

County Connection

2477 Arnold Industrial Way Concord, CA 94520-5326 (925) 676-7500 countyconnection.com

ADMINISTRATION & FINANCE COMMITTEE MEETING AGENDA

**Wednesday, February 3, 2021
8:30 a.m.**

DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED AS A TELECONFERENCE PURSUANT TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20, WHICH SUSPEND CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT.

MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON.

Committee Directors, staff and the public may participate remotely by calling:

Join Zoom Meeting

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Public comment may be submitted via email to: hill@cccta.org. Please indicate in your email the agenda item to which your comment applies. Comments submitted before the meeting will be provided to the committee Directors before or during the meeting. Comments submitted after the meeting is called to order will be included in correspondence that will be provided to the full Board.

The committee may take action on each item on the agenda. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the committee.

1. Approval of Agenda
2. Public Communication
3. Approval of Minutes of January 12, 2021*
4. Income Statements for the Six Months Ended December 31, 2020*
5. First Extension of the Paratransit Service Contract with Transdev*
(Staff will recommend that County Connection execute the first option in the current contract with Transdev.)

*Enclosure

**Enclosure for Committee Members

***To be mailed under separate cover

****To be available at the meeting.

FY2020/2021 A&F Committee

Don Tatzin – Lafayette, Al Dessayer-Moraga, Sue Noack-Pleasant Hill

Clayton • Concord • Contra Costa County • Danville • Lafayette • Martinez
Moraga • Orinda • Pleasant Hill • San Ramon • Walnut Creek

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

6. Review of Vendor Bills, January 2021**
7. Approval of Legal Services Statement, October 2020 Labor**
8. Next Scheduled Meeting – TBD
9. Adjournment

General Information

Public Comment: If you wish to address the committee, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the committee and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.

Consent Items: All matters listed under the Consent Calendar are considered by the committee to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a committee member or a member of the public prior to when the committee votes on the motion to adopt.

Availability of Public Records: All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be made available for public inspection by posting them to County Connection's website at www.countyconnection.com. The agenda and enclosures for this meeting are posted also on our website at www.countyconnection.com.

Accessible Public Meetings: Upon request, County Connection will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least two days before the meeting. Requests should be sent to the Assistant to the General Manager, Lathina Hill, at 2477 Arnold Industrial Way, Concord, CA 94520 or hill@cccta.org. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Currently Scheduled Board and Committee Meetings

Board of Directors:	February 18, 9:00 a.m., County Connection Board Room
Administration & Finance:	TBD, City of Pleasant Hill Offices, 100 Gregory Lane, Large Community Room, Pleasant Hill, CA 94523
Advisory Committee:	TBA. County Connection Board Room
Marketing, Planning & Legislative:	Thursday, February 4, 8:30 a.m., Supervisor Andersen's Office, 3338 Mt. Diablo Blvd. Lafayette, CA 9454
Operations & Scheduling:	Friday, February 5, 8:15 a.m. Supervisor Andersen's Office, 3338 Mt. Diablo Blvd. Lafayette, CA 9454

The above meeting schedules are subject to change. Please check the County Connection Website (www.countyconnection.com) or contact County Connection staff at 925/676-1976 to verify date, time and location.

This agenda is posted on County Connection's Website (www.countyconnection.com) and at the County Connection Administrative Offices, 2477 Arnold Industrial Way, Concord, California

INTER OFFICE MEMO

Administration and Finance Committee
Summary Minutes
January 12, 2021

The meeting was called to order at 8:30 a.m. via Teleconference pursuant to the provision of the Governor's Executive Orders N-25-20 and N-29-20. Those in attendance were:

Committee Members:	Director Al Dessayer Director Sue Noack Director Don Tatzin
Staff:	General Manager Rick Ramacier Assistant General Manager Bill Churchill Chief Financial Officer Erick Cheung Authority Attorney Madeline Chun Lewis Brisbois Attorney Ryan Fraizer

