

ATTEST:

Karen S. Darr, Clerk of the Board

Audio recordings of the Board of Directors Meetings are maintained in accordance with state law and AVTA's Records Retention Policy. Please contact the Clerk of the Board at (661) 729-2206 to arrange to review a recording.



DATE: June 25, 2019
TO: BOARD OF DIRECTORS
SUBJECT: Financial Report for May 2019

RECOMMENDATION

That the Board of Directors receive and file the financial report for May 2019.

FISCAL IMPACT

	APRIL
PAYROLL	\$394,108
CASH DISBURSEMENTS	\$1,009,418

BACKGROUND

To comply with the provisions required by Sections 37202, 37208 and 6505.5 of the Government Code, the Director of Finance and Administration in conjunction with the Controller, provides a monthly payroll total and cash disbursements. The Executive Director/CEO and Treasurer certify the availability of funds.

I, Macy Neshati, Executive Director/CEO of AVTA, declare that the above information is accurate.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
 Director of Finance and Administration

Macy Neshati
 Executive Director/CEO



DATE: June 25, 2019
TO: BOARD OF DIRECTORS
SUBJECT: Board Officers for Fiscal Year 2019/2020 (FY 2020)

RECOMMENDATION

That the Board of Directors suspend the provisions of Section 4.50 (Officers) of the Bylaws for one year and approve Marvin Crist and Dianne Knippel, Chair and Vice Chair respectively, to remain in their elected positions for FY 2020.

FISCAL IMPACT

There is no fiscal impact.

BACKGROUND

Due to the Authority's commitment to converting its fleet to 100% all-electric, zero-emission buses, the Board may, pursuant to Section 11.0 of the Bylaws, choose to set aside Section 4.50 of the Bylaws and approve Marvin Crist and Dianne Knippel, Chair and Vice Chair respectively, to remain in their elected positions for FY 2020.

Submitted by:

Macy Neshati
Executive Director/CEO



DATE: June 25, 2019

TO: BOARD OF DIRECTORS

SUBJECT: Revised Personnel Rules and Regulations Manual

RECOMMENDATION

That the Board of Directors adopt Resolution No. 2019-003, adopting AVTA's Revised Personnel Rules and Regulations Manual.

FISCAL IMPACT

The revisions do not result in any financial impact to the Authority.

BACKGROUND

The existing Personnel Rules and Regulations Manual has not been formally updated since 2012. The attached Revised Personnel Rules and Regulations Manual was developed through collaboration of the Executive Director/CEO, the Director of Finance and Administration, Human Resource and Benefits Coordinator, and the Authority's Labor Attorney Atkinson-Andelson-Loya-Rudd-Romo.

As requested, this revision updates the request by the Board regarding Attendance and Punctuality, and Progressive Discipline, as well as clarifying language to the following sections: 106 –Recruitment/Applications for Employment/Hiring, 202-Overtime, 215 – Travel and Training Reimbursement Policy, 217 – Merit Increase.

In addition to the above, the Revised Personnel Rules and Regulations Manual has been updated to comply with federal and state laws. Each employee will be required to sign an acknowledgment of receipt of the revised Personnel Rules and Regulations Manual.

Revised Personnel Rules and Regulations Manual

June 25, 2019

Page 2

The Board of Directors received the Draft Revised Personnel Rules and Regulations Manual at their May 28, 2019 meeting to either provide input or adopt the manual as submitted at the June 25, 2019 meeting.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Director of Finance and Administration

Macy Neshati
Executive Director/CEO

Attachments: A – Resolution No. 2019-003
 B – Revised AVTA Personnel Rules and Regulations Manual

BOARD OF DIRECTORS

RESOLUTION NO. 2019-003

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY TRANSIT AUTHORITY ADOPTING THE AUTHORITY’S REVISED PERSONNEL RULES AND REGULATIONS MANUAL

WHEREAS the Antelope Valley Transit Authority wishes to accurately describe the regulations, standards and expectations applicable to Antelope Valley Transit Authority employees, and to outline the policies, programs, and benefits available to eligible employees;

WHEREAS the Antelope Valley Transit Authority’s personnel rules and regulations provide the regulations, standards and expectations applicable to Antelope Valley Transit Authority;

WHEREAS the Antelope Valley Transit Authority Revised Personnel Rules and Regulation Manual must reflect current laws, provide effective means by which to operate Antelope Valley Transit Authority and must be updated accordingly;

WHEREAS the Antelope Valley Transit Authority has not revised its Revised Personnel Rules and Regulation Manual since 2012; and

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY TRANSIT AUTHORITY DOES HEREBY RESOLVE as follows:

Section 1. Adopt Revised Personnel Rules and Regulations

This resolution adopts the attached Revised Personnel Rules and Regulation Manual for the Antelope Valley Transit Authority dated June 25, 2019. Nothing here in shall be construed to restrict any legal or inherent inclusive authority rights with respect to matters of general legislative or managerial policy.

PASSED, APPROVED an ADOPTED this 25th day of June 2019 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____ ABSENT: _____

Marvin Crist, Chairman

ATTEST:

Karen S. Darr
Clerk of the Board

Allison E. Burns
General Counsel

MESSAGE FROM THE EXECUTIVE DIRECTOR

Valued Team Member,

Welcome aboard! We would like to take this opportunity to welcome you to the AVTA family. We look forward to working with you as we continue to provide safe, reliable and efficient transportation to the Antelope Valley, while also providing a rewarding and supportive environment to our employees. As part of our team, we encourage all employees to embrace our goals of excellence and integrity.

You should read, understand, and comply with all provisions of these Personnel Rules and Regulations. It describes many of your responsibilities as an employee, and outlines the programs developed by AVTA to benefit our employees.

No Personnel Rules and Regulations can anticipate every circumstance or question about the policy. As the AVTA continues to grow, the need may arise to change policies. From time to time, the AVTA Board of Directors may revise, supplement, amend, modify, eliminate or rescind any policies. You will be advised in writing of changes that occur.

The Personnel Rules and Regulations should not be interpreted, and are not intended, as a written employment contract between AVTA and any of its employees or a guarantee of continued employment. The Personnel Rules and Regulations are not an expressed or implied contract of employment between AVTA and you. Neither the employee nor AVTA is bound to continue the employment relationship if either chooses at-will to end the relationship at any time and nothing in the Rules and Regulations should be construed as a contract or guarantee of continued employment.

The only recognized deviations from the stated policies are those authorized in writing and signed by the Executive Director/CEO (or designee) with the approval of AVTA's Board of Directors.

After reading the following material, we urge you to discuss any questions and comments you may have with your immediate supervisor.

Again, congratulations on becoming a member of our team. We look forward to a long and productive time together.

Best Regards,

Macy Neshati
Executive Director/CEO

100 - DEFINITIONS

Applicant: An individual participating in the recruitment and/or interview process for appointment to a position with AVTA.

Appointing Authority: The Board of Directors shall be the appointing authority for the position of Executive Director. The Executive Director is the appointing authority for all other positions with AVTA.

Appointment: The employment of an individual in a position. Appointment requires that the applicant report for work on the designated date and time and actually commence work.

AVTA: The Antelope Valley Transit is a public authority, formed as a joint power authority composed of the City of Lancaster, the City of Palmdale, and the County of Los Angeles pursuant to California Government Code Sections 6500 et seq.

Board or Board of Directors: The Board of Directors of AVTA.

Day: A calendar day unless otherwise specified. When any action to be taken or deadline falls on a Saturday, Sunday or any other day the office of the Executive Director is not open to transact normal business, the deadline will be extended to the next weekday during which the Executive Director's office is open to transact normal business.

Domestic Partner: Another adult with whom the employee has chosen to share their life in a relationship of mutual caring, who is at least 18 years of age, is competent to contract at the time the domestic partnership is registered, is not legally married to anyone, and has registered the partnership with the Secretary of the State (or other appropriate governing body) that the employee resides in.

The "domestic partner's child" is considered the biological, foster, or adopted child, stepchild, or legal ward of the registered domestic partner. A "domestic partner's child" also may be someone for whom the domestic partner has accepted the duties and responsibilities of raising.

Executive Director: The Executive Director of AVTA, appointed by the Board of Directors.

Exempt Employee: An employee who holds a position exempt from payment of overtime compensation under applicable provisions of the Fair Labor Standards Act.

Non-Exempt Employee: An employee who holds a position covered under the Fair Labor Standards Act and is eligible to receive overtime pay.

Regular Full-Time Employee: An employee who holds a position in which he/she works a full work week (whether under a 5/40 schedule or an authorized alternative schedule).

Regular Part-Time Employee: An employee who holds a position in which he /she works a fixed number of hours per week, but who is scheduled to work less than 40 hours per week. There are two types of regular part- time employees:

- Half-time employee: An employee who is regularly scheduled to work at least 20 hours but less than 32 hours per week.
- Four-fifths employee: An employee who is regularly scheduled to work at least 32 hours but less than 40 hours per week.

Safety Sensitive: In accordance with FTA (655.4), Safety Sensitive means any of the following:

- Anyone who operates a revenue vehicle including when not in revenue service.
- Anyone operating a nonrevenue service vehicle that requires drivers to hold CDL's (commercial driver's license).
- Anyone who maintains revenue service vehicles or equipment.
- Anyone controlling dispatch or movement of a revenue service vehicle.
- Supervisors of employees in these categories, who do not themselves perform these functions, are excluded. Only supervisors who perform one of the safety-sensitive functions are covered.

Temporary Employee: An individual who works through an employment agency or directly for AVTA and fills a position authorized by the Board to meet a special temporary need and/or on a prescribed limited time basis. Temporary service shall not be counted in determining the anniversary date of any regular appointment.

101 - EQUAL OPPORTUNITY POLICY

AVTA believes that all persons are entitled to equal employment opportunity. This means that we are committed to nondiscrimination in all aspects of our personnel actions such as employment, compensation, benefits, promotional opportunities and terminations. These transactions will be administered without regard to race, color, religion, creed, sex, gender identity, pregnancy, national origin, ancestry, citizenship, age, marital status, physical and mental disability, medical condition, sexual orientation, veteran status, genetic information, or any other characteristics protected by state and federal law.

102 - NONDISCRIMINATION ON BASIS OF DISABILITIES

In furtherance of our nation and state's commitment to end discrimination against qualified disabled individuals and in accordance with the provisions of Americans with Disabilities Act as well as the state's Fair Employment and Housing Act (FEHA), including all regulations properly issued there under to protect the right of qualified disabled persons, it is our Agency's policy that: No program or activity administered by AVTA shall exclude from participation, deny benefits to, or subject to discrimination any individual by reason of his or her disability. Equal employment opportunity will be extended to qualified disabled persons in aspects of the employer-employee relations, including recruitment, hiring, upgrading, training, promotions, transfer, discipline, layoff, and termination. We further affirm that we will provide reasonable accommodation to the known physical or mental limitations of an otherwise qualified disabled employee or applicant.

As part of its commitment to make reasonable accommodations, AVTA encourages and participate, in a timely, good faith, interactive process with the disabled applicant or employee to determine effective reasonable accommodations, if any, that can be made in response to a request for accommodations. Applicants and employees are invited to identify reasonable accommodations that can be made to assist them to perform the essential functions of the position they seek or occupy. They should contact the Executive Director (or designee) as soon as possible to request the opportunity to participate in a timely interactive process. By working together in good faith, our goal is to implement any reasonable accommodations that are appropriate and consistent with its legal obligations.

103 - REPORTING DISCRIMINATION

If you believe you have been subjected to any form of discrimination, or know of someone within the AVTA that may have been subjected to discrimination, you should promptly report the facts to your supervisor, any manager, the Human Resources Department, or the Executive Director (or designee) right away. If the complaint may involve the Executive Director, the employee should contact AVTA's General Counsel. An employee will be required to provide facts in writing and any relevant details such as who is involved and names of witnesses. AVTA will arrange to investigate your issue/complaint confidentially and promptly and attempt to resolve the situation. If it is determined that prohibited discrimination has occurred, effective remedial action. You should feel free to report claims or inquiries without fear of any type of retaliation for bringing this to our attention.

Employees may also contact the Department of Fair Employment and Housing or the Equal Employment Opportunity Commission and seek remedies through those agencies. The contact information for these agencies is online and listed in the white pages of the telephone book.

104 - POLICY AGAINST HARASSMENT

AVTA is committed to providing a workplace free of sexual harassment, as well as harassment based on such factors as race, religion, color, creed, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, gender (including pregnancy, childbirth or related medical conditions), age, sexual orientation, gender identity, gender expression, genetic information, military or veteran status, or any other basis protected by federal, state, or local laws. AVTA prohibits unwelcome, harassing conduct by employees, managers, supervisors, or other third parties towards other employees, interns, volunteers, non-employees with whom AVTA has a business, service, or professional relationship, or other persons with whom employees come into contact, as prohibited by law. It is the obligation of all employees to ensure a work environment that is free from harassment.

Valuing Diversity

We appreciate and respect personal differences in race, color, creed, sex, gender, religion, marital status, military or veteran status, age, national origin, ancestry, physical or mental disability, medical condition, sexual orientation, gender identity, gender expression and other such categories. We also respect different opinions and viewpoints. We recognize it is our individuality that helps us develop diverse solutions and approaches to the business challenges we face. We realize that looking at things from different perspectives can lead to innovative ideas.

To achieve our goals as well as those of our employees, we need the contributions and talents of each individual.

Anti-Harassment Policy

Harassment in any form undermines the abilities and potential of employees and the AVTA. Defining harassment and its many nuances is difficult. Behavior that does not rise to the level of illegal harassment as defined by law may still be unacceptable in the workplace and a violation of this policy, subjecting an employee to disciplinary action, up to and including termination.

Guidelines

Improper conduct includes, but is not limited to, the following examples:

- Verbal insults and name calling, derogatory or suggestive comments, demeaning jokes, slurs, unwelcome sexual flirtations or propositions, graphic comments, sexually oriented comments about the body, appearance or lifestyle of an employee or another business associate.

- Visually derogatory, demeaning or sexually suggestive emails, texting, posters, cards, computer displays, cartoons, graffiti, drawings, gestures, or other offensive nonverbal behavior such as leering or staring, which is deemed to be unwelcome by the recipient.
- Physical assault, threats or threatening behavior (implied or explicit), unnecessary touching, impeding or blocking movement, physical interference with normal work or movement.
- Sexual harassment is one type of harassment and is defined by law to include unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when (1) submission to such conduct is made either explicitly or implicitly as a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

ANY ACT OF HARASSMENT IS PROHIBITED

In line with this, managers and supervisors are prohibited from fraternizing or becoming romantically involved with another employee or any subordinate or non-management employee. This policy covers all employees and other business associates such as customers, vendors, suppliers or independent contractors. Contractors and other business associates are also forbidden to engage in any form of sexual harassment as defined above. Any suspected acts of harassment must be immediately reported to any member of the management team or the Executive Director.

The Reporting Process

If any employee feels they have been subjected to harassment, including sexual harassment, discrimination, or retaliation, we have created a resolution process, designed to foster mutual respect and fair treatment for all individuals. This process is tailored to help any employee resolve their concern in the manner they find most comfortable. Employees are encouraged to help eliminate unwelcome behavior by talking with the offending party directly, letting the offending party know their behavior is unacceptable. However, we recognize there may be employees who do not wish to do so and need assistance in resolving their concerns.

Any employee who feels they have been subjected to or a witness to harassment, is required to immediately report such conduct to his or her manager, the Human Resources Department, or the Executive Director (or designee) verbally or in writing. Employees may also contact AVTA's Labor Counsel at ATKINSON, ANDELSON, LOYA, RUUD & ROMO [562.653.3200], particularly if the issue concerns the Executive Director.

Upon receiving a complaint, an investigation of the complaint will be conducted. Please note that any claim of harassment, even those "off the record," must be investigated. Confidentiality will be maintained to the extent possible, but cannot be guaranteed.

Prompt, impartial, fair, and thorough investigations will be made of any and all harassment complaints. Anyone found to have engaged in harassment will be subject to appropriate disciplinary actions, up to and including termination of employment.

While every effort will be made to investigate and resolve harassment complaints lodged in good faith, management prohibits claims that an employee knows are false or made with the intent of taking revenge against, or otherwise harm a fellow employee without provocation. Employees, who make false accusations with the knowledge they are without justification or basis in facts, are subject to disciplinary action, up to and including termination of employment.

Employees and/or managers who become aware of any violation of this policy must immediately advise the Executive Director (or designee). In this way, AVTA is in a better position to ensure such conduct does not occur and that appropriate remedial action may be taken.

No Retaliation

There will be no retaliation against any employee who, in good faith, files a complaint, or participates in a workplace investigation. As a preventative measure, AVTA will investigate all complaints of harassment, discrimination, or retaliation and take disciplinary action as required to remedy the situation. Each employee shall, without fear of reprisal or retaliation, cooperate in the investigation of a complaint of harassment as defined in this policy. Retaliation against an employee for making a complaint or participating in an investigation is considered a serious violation of this policy. Acts of retaliation must be reported immediately and will be investigated and addressed.

You may also file a complaint of harassment or retaliation with the Department of Fair Employment and Housing or the Equal Employment Opportunity Commission. The contact information for these agencies is online and listed in the white pages of the telephone book.

Penalty for Violation of Anti-Harassment Policy

Any employee who has been found to have committed an act of prohibited harassment will be subject to disciplinary action up to and including termination from employment.

105 - INDEPENDENT CONTRACTORS

AVTA follows the standards of appropriate state and federal law to determine whether an individual qualifies as an independent contractor. Written agreements may not override state or federal law. To ensure legal compliance, all agreements to hire an individual as an independent contractor must be approved by the Executive Director (or designee).

106 - RECRUITMENT/APPLICATIONS FOR EMPLOYMENT/HIRING

All applicants for employment are required to complete AVTA's Application for Employment form before being considered a viable candidate for any position within the AVTA. Management relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring and employment process.

Misrepresentations, falsifications, or material omissions in any of this information or data may result in the individual's exclusion from further consideration for employment or, if the person has been hired, termination of employment. All completed employment application forms or resumes received within AVTA will be evaluated by the hiring manager or Executive Director (or designee) and filed for follow-up to meet legally established retention requirements.

No offers of employment or commitments regarding job availability or rates of pay will be extended without a position allocation approved by the Board and the express approval of the Executive Director (or designee). Recruiting, screening, reference checking and recommendations for employment of all personnel is the responsibility of the Executive Director (or designee).

Position Allocations: A position allocation approved by the Board provides the authority for the establishment of a position opening. The position allocation should include a detailed explanation of the position qualifications and specific job duties along with the employment category, title, salary grade, and pay range.

Selection of Recruitment Process

The determination of the selection process shall be made by the Executive Director (or designee). Vacancies may be filled through an internal recruitment process, an external recruitment process, or through a combined internal/external recruitment process, at the discretion of the Executive Director (or designee). The Executive Director (or designee) may also determine whether use of an employment agency is appropriate, and will oversee any recruitment through an employment agency. The Executive Director (or designee) may determine whether to use an interview panel, and the composition of such interview panel.

Minimum Employment Eligibility Requirements. Each applicant must meet the following minimum eligibility requirements in order to be considered for employment.

- An applicant must be 18 years of age or older.
- An applicant must meet the minimum qualifications of education and experience for the position, as set forth in the applicable job description.
- An applicant must establish that he/she has the legal right to work in the United States.
- An applicant must be able to perform the essential functions of the position, with or without reasonable accommodation.
- After a conditional offer of employment has been made, an applicant must pass a pre-placement physical examination and drug test.

Job Posting

In recruitments, which include internal recruitments, AVTA provides current employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience.

In an internal job posting (or combination internal/external recruitment), notices of all regular, full-time job openings will be posted on the employee bulletin board and normally remain open for seven days. Each job posting notice will include the dates of the posting period, job title, department, location, grade level, job summary, essential duties, and qualifications (required skills and abilities).

In addition to the minimum eligibility requirements for the position, as set forth in the job description, to be eligible to apply for a posted job, current employees must have received satisfactory evaluations for at least 180 calendar days in their current position. Employees, who have a written warning on file for their current job, are not eligible to apply for posted jobs.

Eligible employees can only apply for those posted jobs for which they possess the required skills, competencies, and qualifications.

To apply for an open position, employees should submit an application for employment to the Executive Director (or designee) or the Human Resources Department listing job-related skills and accomplishments. It should also describe how their current experience with AVTA and prior work experience and/or education qualifies them for the position.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. AVTA reserves the right to use other recruiting sources to fill open positions in the best interest of the organization.

