

# County Connection

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

## ADMINISTRATION & FINANCE COMMITTEE MEETING AGENDA

**Wednesday, May 4, 2022  
2:00 p.m.**

**PURSUANT TO THE PROVISIONS OF ASSEMBLY BILL 361, WHICH SUSPENDS CERTAIN REQUIREMENTS OF THE RALPH M. BROWN ACT, THIS MEETING WILL BE CONDUCTED AS A TELECONFERENCE.**

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

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

You are invited to a Zoom webinar.

When: May 4, 2022 at 2:00 PM Pacific Time (US and Canada)

Topic: Administration & Finance Committee Meeting

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85278181182>

Or One tap mobile :

+14086380968,,85278181182#

Or Telephone:

+1 408 638 0968

Webinar ID: 852 7818 1182

Public comment may be submitted via email to: [hill@cccta.org](mailto: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.

Should Zoom not be operational, please check online at: [www.countyconnection.com](http://www.countyconnection.com) for any updates or further instruction.

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\*Enclosure

\*\*Enclosure for Committee Members

\*\*\*To be mailed under separate cover

\*\*\*\*To be available at the meeting.

FY2021/2022 A&F Committee

Keith Haydon – Clayton, Laura Hoffmeister-Concord, 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**

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 April 6, 2022\*
4. Closed Session:
  - a) Conference with Legal Counsel – Existing litigation  
Pursuant to Government Code Section 54956.9(a)  
Juan Ruiz v. CCCTA
  - b) Conference with Labor Negotiator (pursuant to Government Code Sections 54957 and 54957.6)  
Unrepresented Employees – Legal Counsel
5. Disadvantaged Business Enterprise (DBE) Goal for Federal Fiscal Years (FFYs) 2023-2025\*  
(Staff requests that the A&F Committee authorize posting of the proposed DBE overall goal on the County Connection website and begin the 30-day public review and comment period.)
6. Update to Fiscal Year 2023 Draft Budget and Forecast\*  
(Staff will provide a verbal update on the FY2023 Budget process and timeframe for completion.)
7. Review of Vendor Bills, April 2022\*\*
8. Approval of Legal Services Statement, March 2022 General and February 2022 Labor\*\*
9. Next Scheduled Meeting – TBD
10. 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](http://www.countyconnection.com). The agenda and enclosures for this meeting are posted also on our website at [www.countyconnection.com](http://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](mailto: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:	May 19, 9:00 a.m., via teleconference
Administration & Finance:	TBD, via teleconference
Advisory Committee:	TBA. via teleconference
Marketing, Planning & Legislative:	Thursday, May 5, via teleconference
Operations & Scheduling:	Friday, May 6, via teleconference

**The above meeting schedules are subject to change. Please check the County Connection Website ([www.countyconnection.com](http://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](http://www.countyconnection.com)) and at the County Connection Administrative Offices, 2477 Arnold Industrial Way, Concord, California**

**Summary Minutes  
Administration & Finance Committee  
Wednesday, April 6, 2022, 2:00 p.m.**

*Due to COVID-19, this meeting was conducted as a teleconference pursuant to the provisions of Assembly Bill 361.*

**Directors:** Sue Noack, Keith Haydon  
**Staff:** Bill Churchill, Ruby Horta, Melody Reeb, Scott Mitchell, Amber Johnson, Julie Sherman  
**Public:** None addressed the committee

**Call to Order:** Meeting called to order at 2:00 p.m. by Director Noack.

**1. Approval of Agenda**

The Committee approved the agenda.

**2. Public Communication**

None.

**3. Approval of Minutes of March 2, 2022**

The Committee approved the minutes.

**4. Bus Advertising Amendment**

Ms. Reeb reported that the bus advertising vendor, Vector Media, has requested a one-year contract extension under the modified terms that reduced revenue during COVID. These terms would continue to remove the minimum guarantee provision, with County Connection receiving a revenue share of 55% of net sales. Ms. Reeb stated that advertising sales were severely impacted by the shelter-in-place orders during COVID, and that while sales are starting to increase, County Connection is receiving about \$25,000 per month or roughly half of what was received prior to the pandemic. The proposed extension would round out the original three-year contract. At the end of the three years, there is an option to extend for up to two option years, or the contract could be re-bid. Director Noack asked if these revenue projections were included in the budget, Ms. Johnson replied yes, they are. The Committee recommended approval of the proposed contract amendment to the full Board of Directors.

**5. Income Statements for the Six Months Ended December 31, 2021**

Ms. Johnson reported that the actual expenses of \$17.9 million represent 39.7% of the total annual budget of \$45.3 million, and expenditures are equal to revenues due to the way the Authority utilizes its TDA revenues. Fixed route expenses have utilized 41.8% of total budget, primarily due to continued vacancies in staffing, plus underutilization of special COVID-related purchased transportation initiatives. Paratransit expenses have utilized 31.3% of total budget, with ridership continuing to track under budget due to COVID impacts on ridership. Ms. Johnson

also highlighted the statistical portion of the report, which reveals farebox ratio and cost per passenger numbers at pre-COVID and post-COVID levels, with recent indicators showing fair improvement in ridership and productivity. The Committee accepted the report and recommended it be provided as an information item to the Board.

## **6. Review of Fiscal Year 2023 Proposed Draft Budget and Forecast**

Ms. Johnson presented the proposed draft budget for FY 2023, stating that this version of the draft is presented at this time so that a timely claim can be made for Transportation Development Act (TDA) funds. Ms. Johnson stated that the FY 2023 Budget proposes \$47 million in operational and \$26 million in capital expenses with revenues to offset these costs.

