

### Summary Minutes Administration & Finance Committee

County Connection Administration Office  
2477 Arnold Industrial Way  
3rd Floor Conference Room  
Concord, CA 94520

Wednesday, July 5, 2023, 2:00 p.m.

**Directors:** Laura Hoffmeister, Jim Diaz  
**Staff:** Bill Churchill, Amber Johnson, Melody Reeb, Kristina Martinez  
Rachael Sanders (PARS), Ashley Baires (PARS), Andrew Brown (US Bank)  
**Public:** None

**Call to Order:** Meeting called to order at 2:03 p.m. by Director Hoffmeister.

#### 1. Approval of Agenda

The Committee approved the agenda.

#### 2. Public Communication

None.

#### 3. Approval of Minutes of June 7, 2023

The Committee approved the minutes.

#### 4. Public Agency Retirement Services (PARS) Combination 115 Trust

Rachael Sanders from PARS and Andrew Brown of Highmark Capital Management reported on the annual performance of CCCTA's Combination Trust which includes two separate and distinct accounts for Other Post Employment Benefits (OPEB) and Pensions. The performance on the OPEB account from inception to May 31, 2023 was 4.36% based on a Moderately Conservative Index Strategy. The balance in the OPEB account as of May 31, 2022 was \$4.9 million. No withdrawals have been made from the OPEB account. The Pension account is newly created and has not yet been funded. The Committee discussed current economic trends and their impacts on CCCTA's Combination Trust, then reviewed and accepted the report.

#### 5. Amendment to the County Connection Records Retention Policy

Ms. Martinez reported that staff have worked with legal counsel to evaluate and revise the current Records Retention Policy, which was created in 2002 and most recently revised in 2018. Proposed revisions include the addition of new categories such as Federal Transit Administration (FTA) Civil Rights Programs, legal holds, e-mails, debt records, and reimbursements. An additional proposed change would involve the format of the policy – changing from a list format to a table format, which

results in a document that is easier to use. After some discussion, the Committee directed staff to confirm how the IT department currently treats deleted e-mails, and to work with legal counsel on potentially increasing the length of time deleted e-mails are required to be retained. The Committee also directed staff to include the “e-mail” category in the table for ease of use. The Committee was supportive of bringing this item to the full Board of Directors once staff addressed these modifications.

## **6. Fare Proposal**

Ms. Reeb reported that in June 2023, the Board approved a two-year extension of the Clipper START and Youth Fare pilot programs. The Metropolitan Transportation Commission (MTC) has been administering these programs and is recommending that all operators move to a 50% discount model to improve the effectiveness of, and increase participation in, these programs. After discussions with neighboring transit agencies, staff is recommending moving forward with increasing County Connection’s discount rate from 20% to 50% on these programs. Since this constitutes a fare change, a Title VI analysis and public hearing process are required. Given the need for this, staff is also recommending additional fare changes to simplify the fare structure, namely, eliminating surcharges for Express routes. Including both changes in one Title VI analysis increases the likelihood that the changes as a whole will not result in any inequities across rider demographics. The Committee agreed unanimously to recommend these proposed fare changes to the full Board of Directors for consideration.

## **7. Bishop Ranch Agreement**

Ms. Reeb reported that the Authority has had a partnership with Sunset Development, owners of Bishop Ranch, since 1994. Under this partnership, Sunset Development has subsidized service on routes 96x and 97x, as well as providing fare passes for Bishop Ranch employees. The most recent agreement expired in 2019 but was extended to allow time for a service restructuring. During COVID-19, significant cuts were made to express routes in response to low ridership demands, and staff paused all billing related to service and fare reimbursement agreements, including the agreement with Sunset Development. Due to the new ridership demands post-pandemic, staff worked with Sunset Development to negotiate a new agreement to reimburse fare revenue based on actual employee pass usage, and discontinue the operating subsidy. The Committee agreed unanimously to recommend approval of the new agreement with Sunset Development to the full Board of Supervisors for consideration.

## **8. CCCTA Investment Policy – Quarterly Reporting Requirement**

Ms. Johnson reported that the Authority’s investment portfolio as of March 31, 2023 complies with the Investment Policy, and that the Authority has the ability to meet projected cash flow for the next six months.

## **9. Income Statements for the Nine Months ended March 31, 2023**

Ms. Johnson reported that the actual expenses of \$31.6 million for the period ending March 31, 2023 represent 67% of the total annual budget of \$47.3 million, and expenditures are equal to revenues due to the way the Authority utilizes its TDA revenues. Fixed route expenses have utilized 68% of total budget. Paratransit expenses have utilized 64% of total budget, and in general, all expenditures are at or under the 75% expectation at this point in the year. Regular fare revenue and

special revenues were budgeted conservatively; actual collection of these revenues is coming in higher than anticipated. The paratransit contract which was implemented at the beginning of this fiscal year is also achieving budgeted savings at 60% budget utilization. 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.

#### **10. Master Funding Agreement with the Metropolitan Transportation Commission (MTC)**

Ms. Johnson reported that the Metropolitan Transportation Commission (MTC) has introduced a Master Funding Agreement (MFA) to simplify the funding process between MTC and partner agencies. MTC is requiring all funding recipients to execute the MFA; congestion management agencies and large operators in the region have already enacted similar agreements. The proposed MFA has been reviewed and approved by the Authority's legal counsel. The Committee agreed unanimously to recommend the Board of Directors authorize the General Manager to execute the proposed MFA with MTC.

#### **11. Review of Vendor Bills, June 2023**

The Committee reviewed the vendor bills for June 2023.

#### **12. Approval of Legal Services Statement, April 2023 Labor, April 2023 General**

The Committee approved the legal services statements for April 2023 Labor and General.

#### **13. Next Scheduled Meeting – TBD**

The next meeting was not scheduled, pending the Board of Directors' decision whether or not to conduct meetings in the month of August.

#### **14. Adjournment** – The meeting was adjourned at 3:26 p.m.

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