

Administration and Finance Committee  
Summary Minutes  
May 8, 2019

The meeting was called to order at 9:00 a.m. at 1676 North California Blvd, Suite 620 in Walnut Creek. Those in attendance were:

Committee Members:            Director Al Dessayer  
   Director Don Tatzin  
   Director Kevin Wilk

Staff:                                General Manager Rick Ramacier  
   Chief Financial Officer Erick Cheung  
   Assistant General Manager Bill Churchill  
   Director of Recruitment/DBE Officer Kristina Martinez  
   Legal Counsel Madeline Chun

1. Approval of Agenda- Approved
2. Public Communication- None
3. Approval of Minutes of April 10, 2019- Approved.
4. Closed Session Conference with Labor Negotiator (pursuant to Government Code Section 54957 and 54957.6) Unrepresented Employees – Legal Counsel – A&F moved amendment of revised rates for Legal Services to the Board for consideration and approval.
5. CCCTA Investment Policy – Quarterly Reporting Requirements – CFO Cheung reported that the portfolio as of March 31, 2019 complies with County Connection’s Investment Policy. Approved for the Board consent calendar.
6. 2019 BART Bus Bridges – AGM Churchill reported that County Connection has been providing bus bridges to the Bay Area Rapid Transit (BART) agency for many years under an existing mutual aid agreement. Given the planned BART service interruptions for 2019, BART has requested that partner agencies, including County Connection, approve a separate agreement that identifies specific weekend closures. County Connection staff has review the proposed schedule and is confident in its ability to support the requested bus bridges for the dates requested. Staff recommends that the A&F Committee recommend the agreement for Board approval and GM to execute agreement. The A&F Committee recommended the 2019 BART Bus Bridge request to Board for approval and authorize the GM to execute the agreement with BART on consent.
7. Request to Post Proposed Disadvantaged Business Enterprise (DBE) Goal for Federal Fiscal Years (FYs) 2020-2022 – Director Martinez reported as part of the DBE Program, the regulations require grantees to establish a three-year overall goal for DBE participation in FTA-assisted contracts. The Board adopted a 5% overall DBE goal for FY2017 through FY2019 and was approved by the FTA. County Connection’s next goal submission is due to FTA on August 1, 2019 covering FY2020 through FY2022. Staff is proposing a 4.65% overall goal based on federal contracting opportunities and DBE availability for those projects. Prior to submission to the FTA, the regulations require that County Connection post a notice on its official web site announcing the proposed goal. In addition, the notice will inform the public the proposed goal is available for inspection and comment for a 30-day period. Following public review, staff will apprise the A&F Committee of any comments received and will recommend the final overall DBE goal for adoption by the Board at their June meeting. The A&F Committee approved staff’s recommendation to post the proposed DBE overall goal of 4.65% on the County Connection website and begin the 30 day public review and comment period.

8. Fiscal Year 2020 Draft Budget and Ten Year Forecast – CFO Cheung reported that the updated FY 2020 Budget proposes \$42.3 million in operational and capital expenses for fixed route and paratransit with revenues to offset these costs. The updated FY 2020 Budget and Forecast includes the following changes:

FY2020

- a. Increase in Workers Compensation expense based on premiums for \$13,000.
- b. Increase in Paratransit Purchased Transportation based on the proposed amount by Transdev for \$20,000.
- c. Decrease in Liability and Physical Damage premiums of \$25,500 based on amounts provided by CalTIP in mid-April.
- d. Correction of LCTOP revenue of \$757,828 which will subsidize Routes 11, 14, and 16 next fiscal year. This was included as part of fare revenue and should not have been shown in the LCTOP revenue line.
- e. Increase of \$98,798 in Measure J revenues based on estimates provided by CCTA staff. The increase is mainly due to true up amounts for FY 2018 based on actual sales tax revenue. CCTA has preliminarily estimated sales tax revenues to increase to \$91.8 million (FY 2019 - \$91.15 million) or 0.7% for FY 2020. The previous budget prepared by staff assumed a 2.5% increase.
- f. Net increase in TDA revenue of \$666,702 based on items above.
- g. Forecast Amendments would bring TDA reserves to \$17,762,000 in FY 2020 and decreases to \$814,00 by FY 2028:
  - i. Correction of LCTOP revenue for FY 2020 for \$757,828 and the forecast assumed \$350,000 in future years.
  - ii. Measure J FY 2018 true up revenue received in FY 2020 for approximately \$304,000 which would not reoccur in future years.

FY2019

- a. Increase in Workers Compensation expense to settle claims for an additional \$112,600.
- b. Increase in TDA revenue of \$112,600 based on item above.

The A&F Committee accepted the report and forwarded to the Board.

9. Review of Vendor Bills, April 2019- Reviewed.
10. Legal Services Statement, February 2019 Labor & March 2019 General - Approved.
11. Adjournment- The meeting was adjourned. The next meeting is set for scheduled Wednesday, June 5<sup>th</sup> at 10 am in Walnut Creek and July 2<sup>nd</sup> and August 5<sup>th</sup> at 9am in Walnut Creek.

---

Erick Cheung, Chief Financial Officer