1. Approval of Agenda- Approved by each member of the A&F Committee
2. Public Communication- None
3. Approval of Minutes of December 9, 2020- Approved by each member of the A&F Committee.
4. Closed Session: Liability Claims (Government code Section 54956.95) Claim against Central Contra Costa Transit Authority; Claimant: Erwin Osias.
5. CCCTA Investment Policy – Quarterly Reporting Requirements – CFO Cheung reported that the portfolio as of September 30, 2020 complies with County Connection's Investment Policy with a balance of \$32,468,762. Approved by each member of the A&F Committee for the Board consent agenda item.
6. Independent Accountant's reports on Federal Transit Administration National Transit Database Reports – CFO Cheung reported that annually our independent auditors, Brown Armstrong, CPA's, are required to review the data we report to FTA on Form FFA-10, which is included in the National Transit Database report (NTD). The form reports hours, miles, passengers, passenger miles and total operating expenses. We filed the NTD report in October and Brown Armstrong completed their review in December. Brown Armstrong reviewed the data and issued the report without exception. Each member of the A&F Committee approved the report to the Board for consent agenda item.
7. Emergency COVID-19 Virus Relief Under Federal Consolidated Appropriations Act of 2021 – GM Ramacier noted that in December 2020, an Emergency Coronavirus Relief Act passed which included \$14 billion for transit. Under the Emergency Coronavirus Relief Act, County Connection is not currently planning on receiving any of this funding. This is due to a unique clause put into the legislation regarding federally designated Urbanized Areas (UZA). How this relates to the Bay Area is as follows: The Bay Area (MTC) will receive just under a billion dollars for public transit support from the Emergency Coronavirus Relief Act. However, the language of the bill is such that only three of the 12 UZA in the Bay Area can receive funding from the Act. These UZA include the San Francisco-Oakland, San Jose, and Santa Rosa UZAs. County Connection operates in the Concord UZA. Thus, County Connection cannot receive any funding from the latest Act. Staff has begun to have discussions to ensure that if there is another round of federal/relief funding to all transit operators, and not just those serving a few select UZAs.
8. Review of Vendor Bills, December 2020- Reviewed by each member of the A&F Committee.
9. Legal Services Statement, November 2020 General and Labor – Approved by each member of the A&F Committee.
10. Next Scheduled Meeting – The next meeting is set for scheduled for 8:30 am on Wednesday, February 3rd via teleconference.
11. Adjournment- The meeting was adjourned.

Erick Cheung, Chief Financial Officer

County Connection

INTER OFFICE MEMO

To: Administration & Finance Committee
From: Erick Cheung, Chief Finance Officer

Date: February 3, 2021

SUBJECT: Income Statements for the Six Months Ended December 31, 2020

The attached unaudited County Connection Income Statements for the first six months of Fiscal Year (FY) 2021 are presented for your review. The combined expenses of \$17,553,495 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 20.8% or \$4,612,326**. The expense categories with the most significant variances are:

Expenses:

Wages	\$(1,457,128)	(18.3)%	Operator wages are under budget for \$971K because of vacancies and reduction in service (i.e. currently not running school trippers). Other wages are lower by \$486K due to vacancies in the planning, safety and training, and maintenance departments.
Fringe Benefits	\$(599,701)	(10.0)%	Fringe Benefits are under budget due to vacancies and premiums for medical & cafeteria do not increase until January 2021.
Services	\$(334,010)	(26.0)%	Services are under budget due to lower promotions expense for \$69K, service development for \$40K, Clipper fees for \$70K, and service vehicle repair for \$122K.
Materials & Supplies	\$(648,709)	(39.9)%	Materials and supplies are lower due to lower diesel fuel costs and reduced service of \$359K and electricity use for trolleys of \$41K. Also, lower repair parts and clipper relief costs of \$88K.
Miscellaneous	\$(71,492)	(58.9)%	Miscellaneous expenses are under budget due to minimal travel and training expenses in FY 2021 and under budget for \$61K,
Special Trip Services	\$(1,106,338)	(27.6)%	Special Trip Services overall is under budget due to COVID-19, which decreased Paratransit Ridership and costs. For Fixed Route, costs are higher due to COVID/food delivery trips but offset by eliminated trips for Cal State East Bay and Saint Mary's College.
Contingency	\$(300,000)	(100.0)%	Not needed based on expenses being under budget.

Fixed route and Paratransit revenues and expenses are presented on **Schedules 2 and 3**. Actual expenses are compared to the year-to-date approved budget. Fixed route expenses are 15.6% under budget and Paratransit expenses are 44.2% under budget.

