

INTER OFFICE MEMO

Administration and Finance Committee
Summary Minutes
September 11, 2019

The meeting was called to order at 9:00 a.m. at 1676 North California Blvd 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 Chief Operating Officer Scott Mitchell Director of Human Resources Lisa Rettig Director of Planning Ruby Horta

1. Approval of Agenda- Approved
2. Public Communication- None
3. Approval of Minutes of August 6, 2019- Approved.
4. CCCTA Investment Policy – Quarterly Reporting Requirements – CFO Cheung reported that the portfolio as of June 30, 2019 complies with County Connection’s Investment Policy. Approved for the Board consent calendar.
5. Increasing Cafeteria Amounts for Non Represented Employees – Director Rettig reported that County Connection contracts under the Public Employee’s Medical and Hospital Care Act (PEMHCA) for Administrative employee benefits. The current MOUs with the ATU and Teamsters increase the Cafeteria Plan annually using a formula that averages the increases in the two (2) most popular health plans by coverage level and splitting that amount and adding it to the Cafeteria Plan. In recent history the Board has provided the same increases to the Administrative Employees Cafeteria Plan in the interest of equality. For 2020, the two most popular health plans are Kaiser and Anthem Traditional which had an average increase of 4.65%. The budget assumed a 6% increase in premiums. The estimated costs to implement the cafeteria increases for administrative employee groups is \$17,600 and budgeted for \$59,000. The committee approved the monthly increase for the Administrative Employee Cafeteria Plan to the Board for consent.
6. Citizens’ Advisory Committee Bylaws Amendment – Director Horta reported that the Operations and Scheduling (O&S) Committee reviewed the Citizens’ Advisory Committee (CAC) bylaws at the August 2019 committee meeting. County Connection’s legal team provided some additional feedback and recommended the bylaws be amended. The proposed amendment states the basic rule that members shall not engage in any activity for compensation that is in conflict with their duties as members of the CAC. Also, legal proposed that the members fill out an Annual Statement of Economic Interest disclosure form that has been modeled after the FPPC’s Form 700, tailored to relate to their responsibilities as members of the CAC. This form would be filed with CCCTA, and not filed with the State. The committee approved the Citizen’s Advisory Committee bylaws be amended to the Board for consent.
7. Retrofit Batteries and Battery Management System 1600 Buses – COO Mitchell reported the four 2016 electric buses were built by Gillig using XALT batteries with a 4C battery management system and BAE drivetrain. County Connection has experienced an unacceptable level of battery system problems due to battery management, which has resulted in limited availability of the buses and a high rate of service interruptions and accelerated battery degradation. XALT has stopped using 4C for their battery management system making it difficult to support. County Connection has been working with Gillig to resolve these issues. Gillig has recommended, and County Connection staff agrees, the best way to resolve these issues is to retrofit the 1600 batteries and management system to match the 1800 series buses that have

improved range and reliability and use a different battery management system and battery pack. The cost to retrofit four (4) buses with new batteries and management system with a three (3) year warranty is \$594,126. Gillig is willing to pay \$364,126 of the cost and the remaining \$230,000 will be paid for by County Connection using a LCTOP Grant that is programmed to support the electric vehicles. The committee recommend approval to the Board to authorize the General Manager to enter into an agreement with Gillig to retrofit four 1600 series electric buses, with the cost to County Connection not to exceed \$230,000.

8. Review of Vendor Bills, August 2019- Reviewed.
9. Legal Services Statement, June 2019 Labor and July 2019 General - Approved.
10. Adjournment- The meeting was adjourned. The next meeting is set for scheduled for Tuesday 9:00 am October 1st in Walnut Creek.

Erick Cheung, Chief Financial Officer