

AUG 30 2010



BUTTE COUNTY ASSOCIATION OF GOVERNMENTS

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August 27, 2010

The Honorable Steven J. Howell
Presiding Judge
Superior Court of California, County of Butte
One Court Street
Oroville, CA 95965-3303

FILED
Superior Court of California
County of Butte
AUG 30 2010
Kimberly Floner, Clerk
By *[Signature]* Deputy

Dear Judge Howell:

As required by Penal Code §933.05 I am providing the following responses to the 2009/10 Grand Jury Final Report, concerning the Findings that were identified in the report concerning the **Butte Regional Transit System**, also known as the **B-Line**. As required by Penal Code §933 & §933.05, I am providing this response within the required 60 day time period and will review these responses with the BCAG Board of Directors at their August 26, 2010 Board of Directors meeting.

The following is Butte Regional Transit's responses to the recommendations that were made in the final Grand Jury 2009/10 Report:

RECOMENDATION – *“BCAG should work with the contract provider, Veolia Transportation, to locate and lease a larger operations facility for the B-Line.”*

Response: BCAG staff and the Board of Directors are aware that the current transit maintenance facility leased by Veolia Transportation, has become too small to serve the day-to-day maintenance and operational needs for the B-Line transit system.

BCAG's contractor (Veolia Transportation) is leasing the property at 326 Huss Avenue off Hegan Lane. This facility is on approximately 3 acres and provides for bus storage & parking; a maintenance building for bus servicing and repairs; administrative offices for Veolia staff and management; and storage for parts and equipment.

Butte Regional Transit has “outgrown” the existing maintenance facility and administrative offices. The current facility was designed for up to 50 vehicles; B-Line currently has a fleet of 71 buses. The maintenance garage is too small to accommodate the necessary space for doing the day-to-day maintenance and vehicle servicing. The administrative offices which are 2,300 sq ft, do not provide sufficient space for the twenty administrative staff and other operational personnel that use the offices.

In September of 2009, the BCAG Board of Directors authorized staff to evaluate potential properties in and around the City of Chico that could be acquired by BCAG to construct a new transit maintenance facility. Staff has identified a preferred property, had an appraisal prepared, and anticipates requesting the BCAG Boards authorization to begin negotiation for acquisition in September.

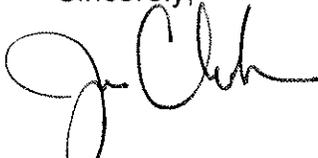
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BCAG intends to purchase property, develop and own the new transit maintenance facility in response of a recommendation made from the Transit Consolidation Study prepared in 2003. BCAG owning the transit maintenance facility will greatly facilitate a level playing field when BCAG goes out for bid every five years to solicit for an operator to provide the dispatching, maintenance and drivers necessary to operate the Butte Regional Transit service. With BCAG as the owner of the maintenance facility operation costs to the cities, town and county will be reduced since the contractor will no longer need to include the leasing cost for the maintenance facility in their bid proposal.

BCAG anticipates that the new transit maintenance facility could be built within the next 4 years. Staff is currently working on a funding plan to identify estimated costs and funding sources for constructing the maintenance facility.

Should you have further questions or need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jen Clark". The signature is fluid and cursive, with the first name "Jen" being more prominent than the last name "Clark".

Jen Clark
Executive Director
Butte County Association of Governments (BCAG)

C: BCAG Board of Directors