Application Process: Applicants shall be required to submit the following documents to AVTA in order to be considered for a position with AVTA, with all information completed and signed under penalty of perjury:

- Standard AVTA employment application, completed in full.
- Supplemental application, as required by the specific recruitment, completed in full.
- Written authorization for AVTA to conduct a criminal background investigation, where a background investigation is a requirement of the position.
- Agreement to submit two Department of Justice approved fingerprint cards for a State and FBI records criminal history investigation, if a conditional offer of employment is extended.
- A copy of a current driver's license, and authorization for AVTA to obtain a current California Department of Motor Vehicles printout.

- Proof of educational qualifications, such as a copy of diploma and/or school transcripts, at the discretion of the Executive Director (or designee).
- Such other forms and information as may be adopted from time to time by the Board and/or Executive Director (or designee), based on the particular recruitment.

Employment Data File

An AVTA Employment Data File will be maintained in accordance with any applicable requirements of federal and state law.

The Employment Data File will include completed employment applications and resumes received in response to position openings and related selection interview notes.

Selection interview notes should include the date that the selection interview was held and the name of the interviewer and a record of the interviewer's ratings.

Offers of employment: Employment offers shall be extended only by the Executive Director (or designee).

Employment offers shall be made contingent upon satisfactory completion of a pre-employment medical examination and drug test, criminal history background investigation where permitted by law, aptitude test for specified positions, and proof of current valid driver's license or identification card.

The starting pay rate for an employee should be at least the minimum established in the position allocation. As authorized by the Executive Director (or designee), a higher starting pay rate may be granted if the applicant's qualifications exceed minimum requirements.

Each new employee shall submit a completed Employee Withholding Exemption Certificate prior to commencing any work. Each new employee shall submit a residence address (street address) and a mailing address (if different from the residence address), which shall be maintained in the employee's personnel file. Updated information shall be provided if the residence address and/or mailing address changes. A Post Office Box number is insufficient by itself.

Each new employee shall also be required to submit a completed Form 700 and any other conflict of interest forms required by state law.

107 - ALCOHOL AND DRUG ABUSE

The AVTA provides public transit and paratransit services for the residents of the Antelope Valley. While it is not the AVTA's intent to infringe upon the private lives of its employees, part of our mission is to ensure that the services we provide are delivered safely, efficiently, and effectively by establishing a drug and alcohol-free work environment, and to ensure that the workplace remains free from the effects of drugs and alcohol in order to promote the health and safety of its employees and the general public. It is the intent of the AVTA to establish and clearly communicate a drug and alcohol policy based on Zero Tolerance.

Use or abuse of alcohol, illegal drugs, or controlled substances, whether on or off the job can adversely affect the employee's work performance, efficiency, absenteeism, health and safety and can seriously impair the employee's contribution to AVTA. Accordingly, no employee may enter AVTA or client premises while under the influence of, or have in his or her possession, any intoxicating beverage or behavior-altering drug of any kind. Likewise, the use, sale, transfer or possession of alcohol, illegal drugs (as defined under state or federal law) or controlled substances on the job, on AVTA or client property, in AVTA vehicles, or in personal vehicles while on AVTA business is prohibited.

Employees are strictly forbidden from consuming alcoholic beverages, illegal drugs (as defined under state or federal law), or controlled substances during work time, break times or meal periods, nor may they return to work after such breaks or meal periods under the influence of such substances. Employees should be aware that the use of beverages containing alcohol (including any mouthwash, medication, food, candy) or any other substances such that alcohol is present in the body while performing safety-sensitive job functions is prohibited.

Although marijuana may be obtained under California law, marijuana is still illegal under federal law. As such, AVTA prohibits the use, sale, possession, or being under the influence of marijuana, whether prescribed or recreational, during working time, while on AVTA property, or while performing AVTA business, by any employee.

Employees using medication prescribed by their health care provider must notify their manager/supervisor and the Executive Director and may be required to provide proof that such medication is safe to take while the employee is on duty. AVTA management will have sole discretion as to whether or not it will be safe for those employees to remain on duty. AVTA is committed to safety in the workplace and does not want any employee performing any job duties, including the operation of any equipment or machinery that may affect the safety of themselves, any other employee, or the public.

Reasonable Accommodation

Employees with alcohol or drug dependencies who voluntarily come forward to management before any situation requiring testing occurs, and who cooperate with AVTA with regard to treatment, may not be subject to discipline. An employee who requests a leave of absence to enter a drug or alcohol rehabilitation program will be reasonably accommodated with an unpaid leave of absence, as required by law, to enroll in and complete such rehabilitation program if such an accommodation is not an undue hardship on the AVTA. Employees voluntarily entering a drug or alcohol rehabilitation program may be required to provide medical validation of satisfactory completion of the program. Employees returning to work following satisfactory completion of a rehabilitation program may be subject to drug or alcohol tests without prior notice for up to one year following the return date. A recurrence of a positive drug or alcohol test following return to work will result in immediate termination of employment. All requests for leave of absence to voluntarily enter rehabilitation programs will be shared only with those on a need-to-know basis.

Employees who request a leave of absence to participate in a rehabilitation program may use available sick or vacation benefits while on leave. Benefits will not accrue during the

leave of absence. This leave will be subject to the same provisions and rules as applicable to any other medical related leaves of absence.

Testing

AVTA will test for the presence of alcohol or drugs after a conditional offer of employment and after any injury or accident involving AVTA property or assets.

AVTA reserves the right to require and conduct drug and alcohol tests where reasonable suspicion exists that an employee is under the influence of drugs or alcohol. Reasonable suspicion testing will be conducted at the sole discretion of AVTA management. AVTA will pay for any reasonable suspicion alcohol and/or drug test to be performed on an employee.

"**Reasonable suspicion**" may arise based on, among other things, the characteristics of the employee's appearance, behavior, mannerisms, and speech or body odors. Examples include, but are not limited to:

- inability to perform work properly;
- behavior creating a safety hazard;
- difficulties walking or standing, problems with dexterity, or other physical activity impairment;
- impaired ability to speak (i.e. slurred, thick speech);
- belligerent or violent behavior or wide mood swings;
- excessive unauthorized absenteeism;
- any conduct that constitutes a significant change from the individual's usual behavior, or that indicates impairment of sound judgment;
- arrest or conviction for a drug-related offense or the identification of an employee as -the focus of a criminal investigation into illegal drug possession, use or trafficking (the term trafficking shall also mean distribution.)

The employee shall authorize AVTA's medical provider and/or laboratory to take samples for screening and to release the results of the screening to the Executive Director (or designee). Refusal by an employee to follow these directives shall constitute insubordination and be grounds for disciplinary action, up to and including termination.

Specimen collection for a drug or alcohol test will be accomplished in a manner compatible with employee dignity and privacy. Specimen collection shall be accomplished at the medical and/or laboratory facilities utilized by AVTA. In the usual case, AVTA will not observe specimen production, except in those cases where AVTA has an objective reason to believe that the employee may attempt to contaminate a test specimen or produce a fraudulent specimen.

An employee who refuses an order to submit to a drug and/or alcohol screening, or who refuses to authorize the taking of a sample, or who refuses to authorize the release of the results of the screening to AVTA, or who engages in conduct that clearly obstructs the testing process, shall be subject to disciplinary action, up to and including termination.

A positive result for a drug and/or alcohol screening will result in termination.

If the drug screening is positive, the employee must provide, within 24 hours of request, bona fide verification of a valid current prescription in the employee's name, for the drug identified in the drug screening. If the employee does not provide acceptable verification of a valid prescription, or if the prescription is not in the employee's name, or if the employee has not previously notified his/her supervisor of the use of such prescribed drugs, the employee shall be subject to termination.

Information obtained under the provisions of this Policy shall be held strictly confidential. The drug and/or alcohol screening results will be retained with medical examination results in a separate location in compliance with the Confidentiality of Medical Information Act, California Civil Code Section 56 et seq.

The reports or test results may be disclosed to the employee's supervisor or Department Head on a strictly need-to-know basis. Upon request, the tested employee shall be entitled to obtain a copy of the reports or test results.

Disclosures without patient consent may also occur when: 1) the information is compelled by law or by judicial or administrative process; 2) the information has been placed at issue in a formal dispute between AVTA and the employee; 3) the information is to be used in administering an employee benefit plan; or 4) the information is needed by medical personnel for the diagnosis or treatment of a patient who is unable to authorize disclosure.

Security

For general security reasons, AVTA management reserves the right to conduct inspections of all work and non-work areas, including items such as desks, computers, cabinets, lockers, shelves and any other AVTA owned property. In addition, for security purposes, inspections and/or searches may also occur of any other property and/or person on AVTA premises, including, but not limited to, purses, brief cases, packages, vehicles, etc. The employee acknowledges that bringing any property and/or vehicle onto AVTA property constitutes a consent to the search of such property and/or vehicle. These inspections and searches may occur at any time without prior notice. Failure to comply with this policy may result in disciplinary action up to and including termination.

Disciplinary Action

Any violation of this policy or any failure by an employee to comply with provisions of this policy may lead to disciplinary action up to and including termination.

Employees who are convicted of a drug related crime occurring in the workplace must notify the AVTA within five (5) days of the conviction. Employees are also urged to immediately

report any incidents of alcohol or drug usage by other employees while at work. **Similarly, employees are urged to contact the Human Resources Department for employee assistance information if they need (or know of anyone else who needs) assistance in obtaining medical treatment or counseling for a drug or alcohol abuse problem.**

108 - VERIFICATION OF RIGHT TO WORK

AVTA is in full compliance with the Immigration Reform and Control Act of 1986. All persons hired after November 6, 1986, are required to provide documentation proving the legal right to work in the United States within 72 hours of hire. Completed documents will be maintained in AVTA's separate confidential file.

109 - "AT-WILL" EMPLOYMENT

The employment relationship between you, the employee, and the AVTA can be maintained only as long as both are mutually comfortable and satisfied. Here at AVTA your employment is considered "at-will." This means that employment is for no definite period of time, and that you may leave your employment at any time with or without cause and without or without prior notice. AVTA may also change the terms and conditions of your employment at any time with or without cause and with or without notice.

110 - JOB RESPONSIBILITIES

While employed at AVTA, your supervisor/manager will explain your job responsibilities and the performance standards expected. From time to time, you may be asked to work on a special project important to the AVTA. If any employee feels their job responsibilities are unclear, the employee should request to speak with their manager to obtain clarification.

AVTA reserves the right to reassign, change or transfer job positions, or assign additional job responsibilities at any time, with or without notice and with or without a change in rate of pay.

111 - SECURITY

AVTA is committed to providing a workplace that promotes safety and security for all our employees and visitors. Protection of business assets - people and property as well as sensitive information- is a necessity and vital to the success of the AVTA. In order to accomplish these objectives and safeguard the safety of employees, employees are expected to immediately report unauthorized visitors (this includes employees that have terminated their employment status with the AVTA) and exercise reasonable care to safeguard personal items brought to work. Personal items should not be left unattended or in plain view. AVTA is not able to take responsibility for our employees' property.

No employee has a reasonable expectation of privacy in the workplace and all items brought onto the AVTA's property are subject to inspection, with or without notice. Examples of these items include, but are not limited to, packages, brief cases, computer bags, purses, wallets, lunch boxes, toolboxes and vehicles. Employees who refuse to allow these inspections may be subject to disciplinary action, up to and including termination from employment.

Camera Surveillance

AVTA operates security cameras on our workplace both within and throughout our facilities for the purpose of ensuring the safety and security of employees, visitors, the public, work premises, and facilities. Cameras are not used for the surveillance of any particular person but camera footage may be accessed and used as evidence where an act (e.g. assault of a person, damage to facilities) has occurred that warrants investigation by the AVTA. Such records may also be required by law to be provided to other parties such as a Court or to the Police.

Notices of AVTA's security cameras are located at each location they are active. These cameras located in and around facilities requiring security monitoring for the safety or security and individuals or property and are not disguised or secreted.

Security cameras are in place at the time this handbook is written. Camera security monitoring is continuous and ongoing.

112 - AVTA OWNED SUPPLIES AND EQUIPMENT

The AVTA provides employees with equipment, supplies, tools and services to aid in performing job responsibilities. These assets are the employee's responsibility and should not be used for personal reasons. Any misuse, breakage, or loss of the items should be reported immediately to the employee's manager/supervisor. Employees will be held responsible for willful misconduct, misuse or loss of the AVTA's property. Equipment includes, but is not limited to, vehicles, computers, telephones, fax machines, copiers, cell phones and PDAs, tools, etc.

When AVTA has assigned an office, desk or storage area to an employee that has a lock, the AVTA will supply locks and keys to the employee and will retain a passkey for all locks. Employees are not permitted to use their own personal locks and have no reasonable expectation of privacy in any desk or storage area used by them. Management reserves the right to inspect the contents of desks, vehicles, or other storage areas at any time and may remove any of their property and other items that may be in violation of AVTA's rules and policies.

All AVTA property must be returned by employees on or before their last day of work. Where permitted by applicable laws, AVTA may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. AVTA may also take all action deemed appropriate to recover or protect its property, including but not limited to any appropriate legal action.

113 - VIOLENCE-FREE WORKPLACE

General Policy

Management is committed to preventing workplace violence and to maintaining a safe work environment. Acts or threats of violence, including intimidation, harassment, and/or coercion which involve or affect AVTA employees will not be tolerated, and will be subject to disciplinary action, up to and including termination. AVTA seeks to ensure that all workplace threats and violent behavior are addressed promptly, and that the level of physical and facility security in the workplace is sufficient to protect the health and safety of its employees, and to ensure.

Consistent with this policy, acts or threats of violence, including intimidation, harassment, and/or coercion which involve or affect AVTA employees will not be tolerated, and will be subject to appropriate disciplinary action, up to and including termination. It is AVTA's policy:

1. To ensure all workplace threats and violent behavior are addressed promptly; and
2. To ensure the level of physical and facility security in AVTA workplaces is sufficient to protect the health and safety of City employees,

Definition of Threats or Acts of Violence

A credible threat of violence is a knowing and willful statement or course of conduct that would place a reasonable person in fear for his/her safety, or the safety of his/her immediate family, and that serves no legitimate purpose. General examples of prohibited workplace violence include, but are not limited to the following:

1. Threatening to harm or harming an individual or their family, friends, associates, or their property.
2. Fighting or challenging another individual to a fight.
3. Intimidation through direct or veiled verbal threats, or through physical threats, such as obscene gestures, grabbing, and pushing.
4. Making harassing or threatening telephone calls; sending harassing or threatening letters, emails, or other correspondence.
5. Intimidating or attempting to coerce an employee to do wrongful acts that would affect the interests of AVTA.
6. Harassing surveillance or stalking another individual.
7. Making a suggestion or otherwise intimating that an act to injure persons or property is appropriate behavior.
8. Possession of firearms (loaded or unloaded), weapons, or any other dangerous devices on AVTA property. This includes "look-alike" weapons, such as toy guns. Weapons and dangerous devices may include, but are not limited to the following: blackjacks, slingshots, metal knuckles, explosive substances, dirks, daggers, gas or spring-operated guns, knives, including folding knives having a blade that locks into place, razor blades, and clubs.
9. Use of a personal or AVTA-issued tool in a threatening manner toward another.

Reporting Workplace Violence

Any employee who is the victim of a threat or act of violence, or any employee who witnesses such conduct, should immediately report the incident to his/her supervisor or other appropriate person in the chain of command. This includes threats by employees, as well as threats by visitors, vendors, customers, solicitors, or other members of the public. Should the employee perceive that he/she is in immediate danger of a violent act, or has just been victimized by a violent act, or is a witness of a violent act, he/she will whenever possible:

1. Place themselves in a safe location.
2. If appropriate, call the Police Department and request immediate response of a police officer and be prepared to inform the police dispatcher of the circumstances and the exact location of where an officer is needed.
3. Inform a supervisor, manager, or the Human Resources Department of the circumstances.
4. Complete a written report as soon as possible and submit the original copy to the Human Resources Department.
5. Cooperate fully in any administrative or criminal investigation, which will be conducted within existing policy and laws.

Reporting Future Workplace Violence

Employees who have reason to believe they or any AVTA employee may be the subject of a violent act in the workplace or as a result of their employment, should immediately notify their supervisor, manager, or the Human Resources Department.

Investigation of Workplace Violence

Executive Management will promptly and thoroughly investigate all reports of threats (or actual) violence and of suspicious individual activities. For this reason, any employee who has obtained a temporary restraining order should report this to the Executive Director (or designee) in confidence.

The identity of the individual making a report will be protected as much as is practical and protected by law. In order to maintain workplace safety and the integrity of its investigation, the AVTA may suspend employees, either with or without pay, pending the investigation.

We encourage our employees to bring their differences with other employees to the attention of management before the situation escalates into inappropriate behavior or potential violence. Management is eager to assist in the resolution of employee disputes, and will not retaliate against employees for raising such concerns.

Violation of this Section

AVTA's prohibition against threats and acts of violence applies to all persons, including but not limited to AVTA personnel, project and temporary workers, clients, and anyone else on AVTA property. Violations of this Section by any individual may be followed by legal action as appropriate, which may include, seeking a temporary restraining order and/or injunction on behalf of AVTA employees if the situation warrants such action.

In addition to appropriate legal action, violations of this Section by employees, including making a false report under this Section, may lead to disciplinary action, up to and including termination.

114 - EMPLOYEE CATEGORIES

In order to determine an employee's classification and eligibility for various benefits, the following categories have been established.

Regular Full-Time - Employees who work an 80-hour work period are considered regular full-time employees. Regular full-time employees are eligible for all employer-sponsored benefits upon meeting applicable qualifications.

Regular Part-Time - Employees who work a fixed number of hours per week, but who is scheduled to work less than 40 hours but at least 20 hours a week on a regular basis, are considered regular part-time employees. Regular part-time employees are eligible for certain benefits as described in the Benefits section of this handbook.

Temporary - Temporary employees are defined as those employees holding jobs for limited duration to assist with special projects, heavy workloads or emergencies (usually not exceeding six months in duration). Temporary employment may be full-time or part-time. While temporary employees are considered an important part of our operations, AVTA sponsored benefits are not generally available to them unless mandated by law.

115 - WORK HOURS AND SCHEDULES

Our standard workweek begins at 12:01 a.m. each Sunday morning and ends at midnight on the following Saturday. Our normal workday is defined as the 24-hour period beginning at 12:01 a.m. and ending at midnight.

AVTA's regular administrative office hours begin at 6:30 a.m. and end at 6:00 p.m., Monday through Friday. Depending on business requirements, some employees may be required to work different schedules. Your scheduled hours of work will be determined based on staffing requirements to meet the needs of our customers and our business objectives. Therefore, you may be asked to work an earlier or later schedule. Your specific work schedule will be discussed at the time of hire or status change. See Section 202 for more detail on alternative work schedules.

116 - UNIFORMS

AVTA provides aprons and t-shirts to those employees who are required to wear specific attire in performing their jobs. If you have received an apron or t-shirt to wear you are held responsible for the safekeeping of the item issued. Aprons are laundered and maintained by AVTA at no cost to you. T-shirts are laundered and maintained by the employee. Damaged items from normal wear will be replaced at no charge. You may be required to sign an agreement that verifies your responsibility for all furnished aprons and/or t-shirt. This agreement will authorize repayment of the cost of any item not returned upon separation from employment.

117 - LACTATION ACCOMMODATION

As mandated by California law, AVTA will accommodate employees who wish to express breast milk while at work. You should make arrangements with your supervisor to do so. Where such arrangements are made during an employee's normal rest period, the time will be paid. If special arrangements are made to provide you with extra time beyond or in addition to the normal rest period, the time may be unpaid.

118 - ATTENDANCE AND PUNCTUALITY

All employees must report to their supervisor after being late or absent. Employees are also required to submit a Personnel Action Notice ("PAN") to the Executive Administrative Assistance for all absences and late arrivals exceeding fifteen (15) minutes, who logs it into the group calendar. All paid leave PANs shall be submitted to Payroll for processing. In the PAN, you must provide an explanation of the circumstances surrounding the absence or lateness of 15 minutes or more and, when applicable, certify that you are fit to return to work. The supervisor is responsible for contacting the Executive Director (or designee) or Human Resources Department who will assist with determining whether the attendance issue is protected by law and how the lateness or absence will be recorded in your attendance record.

Points System

If an employee is absent for one or more consecutive days, or a portion of a day greater than one hour, AVTA will count this period as one "instance" of absence. If an employee is more than five minutes late from the start of his/her work shift, AVTA will count this period as one "instance" of lateness.

If an employee has six or more instances, AVTA will consider the employee to have "excessive absenteeism" or "excessive lateness." Excessive absenteeism or excessive lateness may subject the employee to disciplinary action, up to and including termination.

