



Regular Meeting of the Board of Directors

Tuesday, April 22, 2025

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. A three-minute time limit will be imposed on all speakers besides 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. All accommodation requests will be handled swiftly and resolving all doubts in favor of access.

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 Richard Loa, Director Eric Ohlsen, Director Raj Malhi, Director Michelle Royal

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. For record-keeping purposes and so that staff may contact you if needed, we request that a speaker card, located in the

Community Room lobby, be completed and provided to the 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.

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. A three-minute time limit will be imposed on all speakers other than staff members.

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 LEGISLATIVE REPORT FROM SENATOR SUZETTE VALLADARES' OFFICE – JACK DANIELSON
- SRP 2 LEGISLATIVE REPORT FROM ASSEMBLYMEMBER TOM LACKEY'S OFFICE – ANNA ZARLEY
- SRP 3 PRESENTATION TO EMMA CAMPOS, CUSTOMER SERVICE REPRESENTATIVE II, FOR 10 YEARS OF SERVICE – CARLOS LOPEZ
- SRP 4 PRESENTATION TO AVTA EMPLOYEE OF THE MONTH FOR MARCH 2025 – VIANNEY MCLAUGHLIN
- SRP 5 PRESENTATION TO MV TRANSPORTATION EMPLOYEE AND OPERATOR OF THE MONTH FOR MARCH 2025 – TOM CONLON
- SRP 6 PRESENTATION TO AV TRANSPORTATION SERVICES (AVTS) EMPLOYEE OF THE MONTH FOR MARCH 2025 – ART MINASYAN
- SRP 7 AVTS MICROTRANSIT AND DIAL-A-RIDE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR MARCH 2025 – ART MINASYAN
- SRP 8 LEGISLATIVE REPORT FOR APRIL 2025 – JUDY VACCARO-FRY
- SRP 9 MAINTENANCE KPI REPORT FOR MARCH 2025 – JOSEPH SANCHEZ
- SRP 10 OPERATIONS KPI REPORT FOR MARCH 2025 – GENIE MAXIE

CONSENT CALENDAR (CC): Consent items 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 MARCH 25, 2025 - DEEANNA CASON

Recommendation: Approve the Board of Directors Regular Meeting Minutes of March 25, 2025.

CC 2 FINANCIAL REPORT FOR MARCH 2025 – VIANNEY MCLAUGHLIN

Recommendation: Receive and file the Financial Report for March 2025.

CC 3 FISCAL YEAR 2024/2025 (FY 2025) THIRD QUARTER LOS ANGELES COUNTY SHERIFF'S DEPARTMENT (LASD) REPORT (JANUARY 1 – MARCH 31, 2025) – DEEANNA CASON

Recommendation: Receive and file the FY 2025 Third Quarter Los Angeles County Sheriff's Department (LASD) Report for the period covering January 1 through March 31, 2025.

NEW BUSINESS (NB):

NB 1 ELECTION OF BOARD OFFICERS FOR FISCAL YEAR 2025/2026 (FY 2026) – DEEANNA CASON

Recommendation: Nominate and elect a Chair and Vice Chair for FY 2026.

NB 2 CONSIDER ANTELOPE VALLEY TRANSIT AUTHORITY BOARD OF DIRECTORS TO APPROVE MEMBERSHIP IN THE FIRST PUBLIC HYDROGEN AUTHORITY (FPH₂) – MARTIN TOMPKINS

Recommendation: Approve and authorize the Antelope Valley Transit Authority to enter the JPA Agreement and thereby approve and authorize the Antelope Valley Transit Authority to become a member of (FPH₂).

NB 3 AMENDMENT NO. 3 TO CONTRACT #2020-20 WITH AV TRANSPORTATION SERVICES, INC. – MARTIN TOMPKINS

Recommendation: Authorize the Executive Director/CEO or designee to execute Amendment No. 3 to Contract #2020-20 with AV Transportation Services, Inc. (AVTS) exercising the two one-year options at an annual rate increase for both FY 2026 and FY 2027 for Dial-A-Ride and On-Request Microtransit services.

NB 4 FY 2026 PRELIMINARY BUDGET ASSUMPTIONS – JUDY VACCARO-FRY

Recommendation: Approve the FY 2026 Preliminary Budget Assumptions and provide direction to staff regarding fiscal priorities for the final FY 2026 Budget.

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(d)(2)
Significant exposure to litigation (two potential cases)

CS 2 Conference with Legal Counsel – Pursuant to Government Code Section 54956.9(d)(4)
Consideration of whether to initiate litigation (one potential case)

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 May 27, 2025, at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

The agenda was posted by 6:00 p.m. on April 18, 2025, 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.



FY 2025 MONTHLY OPERATIONS
KEY PERFORMANCE INDICATORS

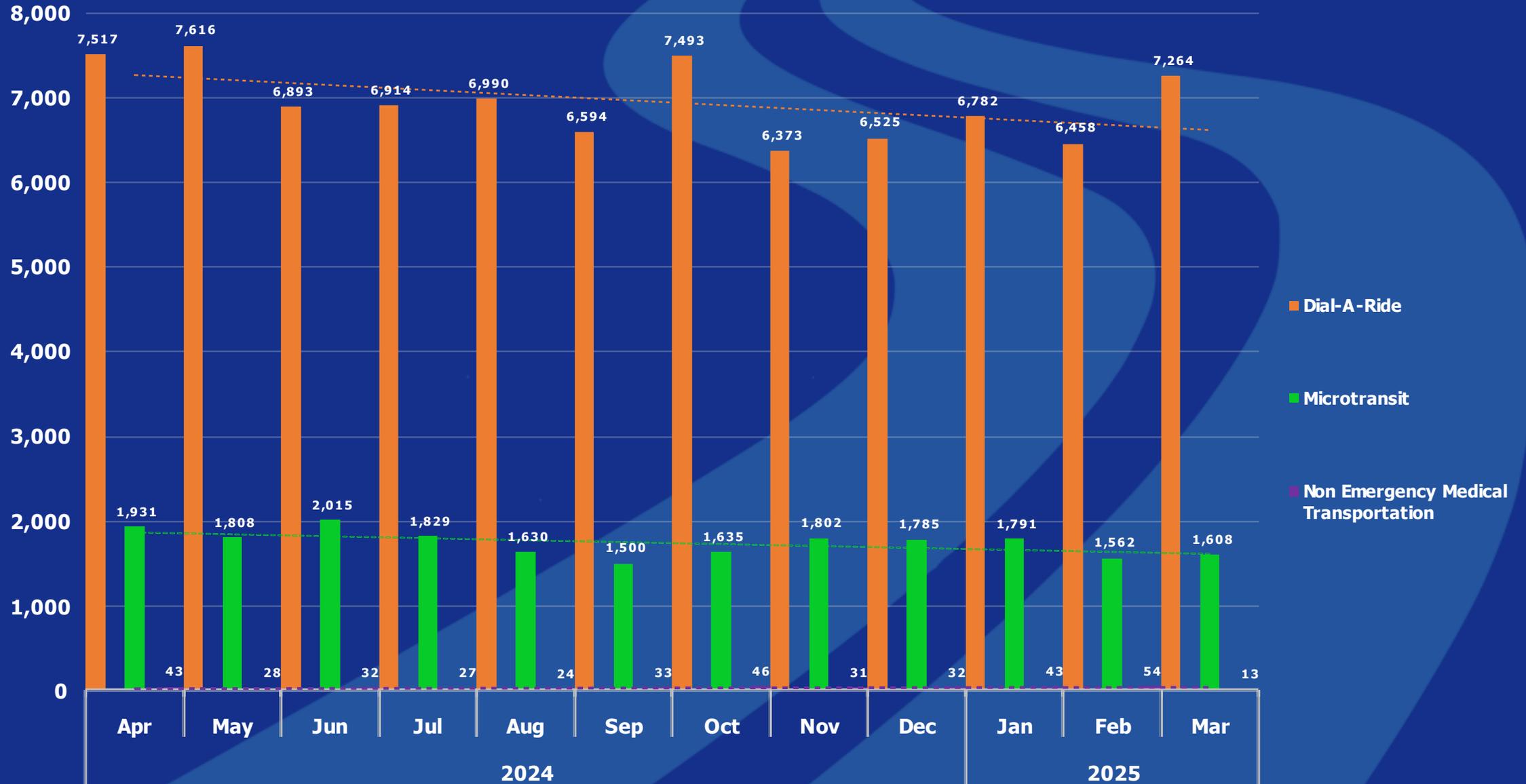
March

PRESENTATION BY ARTZRUN MINASYAN
TO THE AVTA BOARD OF DIRECTORS

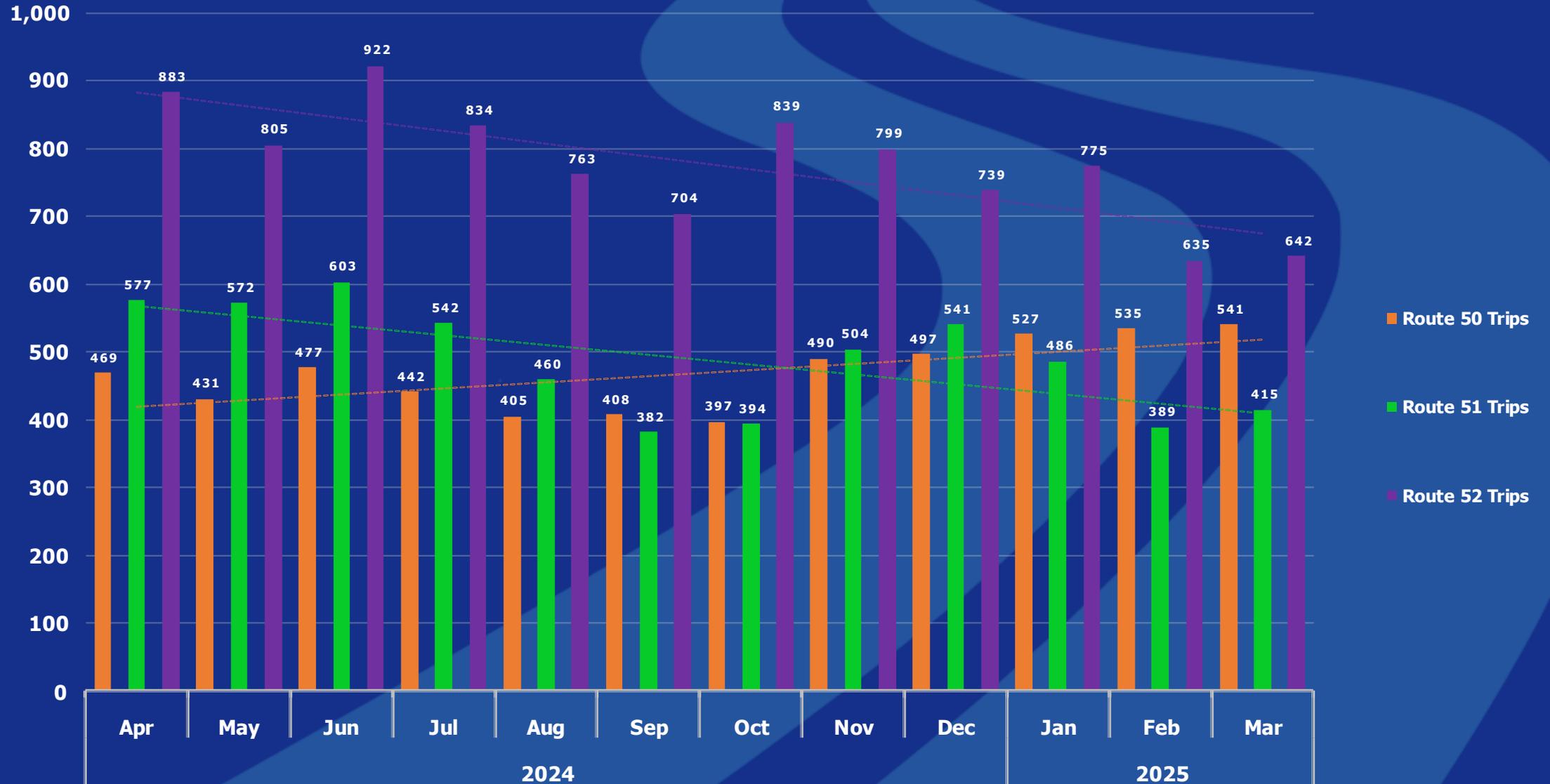


APRIL 22, 2025

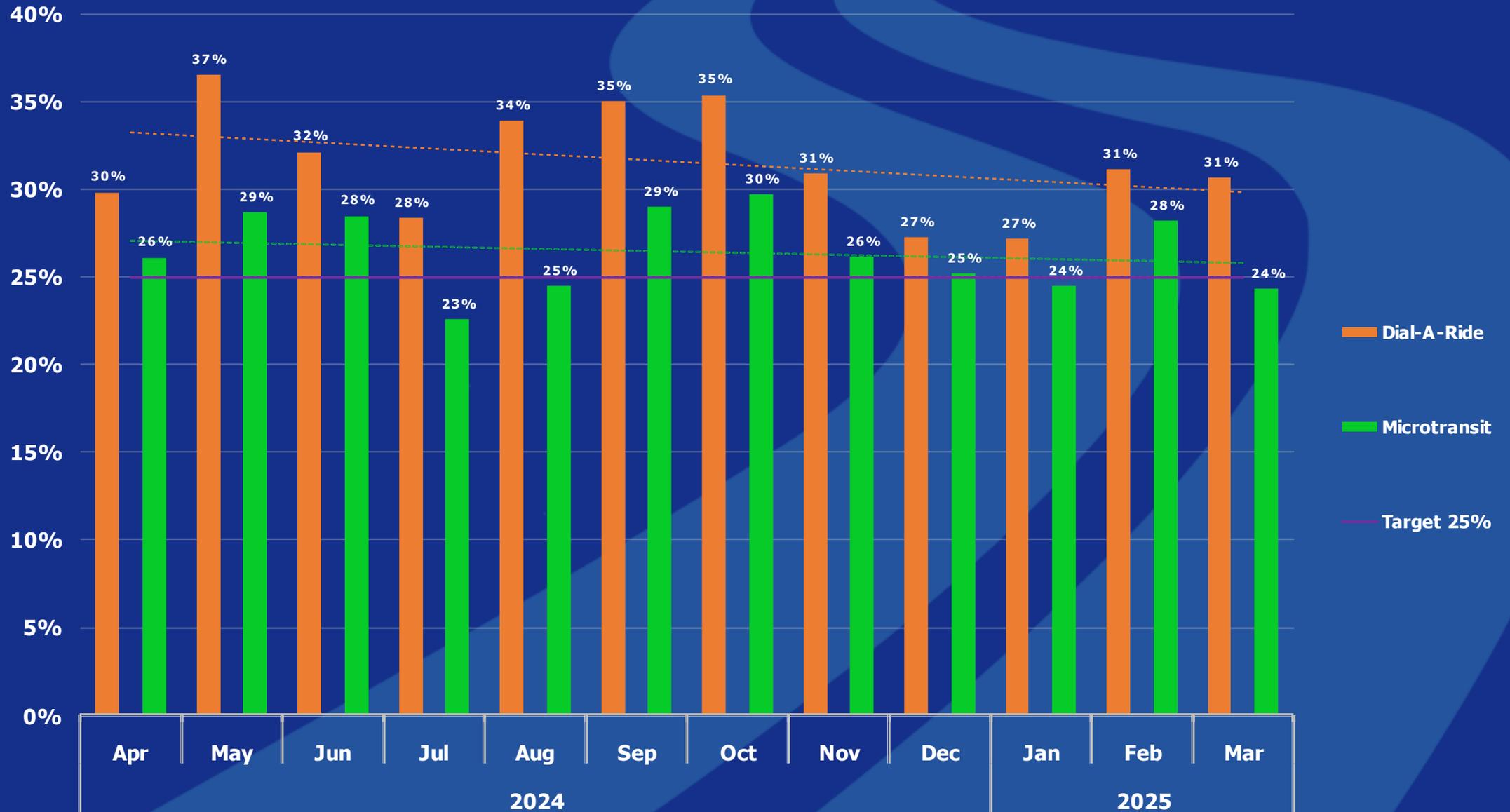
PASSENGER RIDERSHIP DATA



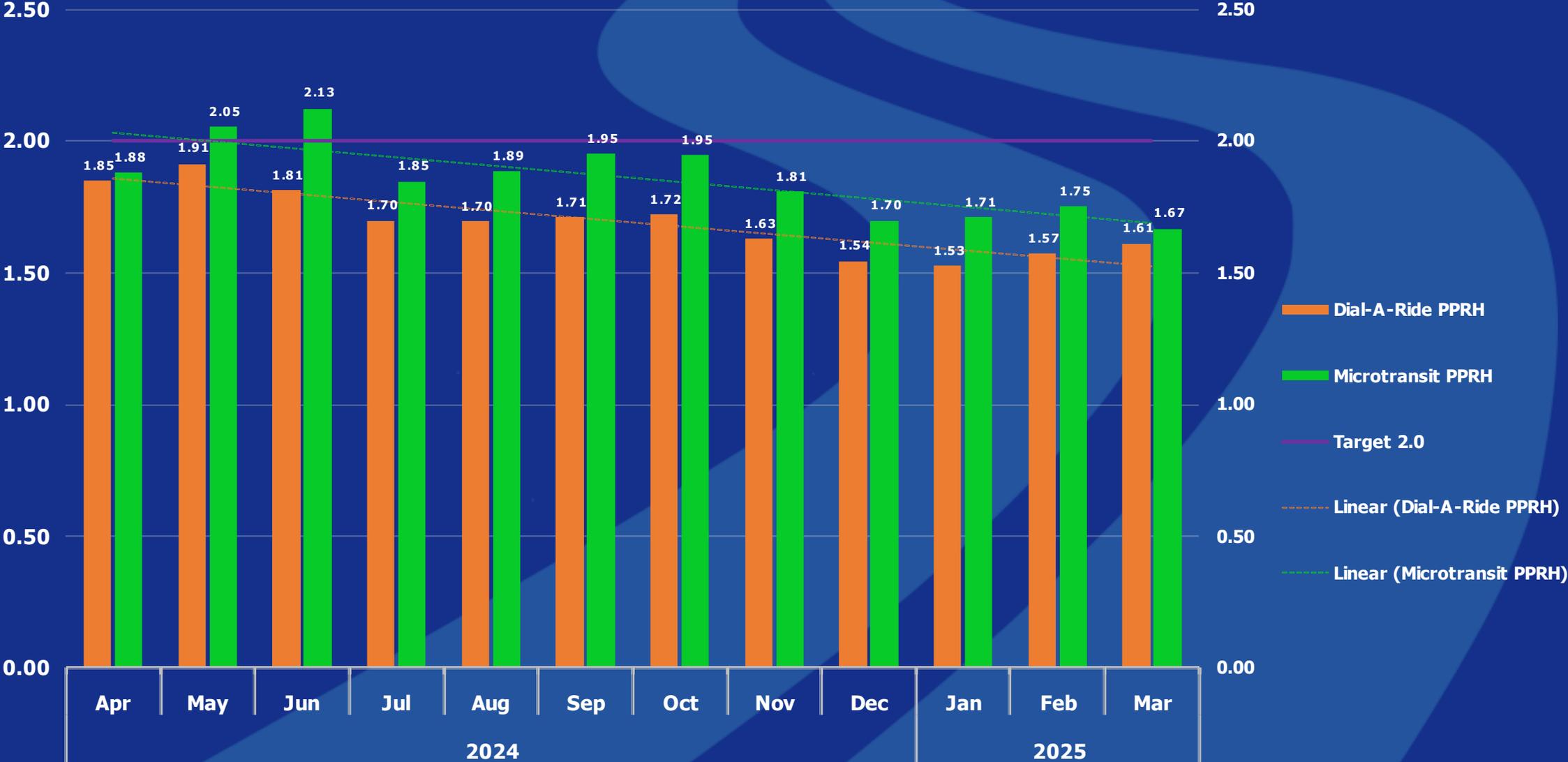
PASSENGER RIDERSHIP MICROTRANSIT - ROUTES 50, 51, 52