On the revenue side, Ms. Johnson reported that as ridership is recovering slowly, so are fares, with fare revenue projected to be about half of pre-pandemic fare collection. County Connection's main revenue source is TDA 4.0 funds from MTC; the budget proposes using \$28.4 million which is \$3 million more than MTC estimates we will receive. Therefore, a withdrawal from TDA reserves is anticipated. Measure J is projected to remain flat at \$6.7 million, and STA is projected at \$5.5 million. County Connection's final round of stimulus funds is \$10.2 million, with about half of that being claimed in the budget year. Ms. Johnson is still waiting for firm Measure J estimates before finalizing the budget in June.

On the expenditure side, Ms. Johnson reported that salaries and wages make up most County Connection expenses. She stated that two of three of the represented employee group contracts are up for negotiation this year, and that the budget proposes recruitment efforts will be successful and plans for a standard 3% COLA. Fuel expenses are extremely volatile in today's market, and the budget plans for a sharp increase to fuel costs. Ms. Johnson is waiting for paratransit proposal costs and potential award of the contract and will incorporate those numbers in the final budget. The capital forecast is based on the 2016 Short Range Transit Plan, plus additional facilities improvements identified to be completed over the next 3-5 years.

Ms. Johnson reported that the forecast assumptions on revenues and expenses are conservative, and that there will be sufficient TDA reserves until FY 2027 under the current scenarios, thanks to service reductions and injection of federal funds during the pandemic.

The Committee had a conversation with staff over the proposed budget. Director Noack asked about the source of funding for capital projects, Ms. Johnson replied that capital projects are typically funded with a mixture of federal and local funds. Director Noack asked for further information on budget line items for service development and management services. Staff explained that additional needs are anticipated in both areas in the budget year – for the SRTP, on board surveys, and the fuel cell bus study project.

Staff requested that the A&F Committee forward the draft to the Board of Directors for approval. Each Committee member approved the Draft FY 2022 Budget to forward to the Board so a claim can be filed with MTC for TDA funding.

## **7. Review of Vendor Bills, March 2022**

The Committee reviewed the vendor bills for March 2022.

**8. Approval of Legal Services Statement, January 2022 General and Labor and February 2022 General**

The Committee approved the legal services statements for January 2022 General and Labor and February 2022 General

**9. Next Scheduled Meeting**

The next meeting was scheduled for May 4<sup>th</sup> at 2:00 p.m. via teleconference.

**10. Adjournment** – The meeting was adjourned at 2:35 p.m.

Minutes prepared and submitted by: Amber Johnson, Chief Financial Officer

**To:** Administration & Finance Committee

**Date:** April 25, 2022

**From:** Kristina Martinez, Director of Recruitment & EE Development

**Reviewed by:** *RM*

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**SUBJECT: Disadvantaged Business Enterprise (DBE) Goal for Federal Fiscal Years (FFYs) 2023-2025**

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**Background:**

The Board of Directors adopted the revised County Connection Disadvantaged Business Enterprise (DBE) Program on February 15, 2018 pursuant to U.S. Department of Transportation directives and guidelines in the regulations, 49 CFR Part 26. The program was submitted to the Federal Transit Administration (FTA) on March 14, 2018 and it received concurrence on May 23, 2019.

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 4.65% overall DBE goal for FFY2020 through FFY2022 on July 18, 2019 and received concurrence by the FTA on September 19, 2019.

County Connection's next goal submission is due to FTA on August 1, 2022 covering FFY2023 through FFY2025. Staff is proposing a 5.9% overall goal based on federal contracting opportunities and DBE availability for those projects. Calculation of this goal was based on a percentage of all FTA-assisted contracting funds anticipated to be expended during FFYs 2023-2025. County Connection anticipates receiving FTA Section 5307 grants as well as federal COVID-19 relief funds.

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 July meeting.

**Financial Implications:**

An approved DBE Program, which includes a three-year DBE overall goal, will enable County Connection to continue to be eligible for federal financial assistance.

**Recommendation:**

Staff recommends that the A&F Committee authorize staff to post the proposed DBE overall goal of 5.9% on the County Connection website and begin the 30-day public review and comment period.

**Action Requested:**

Staff requests that the A&F Committee authorize posting of the proposed DBE overall goal on the County Connection website and begin the 30-day public review and comment period.



## INTER OFFICE MEMO

**To:** Administration & Finance Committee

**Date:** 4/28/2022

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** WC.

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**SUBJECT: Update to Fiscal Year 2023 Draft Budget and Forecast**

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**Background:**

The Fiscal Year 2023 Draft Budget and Forecast was presented to both the Administration and Finance (A&F) Committee and the full Board of Directors last month. The Board of Directors approved the draft budget so that a timely Transportation Development Act (TDA) claim can be filed with the Metropolitan Transportation Commission (MTC).

**Update on Budget Process:**

The draft budget was built using available assumptions regarding revenues and expenditures that were known at the time of its development. It is likely that some of these amounts will be revised between the draft and final budget document. Specifically, modifications are expected to insurance premium expense, Paratransit purchased transportation costs, and Measure J revenue.

At the time of this writing, staff does not have firm numbers with which to modify the draft budget but anticipates that some numbers will be available by the time of the A&F Committee meeting. Therefore, staff will bring a verbal update regarding any budget developments to this meeting.

The next version of the budget will be presented in its entirety to the A&F Committee at its June meeting. Once comments from the A&F Committee are incorporated, the final budget will be presented to the full Board of Directors for approval at its June meeting.

**Financial Implications:**

There are no direct financial implications as a result of this report.

**Recommendation:**

Information only.

**Attachments:**

None.