Revenues:

The combined revenues are also under budget. The most significant variances:

Passenger fares/special fares	\$(2,094,665)	(74.1)%	Passenger fares are \$1.4M under budget. Fixed route and Paratransit fares are lower due to COVID-19 as we stopped collecting for safety and health reasons in mid-March through October. Special fares are lower by \$663K due to COVID-19 reduced service or the service is not currently needed such as Bishop Ranch, City of Walnut Creek, Cal State East Bay and Saint Mary's College.
Advertising	\$(167,277)	(79.9)%	Due to COVID-19, our provider saw a decrease in advertising revenue. The provider requested and the Board approved modifying the revenue structure based on actual receipts instead of the minim agreed upon amounts.
Federal operating	\$(4,518,681)	(88.2)%	Staff has not drawn down CARES Act Funds due to the approval of the Federal Coronavirus Response and Relief Supplemental and Appropriations Act of 2021 (CRRSAA) due to the uncertainty of any allocations to County Connection and when these funds must be spent. Also, we received positive signs on sales tax which possibly means revenue loss is not as severe as assumed last summer.
TDA revenue earned	\$2,164,355	24.7%	TDA revenue is higher to offset expenses due to lower fare revenues and not drawing down of the CARES Act Funds.

Fixed Route Operator Wages (Schedule 4)

Schedule 4 compares various components of operator wages with the budget. Almost all categories are under budget due to COVID-19 as service was reduced.

- Platform (work time) is \$746,639 or 20.8% under budget.
- Overtime and Spread are \$181,053 or 47.2% under budget.
- Protection is \$71,493 or 32.9% over budget.
- Overall wages for operators are \$971,357 or 21.4% under budget.

Statistics (Schedule 6)

Schedule 6 provides selected statistical information for the current year compared to the last two years:

Fixed route:

- Passenger fares/special fares are 74.7% less than FY 2020 and 66.8% less than FY 2019. County Connection stopped collecting fares in mid-March 2020 through October due to COVID-19.
- The farebox recovery ratio is 73.6% less than FY 2020 and 66.4% less than FY 2019. The ratio is 4.7% in FY 2021; 17.9% in FY 2020; and 14.1% in FY 2019.
- Operating expenses are 4.1% less than in FY 2020 and 1.0% less than in FY 2019.

- Fixed route revenue hours are 17.7% less than FY 2020 and 19.2% less than FY 2019.
- The cost per revenue hour has increased 16.6% compared to FY 2020 and 22.6% compared to FY 2019.
- Passengers have decreased 69.4% compared to FY 2020 and 65.4% compared to FY 2019.
- The cost per passenger has increased 212.9% compared to FY 2020 and 186.5% compared to FY 2019.
- Passengers per revenue hour has decreased 62.7% compared to FY 2020 and 57.2% compared to FY 2019.

Paratransit (December data not currently available and are estimates):