Once an instance of absence or lateness has occurred, any period of 60 calendar days without an absence or late arrival will remove one instance from the employee's count. Absences from or late arrivals to work due to occupational injury, approved leave of absence, or other legally protected absences will be deducted in calculating the 60 day period.

Discipline

AVTA may at its discretion impose discipline based on the following system.

- 1 hr to 1 day absence OR 5+ minutes late arrival
 - 1 “instance” of absence or lateness; no discipline
- Two occasions of 1 day absence, 5+ minutes late arrival, or one each
 - 2 “instances” of absence or lateness; no discipline
- Three occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 3 “instances” of absence or lateness; no discipline
- Four occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 4 “instances” of absence or lateness; no discipline
- Five occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 5 “instances” of absence or lateness; no discipline
- Six occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 6 “instances” of absence or lateness; counseling
- Seven occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 7 “instances” of absence or lateness; suspension of up to three days
- Eight occasions of 1 day absence, 5+ minutes late arrival, or combination thereof
 - 8 “instances” of absence or lateness; termination

Example 1

January: 20 work days; 8 hours absent; no late arrivals

February: 10 work days, 0 hours absent; one 5+ minute late arrival

March: 15 work days, 8 hours absent; no late arrivals

April: 18 work days, 8 hours absent; no late arrivals

May: 7 work days, 0 hours absent; one 5+ minute late arrival

June: 2 work days, 8 hours absent; no late arrivals

This employee had 6 instances of absence or lateness during this period of time. No instance was removed because the employee did not work any period of 60 calendar days without an absence or late arrival. Based on the employee's record, he/she would be subject to counseling. Any subsequent instances of absence or lateness without clearance of an instance would subject the employee to further discipline for his/her excessive absenteeism.

Example 2

January: 20 work days; 8 hours absent; no late arrivals

- Total: 1 instance of absence or lateness

February: 15 work days, 0 hours absent; one 5+ minute late arrival

- Total: 2 instances of absence or lateness

March: 15 work days, 1/2 hour absent; no late arrivals

- Total: 2 instances of absence or lateness

April: 19 work days, 0 hours absent; no late arrivals

- Total: 1 instance of absence or lateness

May: 11 work days, 0 hours absent; one 5+ minute late arrival

- Total: 2 instances of absence or lateness

June: 13 work days, 8 hours absent; one 5+ minute late arrival

- Total: 4 instances of absence or lateness

This employee had 4 instances of absence or lateness during this period of time. One instance was removed because the employee worked for a period of 60 calendar days (March and April) without an absence or late arrival. Based on the employee's record, he/she is not subject to discipline. If this employee receives 2 more instances of absence or lateness, he/she would receive a counseling.

119 - CONFIDENTIALITY OF INFORMATION

As an employee, you may have access to and become acquainted with private, sensitive and proprietary information that is considered "Confidential," and owned by the AVTA and/or its customers and used in the operation of the business. The protection of AVTA confidential business information is vital to its interests and success. Employees may be required to sign a Confidentiality Agreement as a condition of employment. Regardless of whether an employee signs a Confidentiality Agreement, each employee is required to maintain the confidentiality of sensitive and proprietary information not generally known to others. Employees are prohibited from disclosing any of this information or information on file regarding our riders, suppliers, contractors, and/or anyone with whom AVTA does business. Employees are also required to

refrain from using such information for the benefit of the employee or anyone else. Such confidential information includes, but is not limited to, the following examples:

- Compensation data and other data concerning employees and independent contractors
- Customer lists and other customer identifying information
- Any information pertinent to pending or active claims or litigation

Employees who disclose or use any of the AVTA's confidential information, or the personal information of its customers, employees, contractors, and other stakeholders, are subject to disciplinary action, up to and including termination of employment. The AVTA specifically reserves its right to take legal action for violation of this policy, even if the employee or former employee does not actually benefit from such use or disclosure.

120 - DUPLICATION OF BUSINESS RECORDS

AVTA considers all of its records, including, but not limited to, employee records, documents containing and/or referencing rider information, and all sensitive financial data, confidential, sensitive, and proprietary information. Employees are, therefore, strictly prohibited from duplicating by any means, including electronically, any such records, unless required to do so during the course of their regular job duties. Moreover, such records should not be removed from AVTA premises without prior approval from the Executive Director (or designee).

Employees are expected to use all reasonable precautions in handling confidential information, such as not leaving it in the plain sight of others.

121 - CONFLICTS OF INTEREST/ETHICS POLICY

AVTA is engaged in a variety of activities that have the common goal of promoting the interests of our business. It must be understood that our reputation and relationships with outside entities and individuals, as well as its relationships with its employees are of utmost importance. In addition, these relationships are often the product of long-standing associations and/or substantial investments of the AVTA's resources, energies, and efforts. Employees at all levels throughout AVTA are, therefore, required to comply with this conflict of interest policy. AVTA requires the following commitments from all employees:

- An employee shall not engage in any employment, activity, or enterprise, which is inconsistent, incompatible, or in conflict with their duties as an AVTA officer or employee.

Full-time employees shall not be employed in, work in, or be engaged in any outside job or activity which may be incompatible with their AVTA employment in any way that adversely affects the employees ability to perform their duties at AVTA. If an employee wishes to obtain outside employment or enterprise, he or she shall submit a request for approval to the Executive Director (or designee). An employee shall not engage in any outside employment or enterprise without written approval of the Executive Director (or designee)

While not an exhaustive list of circumstances that may create possible conflicts of interest, the following should serve as a guide of the types of activities which may cause conflicts:

- Disclosure or use of confidential, proprietary, or financial AVTA information, including information regarding projects, client costs, or systems to anyone not connected with AVTA whether or not for personal profit.
- Involves the use for private gain or advantage of AVTA time, facilities, equipment and supplies, prestige, or influence of one's AVTA office or employment.
- Involves the soliciting or the acceptance by the employee of any money, gift, gratuity, or other consideration from anyone other than AVTA for the performance of an act which the employee, if not performing such an act, would be required or expected to render in the regular course or hours of AVTA employment, or as a part of duties as an AVTA officer or employee.
- Involves the performance of acts other than in his or her capacity as an AVTA employee, which act may be subject to direct or indirect control, review, audit, or enforcement, by such employee or the agency by which he or she is employed.
- Rendering of directive, managerial, or consultant services to any outside concern which does business with AVTA, except with AVTA's knowledge and consent.
- Removal of forms, books, records and systems from AVTA premises for use by other public agencies, firms or legal entities without the knowledge of AVTA.

No AVTA employee shall engage in any political activity of any kind during working hours, on AVTA premises, or in AVTA uniform, or engage in such activities when it can be reasonably misconstrued as being in the interests of AVTA. This regulation shall conform to any provisions of state or federal law as from time-to-time may be established.

No employee of AVTA shall solicit or accept any gift, gratuity, favor, or anything of monetary value which might be construed as consideration for present or future preferential treatment.

Employees shall comply with any applicable provisions of law and any rules, regulations or policies adopted by AVTA in accordance with law, including but not limited to a Form 700 and/or other form required by law.

No employee may engage in any conduct or activities that are inconsistent with the AVTA's best interests or that in any manner disrupts, undermines, or impairs the AVTA's relationships with any entities or prospective entities, supplier, vendor, or any outside organization, person or entity with which AVTA has or proposes to enter into an arrangement, agreement, or contractual relationship of any kind.

AVTA reserves the right to determine that other relationships that are not specifically covered by this policy represent actual or potential conflicts of interest. In any case where the AVTA determines, in its sole discretion, that a relationship between an employee and a non-employee or an employee and an outside organization or individual presents an actual or potential conflict of interest, AVTA may take whatever action it determines to be appropriate to avoid or prevent the continuation of the actual or potential conflict of interest. Such action may include, but is not necessarily limited to, transfers, reassignments, changing job responsibilities, or, where it deems

such action appropriate, disciplinary action up to and including the possibility of immediate termination from employment.

Business dealings with suppliers and/or other supportive entities should not result in financial or material gains for any of our employees. Bribes, unauthorized bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employee are considered conduct that is not authorized and detrimental to the best interest of AVTA. An actual or potential conflict of interest also occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee, a relative, or another individual due to a relationship with the employee as a result of this AVTA business dealings.

Personal gain may result not only in cases where an employee, relative, or another individual has a significant ownership in a firm with which AVTA does business, but also when an employee, relative, or another individual receives any kickback, bribe, gifts, or special consideration as a result of any transaction or business dealings involving AVTA. If a supplier or anyone else insists on giving you special treatment or tips, report the situation to your supervisor immediately to avoid any misunderstanding or misconduct. Any employee who participates in such practice may be subject to disciplinary action, up to and including immediate discharge and legal action.

Employees are required to comply with AVTA's procurement policy.

Employees have an obligation to conduct themselves within guidelines that prohibit actual or potential conflicts of interest. It is management's intent to provide general direction regarding this policy so that our employees may have clarification on issues related to the subject of acceptable standards of activities.

If you become aware of a possible violation of this policy, please contact the Executive Director (or designee) immediately. No retaliatory action will be taken against any employee who raises this issue.

122 - OUTSIDE EMPLOYMENT OR BUSINESS ACTIVITIES

AVTA is concerned that outside business activities and how other employment relationships may adversely affect an employee's commitment to work for and contribute to the AVTA. Such activities can create distractions, conflicts of interest, scheduling problems, fatigue and other problems that could negatively impact an employee's performance or the AVTA's interests. Based on these considerations, to avoid any potential conflict, employees must obtain prior written authorization of the (or designee) Director before starting additional outside employment or business activities. The written request should include the name of the organization for which the employee will be working, a description of the job duties the employee will be performing, and a statement as to why this will not be a conflict of interest with the employee's current employment at AVTA. No employee shall be engaged in any job or activity during the employee's regular scheduled hours of work. If an employee is unable to maintain acceptable performance standards following acceptance of outside employment, the employee may be subject to disciplinary action, up to and including termination, and the authorization for outside employment/business activity may be revoked.

123 - EMPLOYMENT OF RELATIVES/NEPOTISM

AVTA does not maintain a strict policy that prohibits employment of relatives in all circumstances and AVTA does not discriminate against any person on the basis of marital status. However, there are restrictions on the employment of relatives under some circumstances. For example, AVTA may refuse to place one relative under the direct supervision of the other relative for business reasons of supervision, safety, security or moral. For the same reasons, we may refuse to place both relatives in the same department or facility if the work involves potential conflicts of interest or hazards that are greater for relatives than for other individuals.

Relatives of employees will receive equal consideration with all other applicants for job openings. However, the selection and appointment of an individual who is related to or cohabitates with a supervisor, manager, or subordinate, creates an appearance of favoritism and/or a conflict of interest. Similarly, the marriage of two AVTA employees, and/or a domestic partnership between two AVTA employees, who report to each other, or over whom one spouse or domestic partner serves in a direct or indirect supervisory role, may create an appearance of favoritism or a conflict of interest. It is the intention of this Rule to prevent such conflicts.

Employment situations may not compromise sensitive or confidential information in the possession of AVTA.

For purposes of this Rule, a relative shall mean an employee's current spouse, parent, child, stepchild, foster child, grandparent, grandchild, in-law, brother, stepbrother, sister, stepsister, aunt, uncle, nephew, niece, or cousin, or any such relative of the employee's spouse.

For purposes of this Rule, cohabitation shall mean two unrelated individuals who share a household in a family relationship, without regard to the gender or sexual orientation of the individuals involved, and includes a domestic partnership.

Relatives and/or individuals who cohabitate with current AVTA employees and/or directors are not eligible for AVTA positions if: 1) the applicant will work in a position in which the employee or director will be a direct supervisor or indirect supervisor over him/her, or in a subordinate relationship to the applicant; and 2) in a position where a potential conflict of interest exists or the potential exists for creating an adverse impact on supervision, safety, security or morale.

No current employee shall be transferred or promoted into a position in which a relative will be in a position of direct or indirect supervision over the other employee or otherwise creates a potential conflict of interest or an adverse impact on supervision, safety, security, or morale.

As used in this Rule, the phrase "direct supervisor" means an employee who is the immediate supervisor of another subordinate employee. The phrase "indirect supervisor" means an employee who holds a supervisory role over another position lower in rank within the same department or division, and is in the subordinate's chain of command, even if the supervisor is not that employee's immediate supervisor.

If two employees become subject to the restrictions of this Policy, AVTA will make reasonable efforts to eliminate the actual or potential problems of supervision, safety, security or morale.

Such reasonable efforts may include, transferring or reassigning one of the employees to another position for which he/she is qualified, if such a position is available.

If no such position is available, or there are no other reasonable efforts which AVTA can undertake to eliminate the actual or potential problems of supervision, safety, security or morale, then one of the employees will be required to terminate his/her employment with AVTA. The decision as to which employee will terminate his or her employment with AVTA will be made by the two employees within 30 days of being so notified. If the employees do not reach a decision, then both employees will be subject to separation from employment.

If an employee becomes subject to this Policy because of his/her relationship with a member of the Board, and 1) if the employee cannot be transferred to another position, or 2) there are no other reasonable efforts which AVTA can undertake to eliminate the actual or potential problems of supervision, safety, security or morale, then the employee will be required to terminate his/her employment with AVTA

124 - CHANGE OF STATUS

Whenever there is a change in your classification, status, wage rate or other employment status actions, AVTA will provide you with written notification. This is done via a PAN form and is used at AVTA to process and communicate employment- related changes to be included in your individual personnel file. This PAN form should also be used to request paid time off such as vacation, sick/emergency pay, leave of absence, etc.

200 - COMPENSATION & PAY PRACTICES

201 - EXEMPT AND NONEXEMPT EMPLOYEES

In compliance with State and Federal laws and regulations, AVTA has established the following classification for all positions:

Exempt - Includes employees who are classified as exempt from the overtime provisions of State wage and hour laws and the federal Fair Labor Standards Act.

Nonexempt - Includes employees who are covered by the provisions of applicable State wage and hour laws and the federal Fair Labor Standards Act. Nonexempt employees earn their pay by the hours they work. Such employees might include, but are not limited to, clerical, maintenance, and other support positions.

Please contact the Human Resources Department or Executive Director (or designee) for more clarification on these classifications.

202 - OVERTIME

Exempt Employees:

Exempt employees are not entitled to receive overtime pay even though they may have to work hours beyond their normal schedule, as work demands require. An exempt employee will receive his or her full salary for any week in which that employee does any work, subject to the following:

- The exempt employee's salary may be reduced for full days of absence due to vacation, holiday or personal business, beginning and ending of approved leave of absence, and for incomplete initial and final weeks of work.
- An exempt employee's salary will not be reduced due to partial weeks of work due to service as a juror, witness or military service, or for lack of work. However, the employee will not be paid for full weeks missed.

This pay policy is intended to comply with the salary pay requirements of current State and Federal laws, and shall be construed in accordance with these laws and regulations. Employees are encouraged to bring any question concerning discrepancies in their pay to their Manager immediately after receiving their pay, so that any inadvertent error may be corrected.

Nonexempt Employees:

Non-exempt employees shall be paid for their hours worked in accordance with all legal requirements. Employees who qualify as exempt employees within the parameters of the state and federal wage and hour laws are exempt from overtime pay and are not subject to this provision of the policy. All employees who are classified as non-exempt qualify for overtime pay. All overtime work by non-exempt employees must be approved by the employee's Supervisor. Because unauthorized overtime is against the AVTA's policy, employees who work unauthorized overtime are subject to disciplinary action, up to and including discharge from employment.

Time worked -Non-exempt employees shall record all actual time worked, on the time sheet or time card at the time it actually occurs, including time worked over their normal schedule.

Several common work schedules for AVTA employees are listed below. Upon written prior approval by AVTA, employees may be permitted to use special work schedules which are not listed below.

5-80 SCHEDULE:

- Work Period - The work period begins Sunday at 12:01 a.m. and ends Saturday of the following calendar week at midnight for employees working five eight-hour shifts. A 5-40 schedule means the employee works five days each calendar week, eight hours per day. The workday is a 24-hour period within the prescribed work period.
- Overtime - (1.5) times regular base pay - Overtime is calculated at one and one-half (1½) times the employee's regular rate of pay for all time over 40 hours worked in one calendar week. Overtime is computed on the basis of the employee's total hours worked in one calendar week. **Note:** Hours paid that are not actually worked, such as holidays,

sick/emergency days, and vacation time; do not count as hours worked when calculating overtime.

9-80 SCHEDULE:

- Work Period - This work period begins Friday at 12:01 p.m. and ends on Friday of the following calendar week at 12:00 noon for employees working a 9-80 schedule. A 9-80 schedule shall consist of eight work days of 9 hours and one work day of eight hours for a total of 80 hours during two consecutive calendar weeks. Under the 9/80 schedule, one calendar week shall consist of 44 hours (four 9-hour days and one 8-hour day) and the alternating calendar week will consist of 36 hours (four 9-hour days and one regular day off). An employee's regular day off shall be an eight hour day on Friday for every other calendar week.
- Overtime - (1.5) times regular base pay - Overtime is calculated at one and one-half (1½) times the employee's regular rate of pay for all time worked beyond 36 or 44 hours in their respective scheduled work period. **Note:** Hours paid that are not actually worked, such as holidays, sick/emergency days, and vacation time do not count as hours worked when calculating overtime.
- Holiday Pay - For observed AVTA holidays falling on a regularly scheduled work day, employees working a 9-80 schedule will receive holiday pay for the entire regularly scheduled work day.

4-10 or 8-80 SCHEDULE:

- Work Period - This work period begins Sunday at 12:01 a.m. and ends on Saturday of the following calendar week at midnight for employees working a 4/10 schedule. A 4-10 (or 8-80) schedule means the employee works four ten-hour days each week, or eight ten-hour days per pay period. An employee's regular day off shall be an eight hour day and can be scheduled to occur on any day (Monday through Friday) of the work period, and need not be the same day of the week as the preceding or subsequent work periods.
- Overtime (1.5) times regular base pay - Overtime is calculated at one and one-half (1½) times the employee's regular rate of pay for all time over 40 hours in their scheduled work week. Overtime is computed on the basis of the employee's total hours worked in a work period. Note: Hours paid that are not actually worked, such as holidays, sick/emergency days, and vacation time; do not count as hours worked when calculating overtime.
- Holiday Pay - For observed AVTA holidays falling on a regularly scheduled work day, employees working a 4-10 schedule will receive holiday pay for the entire regularly scheduled work day.

203 - MAKE-UP TIME

Nonexempt employees who miss scheduled work as a result of personal obligations may request to make up the amount of time missed on another day within the same work period in which the time was missed. Time that is made up under this policy will be compensated at the employee's

base rate of pay. In order to qualify, the make-up time must not cause the employee to exceed 11 hours of work in any one workday or 40 hours in the work period. The employee must also submit a signed request to make up the missed time for each occasion make-up work is requested.

Time may be made up only if the employee's written request is approved in advance by the employee's immediate manager/supervisor. The AVTA does not encourage employees to miss work as a result of personal obligations and later make up time missed under this policy. This policy allows make-up time only when it is sought by the employee and found to be consistent with the employee's desires and the AVTA's business and staffing needs. The Executive Director (or designee) has sole and absolute discretion to approve a request in writing as a courtesy to the employee when circumstances make such approval appropriate. See Make-up Time Request Form, available in the Finance Department.

204 - TIMEKEEPING

Accurately recording time worked is the responsibility of every non-exempt employee as well as AVTA. State law requires all nonexempt employees to keep an accurate record of time worked in order to calculate employee pay and benefits. AVTA must also maintain these records on file in the payroll department. Time worked means all the time actually spent on AVTA business and on the job performing assigned duties, regardless of whether or not actual hours are the same as scheduled hours.

Nonexempt employees must accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period on their time record every day. Departure from work for any reason unrelated to AVTA operations must also be accurately recorded. Overtime work must always be approved before it is worked. Failure to accurately record work time on the designated time sheets/cards will subject an employee to discipline, up to and including termination from employment.

Altering, falsifying, or tampering with time records, or recording time for another employee as well as asking another employee to record time for you is considered a serious violation of our policies and may result in severe disciplinary action, up to and including immediate discharge from employment.

It is the employees' responsibility to sign their time records to certify the accuracy of all work time recorded. Your manager will review and then initial the time record before submitting it for final approval.