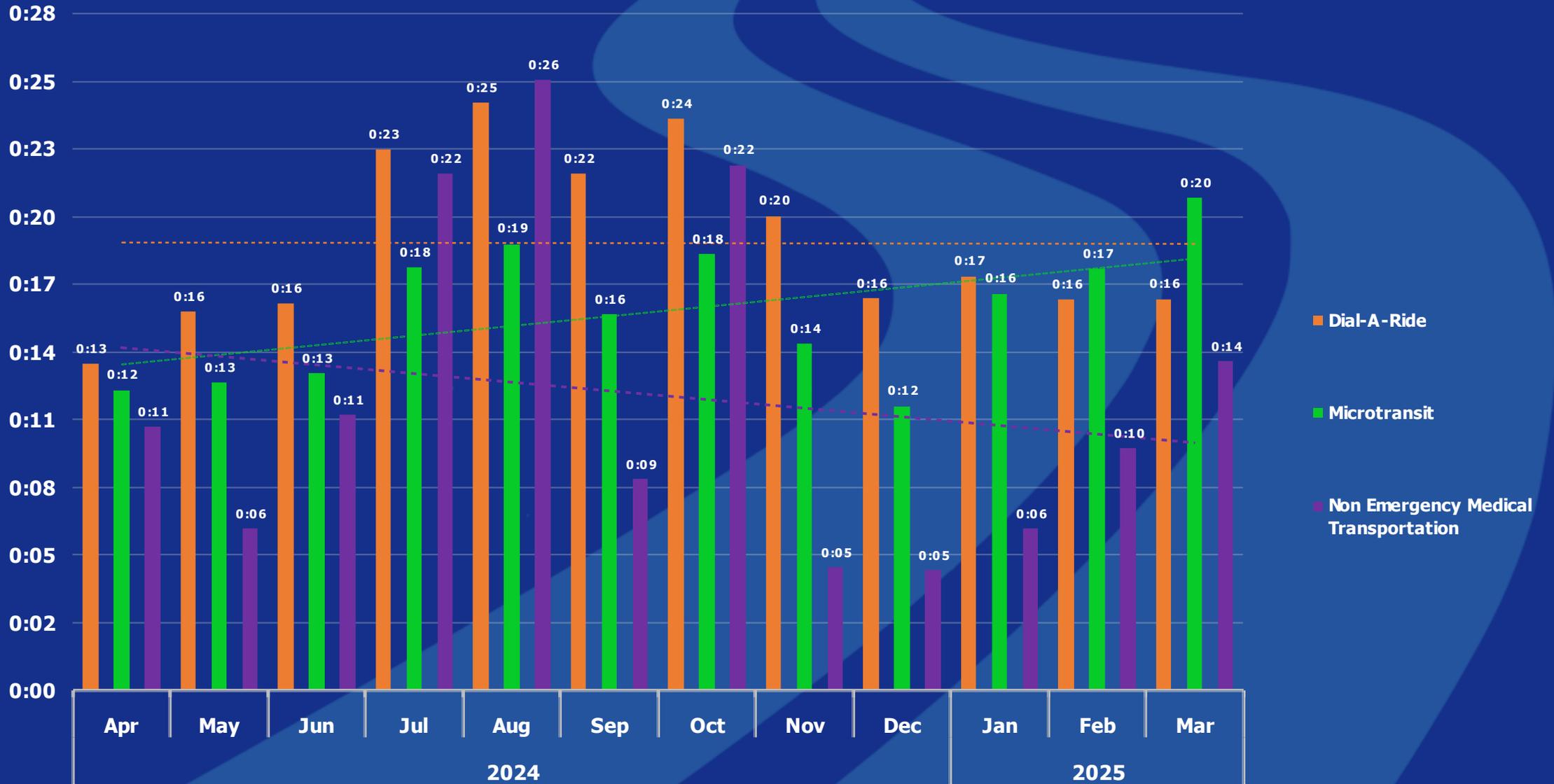
AVERAGE SHARED RIDE PERCENTAGE



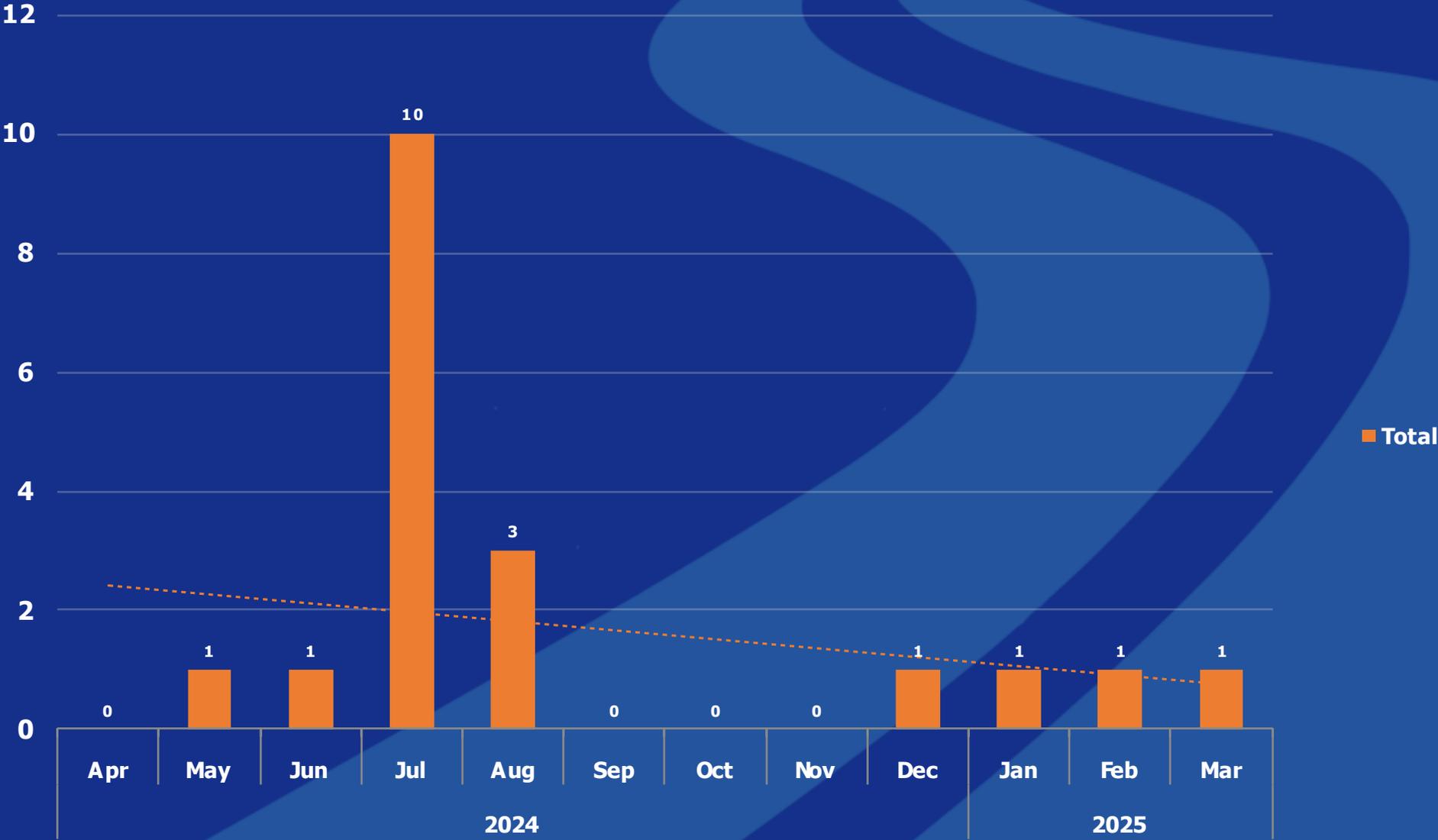
PASSENGERS PER REVENUE HOUR



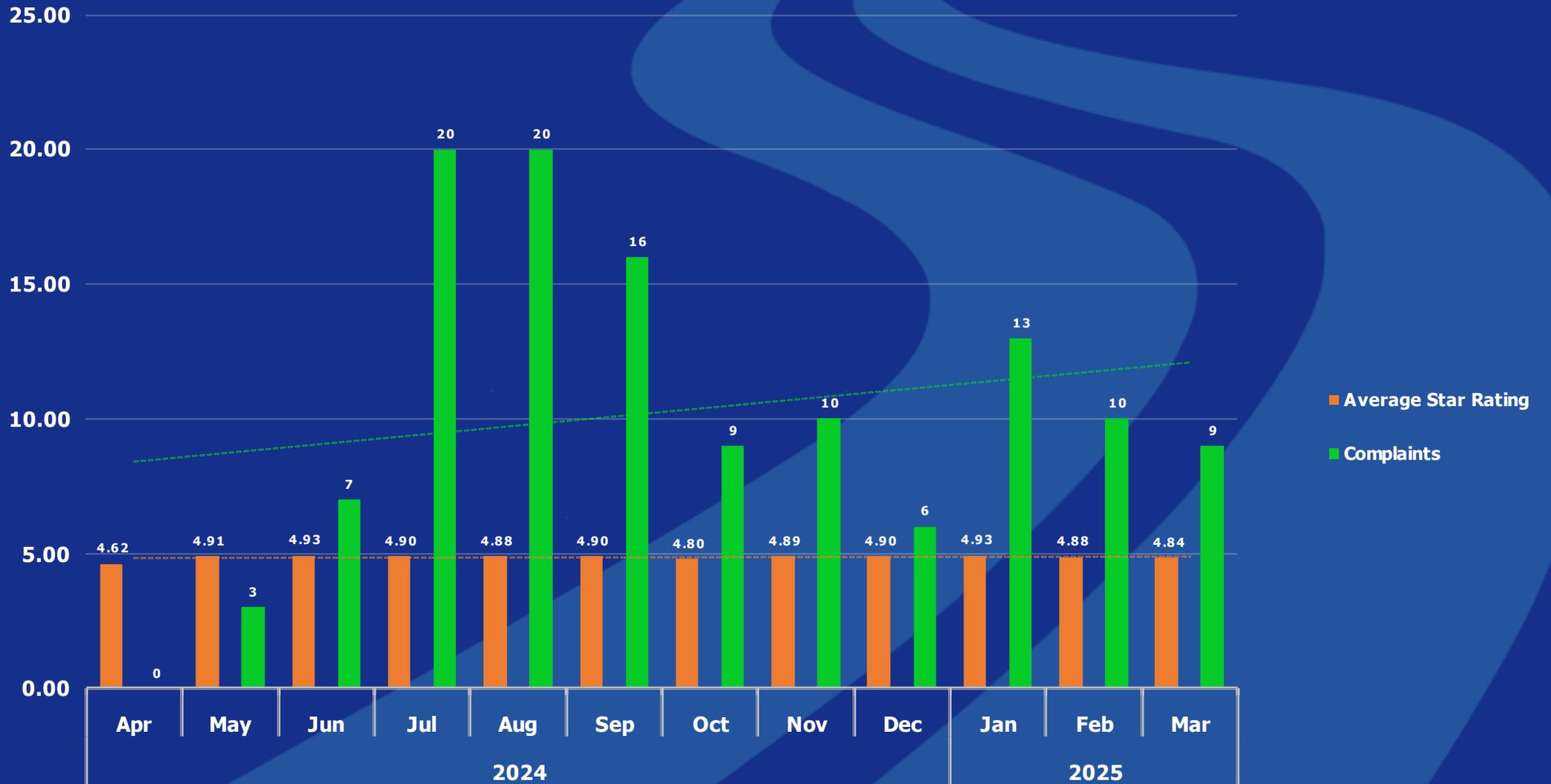
PASSENGER WAIT TIME



ACCIDENTS



PASSENGER FEEDBACK



ACCIDENTS AND COMPLAINTS SUMMARY

Accidents



- 1 – Non-Preventable
Driver was rear-ended while stopped

Complaints



- 6 – Late
- 1 – Reservation Error
- 1 – CSA Related
- 1 – No Show Appeal



Thank you!



APRIL 22, 2025

LEGISLATIVE UPDATE

Presentation to the Board of Directors
April 22, 2025



STATE



CARB - LCFS CREDITS



On April 4, the California Air Resources Board released proposed technical amendments to the Low Carbon Fuel Standard.

Last year CARB approved amendments to the LCFS and submitted the final rulemaking package to the Office of Administrative Law (OAL).

In February OAL disapproved the rulemaking package, determining that 26 proposed regulatory provisions did not comply with the clarity standard of the Administrative Procedure Act.

The proposed technical amendments to the LCFS directly respond to OAL's action.

CARB is accepting comments on the proposed amendments through April 21, 2025.

ASSEMBLY BILL SUMMARY



AB 314 - California Environmental Quality Act: major transit stop.

- NOW: Affordable Housing and Sustainable Communities Program: project eligibility.

AB 854 - Environmental quality: greenhouse gas emissions: permit streamlining.

- NOW: Was solely for residential, now broader application

AB 1237 - County of Los Angeles sporting events: ticket charge: public transit.

- NOW: adds Santa Clara and creates Santa Clara Transit Authority

STILL IN COMMITTEE REVIEW:

AB 394 - Crimes: public transportation providers.

AB 861 - Community colleges: students public transportation: LA Community College District.

AB 891 - Transportation: Quick-Build Project Pilot Program.

AB 902 - Transportation planning and programming: barriers to wildlife movement.

AB 939 - The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.

SENATE BILL SUMMARY



SB 71 California Environmental Quality Act: exemptions: transit projects.

- NOW: exemption until January 1, 2032, exempt from the requirements of CEQA a public project located on a site that is wholly within the boundaries of an urbanized area or urbanized cluster

SB 79 Planning and zoning: housing development: transit-oriented development.

- NOW: Local government land: public transit use

SB 801 Greenhouse gases: reduction.

- NOW: Local government land: public transit use

STILL IN COMMITTEE REVIEW:

SB 220 - Los Angeles County Metropolitan Transportation Authority.

- Hearing set for April 28

SB 359 - Diesel Fuel Tax Law: exempt bus operation.

- Hearing set for May 14

SB 752 - Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.

- Hearing set for May 14

SB 445 - Sustainable Transportation Project Permits and Cooperative Agreements.

PROPOSED BILL



AB 1070

Bill was amended and is now set for hearing in the Assembly Local Government Committee on April 23; amendments are generally clarifying in nature.

This legislation would:

- Require transit districts to expand their boards to accommodate ex-officio members representing transit labor and riders, and which would prohibit board compensation unless governing board members can demonstrate they use transit.

As currently drafted, the bill impacts only transit districts, as established in state law as special districts.

CTA's thought is this bill may soon be amended to impact transit agencies more broadly, including JPAs and municipal operators.

FEDERAL



EXECUTIVE ORDER



On April 8, The President signed EO “*Protecting American Energy from State Overreach*”.

This is poised to create significant friction between the federal government and California’s environmental policies.

1. Targets California’s Cap-and-Trade Program: Specifically aims to dismantle California’s cap-and-trade system.
2. Challenges State Climate Accountability Laws: California’s proposed “Polluters Pay Climate Superfund Act,” is under threat.
3. Opposes Stricter Vehicle Emission Standards: Granted by a federal waiver, state sets its own vehicle emissions and electric vehicle mandates..
4. Undermining Renewable Energy Initiatives: The orders emphasis is on boosting fossil fuel production and reducing support for renewable energy projects.
5. Legal and Constitutional Conflicts: By directing the Department of Justice to challenge state climate laws deemed unconstitutional.

BUDGET RESOLUTION



On April 10, the House approved the FY2025 Concurrent Budget Resolution.

The FY2025 Budget Resolution is the spending blueprint precursor to the Budget Reconciliation bill.

Now that both chambers have agreed to the exact same version of the resolution, the most important thing becomes the “reconciliation directives”.

These directives order several committees to approve changes in laws in their jurisdiction to provide minimum amounts of deficit increase or reduction over a ten-year period.

Orders the House Transportation and Infrastructure Committee to report changes in law that result in at least \$10 billion in deficit reduction over a decade.

BUDGET COMMITTEE HEARINGS



On April 16, the House Subcommittee on Highways and Transit held a hearing, titled *"America Builds: A Review of Our Nation's Transit Policies and Programs."*

The committee's message, *"we have an opportunity in the next surface bill to ensure that public transportation systems have the flexibilities they need to deliver high quality services."*

Highlights included:

- Advocating for Private Contracting
- Autonomous Vehicles
- Administrations Actions – status of projects already selected for funding
- Safety
- Rural v. Urban

GRANT OPPORTUNITY



Earlier this month, the Notice of Funding Opportunity (NOFO) for the Safe Streets and Roads for All (SS4A) program was released.

The IIJA established this grant program funds regional, local, and Tribal initiatives through grants to prevent roadway fatalities and serious injuries.

The program provides funding for two types of grants:

- Planning and Demonstration Grants for Action Plans
- Implementation Grants.

\$5 billion was appropriated funds over 5 years, 2022-2026. This program has almost \$2 billion still available for future funding rounds.

The deadline for applications is June 26, 2025.

Questions?