- Passenger fares have decreased 96.3% compared to FY 2020 and increased 96.0% compared to FY 2019.
- The farebox ratio is less than FY 2020 and FY 2019. The ratio is 0.4% in FY 2021; 7.2% in FY 2020; and 7.8% in FY 2019.
- Expenses have decreased 37.4% compared to FY 2020 and 26.9% compared to FY 2019.
- Revenue hours are 66.4% less than FY 2020 and 68.0% in FY 2019.
- Passengers have decreased 77.0% compared to FY 2020 and 76.9% compared to FY 2019.
- The cost per passenger has increased 172.3% since FY 2020 and 215.6% compared to FY 2019.
- Paratransit passengers per revenue hour have decreased 31.5% compared to FY 2020 and 27.7% compared to FY 2019.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 589,402	\$ 2,021,558	\$ (1,432,156)	-70.8%
Special fares	142,780	805,289	(662,509)	-82.3%
	732,182	2,826,847	(2,094,665)	-74.1%
Advertising	42,098	209,375	(167,277)	-79.9%
Safe Harbor lease	5,750	15,700	(9,950)	-63.4%
Other revenue	156,943	86,973	69,970	80.5%
Federal operating	607,200	5,125,881	(4,518,681)	-88.2%
TDA earned revenue	10,918,314	8,753,959	2,164,355	24.7%
STA revenue	1,725,147	1,725,147	-	0.0%
Measure J	2,664,489	2,664,489	-	0.0%
Other operating assistance	701,372	757,450	(56,078)	-7.4%
	16,821,313	19,338,974	(2,517,661)	-13.0%
Total Revenue	\$ 17,553,495	\$ 22,165,821	\$ (4,612,326)	-20.8%
Expenses				
Wages- Operators	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%
Wages-Other	2,946,394	3,432,166	(485,772)	-14.2%
	6,510,717	7,967,845	(1,457,128)	-18.3%
Fringe Benefits	5,397,468	5,997,169	(599,701)	-10.0%
Services	952,355	1,286,365	(334,010)	-26.0%
Materials & Supplies	976,093	1,624,802	(648,709)	-39.9%
Utilities	170,665	196,800	(26,135)	-13.3%
Insurance	478,733	506,500	(27,767)	-5.5%
Taxes	100,120	128,508	(28,388)	-22.1%
Leases and Rentals	15,842	28,500	(12,658)	-44.4%
Miscellaneous	49,853	121,345	(71,492)	-58.9%
Special Trip Services	2,901,649	4,007,987	(1,106,338)	-27.6%
Operations	17,553,495	21,865,821	(4,312,326)	-19.7%
Contingency Reserve	-	300,000	(300,000)	-100.0%
Total Expenses	\$ 17,553,495	\$ 22,165,821	\$ (4,612,326)	-20.8%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	104,614	149,307	(44,693)	-29.9%
Cost per Rev Hr	\$ 167.64	\$ 148.27	\$ 19.37	13.1%
Passengers	588,491	1,937,695	(1,349,204)	-69.6%
Cost per Passenger	\$ 29.83	\$ 11.44	\$ 18.39	160.8%
Farebox ratio	4.2%	12.8%	-8.6%	-67.3%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 579,696	\$ 1,798,433	\$ (1,218,737)	-67.8%
Special fares	142,780	805,289	(662,509)	-82.3%
	722,476	2,603,722	(1,881,246)	-72.3%
Advertising	42,098	209,375	(167,277)	-79.9%
Safe Harbor lease	5,750	15,700	(9,950)	-63.4%
Other revenue	156,943	86,973	69,970	80.5%
Federal operating	-	4,518,681	(4,518,681)	-100.0%
TDA earned revenue	10,312,546	6,581,676	3,730,870	56.7%
STA revenue	1,478,472	1,478,472	-	0.0%
Measure J	1,954,610	1,954,610	-	0.0%
Other operating assistance	616,504	659,100	(42,596)	-6.5%
	14,566,923	15,504,587	(937,664)	-6.0%
Total Revenue	\$ 15,289,399	\$ 18,108,309	\$ (2,818,910)	-15.6%
Expenses				
Wages- Operators	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%
Wages-Other	2,838,725	3,336,080	(497,355)	-14.9%
	6,403,048	7,871,759	(1,468,711)	-18.7%
Fringe Benefits	5,346,297	5,940,273	(593,976)	-10.0%
Services	916,317	1,272,365	(356,048)	-28.0%
Materials & Supplies	975,749	1,622,302	(646,553)	-39.9%
Utilities	154,196	176,300	(22,104)	-12.5%
Insurance	471,950	498,970	(27,020)	-5.4%
Taxes	100,120	128,508	(28,388)	-22.1%
Leases and Rentals	15,842	28,500	(12,658)	-44.4%
Miscellaneous	49,053	116,845	(67,792)	-58.0%
Purchased Transportation	856,827	152,487	704,340	461.9%
Operations	15,289,399	17,808,309	(2,518,910)	-14.1%
Contingency Reserve	-	300,000	(300,000)	
Total Expenses	\$ 15,289,399	\$ 18,108,309	\$ (2,818,910)	-15.6%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	92,063	111,923	(19,860)	-17.7%
Cost per Rev Hr	\$ 165.90	\$ 161.54	\$ 4.37	2.7%
Passengers	572,501	1,868,155	(1,295,654)	-69.4%
Cost per Passenger	\$ 26.71	\$ 9.69	\$ 17.01	175.5%
Passengers per Rev Hr	6.22	16.69	(10.47)	-62.7%
Farebox recovery ratio	4.7%	14.6%	-9.9%	-67.7%