205 - MEAL & REST PERIODS

Nonexempt employees scheduled to work more than five hours in a day are required to take a minimum of a thirty-minute uninterrupted meal period before, or no later than, on the completion of five hours of work. During this meal period, employees are relieved of their work duties and AVTA relinquishes control over the employee's activities. You may not voluntarily work through your meal period. However, if an emergency arises and your manager asks you to work, your manager must approve this in advance of you working through your meal period. Meal periods vary by length in different functions and are considered unpaid time away from work. When a

work period of not more than six hours will complete the day's work, the meal period may be waived by mutual consent of the employer and employee. Under no circumstances shall a meal period be missed without a valid and approved written waiver. Questions regarding meal period waivers may be directed to the Human Resources Department or Executive Director (or designee).

Two ten minute rest periods are provided with pay, as near as possible in the middle of each four-hour period that you work. The authorized rest period shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof, as indicated in the following chart:

<u>Hours Worked</u>	<u>Ten Minute Period</u>
3.5 – 6	1
6 – 10	2
10 – 14	3

Rest periods may not be used to make up for tardiness or leaving work early. Rest periods will be scheduled by the employee's supervisor so as not to interfere with the overall efficiency and operating schedule of the work area. Employees must remain at the work site during rest periods. At the discretion of employee's immediate supervisor, employees may obtain permission from his/her supervisor to leave the work site at rest periods or any other time (except during lunch periods).

Neither meal nor rest periods may be saved or be used at another time or to make up a late arrival or shorten your workday. Meal periods and rest periods may not be combined, in whole or in part, to lengthen the duration of either period.

206 - COMPENSATORY TIME OFF

Non-exempt employees are entitled to overtime pay whenever they perform overtime work. AVTA does not permit employees to take time off in lieu of receiving overtime pay. Accordingly, employees should not request the opportunity to work additional hours for time missed if the make-up time will result in overtime pay, unless the work is performed within the same workweek as our Make-Up Time policy dictates. No individual within the AVTA, including the employee's supervisor, has the authority to grant time off in lieu of overtime compensation.

Exempt employees earn a fixed salary that is intended to cover all of the compensation to which they are entitled. AVTA does not maintain any compensatory time off plan or arrangement. Accordingly, any time off that is provided an exempt employee is done on an informal basis. Neither extra compensation nor compensatory time off will, under any circumstances, be owed or payable to an exempt employee upon separation of employment for any reason.

207 - REPORT-IN-PAY

Nonexempt employees who report to work expecting to work their full shift, and work is not available, will receive a minimum of one-half of the hours they are scheduled to work that day or the actual hours worked, whichever is greater, paid at their regular base rate of pay. This provision does not apply if 1) work is not available due to equipment failure or causes beyond

the AVTA's control; or 2) if the employee voluntarily leaves prior to the completion of one-half of their regularly scheduled workday.

208 - PAY ADVANCES/LOANS

AVTA prohibits advances against paychecks and prohibits advances against unaccrued paid time off. AVTA will not grant loans to employees for any reason.

209 - PAY DAY

AVTA employees are paid bi-weekly. You will receive your paycheck on the Thursday following the completion of each two-work week pay period. Any overtime worked during either workweek will be included in this paycheck. Whenever possible, should a payday fall on an AVTA-observed holiday, your check will be provided to you on the previous regular workday.

210 - YOUR PAYCHECK

Paychecks not pre-designated as direct deposit, are available for you to pick up from the office. When you receive your paycheck, please check the attached earning record carefully. Should some part of it not be clear, please contact your manager or a payroll representative.

If you are not able to personally pick up your paycheck and need to have someone else pick it up, that person must have a note signed by you authorizing the individual to pick up your check. For your protection, management will not release your paycheck to anyone other than yourself without your written permission.

211 - DIRECT DEPOSIT

AVTA has arranged to issue pay in the form of direct deposit to your designated bank account. Any employee may voluntarily elect to receive their pay through direct deposit by completing and signing a written consent form. This form and additional information on this benefit is available from the Payroll Representative.

212 - PAYROLL DEDUCTIONS

Both federal and state laws require income tax be withheld from your paycheck. The amount will vary based upon your individual circumstances, including the number of exemptions you claim. You may change the number of exemptions at any time by completing a new W-4 Form and/or California DE-4 form. These forms are available in the Human Resources office or online.

Voluntary deductions for supplemental benefits plans and other employee-supported benefits are taken only when an employee has signed an authorization form allowing the AVTA to make the deduction.

213 - GARNISHMENTS

Garnishments will be handled as required by applicable law, and amounts will be deducted in accordance with the instructions the AVTA receives from the relevant outside authorities. We will, however, honor legal guidelines that protect a certain amount of an employee's income from

being subject to garnishment. Employees are encouraged to keep their personal financial obligations in order.

214 - EXPENSE REIMBURSEMENT

AVTA will reimburse employees for reasonable and authorized expenses incurred on behalf of the AVTA. All travel and other business expenses must be pre-approved by your manager and the Executive Director (or designee) must follow AVTA's Travel/Training Expense Policy and be reported within one month from the time they are incurred. Every attempt will be made to issue reimbursement for approved expenses within two weeks from the time the expense report form is received by the Finance Department. Failure to report expenses in a timely manner may jeopardize timely reimbursement for expenses or lead to disciplinary action.

215 - TRAVEL AND TRAINING REIMBURSEMENT POLICY

This policy describes the circumstances in which travel and training is required on behalf of AVTA and how expenses associated with the travel will be reimbursed. Additionally, this policy provides guidelines of reasonable and acceptable expenses that may be incurred in the performance of duties for AVTA.

Since it is not possible to set forth specific guidance for every allowable expense, employees should exercise good business judgment when incurring expenses. While the provisions under these guidelines may not always allow for the employee's personal preference, they are intended to support the most sensible business choice.

DEFINITIONS

For purposes of this policy, the following definitions will apply:

- Local Travel - travel within 50 miles of the AVTA office
- Out-of-Area - Beyond 50 miles of the AVTA office
- Reimbursable Business Expense: Expenses incurred in the course of official business on behalf of AVTA supported by receipts and explanation of business discussed and/or transacted or training.
- Non-reimbursable Expense: Any expenditure not authorized by this policy and Agency practice or the (or designee) Director, and/or not properly supported on an expense report.
- Business Purpose: Specific business reason or the direct nature of the business benefit derived or expected to be derived by the expense. General descriptions such as "goodwill," "general business," or "customer relations" are not acceptable explanations for business purpose. Specific descriptions such as "training for new routes/equipment" or "collaboration with LA County for updated safety procedures" are acceptable.

- Business Guest: An individual representing a company with whom AVTA has a contract or consulting agreement, an individual from another Agency or representative of the City of Lancaster, City of Palmdale or the County of Los Angeles.

GUIDELINE

Employees of AVTA may be required to travel for training seminars, conferences, or business meetings. Prior approval from the employee's manager and the Executive Director (or designee) must be obtained before the expenses are incurred. AVTA will pay conference/seminar fees and airfare in advance; all other expenses will be reimbursed to the employee within two weeks of submitting the Travel Reimbursement Request with supporting documentation and itemized description to the Finance Department.

Extended Travel Time - Non-Exempt Employees

Time spent traveling during either regular working hours or in addition to regular working hours shall be counted as hours worked when the travel is at the request and/or approval of AVTA. The AVTA may elect to pay overtime or modify the employee's work schedule, which must be determined prior to travel date. The compensable time for extended travel does not begin until such travel time exceeds ordinary commute time (e.g., if the employee's travel to and from his or her home to the airport is the same or substantially the same as the distance and time between his/her home and usual place of reporting for work, the travel time would not begin until the employee reached the airport). For example, time spent spending an extra day in a city before the start or following the conclusion of a conference in order to sightsee is not compensable.

Conferences, Seminars, and Business Meetings

Expenses relating to conferences, seminars, and business meetings must support AVTA's business objectives and/or support the growth of the employee in their current or future position.

Local Travel

Travel within 50 miles of the AVTA offices is considered local travel. Local travel is done by use of an Agency vehicle or the employee's personal car and does not require an overnight stay.

Use of AVTA Vehicle: Employee's may use an AVTA vehicle to attend local business meetings, seminars, or training or other business related activity. An AVTA vehicle may be used for travel beyond 50 miles but less than 120 miles of the AVTA office. Employee must have and show proof of their current and valid California Driver's License before using AVTA's vehicle.

Mileage reimbursement: Employees driving their own vehicle to attend business meetings, seminars, training, or other business related activity will be reimbursed for the miles driven for business purposes less the miles of their normal commute at the current IRS mileage reimbursement rate.

Overnight Travel

Overnight travel may be required when travel is beyond 50 miles of AVTA's administrative headquarters and the conference or meeting is more than one full day. Employees traveling beyond 50 miles for a full day meeting or conference, have the option to stay overnight the day prior to the meeting or conference. Travel plans should be booked as far in advance as possible to take advantage of savings in transportation fares, lodging rates and car rental reservations.

Airfare

Travel is to be accomplished by utilization of the most cost-effective and direct mode(s) of travel. Pre-payment of expenses will be used to take advantage of applicable discounts, except in emergency situations. Discounted airfare rates require a minimum seven-day advance purchase. Check for the lowest fare available for flights before scheduling meeting dates/times for the related travel. All employees are required to accept the most appropriate and economical airfare on reputable, major carriers and to fly economy/discount coach whenever possible.

Upgrades: Without prior approval, first class or business class travel/upgrade on all airlines is not reimbursable by AVTA. Reimbursed business class travel/upgrade must be approved by the Executive Director (or designee) and is restricted to International flights only.

Frequent Flyer Miles: Frequent Flyer Miles obtained during business travel are to be used at the discretion of the employee. An employee is allowed to book travel with a preferred carrier as long as the carrier of choice offers the lowest fare. No higher fare should be paid to receive mileage credit with a particular carrier.

Weekend/Saturday Night Stay: Many airlines offer a substantial fare reduction for travel that includes a Saturday night stay. If an employee agrees to travel and obtain lodging for a Saturday night to obtain the lower fare, the employee may be reimbursed for hotel, meal and automobile rental expenses incurred in the city where the business is being conducted. Expenses related to an extension of a trip will only be reimbursed if it results in a lower total trip cost to AVTA. Documentation such as a ticket quote for a Friday return flight or a Sunday departure should be included with the employee's Travel Reimbursement Request form.

Meals & Entertainment

Employee Meals: Meal expenses should be reasonable and sensible. Employees traveling on AVTA business or employee-only business meetings should not exceed **\$15** per person for breakfast and lunch and **\$30** per person for dinner or **\$60** per day. If a per diem is not authorized prior to travel, actual expenses will be reimbursed based on actual receipts and limited to no more than an average expenditure of \$60 per day per employee. A per diem will not be paid in advance of travel unless arranged and approved ahead of time. The purpose of the per diem advance before the trip is to defray necessary reimbursable travel costs. An advance may not be used to purchase airfare or expenses in connection with the use of a personal car.

Business Guests: The cost of a bona fide business meeting with key subordinates for business discussions will be reimbursed. In accordance with IRS requirements, employees must give full detail of guests and organizations represented on their expense reimbursement request form. Expense receipts must indicate names of attendees and business affiliation, business purpose, establishment name, and dollar amount. In cases where more than one employee attends a business meal or entertainment event, the senior ranking employee should assume responsibility for payment. Sound judgment should be used when incurring costs for AVTA-paid meals and entertainment that includes business guests.

Non-Reimbursable Expenses: Following is a list of non-reimbursable expenses. This list is representative of non-reimbursable expenses and cannot list each and every expense that may be incurred. If you have any doubt of whether an expense will be reimbursable, contact your manager or the Executive Director (or designee) before incurring the expense.

- All personal use or personal care items including books, toiletries, medication, cigarettes, etc.
- Personal grooming (haircuts, shoe shines, etc.)
- Clothing, dry cleaning & laundry. If an employee is traveling for more than five business days, dry cleaning and laundry charges will be reimbursed.
- In-room movies, whether during stays in hotel accommodations or otherwise.
- Entertainment activities for personal purposes.
- All alcoholic beverages including in-room service or with a meal.
- Meals for travel companion(s) who are not AVTA employee(s).
- Additional costs for meals incurred when personal travel is combined with a business trip, unless personal travel includes a Saturday night stay, which results in a net savings to AVTA. For example, an additional Saturday night stay costs \$200 (including hotel, and rental car,) but the resulting airfare savings totals \$300. In such cases, proof of savings to AVTA must be submitted with the employee's Travel Reimbursement Request.
- Self-purchased travel insurance.
- Airline club membership fees.
- Hotel "no show" charges unless caused by legitimate business circumstances.
- Business guest gifts. All business guest gifts should be pre- approved by the Executive Director (or designee).

Lodging

All employees are required to use reasonable and good judgment in booking accommodations. For example, choose a hotel near your destination to control transportation expenses if appropriate public transportation is not available or choose a hotel with the best rate, which may be farther from your destination, but provides suitable public transportation. The IRS Per Diem Rate Tables in Publication 1542 will be used as a guideline to determine a reasonable lodging in the destination location. When attending a conference, convention, seminar, etc., and a special/discount rate is offered at a hotel, employees are encouraged to book this hotel.

Rental Car

All employees must determine the most cost effective rental time and rate [e.g. for example it may be more cost effective to obtain a weekly rental versus a daily rental rate]. If it is more cost effective to rent a car versus utilizing public transportation [e.g. airport shuttle], employees must further comply with the following guidance:

Car Size: It is AVTA's policy to request the most sensible and economical mid-size car rental rate (or larger car class depending on the number of people occupying the vehicle).

Insurance Coverage: Employees should **decline additional Liability insurance coverage** and accept the Loss Damage Waiver, as the Agency provides the liability coverage as well as under the employee's **own** liability insurance. If the employee elects to purchase additional automobile insurance beyond that specified above, the costs associated with this additional insurance shall be the employee's responsibility.

Parking

Airport Parking: A maximum of \$32.00 per day for up to 5 days will be reimbursed to employees using airport parking during business trips. Employees taking trips requiring longer parking stays should use a shuttle service. Employees are strongly encouraged to utilize long-term satellite parking lots.

Monitored Parking Areas: The cost of parking in garages or other monitored parking areas is reimbursable while conducting Agency business. Validations for parking should be obtained when possible. Parking fees associated with a hotel stay are reimbursable.

Valet Parking: Valet parking is not a reimbursable expense unless hotel accommodations deem it mandatory. Valet parking at restaurants is not reimbursable except when the restaurant does not allow self-parking.

Tipping

Gratuities are a necessary part of business travel and travelers should observe local customs when tipping. General tipping guidelines are as follows:

Restaurants	15-20% of the bill (pre-tax amount).
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Sky Cap/Bellhop	\$1-\$3 per bag
Hotel Airport Shuttle	\$1-\$3
Doorman	\$1-\$3 for hailing a cab
Valet Parking	\$1-\$3
Housekeeping	\$1 -\$3 per night for stays over 3 nights
Shuttle/Taxi	10% of fare
Sedan	15%-20% of fare Important: check with sedan service whether gratuity is included in the total cost of fare. If gratuity is included in the cost of the fare, do not tip. The Agency will not reimburse the additional tip amount.

Expense Reporting

AVTA will reimburse employees for legitimate expenses incurred while conducting authorized business on its behalf. All business expenses must be properly documented on a Travel Reimbursement Request form. The reimbursement form must document the business purpose of the expenses incurred, include an itemized listing of each expense and the relevant business purpose justifying that expense, and be approved by the employee's Manager. It is the Manager's responsibility to review the reimbursement request form for compliance with this policy.

The following supporting documentation is required to be submitted with Travel Reimbursement Request:

Expense Item	Required Documentation
Airfare	Original receipt (or credit card statement if purchased online) and boarding pass. If submitting a Travel Reimbursement Request form prior to your trip, and a boarding pass is not available, an original credit card statement and itinerary/invoice with price must be submitted; boarding passes or other documentation of actual travel must be submitted to the Finance Department upon completion of trip.
Meals	Original receipt. Restaurant "tear stubs" are not acceptable. Receipts must include the name of the restaurant, amount and date. A list of attendees and description of business topic(s) discussed must be provided either on the Reimbursement Report or on the front side of the receipt.
Lodging	Original receipt. Items included on the hotel bill such as room service, parking and telephone charges need to be summarized by category on the Travel Reimbursement Request form.

Car Rental	Original rental receipt.
Parking	Original receipt.
Mileage	Printout of route with calculation of total mileage (e.g., Google Maps or MapQuest printout).
Cash Tips	Listing of all cash tips, including amounts, dates, and purpose.

PROCEDURE:

Conferences, Seminars, Business Meetings, and Travel Requests

- Requests to attend conferences, seminars and business meetings must be submitted to the employee's manager for approval using the Authorization to Incur Conference, Meeting, Training and Travel Expense form a minimum of ten days in advance of the travel or as appropriate to take advantage of lowest possible rates.
- The manager determines if the requested training or meeting will support the employee's job performance, future growth, and benefits the Agency's objectives as well as expenses to be incurred are reasonable.
- The manager signs the form for approval and forwards to the Executive Director (or designee) for final approval. If the request is not approved, the manager will meet with the requesting employee and discuss the reason(s) why the request was denied.
- Out of Area travel expenses by the Executive Director (or designee) must be approved by the Board of Directors, including expense reimbursements.
- Approved requests are returned to the employee who provides a copy to Accounts Payable to update the Travel Log.

Reimbursement Requests

AVTA will reimburse individuals covered by this policy for actual, reasonable, and necessary expenses incurred during travel on approved AVTA business. Requests for reimbursements for all reasonable expenses are to be submitted as follows:

- At the conclusion of authorized official travel, training, conference or meeting, employees must complete the Travel Reimbursement Request form for reimbursement of actual expenses incurred or to account for travel advance received. This form must include an itemized listing of each expense, and the reasons in support of obtaining reimbursement for each of those expenses.
- Supporting documents as outlined in the Expense Reporting section must be attached to the reimbursement request.

- Attach the approved Authorization to Incur Conference, Meeting, Training and Travel Expense to the reimbursement request.
- Employees submit the Travel Reimbursement Request form and attachments to their manager for review and approval signature. The manager is responsible for ensuring the expenses incurred are in compliance with this policy. Travel and expenses of the Executive Director (or designee) shall be submitted to the Board Chair for approval.
- The manager forwards the reimbursement request and attachments to the Executive Director (or designee) for final approval.

The fully approved reimbursement request and attachments are submitted to the Finance Department for payment processing.

216 - USE OF CREDIT CARD

The AVTA will issue AVTA credit cards to certain employees for use in their jobs; this policy sets out the acceptable and unacceptable uses of such credit cards. Any credit card the AVTA issues to an employee must be used for business purposes only, in conjunction with the employee's job duties. Employees with such credit cards shall not use them for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the AVTA) with their own funds or personal credit cards. The AVTA will not regard expenses for one's own business-related use, such as lodging and meals while on AVTA-approved business trips, as personal purchases, as long as such expenses are consistent with the AVTA's Travel, Training and Expense Reimbursement Policy.

If any employee uses an AVTA credit card for personal purchases in violation of this policy, the employee is financially responsible for such expenses and the amount of such purchases must be paid to the AVTA within 24 hours. If an employee uses an AVTA credit card for any other type of unauthorized transaction in violation of this policy, (e.g., incurs financial liability on the AVTA's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases), the cost of such purchase(s) or transaction(s) will be the responsibility of that employee, and the employee will be expected to reimburse the AVTA on a schedule determined by the AVTA in its reasonable discretion.

In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with an AVTA credit card in violation of this policy will result in disciplinary action, up to and possibly including termination of employment, depending upon the severity and repeat nature of the offense.

Purchases made by credit card must be business related. Credit cards should be used when traveling on Agency business, when an Agency issued check is not an accepted form of payment or for emergencies when purchase of an item or service must be made and paid for immediately. AVTA's purchasing policies and procedures must be followed at all times. Using the Agency credit card should not by-pass or circumvent the established purchasing policies and procedures.

Authorized Users

Use of AVTA issued credit cards is a privilege, which the AVTA may withdraw in the event of serious or repeated abuse. The Executive Director (or designee) determines which position within AVTA and which employee is issued an AVTA credit card.

Approval Authority: The Executive Director (or designee), Directors and Managers are authorized to make purchases for all other areas of AVTA within their authorized limits as outlined in the most recent Procurement Policy and Procedures Manual.

Delegated Use of Credit Card: Delegating the use of an AVTA-issued credit card should be avoided whenever possible. The authorized user is responsible for all purchases and expenses incurred on the credit card as well as compliance with the policy. To control expenses and misuse of the credit card, purchases must be made by the authorized user.

Credit Check: A credit report will be run for all employees requesting or requiring an AVTA credit card. Employees may request a copy of the credit report. If the credit report shows delinquent accounts or bankruptcy, a credit card will not be issued until the employee has cleared the delinquent accounts or bankruptcy or has submitted an acceptable and confidential letter of explanation to the Executive Director (or designee). The Executive Director (or designee) in their sole discretion may deny or approve issuing the credit card.