SRP 9

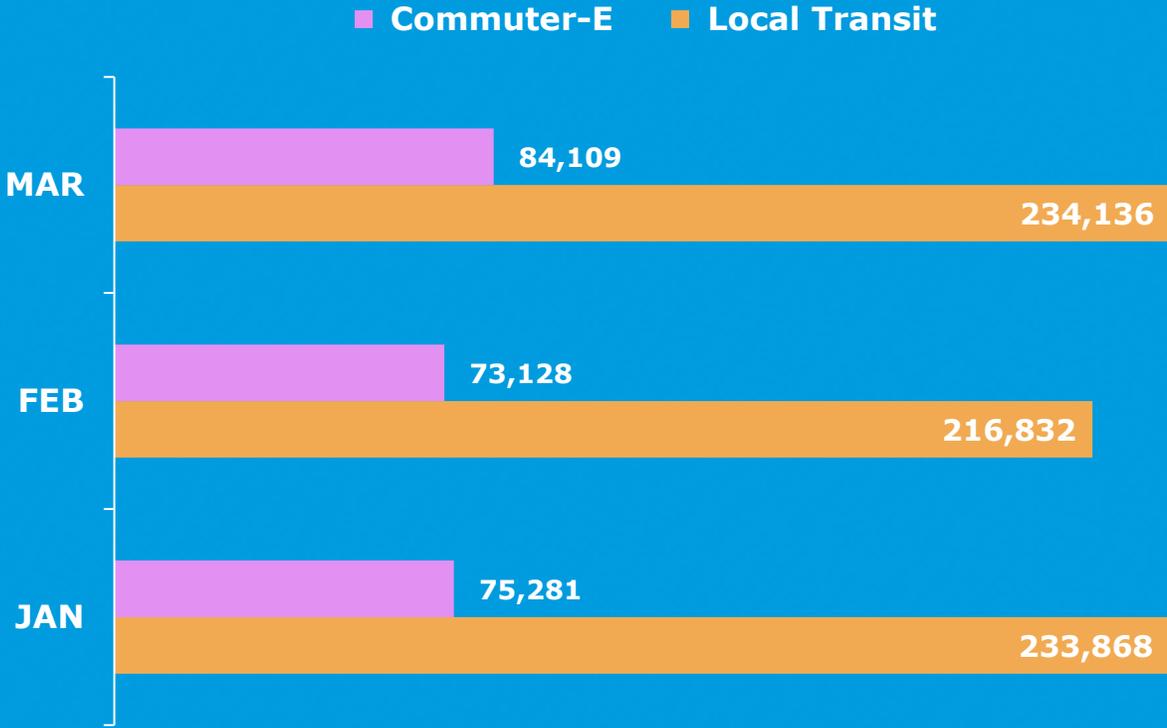
FY 25 Monthly Fleet Maintenance Key Performance Indicators

Presentation to the Board of Directors

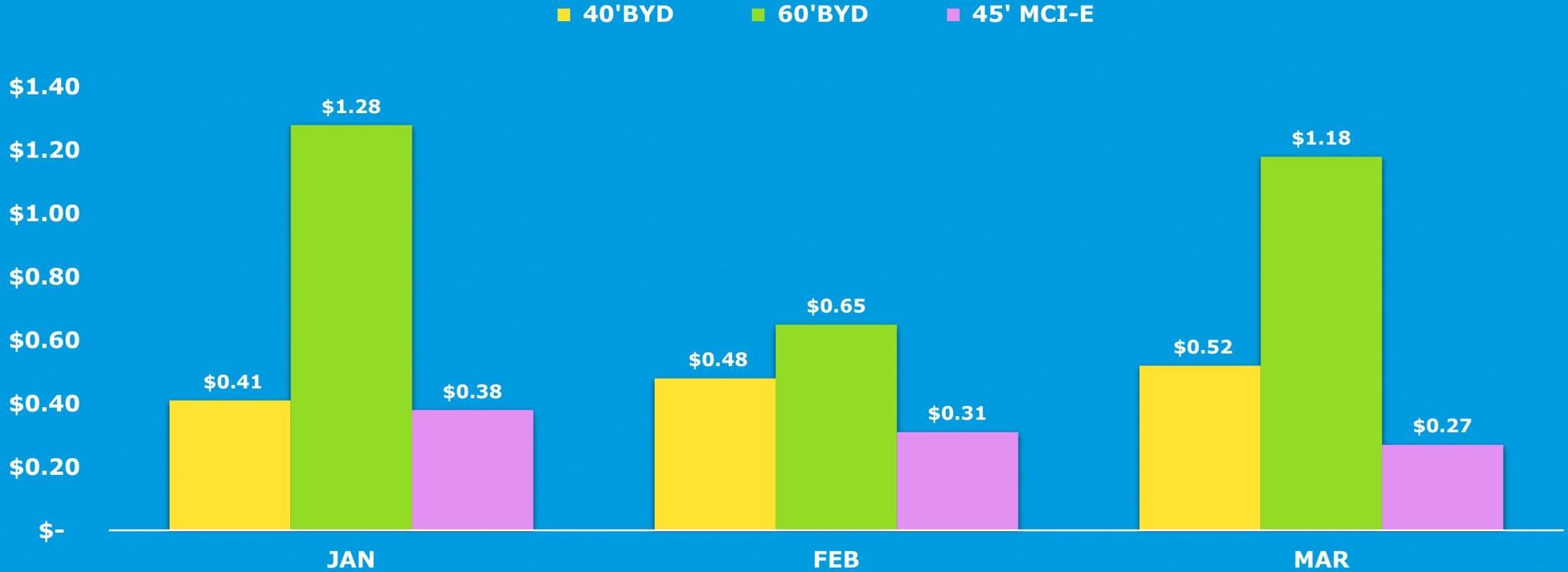
April 22, 2025



MILESTONES



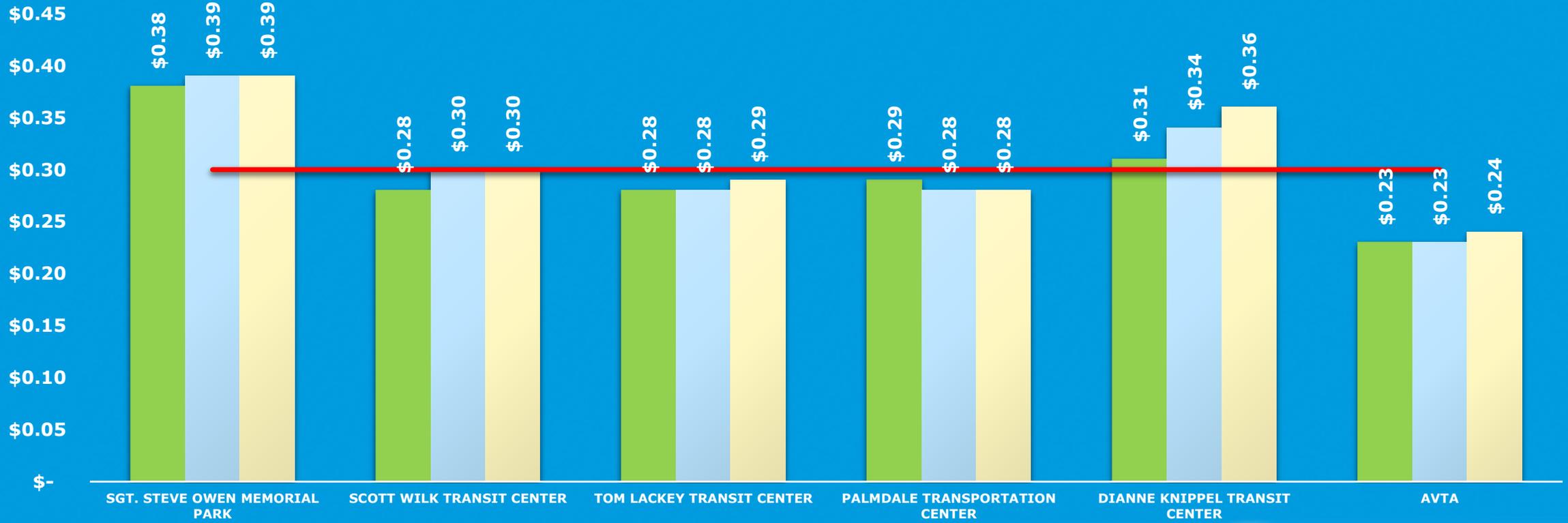
MAINTENANCE COST PER MILE BY FLEET



ENERGY DEPOTS

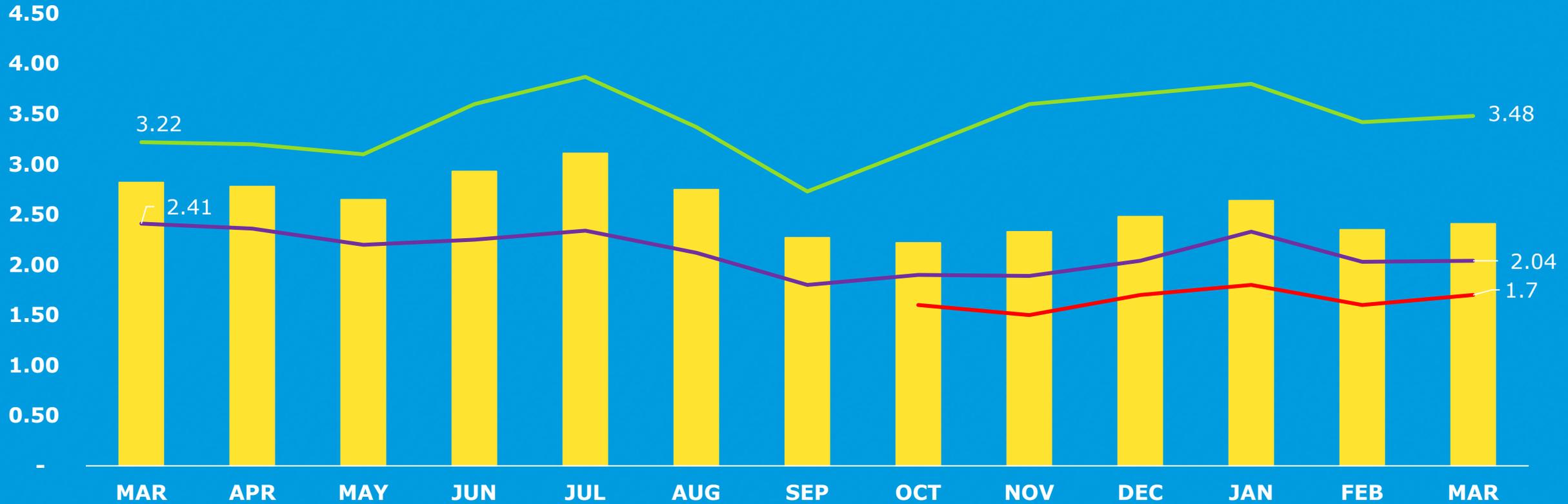
COST PER KWH

JAN FEB MAR AVG kWh



kWh EFFICIENCY PER MILE

FLEET AVG 40'BYD 60'BYD 45'MCI

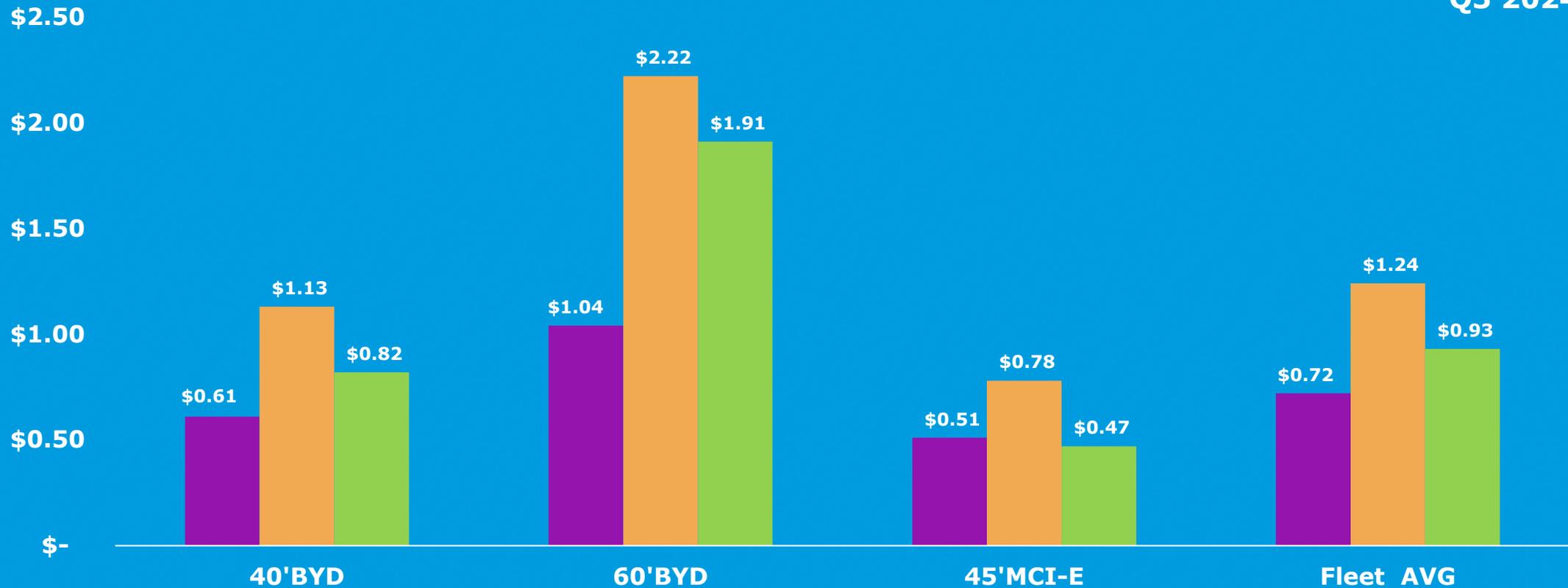


FLEET COSTS PER MILE

MARCH

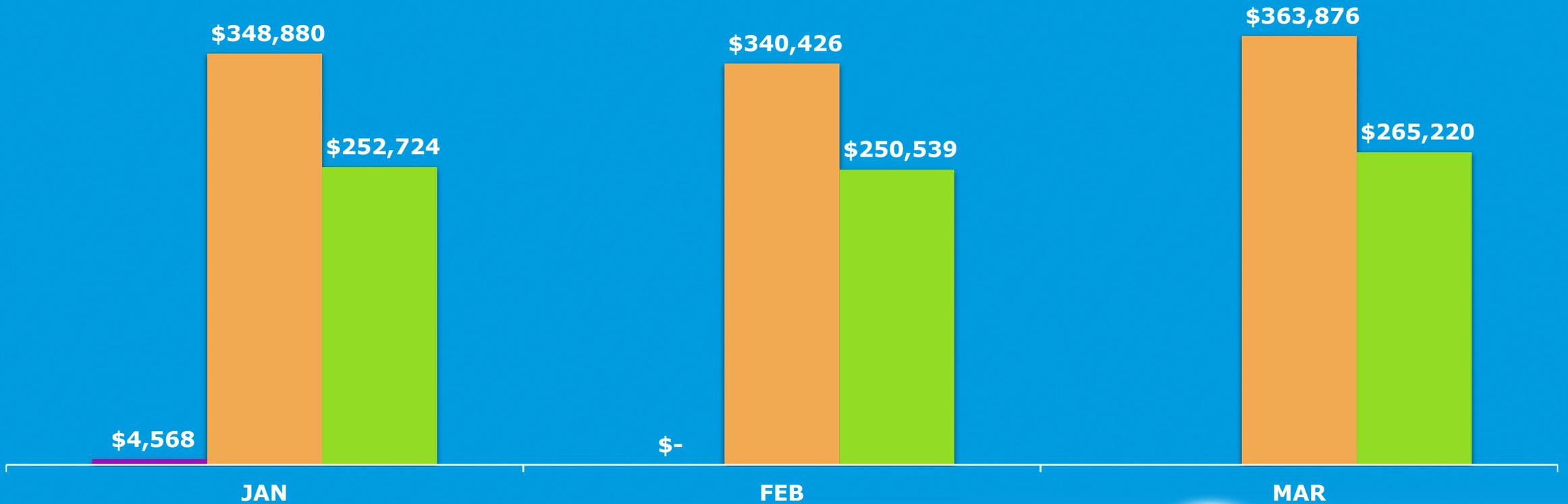
■ ENERGY/FUEL ■ MAINTENANCE COMBINED ■ CREDITS APPLIED

LCFS EARNINGS
Q3 2024: \$.31



FLEET OPERATING COSTS ENERGY/FUEL AND MAINTENANCE

■ DIESEL ■ COMBINED COSTS ■ CREDITS APPLIED



Thank you!





FY 2025 Monthly Operations Key Performance Indicators

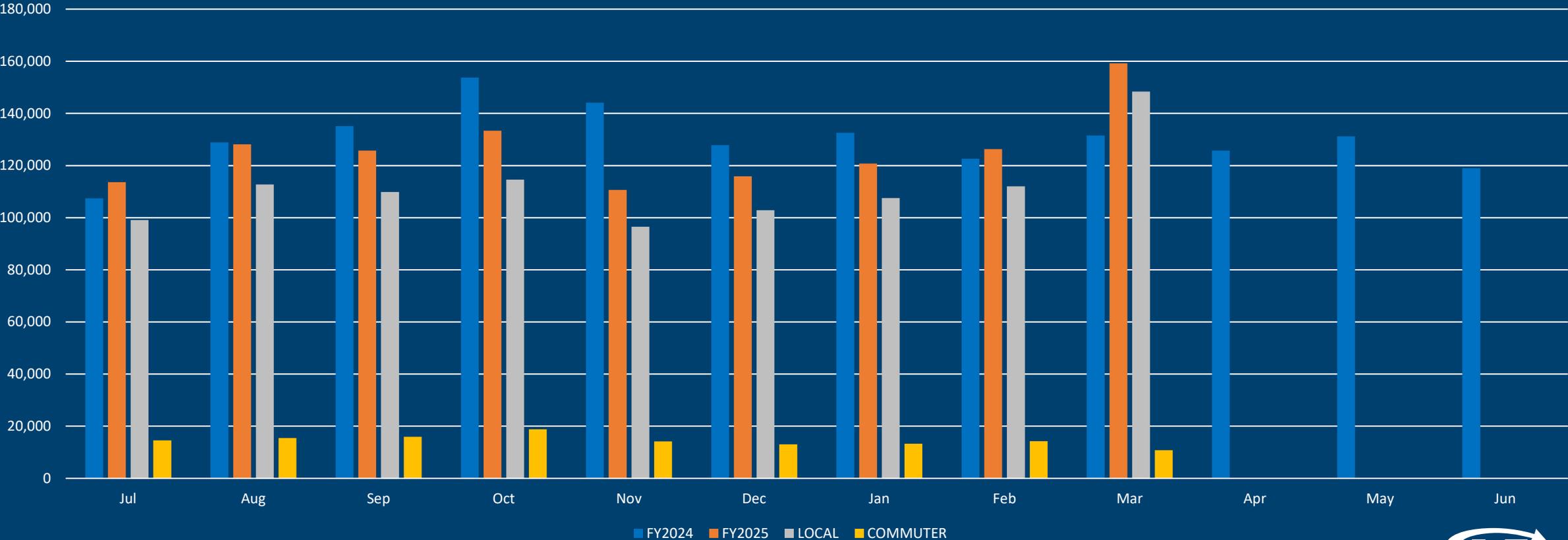
Presentation to the Board of Directors
April 22, 2025