(fares,spec fares/Oper exp-w/o contingency-leases)

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Paratransit Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 9,706	\$ 223,125	\$ (213,419)	-95.6%
	9,706	223,125	(213,419)	-95.6%
Federal operating	607,200	607,200	-	0.0%
TDA earned revenue	605,768	2,172,283	(1,566,515)	-72.1%
STA revenue	246,675	246,675	-	0.0%
Measure J	709,879	709,879	-	0.0%
Other operating assistance	84,868	98,350	(13,482)	-13.7%
	2,254,390	3,834,387	(1,579,997)	-41.2%
Total Revenue	\$ 2,264,096	\$ 4,057,512	\$ (1,793,416)	-44.2%
Expenses				
Wages-Other	\$ 107,669	\$ 96,086	\$ 11,583	12.1%
	107,669	96,086	11,583	12.1%
Fringe Benefits	51,171	56,896	(5,725)	-10.1%
Services	36,038	14,000	22,038	157.4%
Materials & Supplies	344	2,500	(2,156)	-86.2%
Utilities	16,469	20,500	(4,031)	-19.7%
Insurance	6,783	7,530	(747)	0.0%
Miscellaneous	800	4,500	(3,700)	-82.2%
Special Trip Services	2,044,822	3,855,500	(1,810,678)	-47.0%
Total Expenses	\$ 2,264,096	\$ 4,057,512	\$ (1,793,416)	-44.2%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	12,551	37,384	(24,833)	-66.4%
Cost per Rev Hr	\$ 180.39	\$ 108.54	\$ 71.86	66.2%
Passengers	15,990	69,540	(53,550)	-77.0%
Cost per Passenger	\$ 141.59	\$ 58.35	\$ 83.25	142.7%
Passengers per Rev Hr	1.27	1.86	(0.59)	-31.5%
Farebox ratio	0.4%	5.5%	-5.1%	-92.2%
<i>(fares, spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Operator Wages

For the Six Months Ended December 31, 2020

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	\$ 2,848,035	\$ 3,594,673	\$ (746,639)	-20.8%
Guarantees	134,176	146,257	(12,081)	-8.3%
Overtime	144,130	257,579	(113,449)	-44.0%
Spread	58,295	125,899	(67,604)	-53.7%
Protection	289,112	217,619	71,493	32.9%
Travel	48,654	109,081	(60,427)	-55.4%
Training	14,411	71,690	(57,279)	-79.9%
Other Misc	27,511	12,882	14,629	113.6%
	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Six Months Ended December 31, 2020

Other Revenue

Investment income (interest)	\$ 62,883
ADA Database Management revenue	75,000
Gain on sale of assets	13,500
RTC card revenue	48
Various	5,512
	\$ 156,943

Other Operating Assistance

RM2	\$ 50,869
BART feeder revenue	280,471
LCTOP	62,498
Lifeline grant	222,666
	\$ 616,504

Miscellaneous Expenses

Staff Travel Expense	\$ 416
CTA Conference	16,000
APTA Dues	17,748
Employee functions	7,050
Business Expense, GM	115
Employee Awards/Pins	308
Training	2,415
Various other	5,001
	\$ 49,053

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of FY 2020 Actual & FY 2019 Actual
Statistics
For the Six Months Ended December 31, 2020

	Actual FY2021	Actual FY2020	Variance Actual 2021 to Actual 2020	Actual FY2019	Variance Actual 2021 to Actual 2019
Fixed Route					
Fares	\$ 579,696	\$ 1,698,626	-65.9%	\$ 1,379,382	-58.0%
Special Fares	142,780	1,154,918	-87.6%	795,002	-82.0%
Total Fares	\$ 722,476	\$ 2,853,544	-74.7%	\$ 2,174,384	-66.8%
Fares box recovery ratio	4.7%	17.9%	-73.6%	14.1%	-66.4%
Operating Exp (Less leases)	\$ 15,273,557	\$ 15,926,534	-4.1%	\$ 15,427,516	-1.0%
Revenue Hours	92,063	111,923	-17.7%	113,990	-19.2%
Cost per Rev Hour	\$ 165.90	\$ 142.30	16.6%	\$ 135.34	22.6%
Passengers	572,501	1,868,155	-69.4%	1,656,571	-65.4%
Cost per Passenger	\$ 26.68	\$ 8.53	212.9%	\$ 9.31	186.5%
Passengers per Rev Hr	6.22	16.69	-62.7%	14.53	-57.2%