Credit Limits and Transaction Levels

AVTA restricts the credit limit and single transaction amounts to ensure compliance with the provisions of the Joint Powers of Authority agreement as well as AVTA's internal controls.

Credit Limits: The Executive Director (or designee) has a credit limit of \$10,000.

Single Transactions: The Executive Director (or designee) has a single transaction limit of \$2,500.

Purchasing Supplies & Services

All authorized credit card users are expected to follow the Agency's purchasing policies and procedures at all times. All users should plan each purchase in accordance with the policies and procedures using purchase orders and Agency payments terms whenever possible. Credit card purchases should be limited to emergencies, exceptions to the purchasing policy and when traveling on business.

Unauthorized Expenses

The following are examples of expenses, which generally are not allowable. Any exceptions must be pre-approved by the Executive Director (or designee).

- Personal travel including airfare, lodging, meals, and rental car.

- Gifts to employees/employee relatives for special occasions such as new baby, wedding, illness, etc. The Agency will send flowers and/or gifts to employees/employee relatives. Requests for gifts should be made through your manager or next level manager.
- Gasoline, insurance premiums, or maintenance and repairs for the use of a personal automobile (mileage is reimbursed per IRS guidelines).

PROCEDURE

Purchases made by credit card must be immediately reported to the Finance Department by submitting the itemized receipt and any additional documentation to determine proper coding to the general ledger for the expense.

The Accounting Supervisor reconciles and audits the monthly credit card statement and monitors proper use of the credit cards in accordance with the current Purchasing Policy and Internal Control Policy and Procedures.

217 – MERIT INCREASE

AVTA may in its discretion provide an employee with increases in pay, based on performance, upon the employee's annual anniversary. AVTA may award no more than five percent (5%) increase in pay, based on each position's pay range, upon an employee's anniversary review. AVTA may also in its discretion award a cost of living adjustment ("COLA") in pay at the beginning of the fiscal year as budgeted funds allow. If provided, a COLA will be calculated based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior year and will align with the Social Security formula whenever budgeted funds allow. Therefore, it is possible for an employee to receive an annual merit increase and a COLA. If AVTA decides to provide a COLA in its discretion, each affected position's pay range value will be adjusted to reflect the change.

218 — LICENSING AND CERTIFICATION EXPENSES REIMBURSEMENT

AVTA may in its discretion provide reimbursement to employees for the costs, fees or expenses incurred as a result of licensing or certification requirements, so long as the employee's current position and/or job duties require that he/she obtain the license or certification. As an example, an employee may request to obtain reimbursement for expenses incurred as result of obtaining a license to practice as a Certified Public Accountant, if the employee's job requires that he/she obtain this certification. A request for reimbursement of these expenses or costs must be made in writing. AVTA will apprise the employee in writing of whether it has agreed to reimburse the employee for these expenses.

300 - EMPLOYEE BENEFITS

301 - INTRODUCTORY STATEMENT REGARDING BENEFIT PROGRAMS

AVTA has established a number of benefit programs for its eligible employees. The Human Resources Department has been assigned the responsibility of the internal administration of

respective benefit plans. The Human Resources Department will follow all appropriate approved policies and obtain final approval from the Executive Director (or designee).

302 - PERFORMANCE EVALUATIONS

Performance evaluations are an important part of the Human Resources Department's practices. AVTA has established a performance evaluation process in an effort to provide our employees with an objective, consistent and fair way to gauge the employee's on-the-job effectiveness. The evaluation should inform the employees of their standing in the department and communicate expected standards of performance. The performance evaluation is also used to discuss work standards, and areas where improvement is needed. Providing a performance evaluation does not constitute a modification to any employee's at-will status. Nothing contained in a performance evaluation is intended to, nor shall, constitute a modification to an employee's at-will status.

AVTA makes every effort to perform written performance evaluations on all employees after the completion of six months of continuous performance in the new position assigned and then annually after the six month initial review.

Consistent with Section 217, merit-based pay adjustments may be awarded in an effort to recognize an employee's performance. The decision to award such an adjustment is at the sole discretion of AVTA management. Increases are never guaranteed.

Employees on approved, unpaid leaves of absence will have performance evaluations deferred until they are back on an active work status, based on the length of the leave of absence.

Completed evaluations will be reviewed in a private meeting between the employee and his/her immediate supervisor. Employees are encouraged to provide comments and give input on their evaluation. Each employee is entitled to review their evaluation, sign the completed form, and receive a copy. The employee's signature on the evaluation does not signify that the employee agrees with the contents of the evaluation. Performance evaluations shall be placed in the employee's personnel file.

303 - GROUP HEALTH INSURANCE

AVTA offers group health insurance for eligible employees and their dependents. Group health insurance includes medical, dental, vision, disability, and life insurance. Regular, full-time employees that work at least forty hours per workweek on a regular basis and part-time employees that work less than forty hours but no less than twenty hours per workweek on a regular basis are eligible to participate in this employer sponsored program. Complete details of this program will be given to you during your new hire orientation and are available from the Human Resources Department. Benefit summaries in the official plan documents shall control.

Currently AVTA pays one hundred percent (100%) of the cost of the eligible employee's premium each month. Dependent coverage is available and, if elected, paid by AVTA at 50% of actual cost. The employee's portion of premiums is paid through regular payroll deductions. Eligibility for this program begins on the first day of the month following the completion of one month of continued active employment. AVTA reserves the right to re-evaluate the group benefits and funding of premiums for its employees at any time.

304 - CONTINUATION OF GROUP HEALTH INSURANCE (COBRA)

Your group health insurance coverage terminates on the last day of the month in which your employment terminates or your work hours are reduced below eligibility requirement. Under federal law you and/or your family (anyone who is a current participant in the Group Health Plan at the time of the qualifying event) will have the opportunity to continue health coverage under COBRA law. Qualifying event examples are events such as termination from employment, change of status, or change of work hours that do not meet the qualifier, or other events that cause ineligibility for insurance benefits. Under the COBRA guidelines, you may choose to continue your coverage for up to 18 months (or longer if you qualify). Under California Law, you may qualify to extend this coverage another 18 months under CAL- COBRA, for a total of 36 months. The cost to you is for continued coverage is equal to the applicable premium paid by AVTA plus a small administration fee. This program is administered by our contracted COBRA Administrator. More detailed information will be provided at your new hire orientation, change in status, termination of employment, or at any time you request it.

305 - SHORT TERM DISABILITY (STD)

As part of our group health plan, AVTA offers this insurance at no cost to its regular full-time employees, and a prorated premium cost for part-time employees who normally work at least thirty hours per workweek. Should you suffer a short-term disability and you are a participant of this plan, this policy begins paying seventy percent (70%) of your base salary after completion of a seven-day waiting period up to a maximum amount. Please check with the Executive Director (or designee) if you need more detailed information about this benefit. Summary Plan Descriptions in the official plan documents shall control.

306 - LONG TERM DISABILITY (LTD)

This insurance pays you a portion of your income, should you become unable to work due to a sickness or injury. AVTA pays the entire cost of this insurance for full-time and a prorated premium cost for part-time employees who normally work at least thirty hours each week. After a six month waiting period, this policy pays sixty (60%) of your basic monthly salary for the term of your disability up to the age of 65. The specific terms are set forth in the long-term disability plan itself. Benefit summaries in the official plan documents shall control.

307- SUPPLEMENTAL BENEFITS

AVTA has arranged for group rates on additional voluntary benefits that may be purchased by employees. The cost of the supplemental benefits is the employee's responsibility and may be paid through requested payroll deductions. Please see staff in the Human Resources Department for further information.

308 - RETIREMENT PLAN (457 PLAN)

Through AVTA's current enrollment in the California Public Employee Retirement (CalPERS) 457 Plan, eligible employees may save for their retirement by deferring a portion of their pre-tax compensation for retirement, within specified limits. This benefit is in addition to the CalPERS defined benefit retirement plan.

309 - RETIREMENT -- PERS PENSION BENEFIT

AVTA is enrolled in the CalPERS program. Employer and employee contributions are currently covered by AVTA. For employees hired on or before December 31, 2012, AVTA offers a pension benefit formula of 2% @ 55. Retirement plans for employees hired on or after January 1, 2013 are subject to the restrictions specified in the Public Employees' Pension Reform Act of 2013. The Human Resources Department has further details regarding the CalPERS program and vesting requirements.

310 - EMPLOYEE ASSISTANCE PROGRAM (EAP)

This benefit is provided by AVTA to help eligible employees and their families resolve personal problems. This program provides an option to help employees cope with performance and behavior problems. An outside vendor who handles all contacts with discretion and confidentiality provides this service. Our employees are encouraged to choose from a variety of services in seeking assistance and advice from licensed clinical social workers, marriage, family and child counselors, psychologists and legal referrals. Should you want more detail about this benefit please contact the Human Resources Department.

311 - SICK PAY

Sick pay is provided to minimize the economic hardship that may result from an unexpected short-term illness or injury, doctor appointments involving the employee or their legal dependent (which include registered domestic partners). This benefit is provided not only to regular full-time employees, but also to regular part-time employees, prorated based on their normal work schedule. Temporary employees are not eligible for sick pay benefits.

AVTA full-time regular employees are eligible to earn 96 hours (12 work days) per anniversary year of paid time off for sick leave. This benefit begins accruing at the time of hire at a rate of 3.70 hours each pay period that the employee remains active on the payroll. Part-time employees will accrue a prorated portion based on the normal part-time schedule they work. This benefit applies to both non-exempt and exempt employees. It is the policy of AVTA to deduct from your sick pay bank when you miss time.

Paid sick leave may be taken in hourly increments (for a minimum duration of 2 hours) for the following purposes: (1) Diagnosis, care, or treatment of an existing health condition, or preventive care for, an employee or an employee's family member; or (2) For an employee who is a victim of domestic violence, sexual assault, or stalking. "Family member" means any of the following: (1) A child, which means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis, regardless of age or dependency status; (2) A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; (3) A spouse; (4) A registered domestic partner; (5) A grandparent; (6) A grandchild; and (7) A sibling.

Employees may use sick leave in minimum increments of two (2) hours. Non-exempt employees who take time off due to illness or injury of less than two (2) hours will not be paid for such time off. For nonexempt employees, sick leave will be calculated based on the regular rate of pay for

the work week in which the employee uses sick leave. For exempt employees, sick leave will be paid at the rate being earned at the time the sick leave is taken

Exempt employees are allowed up to four hours during the regular business day without penalty if time is required for doctors' appointments or similar partial day activities. They are expected to note their planned time on a PAN signed by their supervisor and logged in the Master Calendar. However, exempt employees will have a salary deduction or be placed on leave without pay for absences of more than four hours when accrued sick leave is not used by an employee for one or more of the following reasons:

- The employee did not request permission for accrued leave, or the request was denied;
- Accrued leave has been exhausted; or
- The employee chooses to use leave without pay for the time taken instead of using accrued leave.

An employee may elect to use accrued vacation leave after the employee's accumulated sick leave has been exhausted. An employee may also request a leave without pay if the employee has no accrued paid leave available. In the event an employee requests to use leave without pay to cover the remainder of their absence, AVTA may request that the employee provide a note from the employee's medical practitioner. For example, an employee who becomes ill while on vacation may have such period of illness charged to his accumulated sick pay balance provided that upon return to duty, the employee submits a written request for sick leave accompanied with a written statement signed by his or her medical practitioner attesting to an illness and the dates of the illness.

AVTA reserves the right to request verification from a licensed health care provider for all absences exceeding 24 hours in an anniversary year. Sick pay may be withheld if the employee does not provide verification satisfactory to the Executive Director (or designee).

Accrued and unused sick pay may be carried over from year to year to a maximum of 320 hours. Once this maximum accrual is reached, all additional accrual will stop until an employee's usage brings it below the 320 hour maximum. Should your employment terminate, you will not be paid for unused sick pay. Employees who have accrued more than 320 hours of sick leave as of March 1, 2012 shall be allowed to carry the amount of sick leave in their banks at that time. Such employees shall not accrue any further sick pay until their sick pay bank falls below 320 hours.

312 - VACATION

AVTA provides vacation benefits to eligible employees for rest and relaxation. Only regular full-time employees are eligible to earn vacation benefits. Employees on approved leave of absence are not eligible to accrue vacation benefits during the leave.

Vacation accrual begins on the first day of employment. Earned vacation pay is calculated based on the employee's regular rate of pay at the time the vacation is taken. Eligible employees earn vacation benefits in accordance with the following schedule:

EMPLOYEES CLASSIFIED AS "EXEMPT:"

<i>SERVICE PERIOD</i>	<i>ACCRUAL PER PAY PERIOD</i>	<i>ANNUAL HOURS AVAILABLE</i>	<i>MAXIMUM ACCRUAL</i>
Beginning on the 1st day through the 1st anniversary year of continuous employment:	3.8462	100 hours	175 hours
Beginning on the 1st day of the 2nd anniversary year through the 2nd anniversary year of continuous employment:	4.1538	108 hours	189 hours
Beginning on the 1st day of the 3rd anniversary year through the 3rd anniversary year of continuous employment:	4.4615	116 hours	203 hours
Beginning on the 1st day of the 4th anniversary year through the 4th anniversary year of continuous employment:	4.7692	124 hours	217 hours
Beginning on the 1st day of the 5th anniversary year through the 5th anniversary year of continuous employment:	5.0769	132 hours	231 hours
Beginning on the 1st day of the 6th anniversary year through the 6th anniversary year of continuous employment:	5.3846	140 hours	245 hours
Beginning on the 1st day of the 7th anniversary year through the 7th anniversary year of continuous employment:	5.6923	148 hours	259 hours
Beginning on the 1st day of the 8th anniversary year through the 8th anniversary year of continuous employment:	6.0000	156 hours	273 hours
Beginning on the 1st day of the 9th anniversary year through the 9th anniversary year of continuous employment:	6.3077	164 hours	287 hours
Beginning on the 1st day of the 10th anniversary year through the 10th anniversary year of continuous employment:	6.6154	172 hours	301 hours
Beginning on the 1st day of the 11th anniversary year of continuous employment and thereafter:	6.9231	180 hours	315 hours

EMPLOYEES CLASSIFIED AS "NONEXEMPT":

<i>SERVICE PERIOD</i>	<i>ACCRUAL PER PAY PERIOD</i>	<i>ANNUAL HOURS AVAILABLE</i>	<i>ANNUAL DAYS ACCRUAL</i>	<i>MAXIMUM ACCRUAL</i>
Beginning on the 1st day through the 1st anniversary year of continuous employment:	3.0769	80 hours	10 days	140 hours
Beginning on the 1st day of the 2nd anniversary year through the 2nd anniversary year of continuous employment:	3.3846	88 hours	11 days	154 hours
Beginning on the 1st day of the 3rd anniversary year through the 3rd anniversary year of continuous employment:	3.6923	96 hours	12 days	168 hours
Beginning on the 1st day of the 4th anniversary year through the 4th anniversary year of continuous employment:	4.0000	104 hours	13 days	182 hours
Beginning on the 1st day of the 5th anniversary year through the 5th anniversary year of continuous employment:	4.3077	112 hours	14 days	196 hours
Beginning on the 1st day of the 6th anniversary year through the 6th anniversary year of continuous employment:	4.6154	120 hours	15 days	210 hours
Beginning on the 1st day of the 7th anniversary year through the 7th anniversary year of continuous employment:	4.9231	128 hours	16 days	224 hours
Beginning on the 1st day of the 8th anniversary year through the 8th anniversary year of continuous employment:	5.2308	136 hours	17 days	238 hours
Beginning on the 1st day of the 9th anniversary year through the 9th anniversary year of continuous employment:	5.5385	144 hours	18 days	252 hours
Beginning on the 1st day of the 10th anniversary year through the 10th anniversary year of continuous employment:	5.8462	152 hours	19 days	266 hours
Beginning on the 1st day of the 11th anniversary year of continuous employment and thereafter:	6.1538	160 hours	20 days	280 hours

Maximum Accrual and Annual Payout: Unused accrued vacation time may be carried forward to the following anniversary year but only up to a maximum accrual equal to the vacation hours that would accrue in one-and-three quarters (1-3/4) years of continuous service. When vacation accrual reaches the maximum as indicated above, you will stop accruing additional vacation time until your vacation bank is reduced below the maximum accrual limit.

Despite the maximum accruals listed above, AVTA recognizes that there may be rare circumstances where an employee may accrue more than the 315 hour maximum set forth above. In that circumstance, an employee shall be paid out all vacation hours accrued in excess of 315 hours at the fiscal year end (June 30), regardless of the employee's anniversary date.

Scheduling Vacation: You may request earned vacation time off by completing a PAN Form indicating the first day you wish your vacation to begin and the day that you plan to return to work. Whenever possible, this should be done at least two weeks prior to leaving for vacation. This form requires your signature as requestor and your supervisor's signature approving the work schedule. You must then submit the signed PAN request to your department manager who will provide you with final approval before you plan to take the time requested. Management will strive to accommodate each employee's choice. However, it does reserve the right to schedule vacations to accommodate business during the busy season.

Vacation time will not be paid in advance of earned accrual as outlined above. All earned vacation time will be paid at the employee's current base rate at the time the vacation is taken or paid.

Holidays Occurring During Vacation: If an observed AVTA holiday occurs during the employee's scheduled vacation, no deduction from accrued vacation will be made for the holiday.

Vacation Pay on Termination: Employees who terminate employment will receive all unused accrued vacation pay, calculated at the employee's base rate of pay at the time of and including the date of termination.

313 - PAID HOLIDAYS

AVTA observes twelve full paid holidays per calendar year. Regular full-time employees will receive their regular base rate of pay for each observed holiday listed below. Holiday pay is based on the number of hours individuals are normally scheduled to work. Regular part-time employees' holiday pay will be calculated based on the employee's regular pay rate (at the time of the observed holiday) for the regular scheduled hours the employee would otherwise have worked on that day. The following are considered paid holidays:

- **NEW YEAR'S DAY**
- **MARTIN LUTHER KING JR DAY**
- **PRESIDENTS' DAY**
- **MEMORIAL DAY**
- **INDEPENDENCE DAY**
- **LABOR DAY**
- **THANKSGIVING DAY**
- **DAY AFTER THANKSGIVING**
- **CHRISTMAS EVE DAY**
- **CHRISTMAS DAY**
- **NEW YEAR'S EVE DAY**
- **FLOATING HOLIDAY - 1 DAY**

Exact dates of the holiday schedule will be posted on the AVTA's employee bulletin board at the beginning of each calendar year.

When an observed and paid holiday falls on a weekend, the holiday will normally be observed as follows:

- A holiday that falls on a Saturday will normally be observed on the preceding Friday.
- A holiday that falls on a Sunday will normally be observed on the following Monday.

In order to be eligible to receive holiday pay, you must be a regular full-time or part-time employee and have worked the regular scheduled workday immediately preceding and following the holiday. If you are absent, or leave early on one or both of these days because of illness or injury management reserves the right to verify the reason for the absence before approving holiday pay. Holiday pay is pro-rated for part-time employees to match their normal work schedule.

Approved, scheduled vacation days will be considered "time worked" for considering eligibility of holiday pay. However, paid time off for holidays will **NOT** be considered "time worked" for the purpose of calculating overtime. If Management requests any eligible non-exempt employees to work on a recognized holiday, and the employee actually works on that day, in addition to receiving the holiday pay at the current base rate, the employee will receive 2 times their base rate of pay ("double time") for the hours worked on the holiday.

Floating Holiday: The floating holiday may be observed on a date requested by the employee and approved by his/her manager. The floating holiday must be used in full day increments during the fiscal year in which it was granted. Any unused floating holiday will be added to the employee's vacation bank.

314 - BEREAVEMENT PAY

Regular full-time or part-time employees are entitled to up to three days of leave, with pay, calculated at regular base rate, upon the death of an immediate family member. Employees may be granted up to five days off, with pay, calculated at regular base rate, to arrange and attend the funeral, if it requires over 200 miles of travel. For purposes of administering this policy, immediate family is defined as the employee's spouse, registered domestic partner, child, registered domestic partner's child, parent, parent in-law, brother, sister, grandparents and grandchildren, spouse's or partner's siblings, grandparents and grandchildren; or person legally acting in one of these capacities or another relative residing with employee. Up to one day, with pay, may be granted for the purpose of attending a funeral of family members other than those classified as immediate family. AVTA reserves the right to request that you submit satisfactory evidence with your request to take bereavement leave. Should additional time off in excess of the time provided for in this policy be necessary, you may take available vacation time. Such requests must be approved by the Executive Director (or designee).