March 2025

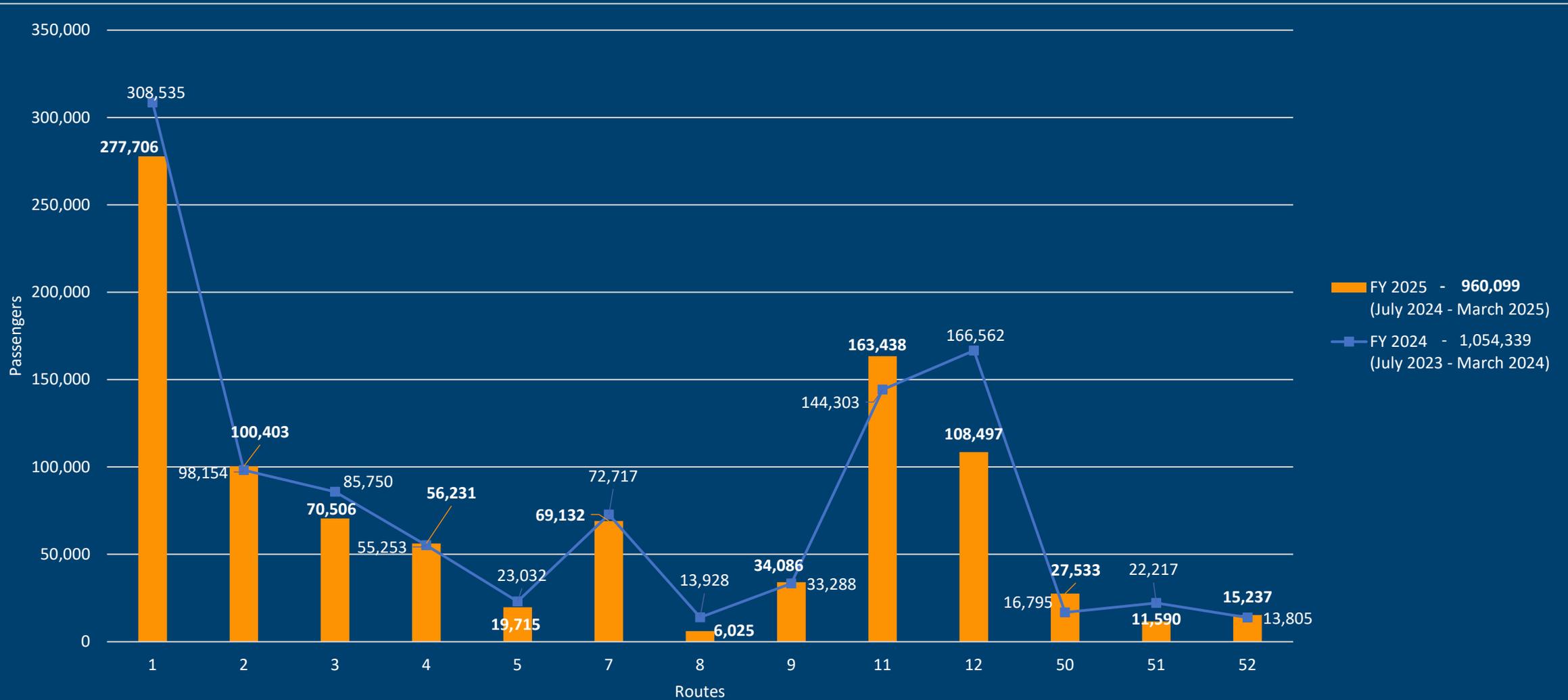
Genie Maxie

MONTHLY BOARDING ACTIVITY

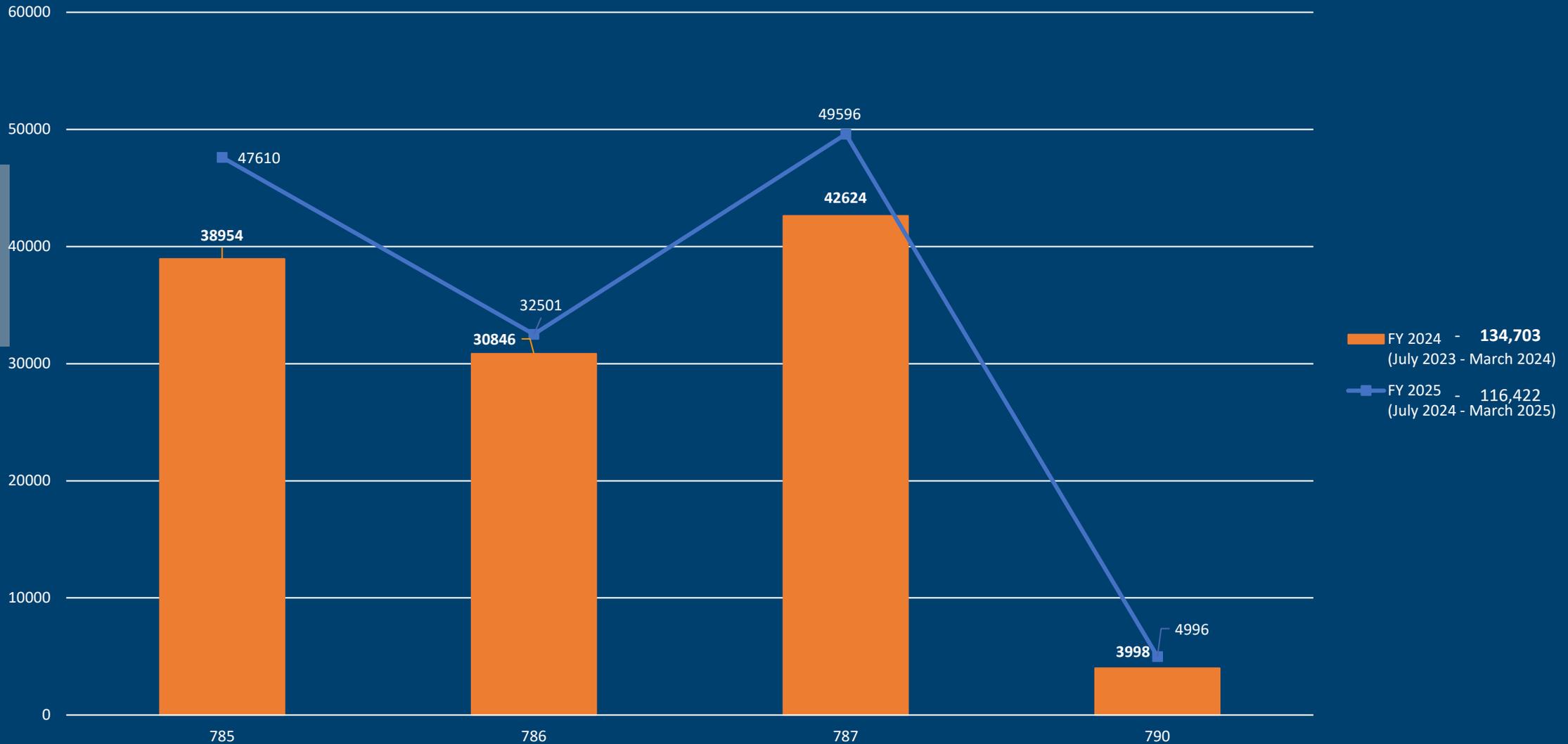
	March 2025 FY 2025	February 2025 FY 2025
System	132,792	126,294
Local	117,491	112,030
Commuter	15,301	14,264



ANNUAL RIDERSHIP – LOCAL ROUTES

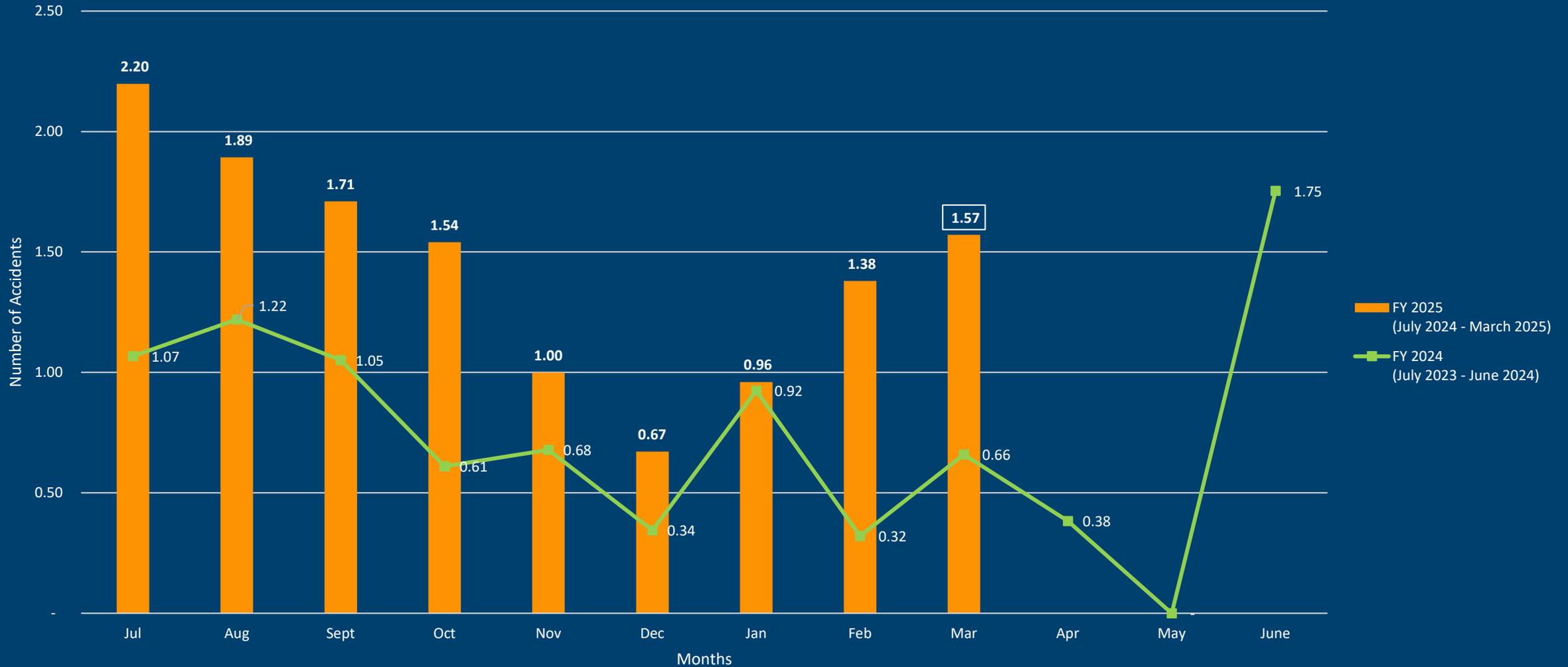


ANNUAL RIDERSHIP - COMMUTER ROUTES



PREVENTABLE ACCIDENTS /100,000 MILES

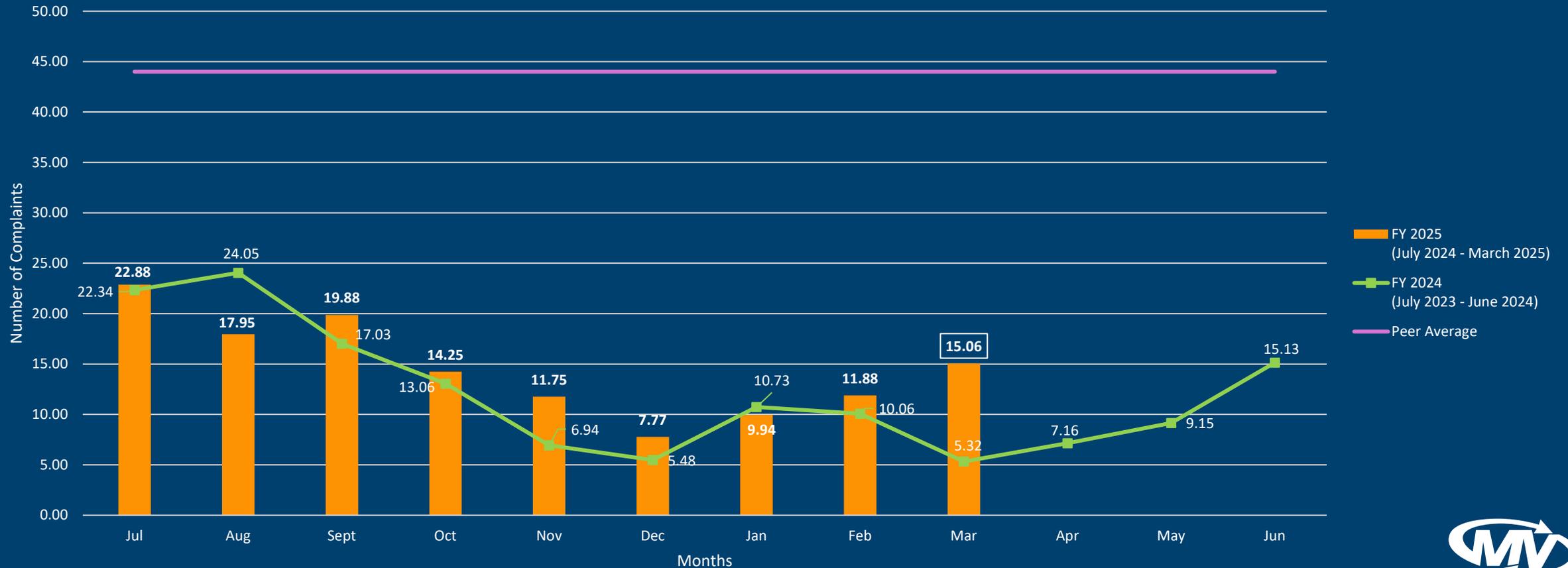
MARCH – SYSTEMWIDE AVERAGE: 1.57



COMPLAINTS / 100,000 BOARDINGS

MARCH - SYSTEM WIDE AVERAGE: 15.06

PEER AVERAGE: 44.00



Accidents and Complaints Summary

ACCIDENTS: (5 preventable)

- Bus came into contact with another vehicle. (2)
- Bus made contact with charging stall at yard.
- Bus mirror made contact with bus stop sign.
- Bike rack came in contact with yellow pole at yard.

*There were no injuries related to the above accidents

COMPLAINTS: (20 valid)

- Bus Running Early - 1
- Bus Running Late - 2
- Defective Coach - 2
- Discourteous Operator - 4
- Passenger Disturbance - 4
- Passenger Injury - 1
- Passenger Passed Up at Stop - 4
- Vehicle Accident - 1
- Unsafe Driving - 1

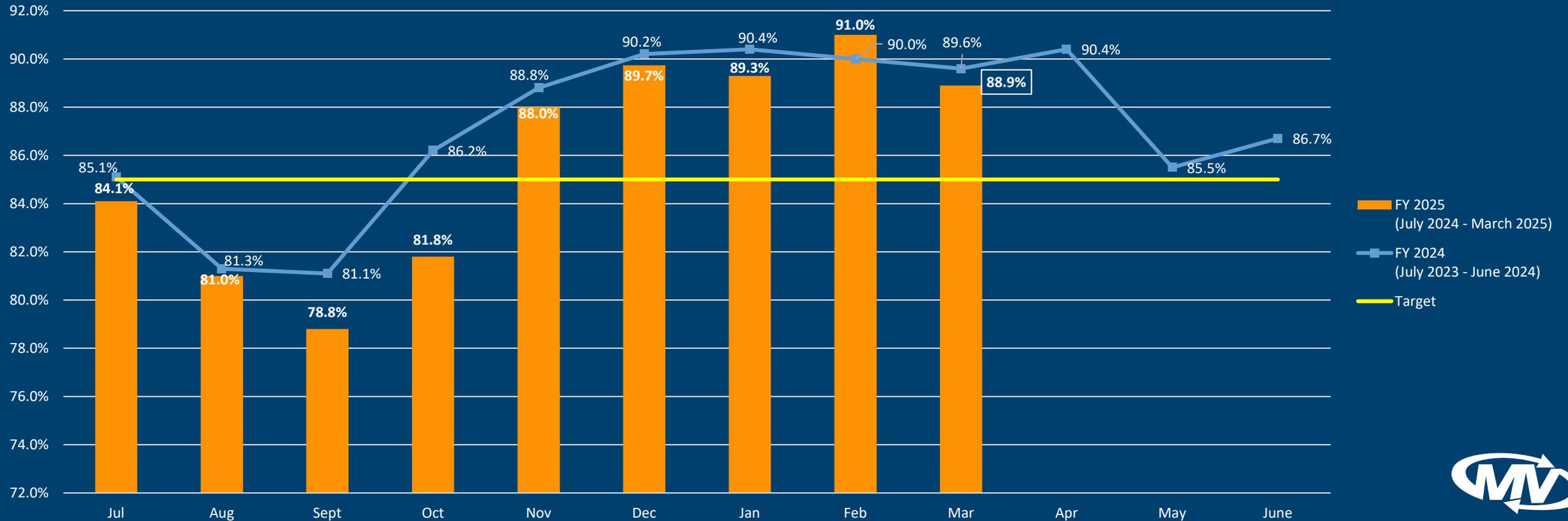
ON-TIME PERFORMANCE

MARCH - SYSTEMWIDE AVERAGE – 88.9%

LOCAL – 87.0%

COMMUTER – 90.8%

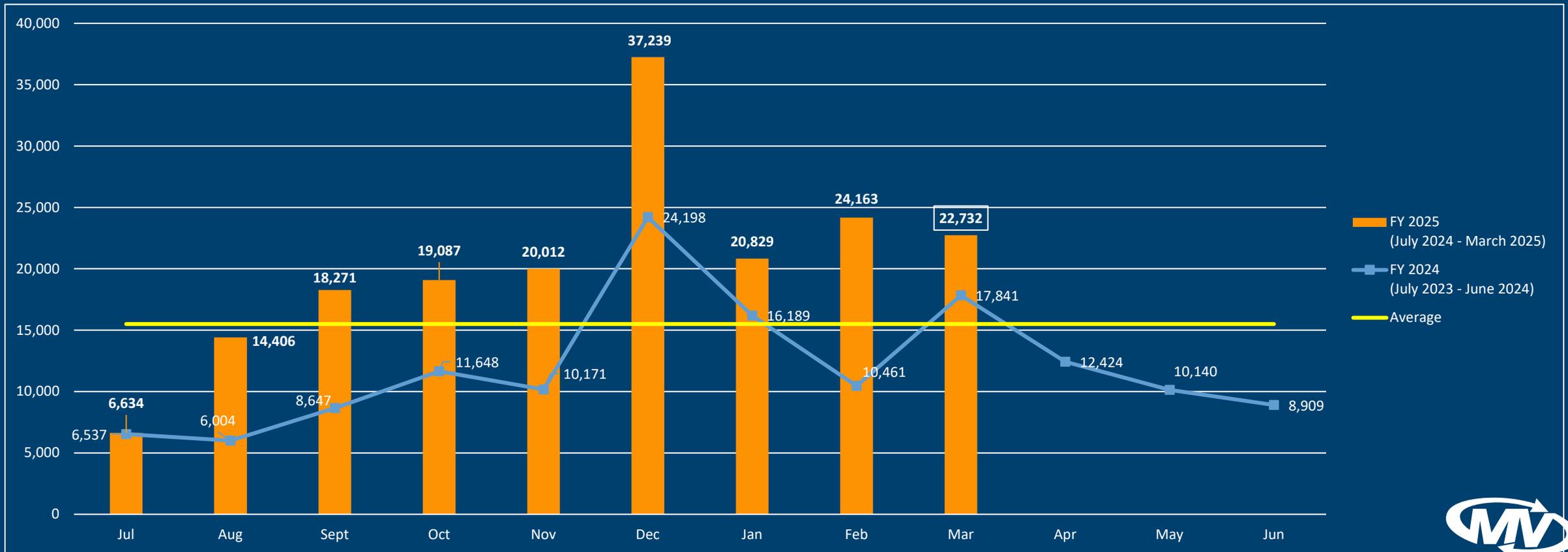
TARGET: 85%



AVERAGE MILES BETWEEN ROADCALLS

MARCH - SYSTEM WIDE AVERAGE: 22,732

TARGET: 15,500



KEY PERFORMANCE INDICATORS

	AVTA Targets	March 2025 FY 2025	February 2025 FY 2025	March 2024 FY 2024
Boarding Activity		132,792	126,294	131,496
Complaints / 100,000 Boardings	≤ 44	15.06	11.88	5.32
Preventable Accidents / 100,000 Miles	≤ 1	1.57	1.38	0.66
On Time Performance	≥ 85%	88.9%	91.0 %	89.6%
Average Miles Between Roadcalls	≥ 15,500	22,732	24,163	17,841





WE ARE MVMNT

**THANK
YOU**

Questions?



Regular Meeting of the Board of Directors

Tuesday, March 25, 2025

10:00 a.m.

Antelope Valley Transit Authority Community Room

42210 6th Street West, Lancaster, California

www.avta.com

UNOFFICIAL MINUTES

CALL TO ORDER:

Chairman Crist called the meeting to order at 10:00 a.m.

PLEDGE OF ALLEGIANCE:

Director Ohlsen led the Pledge of Allegiance.

ROLL CALL:

PRESENT

Chairman Marvin Crist, Vice Chair Dianne Knippel, Director Eric Ohlsen, Director Raj Malhi, Director Michelle Royal, Alternate Director Kathryn Mac Laren

APPROVAL OF AGENDA:

On a motion by Vice Chair Knippel and seconded by Director Malhi, the Board of Directors approved the agenda as comprised.

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

Yeas: Chairman Crist, Vice Chair Knippel, Directors Ohlsen, Malhi, Royal, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

PUBLIC BUSINESS– AGENDIZED AND NON-AGENDIZED ITEMS:

Timothy McLaughlin complimented the Dial-A-Ride (DAR) operators and staff for going above and beyond.

Fran Sereseres expressed gratitude to the DAR operators and staff. Vice Chair Knippel thanked the leadership for the messages from the top, emphasizing the importance of serving and caring for the passengers.

Milcah White thanked the DAR staff and operators for providing excellent customer service and suggested offering holiday services between DAR and Access Services.

Charlotte Baxter stated she is experiencing issues with dispatch coordinating her rides, the DAR app, and customer service hold time.

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

**SRP 1 LEGISLATIVE REPORT FROM SENATOR SUZETTE VALLADARES'
OFFICE**

Jack Danielson, State Senator Valladares' field representative, introduced Chris Ward, the veteran representative for State Senator Valladares, who spoke about Access Services. Chairman Crist directed Executive Director/CEO Martin Tompkins to follow up with Ms. Ward. Mr. Danielson announced that Senator Valladares had been selected as the Republican Caucus Minority Whip and reported on Senate Bill (SB) 23: Property taxation: exemption: disabled veteran homeowners.

**SRP 2 LEGISLATIVE REPORT FROM ASSEMBLYMEMBER TOM LACKEY'S
OFFICE**

Angela Marie Allen, Assemblymember Lackey's district field representative, reported on Assembly Bill (AB) 486: Vehicle: sideshows and street takeovers, which prohibits a person from engaging in, aiding, or abetting a motor vehicle speed contest on a highway or in an off-street parking facility.