Paratransit (*)

Fares	\$ 9,706	\$ 259,581	-96.3%	\$ 240,964	-96.0%
Fares box recovery ratio	0.4%	7.2%	-94.0%	7.8%	-94.5%
Operating Exp (Less leases)	\$ 2,264,096	\$ 3,615,517	-37.4%	\$ 3,098,948	-26.9%
Revenue Hours (a)	12,551	37,384	-66.4%	39,185	-68.0%
Cost per Rev Hour	\$ 180.39	\$ 96.71	86.5%	\$ 79.09	128.1%
Passengers	15,990	69,540	-77.0%	69,075	-76.9%
Cost per Passenger	\$ 141.59	\$ 51.99	172.3%	\$ 44.86	215.6%
Passengers per Rev Hr (a)	1.27	1.86	-31.5%	1.76	-27.7%

(*) County Connection has not received invoice/data for December and used estimates based on November.

To: Administration and Finance Committee

Date: 01/27/2021

From: Rashida Kamara, Director of ADA

Reviewed By: *W.C.*

SUBJECT: One Year Extension of the Paratransit Service Contract with Transdev

Background

The current contract with Transdev to provide ADA Paratransit services and maintenance will expire June 30th 2021. This contract was for only two years but fortunately allows for three one-year extensions. If exercised, this would be the first of three potential extensions allowed under the existing contract.

Transdev brought in new technology, innovation, improved service and most importantly an invaluable partnership during the COVID-19 pandemic which has devastated the country. Transdev consistently improved on-time performance, reduced complaints and improved productivity. In addition, when Contra Costa County's Emergency Operations Center (EOC) requested support from County Connection, Transdev stepped up providing transportation to COVID positive passengers and homeless individuals. They also provided valuable services for vulnerable seniors who were unable to leave their homes by delivering the food for the meals on wheels program and desperately needed nutritional meals to students who were unable to go to school.

As a result of the aforementioned performance and partnership, staff believes Transdev has performed beyond expectations and has significantly enhanced and improved the quality of life for many individuals in the communities we serve.

New Contract Rate Request

Transdev has formally requested a rate increase to the hourly and fixed contract rates resulting in an increase to the cost of the contract of 2.65%. Following several meetings with Transdev, staff felt the rate increase was justified and well within budgetary expectations. Transdev's rate increase includes an additional Road Supervisor to monitor services and an increase in operator wages. It is important to note that Transdev is in negotiations with the ATU Local 1605 and the incremental increase that will go towards better health care coverages that have been asked for by the ATU are included. Since Transdev has managed to keep a working driver force, pivot on different service modes and ramp up safety and training protocols associated with COVID-19, staff believes the cost increase is reasonable.

Financial Impact

If the rate increase is approved the new hourly rate would be \$50.56 per service hour compared to \$49.53 per service hour today and the new fixed rate will be \$153,094.65 as compared to \$146,515.00 today. Based on a pre-COVID service hour projections of 111,297 the contract extension will not exceed \$7,464,089. As a reminder, fuel is a pass-through expense not included in the Transdev fixed or variable rates. Staff estimates next years fuel expense to be approximately \$780,000 using pre-COVID service levels. However, since County Connection continues to operate significantly diminished service due to COVID-19, staff does not anticipate that we will meet these cost projections. The requested rate increase will be within budgetary expectations.

Staff Recommendation

Staff recommends that County Connection extend the current contract with Transdev for the provision of LINK service with a 2.65% increase in total expenses not to exceed \$7,464,089. Staff further recommends that all of the terms and conditions remain the same, except for where the contract is amended due to COVID-19 Pandemic conditions.

Options

1. Send staff recommendation to the Board of Directors in the form of a Resolution.
2. Decline staff recommendation and go out to bid.
3. Take other action as determined.

Action Requested

Staff respectfully requests the Committee to act on option 1 listed above.