315 - PAID BONE MARROW OR ORGAN DONOR LEAVE

In compliance with State laws, AVTA will grant full time regular employees, paid leave of up to five business days each year to serve as a bone marrow donor, or paid leave of up to 30 business days each year to serve as an organ donor. To be eligible for this leave, you must provide medical certification of your need for this leave and a written release to return to work at the conclusion of the leave. Benefits will continue to accrue and AVTA will continue and pay the employer portion of insurance premiums during the leave.

As a condition of this leave, you must apply up to five days of your accrued paid time off for the bone marrow donor leave and up to ten days of your accrued paid time off to the leave for the organ donor leave. If you require additional leave time to be a donor, you may apply available unpaid leave time as needed.

316 - PAID TIME OFF FOR JURY DUTY / WITNESS DUTY

AVTA understands the importance of your civic responsibility to be available to serve on jury duty or fulfill a summons as a witness. For this reason, the AVTA has established a policy of assuring compensation for work time lost due to jury or witness service up to a maximum of ten workdays. All regular employees called for jury duty including examination, or empanelment in service, or who are summoned as a witness shall be excused from work for the days on which they serve. For each workday of jury service, you will receive your regular rate of pay (for non-exempt employees, up to a maximum of the hours you are normally scheduled to work) up to a maximum of ten days. You must submit any notice you receive from the courts immediately upon receipt. This notice must be submitted to your immediate manager who is responsible for forwarding the notice to the Executive Director (or designee) and the Payroll Department.

317 - TELECOMMUTING

AVTA is not able to guarantee employees the opportunity to work from their homes or to telecommute. We will consider requests to telecommute where such requests are submitted in writing to both the direct supervisor and the Executive Director (or designee), describe the reason for the request; the need to telecommute, and the manner in which the employee can telecommute without experiencing any reduction in work quality, efficiency or productivity. All requests to telecommute shall be governed by the requirements and procedures described in AVTA's Telecommuting Policy and Procedure and Agreement ("Telecommuting Policy"). All employees are required to comply with AVTA's separate Telecommuting Policy.

If the request is approved, a memorandum outlining the telecommuting arrangements shall be executed between the employee and the Executive Director (or designee).

Safety, Efficiency and Property: If any employee is authorized to work from home or any off-site location, the employee must assure the AVTA that they can safely and efficiently perform all of their duties and responsibilities. The employee must agree to maintain his/her work areas free of all dangers, safety hazards, and risks that could endanger themselves, their family members or others. The employee must also agree to take all steps necessary to safeguard and protect all employer property and proprietary information.

Rest and Meal Periods and Records: Non-exempt employees who receive approval to work at or from their homes or any off-site location must comply with all record-keeping requirements and must accurately record all work time. They must also take meal and rest periods in accordance with applicable legal requirements and AVTA policies.

In addition, where approval is granted, the employee must comply with all personnel policies and safety standards. These include the policies against unauthorized overtime work and those concerning meal and rest periods, workplace safety and security and the Communication Policy as described in this handbook.

318 - PROFESSIONAL DEVELOPMENT

Management is committed to providing as many opportunities for continuing education as possible. During your regular course of employment, your supervisor/manager will attempt to give you as much assistance as possible in training you to do your job. Some employees may need to attend training programs, seminars, conferences, lectures, meetings or other outside activities for the benefit of the AVTA or the individual employee's job responsibilities. Attendance at such activities, whether required by management or requested by individual employees, requires the written approval of the Executive Director (or designee). If you wish to take advantage of this type of training or education, submit a written request detailing all relevant information, including date, hours, location, cost, expenses, and the nature, purpose and justification for attendance to your supervisor. Refer to the Travel, Training & Expense Policy for specific information about the costs, acceptable expenses and expense reimbursement.

For non-exempt employees, attendance at authorized outside training activities may be considered hours worked for calculating pay, depending on the circumstances.

AVTA reserves the right to request reimbursement for your school or training costs should you voluntarily resign within one year from the time you complete your training.

319 - TIME OFF TO VOTE

In accordance with most state election codes, AVTA will grant time off to vote without loss of pay only under the following conditions:

- The employee is a registered voter;
- The employee's regular schedule is such that the employee would not have sufficient time to vote without taking work time off;
- The time requested be only at the beginning or end of the regular work schedule and will not exceed two hours. Under existing state voting laws, polls are open from 8:00 am until 8:00 p.m. on election days. Any request for paid time off to vote, must have the advance approval of your manager and the Executive Director (or designee).

320 - WORKERS' COMPENSATION INSURANCE

All of our employees are protected by Worker's Compensation Insurance for work-related injuries and illnesses. AVTA pays the entire cost of this insurance. This insurance provides, as

prescribed by law, payments starting on the fourth day of disability unless you are hospitalized, in which case you do not have to wait for benefit payments. The first three days are covered under our sick/emergency pay program if you are eligible. Payments may include disability pay, medical and hospital expenses. AVTA will pay for lost wages directly related to the injury for the day of the work-incurred injury only.

If you ever have an accident or injury on the job (no matter how minor), immediately report this incident to your supervisor/manager. Arrangements will be made to have you taken to a provider for medical treatment if necessary. If you prefer to have your personal physician treat you on the day of the accident, you must have filed a written notification with the AVTA, prior to the date of injury, indicating your preference and your personal medical provider's acceptance.

Please be aware that the law considers the false or material misrepresentation or submission of fraudulent facts in an effort to obtain workers' compensation benefit payments a felony, punishable by law.

321 - UNEMPLOYMENT INSURANCE

AVTA also pays the entire cost of your unemployment insurance benefits. Your state and federal funds allow for weekly benefits should you become unemployed through no fault of your own. Determination of your eligibility is made by the state with input from you and from AVTA. Please ask the Human Resources Department how to file a claim at the time of your separation from the AVTA; we will be happy to explain your rights under the law.

322 - EMPLOYEE PARKING

AVTA provides a secured parking area where employee vehicles may be parked during work hours. If you drive your personal vehicle to work, AVTA will issue the use of a transponder for your convenience. Upon entry of the secured parking area, you may park in this designated area. If space is not available, you must park off the property. There are spaces marked "for handicapped individuals." Do not park in these spaces unless you have an official permit. We require that you return your transponder at the time you leave on approved leave of absence, when you terminate employment with us, or at any time management requests the return.

Do not block aisles or other parked cars. Drive at a safe speed at all times. Park in authorized areas only. AVTA is not responsible for paying citations for employees who park in unauthorized areas. Lock your car, as the AVTA is not responsible for theft and/or damage to your vehicle while parked in the designated parking areas.

323 - USE OF AVTA-OWNED VEHICLES

Vehicles are available to eligible employees for conducting AVTA business. These vehicles are to be used for no other purpose than official AVTA business. Likewise, no employee may transport passengers in AVTA owned vehicles that are not on official business. Employees shall not utilize AVTA vehicles for personal reasons or benefit without specific advance permission of the Executive Director (or designee). Employees who are requested to drive vehicles for AVTA business or activities are required to submit proof of a current and valid driver's license and current automobile insurance coverage. If any employee's job function requires the

transportation of participants or clients, or any official business use, the employee must report any restrictions, suspension or revocation of his/her driver's license within 24 hours of notice of restriction, suspension, or revocation by the Department of Motor Vehicles. This must be reported to both the Director of Operations and Maintenance and the Executive Director (or designee).

AVTA vehicles are essential in conducting our business. Vehicles are a high-cost asset. As such, when using the vehicle, you are expected to exercise care, perform the required maintenance, and follow all operating instructions, safety standards and guidelines. Should any vehicle appear to be damaged, defective, or in need of repair, notify your supervisor/manager immediately. Your supervisor/manager will work with the Fleet Manager for proper repair and/or maintenance.

Employees must comply with this policy in order to be allowed to continue the privilege of driving AVTA vehicles. The improper, careless, negligent, destructive, or unsafe use or operations of our vehicles, as well as excessive or avoidable traffic and parking violations, may result in disciplinary action, which could include discharge from employment with AVTA.

324 - LIFE INSURANCE BENEFIT

	Class 1 (directors and above)	1.5 times annual salary
	Class 2 (all others)	1 times annual salary
Minimum/Maximum Life Coverage (\$)		\$50,000 - \$250,000

400 - LEAVES OF ABSENCE – UNPAID

401 - GENERAL INFORMATION/TERMS

AVTA may grant a leave of absence to employees in certain circumstances. All leaves of absences, if granted, will be granted **without pay**. It is important to request any leave in writing and as far in advance as possible. Employees are required to keep in touch with their manager and/or the Staff Accountant/HR Representative during the leave, and to give prompt notice if there is any change in their return to work date. If the leave expires and the employee fails to return to work without contacting their manager and/or the Human Resources Department, AVTA will assume the employee does not plan to return to work and that he/she has voluntarily terminated their employment.

Leaves are granted with the understanding that the employee will not obtain other employment or apply for unemployment insurance while on an approved leave of absence. Acceptance of other employment or application for unemployment insurance benefits while on leave will be treated as a voluntary resignation from employment at AVTA. Falsifying the reason for a leave is prohibited and will be considered a voluntary resignation or grounds for discharge.

Pay & Benefits

Accrued sick or vacation time may be used to augment short-term disability payments. Vacation and sick pay will not continue to accrue while the employee is on a leave of absence. Employees on approved leave are not entitled to holiday pay or bereavement pay. Upon return from a leave of absence, the employee will be credited with the full employment status that existed prior to the start of the leave. Performance reviews missed during the leave of absence will be given to the employee after a reasonable period time from when the employee returns to work. Employees returning from leave will have their original hire date retained.

How to Request a Leave of Absence

A request for a leave of absence must be submitted in writing, indicating the reason and period of time needed for the leave. The PAN form may be used for this purpose. This request must be submitted to the employee's manager or director, who will coordinate the designation of leave(s) with the Human Resources Department or Executive Director (or designee). Such leaves of absences, if granted, will be granted **without pay**.

Reinstatement

While on approved leave, the AVTA will make every effort to hold the employee's job open for the period of the approved leave. However, due to business needs, there may be times when positions cannot be held open. Accordingly, it is not possible to guarantee reinstatement to the same position.

If the position is unavailable when the employee is able to return from an approved leave, every effort will be made to place the employee in a comparable position for which they are qualified. If such a position is not available, the employee will be offered the next available and suitable position for which they are qualified. If the employee does not accept the position offered, the AVTA may consider the refusal as a voluntary resignation from employment, effective the day such refusal is made.

The following are types of leaves that may be considered and or granted at the AVTA's discretion except where mandated by law.

402 - PREGNANCY DISABILITY LEAVE (PDL)

In accordance with the requirements of applicable state and federal law, AVTA will grant pregnancy-related leaves of absence. Regular full-time and part-time employees who are disabled due to pregnancy are eligible for a maximum of four months (or 88 work days for full-time employees) leave per pregnancy upon medical certification of the health care provider that the employee is disabled due to pregnancy.

Additionally, if the health care provider certifies a transfer to lighter duty, AVTA will attempt to provide light duty if possible. Upon return from the leave of absence, the employee will be returned to the employee's same position; however, in certain circumstances, reinstatement may be impossible. Such circumstances may include being in a layoff situation, or if the employee's

absence would substantially undermine AVTA's ability to operate safely or efficiently. An employee returning from a pregnancy-related leave of absence has no greater right to reinstatement than if the employee had been employed continuously rather than on leave.

Pregnancy leaves of absence will run concurrently with time off under the FMLA but will not be counted against an employee's time off available under the CFRA. AVTA may require employees on pregnancy-related leaves of absence to use paid sick leave, if available. Employees on pregnancy-related leaves of absence may choose to use accrued vacation, sick leave, and/or administrative leave during the leave. The employee may request the application of any leave credits by submitting a request in writing to her supervisor, specifying the amount of leave credits to be so applied. All such payments will be coordinated with any short-term disability or other wage reimbursement benefits for which she may be eligible. At no time shall an employee receive a greater total payment than the employee's regular salary.

AVTA will continue to pay all applicable group insurance premiums which it ordinarily pays on behalf of the employee during the pregnancy-related leave of absence, including medical, dental and vision plan premium payments for a maximum of four months and on the same terms and conditions as if the employee were actively working. The employee must continue to pay the employee portion of the insurance premium during the leave of absence. Failure by the employee to make this premium payment may result in a loss of benefits. Employees whose paid coverage ceases after four months may continue their group health insurance coverage through AVTA in conjunction with federal and state COBRA guidelines by making monthly payments to the AVTA, or its designee, for the amount of the relevant premium. Please contact the Human Resources Department or Executive Director (or designee) for further information regarding continued health insurance coverage.

At the conclusion of the pregnancy-related leave of absence, a medical certification from the health care provider stating the employee is released to return to work will be required. All requests for pregnancy-related leaves of absence should be received, if possible, at least thirty (30) days prior to the start of the leave. Returning employees should notify AVTA at least five (5) work days prior to return. Employees failing to return on the assigned date may be considered to have voluntarily resigned.

403 - WORK RELATED DISABILITY LEAVE

AVTA will grant a work related disability leave if an employee experiences an injury or illness related to work. A leave of absence for a work-related disability shall be administered in accordance with applicable laws. As an alternative and whenever possible, AVTA will reasonably accommodate such employees with modified work.

Notice and Certification Requirements - Employees must report all accidents, injuries and illnesses no matter how small to their immediate manager, Human Resources Department, and Executive Director (or designee) in addition, the employee must provide AVTA with a certification from the designated health-care provider.

Compensation During Leave - Work related disability leaves are granted without pay. However, employees may utilize accrued time off during the leave. All such payments will be coordinated with workers' compensation, short-term disability or other wage reimbursement

benefits for which the employee may be eligible. At no time shall an employee receive a greater total payment than the employee's regular salary.

Health Coverage During Leave - Employees on work related disability leave longer than four months may continue their group health insurance coverage through AVTA in conjunction with federal and state COBRA guidelines by making monthly payments to AVTA or their designee for the amount of the relevant premium. Health insurance will be continued by AVTA during the first four calendar months of the leave. Employees must pay the employee contribution portion of the dependent premiums while the employee is on leave of absence. Employees must contact the Human Resources Department or Executive Director (or designee) for more detailed information and to make arrangements for continuation of insurance.

Job Reinstatement - AVTA will retain employees on a leave of absence for work-related disabilities until one of the following situations occurs:

- The employee is released for full or partial duty or with modifications. Employees who provide a health care provider's statement that indicates the employee is fit to return to work, will be returned to their former position, if possible, or will be offered the first available opening in a comparable position for which the employee is qualified. AVTA will attempt to reasonably accommodate an employee who is provided with medical restrictions.
- AVTA receives medical evidence that the employee will be permanently unable to return to work, or
- The employee directly or indirectly informs AVTA that he/she does not intend to return to the work. For example: by accepting other employment that is inconsistent with the intent to return to the job, moving out of the state, etc.

404 - MEDICAL DISABILITY LEAVE

Under the FMLA and/or California Family Rights Act (CFRA), an unpaid leave of absence may be granted to employees who have worked for AVTA for at least 12 months, a minimum of 1,250 hours in the 12 months preceding the leave, and who are employed at a work site where 50 or more employees are employed by AVTA within 75 miles of that work site. Such employees may be eligible for a leave where they have a bona fide need to care for a seriously ill parent, spouse or child, or for the birth or adoption of a child, or the placement of a foster child. In addition, eligible employees may be granted an unpaid leave of absence caused by their own serious health condition which prevents them from working. Eligible employees may qualify for Military Caregiver Leave or Military Qualifying Exigency Leave under the FMLA, as defined below. All leaves under this policy are referred to as "Medical or Family Care LOA." Unless stated otherwise, the maximum allowable time for any Medical or Family Care LOA under this policy is 12 weeks per a rolling 12 month period. Where possible, Medical or Family Care LOAs under both FMLA and CFRA will run concurrently.

Employee Notice

Employees must provide sufficient information for AVTA to determine if the leave may qualify as a Medical or Family Care LOA, as well as the expected timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances that support the need for Military Caregiver Leave or Military Qualifying Exigency Leave as indicated below. Employees also must inform AVTA if the requested leave is for a reason for which Medical or Family Care LOA was previously taken or certified. When possible, AVTA requests 30 days' notice of the need for leave in order to plan for work coverage. If 30 days' notice is not possible, then employees must provide as much notice as practicable under the circumstances and must follow AVTA's call-in and/or attendance policies.

AVTA Notice

Once an employee provides sufficient information, AVTA will notify the employee (a) whether the employee is eligible for Medical or Family Care LOA and, if so, (b) whether any additional information is required, and (c) the employee's rights and responsibilities regarding such a leave. AVTA will also notify an eligible employee who has requested Medical or Family Care LOA if the requested leave will be designated as FMLA/CFRA protected leave and counted against the employee's leave entitlement.

If AVTA determines an employee is not eligible for Medical or Family Care LOA, AVTA will provide at least one reason for ineligibility. AVTA will also inform the employee if it determines that the requested leave does not qualify for FMLA/CFRA protection.

Employees not eligible for a Medical or Family Care LOA may be eligible for an unpaid leave of absence due to their own disability or medical condition, which will be assessed by AVTA on a case-by-case basis. AVTA cannot guarantee reinstatement to employment at the conclusion of such a leave.

Serious Health Condition

To qualify for a Medical or Family Care LOA, an employee must have a serious health condition. A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. The FMLA definitions of "serious injury or illness" for current servicemembers and veterans are distinct from the FMLA definition of "serious health condition."

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one visit and a regimen of continuing treatment, or

incapacity due to pregnancy (under FMLA only), or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Certification of Need for Medical or Family Care Leave of Absence

AVTA may require an attending health care provider's certification of the employee or family member's serious health condition. AVTA may also require periodic recertification supporting the need for leave. In any case in which AVTA has reason to doubt the validity of any medical certification provided to support an employee's request to take Medical or Family Care LOA because of the employee's own serious health condition, AVTA may require the opinion of a second and third health care provider consistent with state and federal law.

Military Qualifying Exigency Leave

Eligible employees under FMLA may be provided up to twelve (12) weeks of leave in a rolling 12 month period when the employee has a qualifying exigency arising out of the fact that a spouse, son, daughter, or parent is on covered active duty or has been called to covered active duty in the National Guard or Reserves or Armed Forces. "Qualifying exigency" is defined by law as: (1) short-notice deployment, (2) military events and related activities, (3) childcare and school activities, (4) financial and legal arrangements, (5) counseling, (6) rest and recuperation, (7) post-deployment activities, (8) parental care, and (9) additional activities where the Company and employee agree to the leave. Time off for Military Qualifying Exigency Leave counts towards the 12-week maximum allowable time for Medical or Family Care LOA under FMLA.

Military Caregiver Leave

Eligible employees under FMLA will be provided up to ten (10) days of leave during a single 12-month period to care for a covered servicemember. A covered servicemember is the employee's spouse, son, daughter, parent, or next of kin (meaning "nearest blood relative" or person "specially designated") who is a current member of the armed forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retirement list, for a serious injury or illness, and includes veterans who were members of the Armed Forces, National Guard or Reserves, any time during the past five (5) years, who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness, and was discharged or released under conditions other than dishonorable. An employee may take a maximum combined total of 26 weeks of leave for Military Caregiver Leave and Medical or Family Care Leave or Military Qualifying Exigency Leave in a single 12-month period.

During Medical or Family Care Leave of Absence

When an employee is taking an unpaid Medical or Family Care LOA for the employee's own serious health condition, the employee may elect, or AVTA may require, the use of accrued but unused vacation time and/or available sick leave, except where the employee is receiving paid leave benefits (state disability insurance, workers' compensation, or paid family leave),

then the employee and AVTA must agree on the use of sick and/or vacation time to supplement such benefits. When an employee is taking an unpaid Medical or Family Care LOA to care for a seriously ill family member, AVTA may require the use of accrued but unused vacation time, or the employee may elect to use available sick leave. In order to use any accrued paid leave time, employees must comply with AVTA's normal paid leave policies.

During a Medical or Family Care LOA, AVTA will continue to pay all applicable group health insurance premiums which it ordinarily pays on behalf of the employee. Employees must continue to pay the employee portion of the insurance premium during the leave of absence. Failure by an employee to make the employee's premium payment may result in a loss of benefits. If the employee fails to return from this leave, in some circumstances, AVTA may attempt to recoup the cost of the insurance premiums paid on behalf of the employee during the leave.

Employees need not use their Medical or Family Care LOA entitlement in one block. Such a leave may be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt AVTA's operations.