**SRP 3 PRESENTATION TO CARLOS LOPEZ, CUSTOMER SATISFACTION
MANAGER, FOR 15 YEARS OF SERVICE**

Executive Director/CEO Martin Tompkins presented the award to Customer Satisfaction Manager Carlos Lopez in recognition of 15 years of outstanding and dedicated service to the Authority.

**SRP 4 PRESENTATION TO AVTA EMPLOYEE OF THE MONTH FOR FEBRUARY
2025**

Customer Satisfaction Manager Carlos Lopez presented Customer Services Representative II Karla Iraheta with the Employee of the Month award.

SRP 5 PRESENTATION TO MV TRANSPORTATION EMPLOYEE AND OPERATOR OF THE MONTH FOR FEBRUARY 2025

MV Transportation General Manager Thomas Conlon presented Joseph Valle with the Operator of the Month award and recognized Roberto Santos as the Employee of the Month, who was unable to attend the meeting.

SRP 6 PRESENTATION TO AV TRANSPORTATION SERVICES (AVTS) EMPLOYEE OF THE MONTH FOR FEBRUARY 2025

AV Transportation Services President Art Minasyan presented Leonardo Sandoval with the Employee of the Month award and presented an award to Joseph Lorana for 15 years of service.

SRP 7 AVTS MICROTRANSIT AND DIAL-A-RIDE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR FEBRUARY 2025

Mr. Minasyan presented the report.

SRP 8 LEGISLATIVE REPORT FOR MARCH 2025

Chief Financial Officer Judy Vaccaro-Fry reported on CalSTA's 2024 Accomplishments, Low Carbon Fuel Standard (LCFS) Credits, various assembly and senate bills, the FFY 2024/2025 continuing resolution, USDOT competitive grants and policy rescissions, the Senate confirmation of Steven Bradbury as the next U.S. Deputy Secretary of Transportation, and Los Angeles County Metropolitan Transportation Authority's FY 2026 funding marks. She highlighted proposed bills AB-1070 Transit districts: governing boards: compensation: nonvoting members, AB-1237 Counties of Los Angeles and Santa Clara: sporting events: ticket charge: public transit, AB-939 Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026, and SB-359 Diesel Fuel Tax Law: exempt bus operation.

SRP 9 MAINTENANCE KPI REPORT FOR FEBRUARY 2025

Operations and Contract Compliance Manager Joseph Sanchez presented the report.

SRP 10 OPERATIONS KPI REPORT FOR FEBRUARY 2025

MV Transportation Assistant General Manager Genie Maxie presented the report. The Board discussed the increase in complaints.

CONSENT CALENDAR (CC):

CC 1 BOARD OF DIRECTORS MEETING MINUTES OF FEBRUARY 25, 2025

Approve the Board of Directors Regular Meeting Minutes of February 28, 2025.

CC 2 FINANCIAL REPORT FOR FEBRUARY 2024

Receive and file the Financial Report for February 2025.

CC 3 DESTRUCTION OF AVTA RECORDS

In accordance with AVTA's Record Retention Policy, authorize the destruction of the on-site records (paper, electronic, audio, photographic, etc.) detailed on the Records Destruction list.

On a motion by Vice Chair Knippel and seconded by Director Royal, the Board of Directors approved the Consent Calendar as comprised.

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

Yeas: Chairman Crist, Vice Chair Knippel, Directors Ohlsen, Malhi, Royal, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

NEW BUSINESS (NB):

NB 1 CONSIDER ANTELOPE VALLEY TRANSIT AUTHORITY BOARD OF DIRECTORS TO APPROVE MEMBERSHIP IN THE FIRST PUBLIC HYDROGEN AUTHORITY (FPH₂)

Executive Director/CEO Martin Tompkins presented the staff report, and Director Alexis Merino of First Public Hydrogen presented the PowerPoint presentation. The Board discussed the potential obligations and costs associated with hydrogen, both now and in the future, and inquired whether a hydrogen bus could go back and forth to Los Angeles without stopping. Mr. Tompkins responded that the bus could go to Los Angeles and that we could use the hydrogen bus for other services.

On a motion by Vice Chair Knippel and seconded by Alternate Director Mac Laren, the Board of Directors moved to receive and file the report.

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

Yeas: Chairman Crist, Vice Chair Knippel, Directors Ohlsen, Malhi, Royal, Alternate Director Mac Laren

Nays: None

Abstain: None

Absent: None

REPORTS AND ANNOUNCEMENTS (RA):

RA 1 REPORT BY THE EXECUTIVE DIRECTOR/CEO

There were no reports or announcements.

MISCELLANEOUS BUSINESS – NON-AGENDA BOARD OF DIRECTORS ITEMS:

No miscellaneous business items were presented.

ADJOURNMENT:

Chairman Crist adjourned the meeting at 11:08 a.m. to the Regular Meeting of the Board of Directors on April 22, 2025, at 10:00 a.m. in the Antelope Valley Transit Authority Community Room, 42210 6th Street West, Lancaster, CA.

PASSED, APPROVED, and ADOPTED this 22nd day of APRIL 2025.

Marvin Crist, Chairman of the Board

ATTEST:

DeeAnna Cason, Executive Assistant

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



DATE: April 22, 2025
TO: BOARD OF DIRECTORS
SUBJECT: Financial Report for March 2025

RECOMMENDATION

Receive and file the Financial Report for March 2025.

FISCAL IMPACT

	March 2025
PAYROLL	\$ 357,290.14
CASH DISBURSEMENTS	\$3,128,577.93

BACKGROUND

To comply with the provisions required by Sections 37202, 37208, and 6505.5 of the Government Code, the Chief Financial Officer, in conjunction with the Senior Finance Manager, provides a monthly payroll total and cash disbursements. The Executive Director/CEO appointed as the Authority’s Treasurer certifies the availability of funds.

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

Prepared by:

Submitted by:

Vianney McLaughlin
 Senior Finance Manager

Martin J. Tompkins
 Executive Director/CEO



DATE: April 22, 2025

TO: BOARD OF DIRECTORS

SUBJECT: Fiscal Year 2024/2025 (FY 2025) Third Quarter Los Angeles County Sheriff's Department Report (January 1 through March 31, 2025)

RECOMMENDATION:

Receive and file the FY 2025 Third Quarter Los Angeles County Sheriff's Department Report for January 1 through March 31, 2025.

FISCAL IMPACT:

There is no fiscal impact currently.

DISCUSSION:

Deputy Maselli and his K-9 partner "Doc Holliday" worked 610 hours during the third quarter of FY 2025.

At the beginning of each shift, Deputy Maselli contacted bus operators to ascertain any concerns or problems to report and anything reported from the previous day. On average, Deputy Maselli contacted an estimated 25-30 buses/bus operators daily.

Deputy Maselli consistently monitored high-priority locations where previous incidents had been reported, including Sgt. Steven Owen Memorial Park (OMP), the Lancaster Senior Center, 10th Street East & Palmdale Boulevard, the Palmdale Transportation Center (PTC), and the Lancaster Metrolink Station.

Additionally, Deputy Maselli and K-9 "Doc Holliday" conducted visible K-9 sweeps focused on terrorism and explosives deterrence. These operations occurred at key locations such as the AVTA building and bus yard, AVTA transfer centers, AVTA buses, and various random bus stops across the Antelope Valley. Their high-visibility presence served as a critical element of public safety throughout the region.

The following Incident Report(s) is from January 1 through March 31, 2025.

Incident Report(s), Transit Safety, Service Delay(s)/Interruption(s)	JAN 25	FEB 25	MAR 25
Assault with a Deadly Weapon	3	3	2
AVTA Bus Stops and Bus Bays (High Visibility W/K-9)	75	75	75
Disturbance	0	1	0
Person Down – Rt 11 Eastbound, Lancaster	0	0	1
Person with a Gun	0	2	0
Person with a Knife - Rt 12 Eastbound, Lancaster	0	0	2
Safety Hazzard	0	2	0
Search for Gun	0	1	2
Spousal Abuse	0	1	0
Stolen Vehicle	1	0	0
Suspicious Package -Palmdale Clock Tower	0	1	0
Traffic Collision (AVTA Bus - Involved)	0	0	0
Traffic Collision – Other Vehicles	3	7	8
Unruly Passenger	1	0	0
Warnings (Drinking in Public, No Smoking, Failure to Obey Posted Signs, Loitering)	1	1	1

Prepared by:

Submitted by:

DeeAnna Cason
Executive Assistant

Martin J. Tompkins
Executive Director/CEO



DATE: April 22, 2025

TO: BOARD OF DIRECTORS

SUBJECT: Election of Board Officers for Fiscal Year 2025/2026 (FY 2026)

RECOMMENDATION

Nominate and elect a Chair and Vice Chair for FY 2026.

FISCAL IMPACT

There is no fiscal impact.

BACKGROUND

Pursuant to Bylaws Section 4.50, Board officer elections are conducted annually. The election process specifically allows the Board to nominate and elect from its membership a Chair and Vice Chair, each from a different member agency, to take office as of July 1. The term of the Chair and Vice Chair shall be one (1) year.

If the Chair position is vacated for any reason before the full term is served, the Vice Chair becomes Chair, and a new Vice Chair shall be nominated and elected. If the Vice Chair position is vacated for any reason before the full term is served, a new Vice Chair shall be selected from the jurisdiction of the departing Vice Chair to fill the remainder of the term.

Prepared by:

Submitted by:

DeeAnna Cason
Executive Assistant

Martin J. Tompkins
Executive Director/CEO



DATE: April 22, 2025

TO: BOARD OF DIRECTORS

SUBJECT: Consider Antelope Valley Transit Authority Board of Directors to Approve Membership in the First Public Hydrogen Authority (FPH₂)

RECOMMENDATION:

Approve and authorize the Antelope Valley Transit Authority to enter the JPA Agreement, and thereby approve and authorize the Antelope Valley Transit Authority to become a member of FPH₂.

FISCAL IMPACT:

There is no fiscal impact for a First Public Hydrogen Authority membership.

BACKGROUND:

The City of Lancaster, in partnership with the City of Industry, has established the First Public Hydrogen Authority (FPH₂) to facilitate the development of green hydrogen. This initiative aims to create a sustainable and economically viable hydrogen ecosystem by aggregating demand from various public and private stakeholders, thereby achieving lower hydrogen prices through bulk procurement.

FPH₂'s operational model is designed to aggregate hydrogen demand across a wide array of stakeholders including transit agencies, municipalities, and port authorities. This collective demand will enable the procurement of green hydrogen at significantly reduced prices compared to current market rates, promoting wider adoption and utilization.

Membership in FPH₂ offers a unique opportunity to participate in an innovative, collaborative initiative aimed at accelerating the transition to green hydrogen. FPH₂ invites all potential members to join this groundbreaking endeavor to collectively enhance our energy resilience and sustainability.

Prepared and submitted by:

Martin J. Tompkins
Executive Director/CEO

Attachment: A – Resolution No. 2025-001 (Resolution for FPH₂ Membership)

NB 2 – ATTACHMENT A

RESOLUTION NO. 2025-001

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ANTELOPE VALLEY TRANSIT AUTHORITY CALIFORNIA, TO APPROVE MEMBERSHIP IN THE FIRST PUBLIC HYDROGEN AUTHORITY, AND

WHEREAS, the Antelope Valley Transit Authority (“Agency”) is a public transportation agency organized and operating under the laws of the State of California, with the Board of Directors of the Antelope Valley Transit Authority (“Governing Body”) serving as the governing body of the Agency;

WHEREAS, the First Public Hydrogen Authority (“Authority”) is a joint exercise of powers authority created under the Joint Exercise of Powers Act (California Government Code Section 6500, *et seq.*) by that certain agreement dated December 10, 2024, (“JPA Agreement”) attached hereto as Exhibit “A”;

WHEREAS, Section 13 of the JPA Agreement, provides that public agencies may be added as parties to the JPA Agreement, and thereby become members of the Authority, upon the following: (i) the filing with the Authority of an executed counterpart of the JPA Agreement, attached herewith as Exhibit “B”, together with a copy of the resolution of the governing body of the joining public agency approving the JPA Agreement and the execution and delivery thereof; and (ii) adoption of a resolution of the Authority’s governing body approving the addition of such public agency as a member;

WHEREAS, the Board of Directors desires for the Agency to become a party to the JPA Agreement, and a member of the Authority, and finds that doing so will further the public health, safety, and general welfare of the community;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Antelope Valley Transit Authority as follows:

SECTION 1. Based on the staff report, presentation, public comments, and other matters presented to the Board of Directors during its consideration of this matter, the Board of Directors finds and declares that the foregoing recitals are true and correct and hereby incorporated as substantive findings of this Resolution.

SECTION 2. The Board of Directors hereby approves and authorizes the Antelope Valley Transit Authority to enter the JPA Agreement and thereby approves and authorizes the Agency to become a member of the Authority. The Executive Director/CEO is authorized and directed to execute a counterpart to the JPA Agreement on behalf of the Antelope Valley Transit Authority and file the same, along with a copy of this Resolution, with the Authority pursuant to Section 13 of the JPA Agreement.

SECTION 9. The Board Secretary shall attest and certify the passage and adoption of this Resolution, and it should become effective immediately upon its approval.

PASSED APPROVED AND ADOPTED this 22nd day of April 2025 by the following vote:

AYES: _____

NAYS: _____

ABSTAIN: _____ ABSENT: _____

Antelope Valley Transit Authority

Marvin Crist
Chairman

APPROVED AS TO FORM:

ATTEST:

Allison E. Burns
General Counsel

DeeAnna Cason
Executive Assistant

RESOLUTION NO. 2025-001

Page 3

April 22, 2025

I, DeeAnna Cason, Executive Assistant of the Antelope Valley Transit Authority, HEREBY CERTIFY that the foregoing resolution, Resolution No. 2025-001, was duly adopted by the Board of Directors of the Antelope Valley Transit Authority at a regular meeting thereof held on March 25, 2025.

DeeAnna Cason
Executive Assistant

EXHIBIT A

**JOINT EXERCISE OF POWERS AGREEMENT
FOR FIRST PUBLIC HYDROGEN AUTHORITY**

THIS AGREEMENT, dated as of December 10, 2024, is entered into by and between the City of Lancaster, a municipal corporation (Lancaster) and the City of Industry, a municipal corporation (Industry). Lancaster and Industry are herein referred to as the “Founding Members”:

WITNESSETH

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the “Joint Exercise of Powers Act”), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Founding Members is a “public agency” as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, pursuant to Article XI, Section 9, of the California Constitution, a municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication; and

WHEREAS, each of the Founding Members may accomplish the purposes and objectives described in the preceding preamble by various means, including through making grants, loans or providing other financial assistance to governmental and nonprofit organizations, and private retail customers within their jurisdiction; and

WHEREAS, each Founding Member is also empowered by law to acquire and dispose of real property for a public purpose; and

WHEREAS, the Joint Exercise of Powers Act authorizes the Founding Members to create a joint exercise of powers entity with the authority to exercise any powers common to the Founding Members, as specified in this Agreement and to exercise the additional powers granted to it in the Joint Exercise of Powers Act and any other applicable provisions of the laws of the State of California; and

WHEREAS, pursuant to Section 10002 of the Public Utilities Code, any municipal corporation may acquire, construct, own, operate, or lease any public utility; and

WHEREAS, the intent of the Founding Members is to bring other qualifying public agencies into the joint exercise of power entity as members as provided herein (all such members together with the Founding Members shall herein be referred to as the “Members”); and

WHEREAS, it is the desire of the Founding Members to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake the purchase, sale, and or resale of hydrogen and/or energy, the financing and/or refinancing of projects of any nature, including, but not limited to, capital or working capital projects, insurance, liability or maintenance programs or facilitating Members’ use of existing or new financial instruments and mechanisms; and

WHEREAS, it is further the intention of the Founding Members that the projects undertaken will result in significant public benefits to the jurisdictions of the Founding Members; and

WHEREAS, beginning January 1, 2027 the State has mandated that all vehicle purchases made by public agencies be for zero emissions vehicles; and

WHEREAS, the State has received 1.2 billion dollars in funding from the federal government and the State has formed the Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) for the purpose of distributing those funds; and

WHEREAS, municipal utilities have unique authority to implement energy services and cities have the authority to provide public transit services; and

WHEREAS, hydrogen is seen as an integral tool to solve the climate crisis; and

WHEREAS, First Public Hydrogen Authority is committed to provide transportation services and fueling infrastructure to assist in the state's energy transition goals; and

WHEREAS, First Public Hydrogen Authority intends to provide for off-grid and beyond the meter solutions for the construction of new industrial and residential developments; and

WHEREAS, First Public Hydrogen Authority intends to develop off-grid and beyond the meter solutions for transportation services; and

WHEREAS, First Public Hydrogen Authority intends to remove load from the grid while using microgrids powered by hydrogen; and

WHEREAS, by this Agreement, each Member desires to create and establish the "First Public Hydrogen Authority" for the purposes set forth herein and to exercise the powers provided herein;

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

Section 1. Purpose.

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act. The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Members and for the exercise of additional powers given to a joint powers entity under the Joint Powers Act or any other applicable law, including, but not limited to, the purchase, sale, production, trading, retail, and/or resale, transport delivery and dispensary of hydrogen and/or energy, issuance of Bonds for any purpose or activity permitted under the Joint Exercise of Powers Act or any other applicable law. The purpose also includes, the design, construction, operation of behind the meter, off-grid energy solutions to be powered by a number of technologies including, but not limited to, solar, battery, and hydrogen fuel cell. Such purpose will be accomplished and said power exercised in the manner hereinafter set forth.

Section 2. Term.

This Agreement shall become effective in accordance with Section 16 as of the date hereof and shall continue in full force and effect until such time as it is terminated in writing by all the Members;

provided, however, that this Agreement shall not terminate or be terminated until each of the following is satisfied:

1. All Bonds issued or caused to be issued by the Authority (defined below) shall no longer be outstanding under the terms of the indenture, trust agreement or other instrument pursuant to which such Bonds are issued, or unless a successor to the Authority assumes all of the Authority's debts, liabilities and obligations;
2. All obligations under all Energy Contracts to which the Authority is a party have been fully performed, assigned or terminated in accordance with their respective terms. For purposes of the foregoing sentence, "Energy Contract" means an agreement for the purchase, sale or other disposition of hydrogen energy, hydrogen, renewable energy or related products, including a power purchase agreement and/or confirmation letter thereto.
3. All obligations to Authority's then current or former employees (e.g. pension, other post-employment benefits, and/or unfunded pension liability) have been fully satisfied, performed, assigned or terminated.

Section 3. Authority.

A. CREATION AND POWERS OF AUTHORITY.

Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "First Public Hydrogen Authority" (the "Authority"), and said Authority shall be a public entity separate and apart from the Members. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any individual member and shall be debts, liabilities or obligations of the Authority, only.

B. BOARD.

The Authority shall be administered by a board of directors, comprised of the following:

1. Board Members. The Board shall be comprised of seven (7) members, each of whom shall have one (1) vote.

(a) The initial Board shall be appointed as follows:

- i. Lancaster shall appoint five (5) of the initial Board members and shall designate one (1) of those Board members as a "Founding Board Member"; and
- ii. Industry shall appoint one (1) Board member, who shall be a Founding Board Member.
- iii. The six initial Board members appointed by Lancaster and Industry shall appoint one (1) Board member.

(b) With the exception of the Founding Board Members, if and as vacanc(ies) exist on the Board, the remaining members on the Board shall appoint such replacement member(s) as may be necessary to fill such vacanc(ies). Industry and Lancaster shall each continue to always appoint one (1) member to the Board should the respective Founding Board Member's seat become vacant.

(c) If a Board Member is absent without permission from the greater of (i) all Authority regular meetings for 90 days consecutively from the last regular meeting he or she attended, or (ii) two consecutive regular Board meetings, then his or her board position shall immediately become vacant and shall be filled in accordance with subsection (a) above.

(d) In the event that each of the governing bodies of the Founding Members determine by majority vote that any Board Member has engaged in malfeasance, neglect, and/or impropriety with regard to their Board Member duties, then his or her board position shall immediately become vacant and shall be filled in accordance with subsection (a) above.