Returning to Work from Medical or Family Care Leave of Absence

Employees returning to work upon conclusion of the Medical or Family Care LOA will be returned to their original position or to an equivalent position with equivalent pay and benefits, provided such job would have been available had the employee not taken the leave. Prior to returning to work, where the leave of absence is for the employee's own serious health condition, the employee must provide AVTA with certification from the attending health care provider indicating the employee is able to resume the employee's work.

Failure to return to work from a Medical or Family Care LOA on the designated date may be interpreted as the employee's voluntary resignation. If the employee returns to work outside of the legally allotted time for such a leave, the employee will only be reinstated if there is an available open position which they are qualified to fill.

FMLA/CFRA Protections

Use of any of the leaves permitted by the FMLA and the CFRA cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

It is unlawful for employers to interfere with, restrain, or deny the exercise of any right provided under the FMLA or the CFRA or to discharge or discriminate against any person for opposing any practice made unlawful by either law or for involvement in any proceeding under or relating to the FMLA or the CFRA. The FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides for greater family or medical leave rights.

If employees believe that they have been aggrieved, they may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

405 - MILITARY DUTY LEAVE

Employees who serve in the Military and take Military leave of absence must submit written verification from the appropriate military authority. Such leaves are granted without pay. The AVTA will reinstate those employees returning from military leave to their same position or one of the comparable seniority, status, and pay if they: 1) obtain and provide a certificate of satisfactory completion of service; 2) apply within three months after release from active duty or within such extended period, if any, as their rights are protected by law; and 3) are qualified to fill their former position.

Exceptions to this policy will occur wherever necessary to comply with applicable laws.

406 - SCHOOL ACTIVITIES AND SCHOOL VISITS LEAVE

Under certain circumstances, eligible employees may be entitled to take time off without pay to participate in activities of their child's school or a licensed day care facility. This leave also covers unplanned school disciplinary meetings concerning their child. In order to be eligible for time off under this policy, any employee must be a parent, guardian, or grandparent of a child who is in kindergarten or a grade between 1 and 12, inclusive, or attending a licensed child day care facility. In addition, the employee must provide reasonable notice of the planned absence to the Human Resources Department before taking the time off. AVTA limits time off for this purpose to 40 hours in any single year or no more than eight hours off in any calendar month.

Any employee who is granted time off under this leave, must utilize any earned vacation time, if available. In addition, the AVTA may require documentation from the school or licensed day care facility be submitted to substantiate the fact the employee participated in the activity on a specific date and time.

407 - VICTIMS OF DOMESTIC VIOLENCE, SEXUAL ASSAULT, AND OTHER CRIMES

If any employee is the victim of domestic violence or sexual assault, time off may be necessary to seek judicial relief to help ensure the health, safety, or welfare of the employee or a child. This may include efforts to obtain a restraining order, or other injunctive relief from a court.

If any employee needs time off from work for one of these purposes or any other purpose protected by law, reasonable written notice must be provided to the Executive Director (or designee). If an unscheduled or emergency court appearance is required for the health, safety or welfare of the domestic violence or sexual assault victim or a child, the employee must provide evidence from the court or prosecuting attorney that he or she has appeared in court within a reasonable time after the court appearance.

408 - VOLUNTEER CIVIL SERVICE LEAVE

AVTA will grant unpaid time off to any employee who is required to perform emergency duty as a volunteer firefighter, or other legally eligible emergency personnel or reserve peace officers. In the event that any employee needs to take time off to perform such emergency duty, the

manager and the Executive Director (or designee) must be informed immediately of call for duty. AVTA will allow unpaid time off for the term of your duty not to exceed 14 days per calendar year to engage in fire or law enforcement training or duty.

409 - LITERACY ASSISTANCE

AVTA wishes to assist employees who require time off to attend an adult literacy education program. Any employee who needs time off to attend such a program should inform the Executive Director (or designee). AVTA will make reasonable accommodations for the employee by providing unpaid time off unless it would cause an undue hardship for the department to do so. Every effort will be made to safeguard the privacy of the fact that an employee is enrolled in an adult literacy education program.

410 - JURY DUTY AND WITNESS DUTY

Employees required to serve on jury duty may do so for the length of time necessary. Except for the first ten days (see Section 316), AVTA does not compensate employees for any remaining time served on jury duty. Employees may request use of their accrued vacation time to apply toward unpaid juror service. Exempt employees will receive their full weekly salary for any week in which they perform any work and also serve on a jury. Employees must notify their manager and the Human Resources Department immediately upon receipt of notification to appear by submitting a copy of the summons to appear.

Employees shall report to work on days they are excused from jury or court duty and on days in which he/she can work at least three hours during their regular workday.

411 - PERSONAL LEAVE

Full and part-time regular employees may request a personal leave of absence without pay for a reasonable period of time not to exceed one month. Requests for extensions of personal leave due to special circumstances will be considered and determined on an individual basis.

Personal leaves are not guaranteed. Requests for a personal leave will be considered on the basis of a combination of factors, including the employee's length of service, performance, position, responsibility level, the reason for the request, whether other individuals are already out on leave, and the expected impact of the leave on operations at AVTA.

Requests for leaves must be submitted to the Human Resources Department in writing and approved by the Executive Director (or designee). Requests for extensions of personal leave must also be submitted in writing and approved in writing before the extended period of a leave begins. AVTA is not able to guarantee reinstatement from a leave in all circumstances, and will make a reasonable effort to return an employee to his or her former position or a comparable position for which the employee is qualified. It is the employee's responsibility to be available and report to work at the end of the approved leave. Any employee who fails to report to work on the day after the leave expires will be considered to have voluntarily resigned.

500 - PERFORMANCE AND CONDUCT

501 - PHILOSOPHY OF EMPLOYEE MANAGEMENT

It is AVTA's philosophy that we can best provide quality services by creating an environment where employees are motivated by a desire to contribute to our business goals. We believe this can best be achieved in an atmosphere of mutual trust and respect between management and employees. We believe that employees with healthy morale benefit our mission, and that creates a pleasant and comfortable work environment for employees and management. It is AVTA's practice to document all relevant performance regardless of an employee's at will status. A supervisor is expected to help employees achieve excellence in performance by providing expertise, feedback, and training through coaching.

502 - STANDARDS OF CONDUCT

AVTA requires order and discipline to succeed and to promote efficiency, productivity, and cooperation among employees. For this reason, it may be helpful to identify some examples of unacceptable conduct that may lead to disciplinary action, including immediate discharge from employment. Although it is not possible to provide an exhaustive list of all types of impermissible conduct and performance, following are some examples:

- Rude, discourteous, abusive or inconsiderate treatment of a member of the public, employee of a contractor, supplier, any member of management, any member of the Board of Directors, co-worker or any visitor to AVTA.
- Disregard of AVTA's standards of conduct.
- Obtaining employment based on false or misleading information, or falsifying information or making material omissions in any AVTA document or record.
- Malicious or willful destruction or damage to the AVTA's property or supplies, or the property of another employee, contractor, supplier or any visitor.
- Theft or unauthorized removal or possession of property from the AVTA, fellow employees, contractor employees, or anyone visiting the workplace.
- Bringing dangerous or unauthorized materials, such as explosives, firearms, perceived weapons, or other similar items into the workplace.
- Possession, distribution, sale, use or being under the influence of alcohol or illegal drugs while on duty or while operating a vehicle or potentially dangerous equipment leased or owned by the AVTA.
- Unsatisfactory performance or conduct.
- Insubordination, including improper conduct toward a supervisor or refusal to do assigned work in the appropriate manner.

- Noncompliance with or disregard of safety rules or safe work practices.
- Excessive lateness or absenteeism from work without acceptable justification.
- Falsifying or destroying any timekeeping record, recording work time for another employee or asking another employee to record work time for you.
- Leaving work premises or your job during working hours without notification or without proper authorization.
- Actual or threatened violence or any other action that endangers others, property, or disrupts work.
- Sleeping or appearing to be asleep on the job.
- Smoking in unauthorized areas within or outside our work sites.
- Harassment, threats, intimidation or coercing any other employee, or otherwise violating AVTA's policy against harassment.
- Failure to abide by set standards for lunch and break periods, and working unauthorized overtime.
- Maintaining or engaging in an outside business or financial interest that conflicts, in any manner, with the interest of our business.
- Conduct otherwise incompatible with the interests of our business.
- Disclosing confidential or proprietary information to unauthorized parties.
- Entering the work site or remaining on the premises while not on duty without authorization.
- Using AVTA equipment, time, materials and facilities for personal use, without proper authorization.
- Failure to comply with AVTA's policies, procedures and practices.
- Failure to immediately report an on-the-job injury or illness.
- Falsifying expense reports.
- Accepting bribes or gifts or other forms of compensation from current or potential contractors, vendors, or competitors without the expressed approval of Executive Management.

It should be remembered that employment is at the mutual consent of the employee and AVTA. Accordingly, either the employee or AVTA can terminate the employment relationship at will, at any time, either with or without cause or advance notice.

503 - POSITIVE DISCIPLINE PROCESS

Positive Discipline is designed to develop and maintain an employee workforce committed to delivering high quality service by emphasizing the individual employees' own responsibility for his/her performance and behavior. This is accomplished through coaching for performance enhancement, problem solving, and formal discipline.

There may be three levels of discipline prior to discharge. Any of the three levels of formal discipline may be issued without following the normal sequence when a single incident is considered serious enough to warrant such action. These levels are:

First Written Reminder.

This is the first level of formal discipline. It consists of a discussion between a supervisor and an employee, during which the supervisor seeks the employee's agreement to change behavior or performance and correct the problem, followed by a letter from the supervisor to the employee.

Second Written Reminder.

This is the second level of formal discipline. It consists of a formal conversation between the supervisor and the employee about a continuing or serious performance problem or a rule violation. This conversation is followed by the supervisor's letter to the employee, stating the specific reasons for the reminder.

Decision-Making Leave (DML).

A third and final formal level of discipline may be offered to an employee. If offered, it consists of a discussion between the supervisor and the employee about a very serious performance problem or failure to follow AVTA policies, rules and regulations. The employee is made aware that he or she must decide whether the employee is willing to make a commitment to change job performance and behavior. This decision will require total commitment by the employee to meet all AVTA work rules and performance standards. This discussion is followed with the supervisor's letter to the employee stating the specific reasons for the DML including the information from the prior reminders.

The employee will then be placed on a DML with pay the following work day and must decide whether they are willing to make the required commitment, in order to be allowed to continue working for AVTA.

The employee reports the decision to his/her supervisor the day after the DML through a written commitment to the supervisor on how he or she will successfully correct work performance and behavior. The supervisor may require the employee to amend their written plan for correcting the behavior when the supervisor deems it insufficient. This is an extremely serious step since the employee will be discharged for subsequent failure to meet AVTA work rules and standards. Only one (1) active DML is allowed at any time.

No other levels of formal discipline, except discharge, will be administered while the DML is active.

Discharge.

The AVTA may discharge an employee when it determines that a single offense is of such a serious nature that the use of progressive, Positive Disciplinary procedure is not appropriate.

Violations of the Drug Free Workplace Policy and Attendance Policy will be administered separately from the Positive Discipline Policy.

504 - TERMINATION OF EMPLOYMENT

Following are examples of some of the most common circumstances under which employment is terminated:

- Resignation (Voluntary Quit): employment termination initiated by the employee who chooses to leave their employment voluntarily. AVTA requires this notification to be submitted in writing indicating the intended last day worked. Management would appreciate, but does not require, a two-week notice of resignation from the employee whenever possible.
- Discharge: employment termination initiated by management with the support of Human Resources.
- Layoff: involuntary employment termination initiated by management for business reasons, as a result of reorganization, economics, contract completion, and/or position elimination.
- Retirement: voluntary retirement from active employment status initiated by the employee.

Your supervisor/manager will schedule an exit interview for terminating employees with the Human Resources Department. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts, or return of employer-owned property. Suggestions, complaints, and questions can also be discussed. During the exit interview, the employee shall return all AVTA-furnished property, equipment, property and documentation. At this time, employees will receive their final pay in accordance with applicable state law. Upon termination, accrued benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

505 - ACCESS TO PERSONNEL FILES AND PAYROLL RECORDS

AVTA shall maintain a personnel file on each employee. The personnel file shall remain in the office of the Executive Director (or designee) and shall contain all official records related to an employee's employment with AVTA. Personnel files shall not be removed from the office without approval of the Executive Director (or designee).

Personnel files are the property of AVTA, and contain confidential information. The Executive Director (or designee) shall have the responsibility to control access to personnel files. Generally, only the Executive Director (or designee), and the immediate supervisor and managers in the direct organizational line or chain of command above the employee may review an employee's personnel file. A supervisor or manager who is considering an employee for promotion or transfer may review the personnel file of the employee. Other management personnel and officials of AVTA, who have a legitimate reason to review information in a file, may be allowed to do so, on a case-by-case basis.

Employees may request the opportunity to inspect the contents of their own personnel file. The records available for your review will generally include documents directly related to or used to determine your qualifications for, and the terms and conditions of employment, promotion, compensation, termination or corrective action such as your employment application, internal transfer/promotion requests, change of status forms, performance reviews and disciplinary documentation. You may take notes related to documents in your personnel file; however, no alteration of these records is permitted, nor can a document be added to or removed from the file at the time of the review. Requests for review must be submitted to the Executive Director (or designee) who will respond to the request in a reasonable time and no later than five business days. The actual inspection will be held in the presence of the Executive Director (or designee). Employees are usually given copies of documentation that is signed by them and entered into their personnel file. Employee must complete and sign AVTA's "Request for Access To Personnel file" form, which is included as an attachment to this manual.

It is the responsibility of each employee to promptly notify AVTA of any changes in personnel data so that all information contained in personnel files is up-to-date. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, employees are required to notify the Human Resources Department as soon as reasonably practicable.

An employee may request a copy of documents from his/her personnel file that the employee has previously signed, and may be charged for copies of Personnel file documents. No person authorized to review a personnel file may remove a document from a personnel file. Medical records regarding an employee shall be maintained in a file separate from the personnel file, in a manner so as to protect the privacy of the medical information pertaining to the employee.

Payroll Records: Employees may submit a written or verbal request to inspect a copy of their payroll records. These requests must be submitted to the Finance Department. The Finance Department will honor the request within 21 days of the date the request is received.

Where an inspection request is made by a former employee, the individual may be required to provide satisfactory evidence of his or her identity.

506 - JOB REFERENCES

It is the policy of AVTA not to provide any job references for current or former employees. Accordingly, if any employee or representative of the AVTA is asked for information of any kind, such as job reference or pay verification, the individual should be directed immediately to the

Executive Director (or designee), without making any "off the record" statements. The only information that will be provided by the Human Resources Department is confirmation of the dates of employment and position held. This policy extends to all forms of information about the current and/or former employee. It extends to information regarding inquiries about an individual's performance, character, attitude, and attendance, compensation, credit information, background, employment history, conduct, penal history, family circumstances, or domestic issues.

Since employee information and records are considered private, strict adherence to this policy is mandatory. Any individual who violates this policy will be subject to disciplinary action, up to termination from employment.

507 - LAYOFF POLICY

AVTA strives to provide an equitable balance between staffing resources and productivity. Accordingly, we attempt to avoid cutbacks and reductions in force whenever feasible. However, if AVTA determines that a reduction in the workforce is warranted because of cancellation of a project, lack of work, reorganization, or other considerations, the following factors will be considered:

The operational needs of AVTA and the employee's performance and demonstrated job skills, productivity, and ability to perform the available work will be the primary criteria in determining the order of layoff of employees.

In general, a layoff is expected to result in final loss of employment, therefore all earnings and unused accrued vacation and floating holidays will be paid out on the last day of employment. Extension of benefits and other important employee information will be provided and discussed during an exit interview that will be conducted with all individuals on the last day of employment.

508 – JOB ABANDONMENT

An employee's failure to report to work with no call-in for three consecutive scheduled workdays, or a failure to return from an approved leave of absence or vacation, as job abandonment and consider the employee to have voluntarily resigned. In addition, an employee's acceptance of alternate employment during an approved leave of absence will be considered as a voluntary resignation.

600 - SAFETY & HEALTH

601 - SAFETY STATEMENT

In order to achieve our goal of providing a completely safe workplace, everyone must be safety conscious. Every employee is responsible for safety. Please report any unsafe or hazardous conditions directly to your manager immediately. Every effort will be made to remedy problems as quickly as possible.

In keeping with this commitment, we have established an Injury and Illness Prevention Program (IIPP) as part of its safety program. A copy of this written program is available for your review in the Operations Office Employees must understand that compliance with safety requirements is

a condition of employment and may be evaluated, together with other aspects of an employee's performance, as part of the performance appraisal process. It is therefore essential that all employees comply fully with the standards and practices that are designed by management to promote a safe and healthful working environment. As part of our policy, management has established programs to train and retrain employees as appropriate to assist them to avoid dangerous or unhealthful conditions and to remedy problems or hazards before they cause accidents or injuries.

Part of our safety plan will include safety meetings, training programs, posting safety notices and safety tips, and provides for periodic communications to employees regarding safety matters. Periodic inspections to identify unsafe conditions and work practices as well as investigations of occupational injuries and illness will be conducted in all workplaces. Every effort is made to correct unsafe or unhealthy conditions, work practices, or procedures in a timely manner. It is essential that all employees cooperate in achieving these objectives and assist the management to provide a safe workplace for everyone.

General Safety Rules for all Employees: The following is a listing of general safety rules that are most important, but certainly not all encompassing. Failure to observe any safety rule may result in disciplinary action up to and including termination of employment.

- All injuries or accidents, no matter how minor, must be reported to your supervisor/manager, Human Resources Department or the Executive Director (or designee) immediately. Follow all established safe job procedures. Changes in regular job procedures require the approval of your manager.
- Machines and equipment must be maintained in safe operating condition, and operated and inspected according to the manufacturer's recommendations.
- All defective equipment must be reported to your manager immediately. Only designated personnel may make repairs to this equipment.
- Keep aisles and walkways clean and clear. This applies to all fire doors, exits and entrances. Keep your workplace clean and orderly.
- Clean up spills as soon as possible, as this is a slip hazard.
- Keep your workplace clean. Dirty and disorderly conditions are the cause of many accidents and fires.
- Wear clothing to work that is in compliance with AVTA's dress code policy.
- Do not wear headphones or any audio devices while working around moving vehicles or equipment.
- Never engage in roughhousing or practical jokes. Serious injury may result from such actions.
- Never operate any equipment unless you have been trained on it.

- Fighting or horseplay is prohibited at all times.
- Always walk, never run.
- Safely lift heavy objects.
 - Do not lift any load over 50 lbs. by yourself; get help.
 - Face the load squarely and secure a firm footing with your feet properly spread.
 - Bend your knees and get a grip on the load
 - Keep a straight back and lift by straightening your legs.
 - Lift gradually, not suddenly.
 - Keep the load close to your body and do not twist your body.

602 - FITNESS FOR DUTY

Each employee is expected to arrive for work punctually and be fit to perform all applicable duties and responsibilities. Employees who report to work or appear to become unfit to perform their job duties. Fitness for duty is essential if the employee is to perform his or her assigned duties and tasks satisfactorily. If you report to work and are deemed to be unable to perform the functions of your job, you may be sent home, with or without pay, until you are able to satisfactorily perform the functions of your assigned job.

603 - RECREATIONAL ACTIVITIES AND PROGRAMS

Participation in social events or sporting games sponsored by AVTA is encouraged but not mandatory. If you participate in any AVTA sponsored activities, understand that you do so, on a purely voluntary basis. Please remember that these activities are not considered part of your job duties, and that you agree to participate with the understanding that neither AVTA, nor its insurer, may be held liable for any accidents or injuries that arise out of participation in these activities.

604 - SMOKING

Smoking is prohibited within the interior of all of our work sites, facilities and AVTA owned vehicles. "Smoking" is defined as holding a lit cigar or cigarette or lighted pipe of any kind. It also includes the emitting or exhaling of smoke of any kind. Those wishing to smoke may do so in the designated smoking areas outside. Smoking is permitted only in the designated marked areas before starting time, during breaks or lunch and after work. Failure to comply with this policy will result in disciplinary action.

This policy applies equally to all employees, temporaries, vendors, the public, suppliers, and visitors.

605 - EMERGENCY PREPAREDNESS

Emergencies include all accidents, medical situations, earthquakes, fire, and other threats of violence. AVTA has developed a written Emergency Preparedness Plan, which is part of our Injury and Illness Prevention Program. The following information is provided as guidance should you become aware of an emergency in the workplace:

Fire - Tips:

- Closing doors - reduces the amount of oxygen the fire needs to burn.
- Using water - reduces heat
- Using Type B, C extinguishers - smothers the fire from reduction in oxygen.
- Removing nearby plastics, papers, wooden pallets/crates - takes away the sources of fuel for the fire.

Here is what you should remember to do:

- In an emergency, use regular exits and or emergency exits.
- If you encounter smoke, get down on your hands and knees. Air is cleaner and cooler close to the floor; then crawl to the nearest exit.
- Do not panic - experiencing a sudden overpowering terror usually comes from not knowing what to do.
- If your clothes catch on fire, stop where you are, drop down to the ground while covering your face with your hands and roll on the flames to smother them. Remember, **STOP, DROP, ROLL.**
- If you can, cool a burn with cold water for 15 to 20 minutes, get medical attention if available.

Earthquake - Tips:

- During an earthquake, get under a desk or table - protect your head.
- Stay away from windows and/or objects that can fall.
- Do not be surprised if electricity goes off.
- Do not smoke or use matches or lighters in case there are gas leaks.
- After an earthquake, check for injured; assist and locate First Aid and/or call 911; use your cell phone if the regular telephone system does not work.
- Check for fires.

- Open doors carefully, watch for falling objects.
- Arrange protection from debris and broken glass.
- Cooperate with public safety officials.
- Be prepared for aftershocks. Above all, remain calm.

Bomb Threat - Tips:

- Should you receive a written threat or suspicious package, prevent anyone else from handling it.
- Notify the Executive Director (or designee) and/or the highest level of authority at your work area.
- Follow instructions of the trained Emergency Response Team.
- Should you receive a telephone threat, remain calm and write down the exact wording of the threat. Ask questions such as:
 - When is the bomb going to explode?
 - Where is the bomb right now?
 - What does it look like?
 - Why are you doing this?
- While on the telephone, listen to any background sounds, as well as the caller's voice and any noticeable accent. Do not put the caller on hold and do not hang up until the caller does. Immediately notify the top official at the work site.

Medical Emergency -Tips

First aid may be administered by trained personnel only. If you are not trained, do not attempt to assist the injured party. Call the Paramedics by dialing 911; or inform the management at your facility so that they may request assistance.

Remain with the injured party, keep him/her comfortable and warm - do not attempt to move them.

AVTA does provide CPR and First Aid training. This training is arranged by the Director of Operations and Maintenance or the appointed designee.

606 - VISITORS IN THE WORKPLACE

To provide for the safety and security of employees and the facilities at AVTA, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety

standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare and avoids potential distractions and disturbances. All visitors must enter AVTA at the main entrance. Authorized visitors will be escorted to their destination. Employees are responsible for the conduct and safety of their visitors. If an unauthorized individual is observed on AVTA's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

700 - COMMUNICATION

701 - NEW HIRE ORIENTATION

Normally new employees are scheduled for an orientation on the first day of employment. This orientation includes a review of AVTA's Personnel Rules and Regulations as well as safety rules. During this time, employees are asked to complete new hire documents and questionnaires as well as to provide proof of their legal right to work in the United States.

In addition, employees will receive orientation for their specific departmental procedure and how to perform their new duties and tasks in a safe manner.

Finally, state law requires all employers to report information on newly hired employees with the New Employee Registry. New employees must be reported with the EDD on Form DE34. All new employee reports must be filed no later than 20 days after the day the employee begins work.

702 - BULLETIN BOARDS

AVTA's bulletin boards are usually located in the break/lunch rooms at each work site. Please ask your manager to point out the location of the official bulletin board. There you will find notices of state and federal laws, as well as other information regarding changes in policies and other announcements. Make it a point to read them frequently and keep informed.

Employees may not post any information on the bulletin board without the approval of the Executive Director (or designee).

703 - MAIL

AVTA processes incoming and outgoing business mail. Our mail system is there for business use. For this reason, any mail addressed to an employee at work is considered AVTA's property and may be opened. We are not in a position to receive or mail personal mail or packages for employees and, if received, cannot guarantee that the personal mail will be forwarded to the employee.

Postage meters are installed for business purpose only; employees are not to use the postage meters to mail their personal mail.

704 - USE OF TECHNOLOGY AND COMMUNICATION SYSTEMS

Our technology and communication services, equipment and content ("Communications System") include electronic mail ("e-mail"), facsimiles, telephones, voicemail, personal

computers, computer networks, on-line services, internet connections, computer files, video equipment and tapes, tape recorders and recordings, cellular phones, PDAs, smart phones, text messages, internet posts, bulletin boards and similar communications systems or equipment. As technology progresses, there will no doubt be additions.

Our communications system is AVTA property. You have **NO RIGHT OF PRIVACY IN ANY USE OF OUR COMMUNICATIONS SYSTEM**. AVTA has the right to access, search and monitor every employee's use of the communications system, including all created or stored content.

No employee may use AVTA Communications System to send or forward to others any discriminatory or offensive comments, indignities, obscenities, jokes, graphics or pictures. Failure to comply with these rules will subject an employee to disciplinary action, up to and including termination.

705 - SOCIAL MEDIA POLICY

Social media includes but is not limited to:

- Multi-media and social networking websites such as Facebook, LinkedIn, Instagram and YouTube;
- Forums, blogs and micro-blogs such as Twitter;
- Wikis, such Wikipedia; and
- Any other site where text can be posted.

All such activities may be referred to as "Internet Postings" in this policy.

AVTA respects your right to engage in personal social media activities to express your thoughts or promote your ideas, as long as your activities are not performed during work time or by using the AVTA's Communication System, and do not cause harm to others or conflict with our personnel, policies, business, goodwill or reputation.

If you engage in social media activities on your own time and equipment, you must understand and comply with the following guidelines as a condition of employment with us:

- You are personally responsible for your Internet Postings and may be subject to liability for posts that are considered defamatory, harassing, obscene, proprietary, libelous, or in violation of any other applicable law. You may also be liable if you make postings which include confidential or copyrighted information belonging to AVTA or any other third party. AVTA shall not be liable, under any circumstances, for any errors, omissions, loss, or damages claimed or incurred due to any of your Internet Postings.
- Employees may not use social media sites to harass, threaten, discriminate or disparage AVTA employees, clients, vendors, or suppliers.
- Employees may not post on social media sites the name, trademark or logo of AVTA. Accordingly, employees cannot post any information that is confidential or proprietary to

AVTA or to any third party that has disclosed information to AVTA, including but not limited to, financial information, copyrighted information or AVTA- issued documents.

- Employees may not post photographs of other employees, clients, vendors or suppliers, nor can employees post photographs of persons engaged in company business or at company events without their consent. Employees may not post pictures on any social media site which depicts AVTA in any way which may be considered defamatory, harassing, obscene, proprietary, libelous, or in violation of any other applicable law. This includes AVTA uniforms, trademarks and logos.
- Employees may not use any electronic communications device for any purpose that creates an actual, potential or apparent conflict of interest with the AVTA.
- Employees may not use any electronic communications device in a manner that would violate AVTA's no solicitation rules.
- Under no circumstances may Internet Postings interfere with your job duties.

Common sense is the best guide if you decide to post information on social media sites. If you are unsure about any particular posting, please contact the Human Resources Department for guidance. If a member of the news media or blogger contacts you about an Internet Posting that concerns the business of the AVTA, please refer that person to the Human Resources Department.

Violation of this policy may result in disciplinary action up to and including termination.

706 - PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify the Human Resources Department of any changes in personnel data such as personal mailing addresses, telephone numbers, emergency contact information, names of dependents, marital status, educational accomplishments, and other such personal status changes. For your benefit, your information on file should be accurate and current at all times. You should complete the Personnel Action form for notification purpose.

707 - PERSONNEL RECORDS

Your records are considered confidential and are available only to your immediate management and then only on a need-to-know basis. Upon request and with your permission, the Executive Director (or designee) will only verify your dates of employment and position held. Any other information such as earnings will not be released without your written approval, except as mandated by law.

708 - TELEPHONES/PERSONAL CELL PHONES

Our telephone lines are intended solely for business use and should not be used or tied up for personal phone calls. Accordingly, it is expected that employees refrain from making or receiving personal telephone calls during working hours unless there is an urgent need. Any personal calls should be made only when necessary, kept as brief as possible, and made during break and

lunch periods. Incoming personal calls are discouraged, except in emergencies. No personal long distance or toll calls are to be charged to the AVTA's telephone under any circumstance.

Personal Cell Phones: Cell phones, PDAs, or any other personal communication device may be brought to work, but must be set on "vibrate" or any other "silent" signal during working hours. While at work employees are expected to exercise the same discretion in using personal cellular phones as is expected for the use of AVTA phones. Excessive personal calls, instant messaging, or texting during the workday, regardless of the device used, can interfere with employee productivity and be distracting to others. Employees are therefore asked to make any other personal calls during non-work time where possible and to ensure that friends and family members are aware of AVTA's policy. AVTA will not be liable for the loss or damage to employees' personal communication device brought into the workplace.

Business-Owned Communication Devices: Where job or business needs demand immediate access to an employee, AVTA may issue a business cell phone to an employee for work-related communications. In order to protect the employee from incurring a tax liability for the personal use of this equipment, such phones are to be used for business purposes only. Phone logs may be audited regularly to ensure no unauthorized use has occurred.

Employees in possession of any business owned communication device are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. Employees unable to present the phone in good working condition within the time period requested are expected to bear the cost of a replacement.

Safety Issues for Cellular Phone Use: Safety must come before all other concerns if using a cell phone while driving. Employees whose job responsibilities include regular or occasional driving are expected to refrain from using their phone while driving. Regardless of the circumstances, employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is unavoidable and pulling over is not an option, employees are expected to **use a hands- free device** (also provided), keep the call short, and keep their eyes on the road. Texting while driving is unlawful and prohibited. Special care should be taken in situations where there is traffic, inclement weather, or the employee is driving in an unfamiliar area.

Employees who are charged with violations resulting from the use of their phone or texting while driving will be solely responsible for all liabilities that result from such actions.

As with any policy, management staff is expected to serve as role models for proper compliance with the provisions above and are encouraged to regularly remind employees of their responsibilities in complying.

709 - CUSTOMER RELATIONS

Quality customer service is a key part of our business and all of us must remember that the customer always comes first.

Customers are to be treated courteously and given proper attention and full cooperation at all times. Never regard a customer's question or concern as an interruption or an annoyance. Customer inquiries, whether in person, via electronic communication, or by telephone, must be addressed promptly and professionally. Never place a caller on hold for an extended period. Direct incoming calls to the appropriate person and make sure the call is received.

Through your conduct, show your desire to assist the customer in obtaining the help he or she needs. Refer a customer to someone who can help them if you are unable to provide the necessary assistance.

All correspondence and documents, whether to customers or others, must be accurate, concise and factual. Attention to detail in all paperwork demonstrates your commitment to those with whom we do business.

Never argue with a customer. If an issue develops or if a customer remains dissatisfied, ask your manager or another member of management to intervene.

800 - EMPLOYEE RELATIONS

801 - PERSONAL BEHAVIOR

As part of our policy against any type of harassment, AVTA has included **Personal Behavior** expectations. Personal behavior is specifically directed toward conduct that may not otherwise fall within the legal definition of harassment, but projects a negative image for AVTA.

All employees must conduct themselves in a professional manner. Unprofessional behavior in or outside of the work site, such as sexual related conversations, inappropriate and unwelcome touching (i.e., kissing, hugging, massaging, sitting on laps, etc.) of another employee, a customer, supplier or any outsider, and any other behavior of a sexual nature is prohibited. Employees who fail to observe these standards will be subject to disciplinary action, up to and including termination of employment.

802 - NON-FRATERNIZATION

AVTA desires to avoid misunderstandings, complaints of favoritism, possible claims of sexual harassment and the employee morale and dissension problems that can result from certain relationships between employees and outsiders who have contact with the agency. In order to effectively operate AVTA's business and avoid these problems, managers and supervisors are strongly discouraged from fraternizing or becoming romantically involved with one another or with any subordinate employee in their chain-of-command or with any non-management employee or outside individual doing business with AVTA. Additionally, non-management employees are strongly discouraged from fraternizing or becoming romantically involved with other employees at AVTA.

Such relationships are prohibited when in the opinion of AVTA, the personal relationship may create a conflict of interest, create a negative or unprofessional work environment, or presents concerns regarding supervision, safety, security, or morale. Should any manager or supervisor become personally involved with an employee within the line of command, or with an outsider who does business with the AVTA, a conflict of interest could occur. Therefore, all such

relationships must be disclosed to the Executive Director (or designee) to ensure that steps can be taken to avoid a problem. If potential issues are identified, the AVTA will work with the parties involved to consider options for resolving the conflict. Failure to work with management to resolve a situation that may violate the standards set out in this policy may ultimately be deemed insubordination and may result in disciplinary action up to and including discharge from employment.

All employees must remember that AVTA maintains a strict policy against unlawful harassment of any kind, including sexual harassment.

803 - GOSSIP, BULLYING AND OTHER HARMFUL COMMUNICATIONS

Bullying, gossip and negative comments are destructive to AVTA's culture, create false rumors, disrupt workflow, invade personal privacy and hurt people.

You may not bully, gossip or make unnecessary comments about other employees of AVTA. If you witness bullying or if others engage in gossip or make negative comments to you, ask them to stop immediately or report them to the Executive Director (or designee).

AVTA is concerned about abusive conduct in the workplace. The state legislature has defined abusive conduct as any conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. It may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance.

804 - DRESS AND GROOMING STANDARDS

Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image AVTA presents to the community. Therefore, it is AVTA policy that employees report to work in clothing that is suitable to your position and working environment. Clothing should always be neat, clean, and in good taste and should not be a safety hazard. Employees should use their common sense with regard to their dress, and are expected to present a professional image. Appropriate AVTA logo shirts are provided to employees to be worn at special events or may be worn to work. Tight fitting knits, short-shorts, mini-length skirts or dresses, and sweats are not considered appropriate and should not be worn to work. Shirts with collars or T-shirts without collars are permitted as long as they do not carry graphics or slogans. Employees' hair must be of a natural color.

Employees who come to work dressed inappropriately may be subject to disciplinary action up to and including being sent home at no pay to change their clothes. If you have questions about how you should dress, please ask your manager.

805 - WORKPLACE RELIGIOUS ACCOMMODATION

As required by law, AVTA will reasonably accommodate an employee's religious dress or grooming practices so long as it does not create an undue hardship on AVTA's operation of its business. Such religious dress or grooming practices include but are not limited to, wearing

particular head coverings or other religious dress (such as a Jewish yarmulke or a Muslim headscarf), or wearing certain hairstyles or facial hair (such as Rastafarian dreadlocks or Sikh uncut hair and beard). When an employee or applicant needs a dress or grooming accommodation for religious reasons, he or she should notify the Executive Director (or designee) that he or she needs such an accommodation for religious reasons.

806 - SOLICITATION AND DISTRIBUTION RULES

In order to avoid disruption to work flow, the following rules apply to solicitations and distribution of literature on AVTA property at any work sites:

- Outsiders: Persons who are not employed by AVTA may not solicit or distribute literature on work premises or work sites at any time for any purpose.
- Employees: may not solicit or distribute literature during "working time" or in "working areas" at any time for any purpose.

"**Working time**" includes the working time of both the employee doing the soliciting or distributing and the employee to whom the soliciting or distributing is being directed. Working time does not include meal periods or any other specific periods during the work day when employees are not engaged in performing their work assignments.

DRAFT

AT-WILL STATUS ACKNOWLEDGMENT

Date: _____

Re: Appointment to Position of _____

Dear _____ :

The Antelope Valley Transit Authority ("AVTA") has offered you the position of _____. You should be aware that by accepting this position, you are an at-will employee of AVTA.

All employment with AVTA is "at-will," meaning that the terms of employment may be changed with or without notice, with or without cause, including, but not limited to termination, demotion, promotion, transfer, compensation, benefits, duties, and location of work. There is no agreement expressed or implied between AVTA and me for continuing or long-term employment. Accordingly, either I or AVTA may terminate the employment relationship at any time, with or without notice, with or without cause. While supervisors and managers have certain hiring authority, no supervisor, manager, or representative of AVTA has any authority to alter the at-will relationship. Only the Board of Directors may amend your at-will status in a written agreement that has been approved by the Board at a duly noticed public meeting. This policy supersedes all written and oral representations to the contrary.

I have read the foregoing statement. I understand that my employment with AVTA is at-will, and that my employment may be terminated at any time by AVTA, with or without cause or notice, either at my option or at the option of AVTA.

ACKNOWLEDGED:

Signature _____
Date

Print employee name

Authorized AVTA representative _____
Date

EMPLOYEE ACKNOWLEDGEMENT

This is to acknowledge that I have received a copy of the AVTA Personnel Rules and Regulations. I understand that it contains important information regarding AVTA's personnel policies and about my privileges and obligations as an employee. I acknowledge that I am expected to read, understand, and adhere to AVTA's policies and will familiarize myself with the material in this manual; that I have had an opportunity to ask questions regarding the material provided herein, and understand that I am governed by its contents.

I also understand that this manual covers policies and procedures in effect at this time and that AVTA may change, rescind or add to any policies, benefits or practices described in this guide at its sole discretion but only in writing and signed by the Executive Director and approved by the Board of Directors. I am aware that no employee of AVTA has the authority to modify this handbook orally or in writing except with the written approval of the Executive Director and the Board of Directors.

I further understand that the employment relationship is based on the mutual consent of each employee and AVTA. Accordingly, either I or AVTA can terminate the employment relationship at will, at any time, with or without cause or advance notice.

ACKNOWLEDGED:

Employee Signature

Date

Print employee name

This acknowledgement is maintained with this Manual for your records.

Please sign and return the acknowledgement that is the last page of this Manual.



DATE: June 25, 2019

TO: BOARD OF DIRECTORS

SUBJECT: Contract Amendment No. 1 to Contract #2016-41 with Wireless Advanced Vehicle Electrification, Inc., for Four Secondary Receiver Systems

RECOMMENDATION

That the Board of Directors authorize the Executive Director/CEO to execute Amendment No. 1 to Contract #2016-41 with Wireless Advanced Vehicle Electrification, Inc. (WAVE) for four secondary receiver systems with an option to purchase 10 additional units for a combined amount of \$1,113,000 and five-year time extension.

FISCAL IMPACT

Sufficient funds will be included in the Fiscal Year 2019/2020 (FY20) and future budgets to pay for these products.

BACKGROUND

WAVE has been providing High Power In-Route Wireless Charging Systems (primary pads and secondary receivers) since the Board of Directors approved their contract on May 24, 2016. Amendment No. 1 would add funds and a five-year time extension. This extension will allow AVTA to outfit the current fleet and accommodate fleet expansion in the future.

Prepared by:

Submitted by:

Lyle A. Block, CPPB
Procurement and Contracts Officer

Macy Neshati
Executive Director/CEO

Attachment: A – WAVE Quotation Sheet



Quotation Sheet

Customer Name:

Antelope Valley Transit Authority

Attn: Mark Perry

42210 6th Street West

Lancaster, CA 93534

Project:

High Power In-Route Wireless Charging System

Date: 6/12/2019

Valid to: 7/12/2019

Thank you for your inquiry. We are pleased to submit our quotation as follows:

WAVE System

Description	Quantity	UOM	Unit Cost	Extension
Secondary Receiver Systems	4	Each	\$79,500.00	\$318,000.00

Optional WAVE System

Description	Quantity	UOM	Unit Cost	Extension
Secondary Receiver Systems	10	Each	\$79,500.00	\$795,000.00

Notes:

THIS QUOTATION SHEET IS AN INDICATION OF THE PRICING THAT WIRELESS ADVANCED VEHICLE ELECTRIFICATION, INC. ("WAVE") IS WILLING TO OFFER BASED ON ITS CURRENT UNDERSTANDING OF THE PROJECT AND EXPECTATIONS AS TO TERMS OF ANY ENGAGEMENT WITH THE PARTY RECEIVING THIS QUOTATION SHEET. IN NO EVENT SHALL WAVE BE BOUND BY ANY OBLIGATION TO HONOR THE PRICING OR OTHER TERMS SET FORTH HEREIN UNLESS AND UNTIL AN ACCEPTABLE, BINDING COMMERCIAL AGREEMENT HAS BEEN DULY EXECUTED BY BOTH PARTIES HERETO.

- * Price includes Warranty for WAVE System - 1 year
- * Price does not include site specific installation costs, including but not limited to, site preparation, construction or installation
- * FOB Salt Lake City
- * Final price to be negotiated with Customer
- * Price quotation does not include any applicable taxes

For WAVE

Jessica Panunzio

Title: Operations Manager

Email: jessica@waveipt.com

Phone: 801.903.1731

Approved by: 
Chief Executive Officer