2. The Board shall be the administering agency of this Agreement and, as such, shall be vested with the powers set forth herein, and shall administer this Agreement in accordance with the purposes and functions provided herein.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

1. Chair and Vice Chair. The City of Lancaster shall appoint a Director to serve as the first Chair of the Board of Directors for a six (6) year term, and the Director appointed by Industry shall serve as the Vice Chair. At the conclusion of the first Chair's and Vice Chair's term, as well as at the conclusion of subsequent terms of office, or in the event of a vacancy, the Chair and Vice Chair shall be selected by a majority vote of the Board to serve a four (4) year term.

3. Other. The Board of Directors shall appoint a Chief Executive, General Counsel, Secretary, and Treasurer/Auditor-Controller of the Authority (the "Treasurer") pursuant to Section 6505.6 of the Joint Exercise of Powers Act.

Subject to the applicable provisions of any resolution, indenture, trust agreement or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, trust agreement, instrument and proceeding being herein referred to as an "Indenture") providing for a trustee or other fiscal agent and except as may otherwise be specified by resolution of the Board, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived and shall have the powers, duties and responsibilities specified in Sections 6505, 6505.5 and 6509.5 of the Joint Exercise of Powers Act.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount specified by resolution of the Board but in no event less than \$1,000.

The Chief Executive shall have the power to appoint such other officers and employees as he/she may deem necessary and to retain independent counsel, consultants and accountants subject to the same contract limits as the City Manager of Lancaster has until such time as the Board adopts its own purchasing policy.

The Board shall have the power, by resolution, to the extent permitted by the Joint Exercise of Powers Act or any other applicable law, to delegate any of its functions to one or more of the Board Members, employees or agents of the Authority and to cause any of said Board Members, employees

or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Authority.

D. MEETINGS OF THE BOARD.

(1) Ralph M. Brown Act.

All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(2) Regular Meetings.

The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Board. To the extent permitted by the Brown Act, such meetings may be held by telephone and/or video conference.

(3) Special Meetings.

Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California. To the extent permitted by the Brown Act, such meetings may be held by telephone and/or video conference.

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(5) Quorum.

A majority of the Board shall constitute a quorum for the transaction of business. No action may be taken by the Board except upon the affirmative vote of a majority of the Directors constituting a quorum, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Board such rules and regulations for the conduct of its meetings and affairs as may be required. In the absence of any policies or procedures, the policies or procedures of the City of Lancaster.

F. PUBLIC OFFICIALS

The Board Members shall be considered public officials within the meaning of the Political Reform Act of 1974, as amended, and its regulations, for the purposes of financial disclosure, conflict of interest and other requirements of such Act and regulations, and shall file annual statements of economic interest as required, along with any other officers of the Authority who is required to do so. Other persons working for or on behalf of the Authority may be required to file such statements in accordance with the Authority's conflict of interest code, which shall be adopted by the Board promptly.

G. TECHNICAL ADVISORY COMMITTEE.

The Authority shall have a Technical Advisory Committee ("TAC"), comprised of (i) the City Manager (or chief executive) of each Member, or his or her designee, and (ii) the Chief Executive Officer of the Authority. The TAC shall be vested with authority, responsibility and scope of activity as may be established by action of the Authority Board from time to time. Each member of the TAC shall have one vote.

Section 4. Powers.

The Authority shall have the power, in its own name, to exercise the common powers of the Members and to exercise all additional powers given to a joint powers entity under any of the laws of the State of California, including, but not limited to, the Joint Exercise of Powers Act, for any purpose authorized under this Agreement. Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. The Authority is hereby authorized to do all acts necessary for the exercise of such power, including, but not limited to, any of all of the following: to purchase, sell, and or resell hydrogen and/or energy; to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from person, firms, corporations and any governmental entity; to sue and be sued in its own name; to make grants, loans or provide other financial assistance to governmental and nonprofit organizations, or private retail customers to accomplish any of its purposes; and generally to do any and all things necessary or convenient to accomplish its purposes.

Without limiting the generality of the foregoing, the Authority may issue or cause to be issued Bonds, and pledge any property or revenues as security to the extent permitted under the Joint Exercise of Powers Act, or any other applicable provision of law; provided, however, the Authority shall not issue Bonds with respect to any project located in the jurisdiction of one or more Members unless the governing body of any such Member, or its duly authorized representative, shall approve, conditionally or unconditionally, the project, including the issuance of Bonds therefor. Such approval may be evidenced by resolution, certificate, order, report or such other means of written approval of such project as may be selected by the Member (or its authorized representative) whose approval is required. No such approval shall be required in connection with Bonds that refund Bonds previously issued by the Authority and approved by the governing board of a Member.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California charter city could exercise such powers and perform such duties. The manner in which the Authority shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other

public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

Section 5. Fiscal Year.

For the purposes of this Agreement, the term “Fiscal Year” shall mean the fiscal year as established from time to time by resolution of the Board, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 2025.

Section 6. Disposition of Assets.

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2, after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Members.

Section 7. Funding

Nothing in this Agreement shall require any Member to fund any costs associated with the administration of the Authority, any activity of the Authority, and any debts related thereto, including but not limited to, capital improvement projects, real property purchases, power purchase agreements, and maintenance costs. Any Member may elect to loan or grant funds to the Authority pursuant to such terms as such parties may mutually agree in writing.

Section 8. Bonds.

From time to time the Authority may issue Bonds, in one or more series, for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement. However, the Founding Members' credit ratings will not be utilized for the issuance of any Bonds without their prior written consent.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing shall be used by the Authority. The expenses of the Authority shall be paid from the proceeds of the Bonds or any other unencumbered funds of the Authority available for such purpose.

Section 9. Bonds Only Limited and Special Obligations of Authority.

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Member or pledge of the faith and credit of the Members or the Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds except from revenues and other funds pledged therefor. Neither the Members nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members nor the faith and credit of the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the

Bonds nor shall the Members or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or related document shall be deemed to be a covenant or agreement of any Board Member, or any officer, employee or agent of the Authority in his or her individual capacity and neither the Board of the Authority nor any Board Member or officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

Section 10. Accounts and Reports.

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by each Member.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Authority by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member and also with the county auditor of each county in which a Member is located; provided, however, that to the extent permitted by law, the Authority may, instead of filing such report with each Member and such county auditor, elect to post such report as a public record electronically on a website designated by the Authority. Such report if made shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

The Treasurer is hereby directed to report in writing during the months of July, October, January, and April of each year to the Board which report shall describe the amount of money held by the Treasurer for the Authority, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Bonds to the extent that such trustee or other fiduciary provided regular reports covering such amounts).

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Board may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

Section 11. Funds.

Subject to the applicable provisions of any Indenture, which may provide for a trustee or other fiduciary to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures

developed under Sections 3(E) and 9, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

Section 12. Notices.

Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member; provided, however, that to the extent permitted by law, the Authority may, provide notices and other communications and postings electronically (including, without limitation, through email).

Section 13. Additional Members/Withdrawal of Members.

Qualifying public agencies may be added as parties to this Agreement and become Members upon: (1) the filing by such public agency with the Authority of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

A Member may withdraw from this Agreement upon written notice to the Board; provided, however no such withdrawal notice shall be effective until and unless: (a) such withdrawal will not result in the dissolution of the Authority so long as any Bonds remain outstanding; (b) all obligations of such Member under all of the Energy Contracts between the Authority and such Member have been fully performed or assigned by such Member, and (c) the date on which all of the Energy Contracts to between the Authority and the Member have terminated or assigned in accordance with their respective terms. In the event that there are only two Members, a Member may withdraw, provided the withdrawing Member presents a substitute public agency to the Board for its approval as a Member. Said approval by the Board shall not be unreasonably withheld, conditioned, or delayed. Withdrawal of a Member shall not relieve the withdrawing Member of its share of any debts or other liabilities incurred by the Authority prior to the effective date of such withdrawal, or any liabilities imposed upon or incurred by the Member pursuant to this Agreement prior to the effective date of such withdrawal. Upon the effective date of a withdrawal, the withdrawing Member shall not be entitled to any revenue being generated by the Authority; provided, however, that it shall remain entitled a share of the revenue proportionate to that Member's contribution to (1) any existing or future long-term agreement, and (2) any conveyance of all or any portion of any asset of the Authority when, and if such conveyance, occurs.

Section 14. Indemnification.

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Director or an officer, employee of other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Authority, against expenses, including attorneys' fees, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

The Authority shall defend, indemnify and hold harmless each Member and each Member's elected officials, officers, employees, agents and representatives, harmless from all claims, disputes, litigation, judgments and attorney fees arising out of the acts and/or omissions of the Authority.

Section 15. Immunities.

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions within the territorial limits of their respective public agencies, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Authority while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

Section 16. Amendments.

Except as provided in Section 12 above, this Agreement shall not be amended, modified, or altered without (1) a 30-day notice being given to each Member, and (2) written approval by each Member.

Section 17. Effectiveness.

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Members on the date that the Board shall have received from each of the Founding Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Founding Member approving this Agreement and the execution and delivery hereof.

Section 18. Partial Invalidity.

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

Section 19. Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

Section 20. Insurance.

The Authority shall at all times maintain insurance policies (or pooled insurance coverage through a joint powers authority) naming the Members as additional insureds in compliance with the

following:

A. The insurance shall be in amounts no less than the following:

Commercial General Liability

Each Occurrence	\$2,000,000
Per Project General Aggregate	\$5,000,000
Including Products/Completed Operations; Contractual Liability/Independent Contractors; Property Damage	

(Coverage shall be at least as broad as ISO form CG2010 11/85 or CG2010 07/04 and CG2037 07/04 combined, or an equivalent providing ongoing and completed operations)

Commercial Automobile Liability

Combined Single Limit per Accident for Bodily Injury and Property Damage	\$5,000,000
--	-------------

(Coverage shall be at least as broad as ISO form CA00 01)

Workers Compensation

As Required by the State of California	Statutory Limits
--	------------------

Employers' Liability

Each Accident	\$1,000,000
Bodily Injury by Disease	\$1,000,000
Each Employee	\$1,000,000

(A Waiver of Subrogation must be provided on behalf of the Certificate Holder for the Workers Compensation & Employers' Liability policies)

Professional Liability

Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000

B. The Authority's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insured's liability.

C. Professional liability and/or cyber insurance written on a "claims made" basis must be renewed for a period of three (3) years after this contract expires or is terminated. Such insurance must have the same coverage and limits as the policy that was in effect during the term of this contract and will cover Authority for all claims made by the City insured entities arising out of any acts or omissions of Authority or its officers, employees, or agents during the time this Agreement was in effect.

D. All insurance shall be primary and non-contributory as respects the Member insured entities. Any insurance or self-insurance maintained by the Member insured entities shall be in excess of the Authority's insurance and shall not contribute with it.

F. Authority shall furnish the Members with Certificates of Insurance and with endorsements effecting coverage required by this Agreement.

Section 21. Government Claims.

A. To the extent authorized by Government Code section 935 and any other laws, all claims against the Authority for money or damages, including any claims otherwise excepted from the claims filing requirement by Government Code section 905, shall be subject to and presented within the time and manner prescribed in Part 3 of Division 3.6 of Title 1 of the Government Code. A signed written claim shall be presented to the Authority by mail or personal delivery by the claimant or a person authorized by claimant to act on his or her behalf. The claim shall conform to the requirements of Government Code section 910.

B. Unless otherwise designated by the Board, the TAC shall comprise a Claims Committee. The Claims Committee shall, in consultation with legal counsel for the Authority, review all claims and make recommendations to the Board concerning their disposition.

Section 22. Miscellaneous.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement shall be governed under the laws of the State of California.

This Agreement is the complete and exclusive statement of the agreement among the Members, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the Founding Members have caused this Agreement to be executed and attested by its duly authorized representatives as of the date and year first set forth above.

[SIGNATURES ON NEXT PAGE]

Founding Member:

CITY OF LANCASTER

By 
Name: R. Rex Parris
Title: Mayor

ATTEST:


Andrea Alexander, Clerk

Founding Member:

CITY OF INDUSTRY

By 
Name: Cory C. Moss
Title: Mayor

ATTEST:


Julie Gutierrez-Robles, Clerk

EXHIBIT B

**COUNTERPART TO
JOINT EXERCISE OF POWERS AGREEMENT
FOR FIRST PUBLIC HYDROGEN AUTHORITY**

THIS COUNTERPART TO JOINT EXERCISE OF POWERS AGREEMENT FOR FIRST PUBLIC HYDROGEN AUTHORITY, dated as of December 10, 2024, is entered into by the Antelope Valley Transit Authority with regard to that certain Joint Exercise of Powers Agreement for First Public Hydrogen Authority attached hereto ("JPA Agreement").

By its authorized signature below, the Antelope Valley Transit Authority agrees to be bound by each and all of the terms of the JPA Agreement.

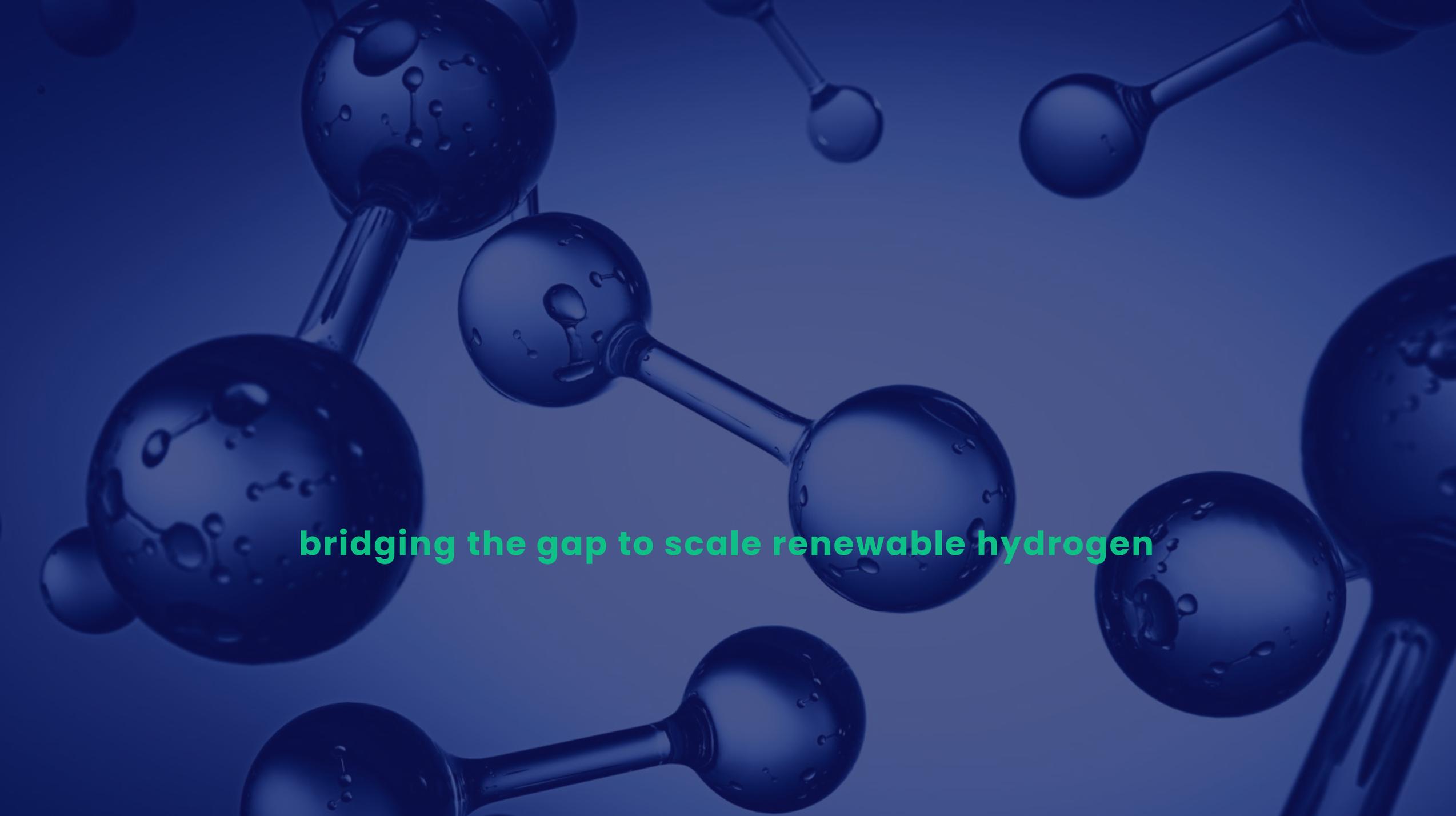
Antelope Valley Transit Authority

By:

Martin J. Tompkins
Executive Director/CEO

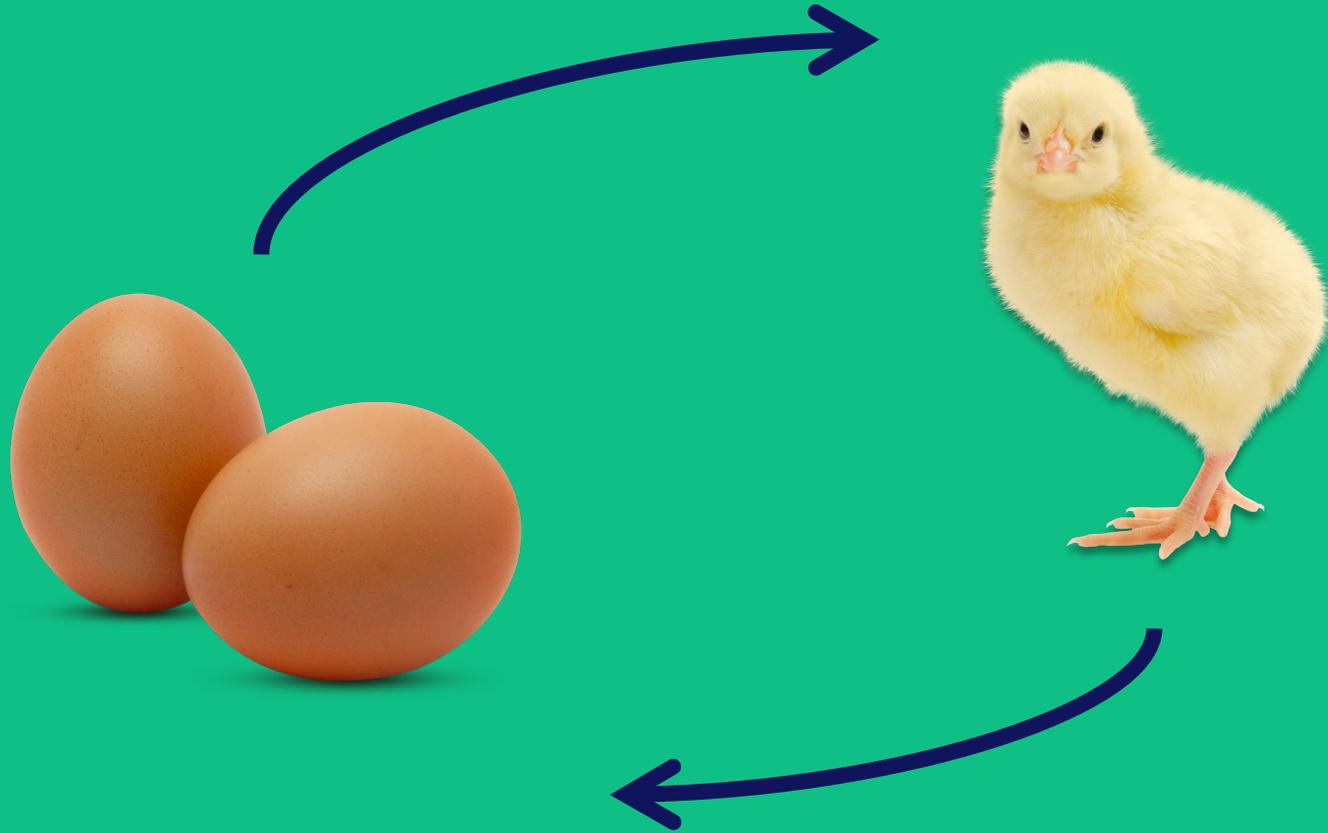
ATTEST:

DeeAnna Cason
Executive Assistant



bridging the gap to scale renewable hydrogen

we've all heard the problem



we think the solution is both

producers can't invest without guaranteed demand

offtakers can't commit without secure supply

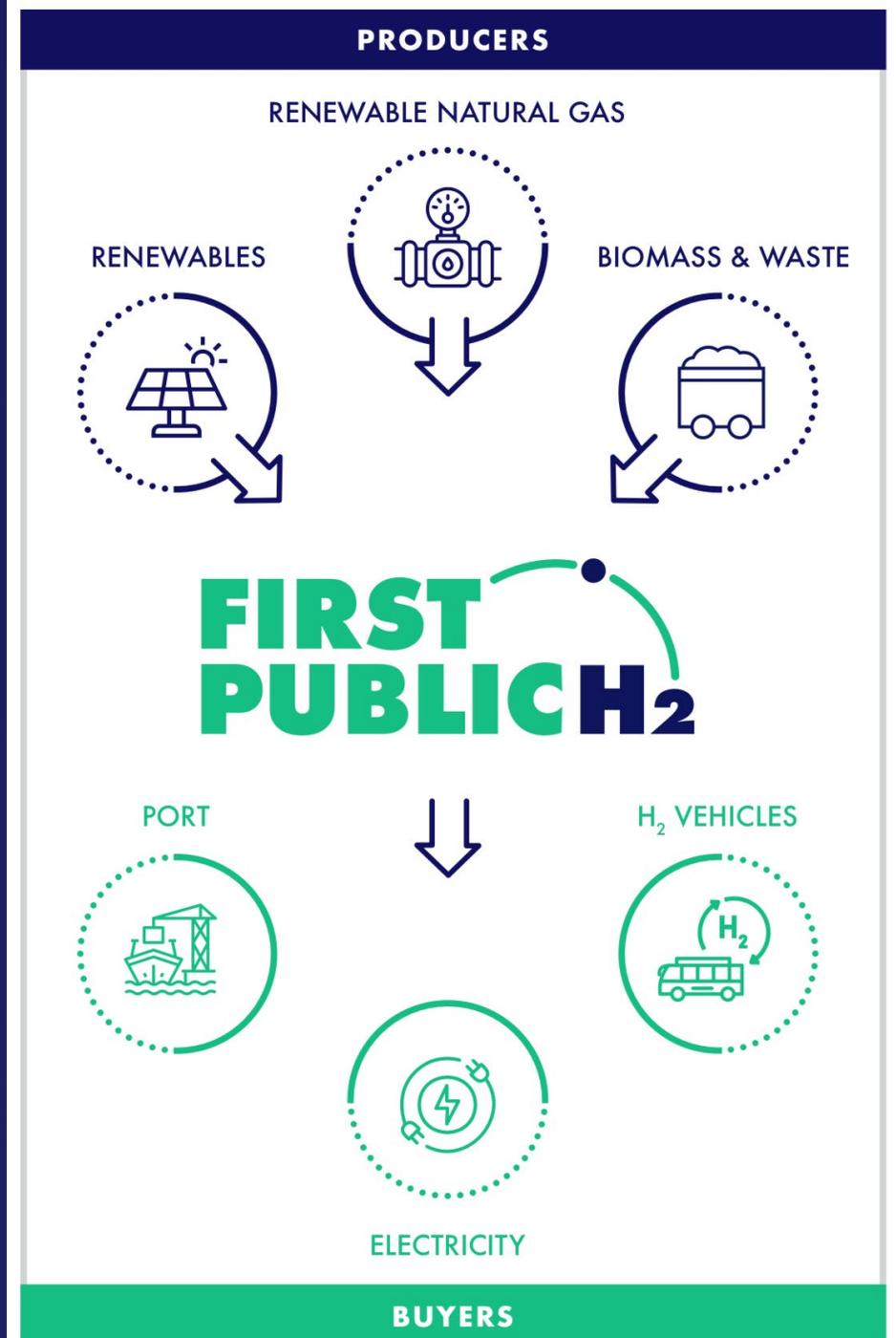
it's a cycle that's kept the hydrogen market from moving forward. **until now.**

**first public
hydrogen
bridges the gap**



how we do this

- aggregating demand
- facilitating transactions
- optimizing delivery & infrastructure
- de-risking the market
- competitive pricing



Think of First Public Hydrogen like a cooperative. A single off-taker can't support a production site alone, but when we **combine regional demand**, we make large-scale production viable.

We're not just a supplier—we're building the market.

board members



R. Rex Parris
Chairman
Mayor of Lancaster



Newell Ruggles
Vice Chairman
*City of Industry
Council Member*



Bob Hertzberg
Member
*Former Speaker of the
California State
Assembly*



Aura Vasquez
Member
*Renewable Energy
Advisor*



Jack Brouwer
Member
*Professor, University of
California, Irvine*



Tanya Peacock
Member
*Managing Director,
EcoEngineers*

official partner
H2 MarketStarter



the FPH₂ network

- competitive pricing
- advisory board
- tailored procurement
- with no commitment, no cost, and no obligation



Welcome to the FPH₂ network:



Questions?



hydrogen@fph2.org



FirstPublicH2



www.fph2.org





DATE: April 22, 2025

TO: BOARD OF DIRECTORS

SUBJECT: Amendment No. 3 to Contract #2020-20 with AV Transportation Services, Inc.

RECOMMENDATION

Authorize the Executive Director/CEO or designee to execute Amendment No. 3 to Contract #2020-20 with AV Transportation Services, Inc. (AVTS) exercising the two one-year options at an annual rate increase for both FY 2026 and FY 2027 for Dial-A-Ride and On-Request Microtransit services.

FISCAL IMPACT

Sufficient funds have been included in the FY 2026 Budget and will be included in future budgets to cover contract costs.

BACKGROUND

AVTA's On-Request Shared Mobility Services RFP was awarded to AVTS on March 25, 2020. AVTS has provided Dial-a-Ride Paratransit Services since April 2020 and On-Request Microtransit Services since August 2020. The base term of the contract was five years and three months, commencing on April 1, 2020, and concluding on June 30, 2025.

AVTA and AVTS staff have discussed and agreed to the terms listed in Amendment No. 3, including exercising one-year options and extending the contract term through June 30, 2027.

Amendment No. 3 would add funds to the existing contract addressing rates for the remainder of the agreement, along with minor operational requirement changes and deletions to the original contract that better reflect the needs and sustainability of service as EV vehicles were added and ridership has increased.

Below is a summary of the operational expense changes that will be realized over the two one-year options.

	EV Rate	ICE (Gas) Rate
FY26	\$ 77.25	\$ 72.92
FY27	\$ 79.50	\$ 78.50

Prepared by:

Submitted by:

Cecil R. Foust
Procurement & Contracts Officer

Martin J. Tompkins
Executive Director/CEO

Attachment: A – Services Contract Amendment No. 3 to Contract #2020-20

LEVINE ACT

The Levine Act (Gov. Code Section 84308) prohibits AVTA officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$500 from a party, participant, or agent of a party or participant in the previous 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information, see the FPPC website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

SUBJECT TO THE LEVINE ACT

Permit, license, or entitlement for use

Contract or grant

EXEMPT FROM THE LEVINE ACT

Competitively bid contract

Labor or personal employment

General policy and legislative actions

NB 3 - ATTACHMENT A

ANTELOPE VALLEY TRANSIT AUTHORITY LANCASTER, CALIFORNIA SERVICES CONTRACT AMENDMENT

(Amendment to Change Contract Provisions during Contract Term)

CONTRACT NO. 2020-20: AMENDMENT NO. 3

This Amendment No. 3 to the March 24, 2020, Services Contract, as amended by Amendment No. 1 and Amendment No. 2 (individually and collectively, "Agreement" or "Contract"), executed by and between **Antelope Valley Transit Authority**, 42210 6th St West, Lancaster, CA, 93534, ("AVTA"), and **AV Transportation Services, LLC**. (Contractor), 828 W Lancaster Blvd, Lancaster, CA 93534, with an effective date of **July 1, 2025**.

Recitals:

1. AVTA owns, operates, and maintains a public transportation service serving the Antelope Valley.
2. On or about March 24, 2020, AVTA and Contractor entered into an agreement whereby Contractor provides "On-Request Shared Mobility Services."
3. On or about March 30, 2021, AVTA and Contractor executed Amendment 1 changing the financial institution for "Financial Performance Bond or Security Fund", as well as additions of Federal Requirements: 20. Records Maintained on Individuals, 21. Breaches and Dispute Resolution, and 22. Public Transportation Agency Safety Plan.
4. On or about September 1, 2022, AVTA and Contractor executed Amendment 2 implementing temporary changes regarding vehicles until the delivery of the newly procured electric vans. This amendment also included a permanent change to the agreement regarding the Change of Billing Method for both the On-Request Shared Mobility and the Dial-A-Ride service to conduct the same method.
5. The parties now desire to further amend the Agreement by exercising the two one-year options for contract extension, changing billing and rate methods language, deleting several maintenance sections, and implementing a couple of temporary changes to the existing agreement.

THEREFORE, the parties hereto agree as follows:

The following changes are made to the above referenced contract number and shall be listed as Amendment Number 3:

1. AMENDMENT TO SECTION 5(A)

Under section "5. CONTRACT TERM," subsection "A. Term.," third paragraph of the Agreement is amended to read as follows:

"The Revenue Service Term of this Contract shall commence on April 1, 2020 and, subject to earlier termination in accordance with the provisions of the Contract, shall

terminate at the conclusion of Revenue Service on June 30, 2027.” **(executing all remaining extensions)**

2. The following two (2) will be temporary changes implemented into the agreement until further notice:
 - i. **Camera Install Costs-** AVTA agrees to reimburse AVTS for the exact cost incurred relating to moving drive-cameras from rental units to the Lightning EV vehicles up to \$300 per vehicle. Documentation such as receipts and/or paid invoices for these costs are to be submitted to AVTA before payment may be issued.
 - ii. **Insurance Differential-** Commencing on July 1, 2025, AVTA will, upon documented verification, reimburse AVTS for increased insurance premiums directly related to the increased replacement value of the Lightning EV vehicles versus prior vehicles operated under this contract. Total reimbursement not-to-exceed **\$160,000** and is to be reviewed and adjusted every July that this contract remains in effect.

3. AMENDMENT TO SECTION 6(A)

Under section “6. COMPENSATION FOR SERVICES,” subsection “A. On-Request Shared Mobility Service Hourly Pricing” of the Agreement is deleted and replaced with the following language:

“A. On-Request Shared Mobility and Dial-A-Ride Services Hourly Billing Method and Pricing.

(1) Change in Billing Method- Both, the On Request Shared Mobility and the Dial-A-Ride services will now share the same billing method. The billing method is to be based on “*In-Service Hours*”. In-Service hours are defined as “the duration of time from the time unit leaves the depot until the vehicle returns to the depot” with some exceptions. The In-Service hours shall not exceed 2.5 hours of idle time/charging pre revenue shift not-to-exceed 34 shifts average per month without prior authorization. The exceptions that cannot be billed are as follows:

- a) Out of Service periods to include:
 - i) Breaks
 - ii) Lunches
 - iii) Time spent idle due to mechanical breakdown

Additionally, one revenue hour cost will be deducted for each preventable no-show/abandoned ride.

(2) Change in Billing Rate- Both the On Request Shared Mobility and the Dial-A-Ride services will now share the same ONE-RATE billing system. All revenue hours are to be billed as follows:

	EV Rate	ICE (Gas) Rate
FY26	\$ 77.25	\$ 72.92
FY27	\$ 79.50	\$ 78.50

(3) Positive Check-in and After Hours- AVTS will be allocated a total of 8 billable hours per day for Positive check-in and after-hours vehicle coordination at a rate of \$37 per hour.”

4. AMENDMENT TO SECTION 12(E)

Under section “12. OPERATING PERFORMANCE STANDARDS,” subsection “E. Response Times and Actions” of the Agreement is amended to add the following language as paragraphs 3 and 4:

“(3) Damaged Vehicles- AVTS agrees to issue a substitute vehicle or credit for a rented vehicle per missed service day, per vehicle, for vehicles that were placed out of service due to damage from preventable collisions. Additionally, vehicles down from non-preventable collisions for a duration longer than four (4) weeks will also be subject to the same requirements.

(4) Rental Reimbursement- AVTA agrees to continue reimbursement for up to one (1) rental vehicle to address excessive downed units until the 4-week average on downed buses within the control of the AVTA maintenance team drops below 10%. Should the down list of vehicles rise above 25%, Contractor must submit request in writing to AVTA for additional rental reimbursement approval.”

5. AMENDMENT TO SECTION 2(B)(2)

Under section “2. CONTRACTOR SCOPE OF WORK,” subsection “B. Contractor Duties,” paragraph “(2)” is deleted in its entirety.

6. AMENDMENT TO SECTION 6(B)(2)

Under section “6. COMPENSATION FOR SERVICES,” subsection “B. Scope of Compensation,” paragraph “(2)” is deleted in its entirety.

7. AMENDMENT TO SECTION 9(A)

Under section “9. VEHICLE APPEARANCE AND CLEANING REQUIREMENTS,” before subsection “A. Exterior” of the Agreement is amended to add the following language:

“AVTA will supply the necessary equipment and availability of AVTA’s facilities car wash.”

8. AMENDMENT TO SECTION 11(D)

Under section "11. SPECIFIC REQUIREMENTS FOR OPERATORS, MECHANICS, AND OTHER PERSONNEL," subsection "D. Maintenance Personnel" is deleted in its entirety.

9. AMENDMENT TO SECTION 12(C)(1)&(2)

Under section "12. OPERATING PERFORMANCE STANDARDS," subsection "C. On-Time Performance," paragraph "(1)" and "(2)" are deleted in their entirety.

10. AMENDMENT TO SECTION 12(D)(1)

Under section "12. OPERATING PERFORMANCE STANDARDS," subsection "D. Vehicle Trip Completion," paragraph "(1)" is amended to read as follows:

"Late Trips. A Passenger Vehicle Trip is considered a Late Trip when the Revenue Vehicle arrives at the designated pick-up location more than thirty (30) minutes after the originally scheduled pick-up time.

11. AMENDMENT TO SECTION 12(D)(2)

Under section "12. OPERATING PERFORMANCE STANDARDS," subsection "D. Vehicle Trip Completion," paragraph "(2)" is amended to read as follows:

"Missed Trips. A Passenger Vehicle Trip is considered to constitute a Missed Trip when; (a) the Revenue Vehicle performing the trip arrives at the designated pick-up location more than forty (40) minutes after the originally quoted pick-up time or (b) the....."

12. AMENDMENT TO SECTION 13(A),(B)&(F)

Under section "13. VEHICLE SPECIFICATIONS, MAINTENANCE AND LAWS," subsections "A. Revenue Vehicles," "B. Vehicle Maintenance Standards," and "F. Tires" are deleted in their entirety.

In the event of any conflict between any provisions of this Amendment No. 3 and the original Agreement or the submitted Proposal. Then the provisions of this Amendment No. 3, followed by the original Agreement, shall govern.

Except as otherwise expressly modified by Amendment No.3, all terms and conditions outlined in the Agreement shall continue in full force and effect. Nothing in this Amendment No. 3, shall be deemed to excuse or waive any failure by the Contractor to satisfactorily perform all services required by the Agreement as it existed before the effective date of this Amendment No. 3.

CONTRACTOR AUTHORIZED SIGNATURE

TO EFFECTUATE THIS Amendment Number 3, the parties have caused their duly authorized representatives to execute the same by signing below.

Signature

Title

Name (please print)

Date

Signature

Title

Name (please print)

Date

NOTE: Contractor/Consultant must sign above.

ANTELOPE VALLEY TRANSIT AUTHORITY'S AUTHORIZED SIGNATURE

(This contract is not binding on AVTA until signed by the Board of Directors Chair or Executive Director/CEO or designee)

Approved:

Martin Tompkins, Executive Director/CEO
or Designee**

Date



DATE: April 22, 2025

TO: BOARD OF DIRECTORS

SUBJECT: Fiscal Year 2026 Preliminary Budget Assumptions

RECOMMENDATION:

Approve the Fiscal Year 2026 Preliminary Budget Assumptions and provide directions to staff regarding fiscal priorities for the Final Fiscal Year 2026 Budget.

FISCAL IMPACT:

The FY 2026 operating revenue total is \$42,829,095, while the operating expenditure total is \$47,163,114, producing a deficit of \$4,334,114. Agency funds will cover this deficit. The proposed capital budget of \$13,026,950 reflects large projects carried over from the prior year, such as the Solar Farm and Shared Charging Lot, along with a few small-scale projects.

BACKGROUND:

The Authority will utilize FTA Sections 5307 and 5337 formula funds to provide continuous operations and allow us to serve our communities. Attachment A details the Preliminary Operating and Capital Budget Assumptions.

Prepared by:

Submitted by:

Judy Vaccaro-Fry
Chief Financial Officer

Martin J. Tompkins
Executive Director/CEO

Attachment: A – FY 2026 Preliminary Budget Assumptions

FISCAL YEAR 2026 (FY 2026)

PRELIMINARY BUDGET ASSUMPTIONS

OPERATING REVENUE

- FTA Formula Grants:** Apportionments for federal funds for FFY 2025 (Federal Fiscal Year 2025) and subsequent final funding values from Southern California Associated Governments (SCAG) are not available as of the date of this staff report. Therefore, it is likely that the funding amounts shown will shift. If the final amounts are not available at the time of AVTA budget final approval, AVTA will update the budget during the mid-year review. The values reflected in the preliminary budget are derived from AVTA using funds appropriated during prior fiscal years in combination with FFY 2025 funding still pending release. Further, these funding amounts assume that FFY 2025 funding will be at or above FFY 2024 funding levels.

Currently, AVTA estimates Federal Section 5307 preventative maintenance funding at \$8.8 million, Federal Section 5307 operations funding at \$4.1 million, and Federal Section 5337 High Intensity Motorbus funding at \$1.1 million.

- Fare Revenue:** FY 2026 projected system-wide revenue is expected to be \$2.7 million.
- Tax Revenue:** According to the most recent Transit Fund Allocations draft from the Los Angeles County Metropolitan Transportation Authority (LACMTA), the agency will receive over \$17.2 million in operating funds. This represents a decrease of over \$1 million compared to FY 2025.

Metro FAP Funding for Operations	2024-2025 Funding	2025-2026 Funding	Increase (decrease)
MTA:Prop A 95%/40% Discretionary	\$ 7,081,309	\$ 7,117,587	\$ 36,278
MTA:PROP C 40%-FOOTHILL MITIG	\$ 48,560	\$ 50,474	\$ 1,914
MTA:PROP C 40%-TRANSIT SRVC EX	\$ 436,008	\$ 448,478	\$ 12,470
MTA:PROP C 40%-BUS SRVC IMPRV	\$ 55,338	\$ 56,921	\$ 1,583
MTA:PROP C 5%-BUS SECURITY ENH	\$ 207,282	\$ 181,227	\$ (26,055)
MTA:PROP C 40%-MOSIP	\$ 1,422,622	\$ 1,448,545	\$ 25,923
MTA:MEASURE R	\$ 3,916,140	\$ 3,218,148	\$ (697,992)
MTA: Prop A DAR	\$ 785,233	\$ 1,155,120	\$ 369,887
MTA:Measure M	\$ 3,900,972	\$ 3,183,347	\$ (717,625)
MTA: Fund Swap to Prop C	\$ 368,054	\$ 360,886	\$ (7,168)
Total	\$ 18,221,518	\$ 17,220,733	\$ (1,000,785)

- Jurisdictional Operating Contributions:** Contributions from the jurisdictions have gone through a comprehensive analysis and have been recalculated in the

last year resulting in a new funding formula. Using the new funding formula, the jurisdictional contributions for operations are calculated as follows:

Jurisdiction	2024-2025 Funding (revised)	2025-2026 Funding	Increase (decrease)
City of Lancaster	\$ 1,786,550	\$ 2,089,802	\$ 303,252
City of Palmdale	\$ 1,786,550	\$ 1,870,469	\$ 83,919
County of Los Angeles	\$ 1,627,598	\$ 1,805,000	\$ 177,402
Total	\$ 5,200,698	\$ 5,765,271	\$ 564,573

- **Other Operating Revenues:** Advertising revenue is budgeted at \$165K. Low-Carbon Fuel Standard (LCFS) credits are sold at market value and are estimated at \$562K. Interest rates have risen significantly, so AVTA anticipates an increase in earnings. Interest/investment income is conservatively budgeted at \$975K. AVTA is also anticipating almost \$54k in property lease revenue.

OPERATING EXPENDITURES

- **Purchased Transportation:**
 - **Fixed-Route:** FY 2026 is the fourth year MV will be AVTA’s fixed-route purchased transportation provider. The new contract states a revenue hour rate increase from \$116.01 to \$133.50 in FY 2026. AVTA is budgeting as close to actual revenue hours as possible in FY 2026 and therefore anticipates approximately 185K revenue hours during the fiscal year, resulting in a cost increase of over \$4 million.
 - **Microtransit, DAR, and NEMT:** AVTS provides on-demand services. These services continue to gain popularity, and ridership is increasing. The total budget for all services in FY 2026 is just over \$6.8 million, representing an increase of \$1.2 million.
- **Bus Propulsion:** AVTA is in the process of procuring a direct source for electricity, which would yield significant savings; however, this budget does not assume that decrease at this time. Propulsion electricity costs for all locations are projected at just over \$2.8 million.
- **Personnel:** AVTA plans to maintain the 54-person staff during FY 2026. The FY 2026 personnel budget assumes no COLA increase and a maximum merit raise of 3%. AVTA anticipates personnel costs to remain flat from FY 2025 to FY 2026.
 - **Benefits:** A new benefit service provider has been procured, and benefit costs are expected to remain consistent in FY 2025.

FY 2026 Preliminary Budget Assumptions

April 22, 2025

Page 3

- Pension: CalPERS's employer share for CalPERS Classic has risen to 11.94% from 11.88% for FY 2026. The CalPERS Public Employee Pension Reform Act (PEPRA) employer contribution has risen to 7.96% from 7.87% the year prior. CalPERS calculates pension contributions based on payroll figures one year in arrears. AVTA pays the employee contribution share for CalPERS Classic employees.
- **Insurance:** Insurance coverage costs are estimated to increase by 3% above prior year costs. Actual rates will likely be completed in June 2025 after the budget is completed and will be included in the mid-year review.
- **Capital Outlay:** FTA has discontinued the availability of Transportation Development Credits for the use toward local match requirements on capital projects. Therefore, AVTA has a significant increase in local match requirements.
- **General and Administrative Costs:** AVTA is balancing some savings with cost increases, primarily in the category of security, to keep these costs steady from FY 2025 to FY 2026.
- **Other Operating Costs:** AVTA anticipates an overall decrease in costs primarily due to the discontinued use of leased buses for fixed-route local services.

	FY 2025-2026		
	FY 2024-2025 Budget	Preliminary Budget Proposed	Increase (Decrease)
Revenue			
Fare Revenue	\$ 2,264,000	\$ 2,700,000	\$ 436,000
Jurisdictional Contributions (Ops)	\$ 5,388,985	\$ 5,958,235	\$ 569,250
Metro FAP	\$ 18,221,518	\$ 17,220,733	\$ (1,000,785)
Other Revenue	\$ 1,673,654	\$ 1,942,748	\$ 259,093
Federal Formula Grants	\$ 12,668,815	\$ 14,142,379	\$ 1,473,564
Expense Reimb.	\$ 1,720,000	\$ 865,000	\$ (855,000)
Revenue Total	\$ 41,936,972	\$ 42,829,095	\$ 882,122
Expense			
Fuel/Electricity	\$ 2,611,003	\$ 2,894,493	\$ 283,490
Gen & Admin Costs	\$ 1,618,542	\$ 1,655,877	\$ 160,962
Leased Buses (MCI)	\$ 2,865,000		\$ (2,865,000)
Other Operating Costs	\$ 1,970,987	\$ 2,303,264	\$ 332,277
Purchased Transportation	\$ 28,964,097	\$ 34,383,150	\$ 5,419,053
Wages & Benefits	\$ 5,770,881	\$ 5,926,329	\$ 155,449
Capital Outlay	\$ 1,211,646		\$ (1,211,646)
Expense Total	\$ 45,012,156	\$ 47,163,114	\$ 2,274,585
Surplus/(Deficit)	\$ (3,075,183)	\$ (4,334,019)	\$ 1,392,462

CAPITAL REVENUE

FTA Formula Grants: FFY 2026 utilizes a combination of formula and discretionary state and federal funds, along with agency reserves, to provide the required local match. State discretionary funds have been awarded to the solar farm and shared charging lot projects, while all federal funds shown are formula funds. Totals for the solar farm and charging lot projects have been programmed and reserved in the TIP database but have not yet been obligated in a federal grant. Once we can proceed with land purchase and construction, the federal amounts will be submitted in a grant.

FY 2026 CAPITAL PROJECTS	Capital Budget	FY 2025 Carryover	State Funding	FTA Funding	AVTA Reserve
FACILITIES					
AVTA HEADQUARTERS FACILITY IMPROVEMENTS					
Solar Farm					
Land	\$ 3,168,000	\$ 3,168,000	\$ 633,600	\$ 2,534,400	\$ -
Shared Charging Infrastructure - North Lot					
Architectural & Engineering	\$ 50,000	\$ 50,000	\$ -	\$ 40,000	\$ 10,000
Construction	\$ 2,500,000	\$ 2,500,000	\$ 1,360,000	\$ 1,140,000	\$ -
Generator - 2 units	\$ 1,300,000	\$ 1,300,000	\$ -	\$ 1,040,000	\$ 260,000
DC Chargers + Installation - 5 units	\$ 651,125	\$ 651,125	\$ 645,000	\$ 6,125	\$ -
Land	\$ 500,000	\$ 500,000	\$ 400,000	\$ 100,000	\$ -
Level III Chargers - 11 units	\$ 363,825	\$ 363,825	\$ 351,505	\$ 12,320	\$ -
Project Management	\$ 24,000	\$ 24,000	\$ -	\$ 19,200	\$ 4,800
Security Lighting	\$ 100,000	\$ 100,000	\$ -	\$ 80,000	\$ 20,000
Security Perimeter Fencing	\$ 25,000	\$ 25,000	\$ -	\$ 20,000	\$ 5,000
Security Perimeter Block Wall	\$ 50,000	\$ 50,000	\$ -	\$ 40,000	\$ 10,000
Switch Gear	\$ 170,000	\$ 170,000	\$ -	\$ 136,000	\$ 34,000
Transformers - 2 units	\$ 200,000	\$ 200,000	\$ -	\$ 160,000	\$ 40,000
PHASE III Update					
Administration Restroom Remodel	\$ 500,000	\$ 75,000	\$ -	\$ 400,000	\$ 100,000
Communications Server Room Upgrade	\$ 100,000	\$ 100,000	\$ -	\$ 80,000	\$ 20,000
Conference Room Furnishings	\$ 65,000	\$ -	\$ -	\$ 52,000	\$ 13,000
Contractors Maintenance Ofc/Parts Remodel	\$ 250,000	\$ -	\$ -	\$ 200,000	\$ 50,000
Facility Painting Refresh	\$ 400,000	\$ -	\$ -	\$ 320,000	\$ 80,000
Maintenance Shop Upgrade	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ 100,000
Safety & Security					
Guard Shack	\$ 50,000	\$ -	\$ -	\$ 40,000	\$ 10,000
Security - DHS Assessment Implementation	\$ 150,000	\$ -	\$ -	\$ 120,000	\$ 30,000
Secured Facility Access Upgrade	\$ 70,000	\$ -	\$ -	\$ 56,000	\$ 14,000
Transit Center Improvements					
Canopy - 2 units (PTC)	\$ 50,000	\$ -	\$ -	\$ 40,000	\$ 10,000
Rural Shelter Lighting	\$ 50,000	\$ -	\$ -	\$ 40,000	\$ 10,000
Transit Center Shelter Lighting	\$ 80,000	\$ -	\$ -	\$ 64,000	\$ 16,000
AVTA East Facility					
Furnishings	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
Security Cameras	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
AVTA FACILITY IMPROVEMENTS TOTAL	\$ 11,421,950	\$ 9,276,950	\$ 3,390,105	\$ 7,140,045	\$ 891,800

FY 2026 Preliminary Budget Assumptions

April 22, 2025

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FY 2026 CAPITAL PROJECTS	Capital Budget	FY 2025 Carryover	State Funding	FTA Funding	AVTA Reserve
EQUIPMENT					
FLEET & FACILITIES EQUIPMENT					
Maintenance Equipment					
Inground lifts - 3 units	\$ 1,200,000	\$ -	\$ -	\$ 960,000	\$ 240,000
Maintenance Tools	\$ 140,000	\$ -	\$ -	\$ 112,000	\$ 28,000
Radio Equipment	\$ 10,000	\$ -	\$ -	\$ 8,000	\$ 2,000
Supply Storage Unit	\$ 10,000	\$ -	\$ -	\$ 8,000	\$ 2,000
INFORMATION TECHNOLOGY					
Data and Communications					
Communications Replacement (41)	\$ 60,000	\$ -	\$ -	\$ 48,000	\$ 12,000
Server Replacement	\$ 200,000	\$ 200,000	\$ -	\$ 160,000	\$ 40,000
Software Licenses	\$ 213,000	\$ -	\$ -	\$ 170,400	\$ 42,600
VEHICLE EQUIPMENT					
Local Transit & Commuter Fleet					
Charging Equipment (WAVE, Heliox, ABB, BYD)	\$ 100,000	\$ -	\$ -	\$ 80,000	\$ 20,000
Major Bus Components - OOW	\$ 500,000	\$ -	\$ -	\$ 400,000	\$ 100,000
Wheelchair Securement (4 BYD)	\$ 25,000	\$ -	\$ -	\$ 20,000	\$ 5,000
Wrap & Logo Replacements	\$ 100,000	\$ -	\$ -	\$ 80,000	\$ 20,000
DAR & Microtransit Fleet					
A/C Machine for EV-Vans	\$ 7,000	\$ -	\$ -	\$ 5,600	\$ 1,400
EV-Vans OOW claims	\$ 300,000	\$ -	\$ -	\$ 240,000	\$ 60,000
Support Fleet					
EV Gators (2 units)	\$ 100,000	\$ 100,000	\$ -	\$ 80,000	\$ 20,000
EQUIPMENT TOTAL	\$ 1,605,000	\$ 300,000	\$ -	\$ 1,284,000	\$ 321,000
AVTA FY 2026 CAPITAL PROJECTS TOTAL	\$ 13,026,950	\$ 9,576,950	\$ 3,390,105	\$ 8,424,045	\$ 1,212,800

FY 2026 *Preliminary* Operating & Capital Budget

**Presentation to the Board of Directors
April 22, 2025**



2026 BUDGET SUMMARY

OPERATING: **\$47,163,114**

CAPITAL: **\$13,026,950**

FY26 TOTAL: **\$60,190,064**

2026 BUDGET SUMMARY

OPERATING

Expenses **\$47,163,114**

Revenues **\$42,829,095**

DEFICIT: **(\$4,334,019)**

FY COMPARISON

FY 2025

TOTAL

\$58,171,495

OPERATING:

\$45,012,156

CAPITAL:

\$14,145,590

FY 2026

TOTAL

\$60,190,064

OPERATING:

\$47,163,114

CAPITAL:

\$13,026,950



OPERATING & CAPITAL DETAILS



REVENUES v. EXPENSES

	FY 2025-2026		
	FY 2024-2025 Budget	Preliminary Budget Proposed	Increase (Decrease)
Revenue			
Fare Revenue	\$ 2,264,000	\$ 2,700,000	\$ 436,000
Jurisdictional Contributions (Ops)	\$ 5,388,985	\$ 5,958,235	\$ 569,250
Metro FAP	\$ 18,221,518	\$ 17,220,733	\$ (1,000,785)
Other Revenue	\$ 1,673,654	\$ 1,942,748	\$ 259,093
Federal Formula Grants	\$ 12,668,815	\$ 14,142,379	\$ 1,473,564
Expense Reimb.	\$ 1,720,000	\$ 865,000	\$ (855,000)
Revenue Total	\$ 41,936,972	\$ 42,829,095	\$ 882,122
Expense			
Fuel/Electricity	\$ 2,611,003	\$ 2,894,493	\$ 283,490
Gen & Admin Costs	\$ 1,618,542	\$ 1,655,877	\$ 160,962
Leased Buses (MCI)	\$ 2,865,000		\$ (2,865,000)
Other Operating Costs	\$ 1,970,987	\$ 2,303,264	\$ 332,277
Purchased Transportation	\$ 28,964,097	\$ 34,383,150	\$ 5,419,053
Wages & Benefits	\$ 5,770,881	\$ 5,926,329	\$ 155,449
Capital Outlay	\$ 1,211,646		\$ (1,211,646)
Expense Total	\$ 45,012,156	\$ 47,163,114	\$ 2,274,585
Surplus/(Deficit)	\$ (3,075,183)	\$ (4,334,019)	\$ 1,392,462



FY 2026 CAPITAL PROJECTS		Capital Budget
FACILITIES		
AVTA HEADQUARTERS FACILITY IMPROVEMENTS		
Solar Farm		
Land	\$	3,168,000
Shared Charging Infrastructure - North Lot		
Architectural & Engineering	\$	50,000
Construction	\$	2,500,000
Generator - 2 units	\$	1,300,000
DC Chargers + Installation - 5 units	\$	651,125
Land	\$	500,000
Level III Chargers - 11 units	\$	363,825
Project Management	\$	24,000
Security Lighting	\$	100,000
Security Perimeter Fencing	\$	25,000
Security Perimeter Block Wall	\$	50,000
Switch Gear	\$	170,000
Transformers - 2 units	\$	200,000
PHASE III Update		
Administration Restroom Remodel	\$	500,000
Communications Server Room Upgrade	\$	100,000
Conference Room Furnishings	\$	65,000
Contractors Maintenance Ofc/Parts Remodel	\$	250,000
Facility Painting Refresh	\$	400,000
Maintenance Shop Upgrade	\$	500,000
Safety & Security		
Guard Shack	\$	50,000
Security - DHS Assessment Implementation	\$	150,000
Secured Facility Access Upgrade	\$	70,000
Transit Center Improvements		
Canopy - 2 units (PTC)	\$	50,000
Rural Shelter Lighting	\$	50,000
Transit Center Shelter Lighting	\$	80,000
AVTA East Facility		
Furnishings	\$	5,000
Security Cameras	\$	50,000
AVTA FACILITY IMPROVEMENTS TOTAL	\$	11,421,950

EQUIPMENT		
FLEET & FACILITIES EQUIPMENT		
Maintenance Equipment		
Inground lifts - 3 units	\$	1,200,000
Maintenance Tools	\$	140,000
Radio Equipment	\$	10,000
Supply Storage Unit	\$	10,000
INFORMATION TECHNOLOGY		
Data and Communications		
Communications Replacement (41)	\$	60,000
Server Replacement	\$	200,000
Software Licenses	\$	213,000
VEHICLE EQUIPMENT		
Local Transit & Commuter Fleet		
Charging Equipment (WAVE, Heliiox, ABB, BYD)	\$	100,000
Major Bus Components - OOW	\$	500,000
Wheelchair Securement (4 BYD)	\$	25,000
Wrap & Logo Replacements	\$	100,000
DAR & Microtransit Fleet		
A/C Machine for EV-Vans	\$	7,000
EV-Vans OOW claims	\$	300,000
Support Fleet		
EV Gators (2 units)	\$	100,000
EQUIPMENT TOTAL	\$	1,605,000
AVTA FY 2026 CAPITAL PROJECTS TOTAL	\$	13,026,950

- FY2025 Carryover**
- **\$9,576,950**
 - Solar Farm
 - Charging Lot
- State Funds:**
- **\$3,390,105**
- FTA Funds:**
- **\$8,424,045**
- AVTA Reserve:**
- **\$1,212,800**



FY 2026 JURISDICTIONAL CONTRIBUTIONS



REVIEW METHODOLOGY

EXPENSE METHODOLOGY

LOCAL TRANSIT	Based on Jurisdictional Route Miles
COMMUTER (785, 786, 787)	Based on Census Data for Unincorporated CA
COMMUTER (Route 790)	100% LA County
DIAL-A-RIDE / NON-EMERGENCY MEDICAL TRANSPORTATION (NEMT)	1/3 <u>EACH</u> Jurisdiction
MICROTRANSIT	100% LA County



EXPENSES + REVENUES

FY2026 BUDGET

	Local Transit	Commuter - 3	Commuter - 1	DAR	NEMT	Microtransit	ACTUAL \$\$
COST	\$ 23,840,961.00	\$ 4,772,405.00	\$ 238,459.55	\$ 3,428,893.68	\$ 35,648.57	\$ 1,341,740.74	\$ 33,658,108.55
MTA FAP	\$ (12,579,114.27)	\$ (2,675,612.73)		\$ (1,155,120.00)		\$ (450,000.00)	\$ (16,859,847.00)
Fare Revenue	\$ (1,555,916.00)	\$ (689,999.00)	\$ (44,080.46)	\$ (132,556.11)	\$ (1,378.12)	\$ (51,869.77)	\$ (2,475,799.46)
Directly Generated	\$ (1,921,585.76)	\$ (635,605.24)	\$ -	\$ -	\$ -	\$ -	\$ (2,557,191.00)
FTA Formula	\$ (3,571,758.93)	\$ (1,181,435.00)		\$ (1,246,806.06)	\$ -	\$ -	\$ (6,000,000.00)
	\$ 4,212,586.03	\$ (410,246.97)	\$ 194,379.09	\$ 894,411.51	\$ 34,270.45	\$ 839,870.97	\$ 5,765,271.09
Lancaster	\$ 1,955,478.24	\$ (175,298.53)	\$ -	\$ 298,196.80	\$ 11,425.77	\$ -	\$ 2,089,802.28
Palmdale	\$ 1,733,447.85	\$ (172,508.85)	\$ -	\$ 298,107.36	\$ 11,422.34	\$ -	\$ 1,870,468.70
LA County	\$ 523,659.94	\$ (62,439.59)	\$ 194,379.09	\$ 298,107.36	\$ 11,422.34	\$ 839,870.97	\$ 1,805,000.11
	\$ 4,212,586.03	\$ (410,246.97)	\$ 194,379.09	\$ 894,411.51	\$ 34,270.45	\$ 839,870.97	\$ 5,765,271.09

OPERATING CONTRIBUTIONS – FINAL BALANCES & PERCENTAGES

JURISDICTIONAL - OPERATING CONTRIBUTIONS			
	2025 Budget*	2026 Budget	FY 25 > 26 DIFFERENCE
City of Lancaster	\$ 1,786,550	\$ 2,089,802	\$ 303,252
City of Palmdale	\$ 1,786,550	\$ 1,870,469	\$ 83,919
LA County	\$ 1,627,598	\$ 1,805,000	\$ 177,402

JURISDICTIONAL - OPERATING PERCENTAGES			
	2025 Budget*	2026 Budget	FY 25 > 26 DIFFERENCE
City of Lancaster	35%	36.25%	1.25%
City of Palmdale	33%	32.44%	-0.56%
LA County	31%	31.31%	0.31%



CAPITAL CONTRIBUTIONS

Capital contributions to remain consistent at FY 2025 levels.

Once service reduction levels are determined:

- Required number of buses will also be reduced.
- Future capital need will be recalculated.

No bus replacement until FY 2028.

RECOMMENDATION

Approve the FY 2026 *Preliminary*
Capital & Operating Budget
or Provide Alternative Direction

