

County Connection

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CCCTA BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING

July 20, 2023

CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

Chair Amy Worth called the regular meeting of the Board of Directors to order at 9:00 a.m. Board Members present were Directors Andersen, Diaz, Hoffmeister, Hudson, Noack and Wilk. Directors Schroder, Sos, Storer and Tatzin were absent.

Staff: Churchill, Sherman, Dixit, Glenn, Hill, Horta, Johnson, Jones, Martinez, McCarthy, Mitchell, and Reeb

PUBLIC COMMUNICATION: None

CONSENT CALENDAR

MOTION: Director Hudson moved approval of the Consent Calendar, consisting of the following items: (a) Approval of Minutes of Regular Meeting of June 15, 2023; (b) CCCTA Investment Policy-Quarterly Reporting Requirement for the period-ending March 31, 2023; (c) Adoption of Gann Appropriations Spending Limitation for FY 2023-2024 and Resolution No. 2024-01. Director Noack seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Hudson, Noack, Wilk, and Worth
No: None
Abstain: None
Absent: Director Schroder, Storer, Sos and Tatzin

REPORT OF CHAIR: None

August Committee & Board Meeting

Chair Worth informed the Board that all of the Committee and Board meetings for August has been cancelled and the next meetings will be held in September.

Appointment of Nominating Committee for Election of CCCTA Officers

Chair Worth informed the Board that as is customary, the Nominating Committee, consisting of herself, and the last two Board Chairs, Director Hudson and Director Andersen, have met, and nominate the officers for the next year as follows: Don Tatzin as Chair, Kevin Wilk as Vice Chair and Renata Sos as Secretary. In accordance with the Authority's by-laws, nominations will remain open until the September meeting of the Board at which time nominations will close and the Board will elect its officers.

REPORT OF GENERAL MANAGER:

State Budget Update

Bill Churchill informed the Board that \$4 Billion of Transit and Intercity Rail Capital Program (TRICP) funds are available for operational purposes. The government plans on cutting Bus Feeder funds to \$760k from \$900k. Some transit operators, for example, Westcat and TriDelta, will be affected the most because they get 25-30% of their funding from the Bus Feeder program.

Regional Network Management (RNM) Update

Bill Churchill informed the Board that there are regular standing meetings with operators and MTC staff. Nothing new to report but Director Noack is on the MTC Board, so we have a voice at the table. Between now and October, there will be a lot of meetings regarding the fiscal cliff, so look forward to hearing more information in October.

REPORT OF STANDING COMMITTEES

Administrative & Finance Committee

Fare Proposal

Melody Reeb, Director of Planning, Marketing, & Innovation, explained the interconnected fare structures of the East Bay operators. Staff met with the other three small operators (WestCAT, TriDelta, and LAVTA) and agreed to move forward with a 50% discount. This would align the Clipper START and Youth fare discounts with those currently offered to seniors and persons with disabilities. BART has indicated that they plan to increase their discount to 50% as well.

Since an increased discount constitutes a fare change, CCCTA will need to conduct an equity analysis and public hearing for the increased Clipper START and youth fare discounts. Staff is also proposing some additional fare changes to simplify our fare structure, increase consistency, and better match fare policies to post-pandemic ridership. Currently, riders using Clipper are charged an extra \$0.25 on Express routes. Correspondingly, a 31-day pass that is valid on Express routes costs an extra \$10. These surcharges introduce complexities that can negatively impact the rider experience and potentially cause conflict between drivers and passengers. For example, if an operator is incorrectly logged in to the Clipper system, a passenger could be inadvertently overcharged. Another example is, if a rider has a 31-day pass for Local routes only, they need to have cash value on their card as well to pay the \$0.25 upgrade fee when riding an Express route.

The surcharges for Express routes were initially implemented in recognition that those routes were providing a premium service, which catered to regional commuters who were higher income and often had employers that subsidized their transit fares. As ridership has recovered post-pandemic, travel patterns have shifted. While Local, School, and Weekend routes have almost fully recovered, Express route ridership has remained mostly stagnant as many office workers have not returned, and many may not return, to a five-day commute.

When the Board approved the two-year extension of the Clipper START and Youth Clipper discounts in June, staff estimated a net fare revenue loss of about \$50,000 annually, assuming a continuation of the 20% discount. For the proposed increase to a 50% discount and elimination of Express route surcharges, staff estimates an additional fare revenue loss of about \$37,000 annually.

The estimated financial impact from the proposal does not take into account additional reimbursement from MTC for the Clipper START program, as those details have not been finalized yet. However, MTC's current proposal would reimburse half of the 50% discount with a minimum guarantee of \$15,000 for the two-year extension.

MOTION: Director Hoffmeister recommended that staff proceed with public outreach, conducting a Title VI Fare Equity Analysis, and holding a public hearing at the September Board meeting. Director Noack seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Hudson, Noack, Wilk, and Worth

No: None

Abstain: None

Absent: Director Schroder, Storer, Sos and Tatzin

Amended and Restated Public Mass Transportation Service Agreement with Sunset Development Company Concerning Bishop Ranch and Resolution No. 2024-03

Melody Reeb, Director of Planning, Marketing, & Innovation, explained that when COVID-19 began in March 2020, fare collection was temporarily suspended, and significant service cuts were being made in response to operator shortages. The majority of those cuts were on Express routes, including those to Bishop Ranch, as ridership demand was very low, and most commuters were working from home. As a result, staff paused all billing related to service and fare reimbursement agreements. Since then, as emergency orders have been lifted and ridership has slowly recovered, staff has been reviewing the agreements with its various partners to determine whether changes are warranted given post-pandemic conditions.

The service reductions that were adopted by the Board in March 2021 included about a 30% reduction in service on the Express routes serving Bishop Ranch due to low ridership and many employees working from home. Although overall systemwide ridership is now about 65% recovered, Express route ridership continues to lag significantly, especially on the routes serving Bishop Ranch, which are still only about 25% of pre-pandemic levels. Usage of the Bishop Ranch employee pass is even lower at 10% of pre-pandemic levels, and only about half of the current riders on Routes 96X and 97X use an employee pass, which suggests that those routes are being utilized to a large degree by others who may be going to service or retail jobs in the surrounding area.

Under the terms of the 2009 agreement, Sunset was paying about \$450,000 in operating subsidies and \$100,000 for pass reimbursement. Under the new agreement, staff estimates receiving an annual fare reimbursement amount of about \$25,000 based on current pass usage. The recently adopted FY 2024 budget did not include any revenue from Sunset, since the new agreement was still under development at the time.

MOTION: Director Hoffmeister moved that the Board adopt Resolution No. 2024-03, authorizing the General Manager to enter into an agreement with Sunset Development for fare reimbursement. Director Hudson seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Hudson, Noack, Wilk, and Worth

No: None

Abstain: None

Absent: Director Schroder, Storer, Sos and Tatzin

Master Funding Agreement with the Metropolitan Transportation Commission for Various Planning, Programming and Other Projects and Resolution No. 2024-02

Amber Johnson, CFO, explained that from time to time, the MTC provides funds to the Authority for various planning, programming, and other projects. MTC has introduced the Master Funding Agreement (MFA) as a way to simplify the funding agreement process between MTC and its partner agencies by agreeing to boilerplate terms up-front and then adding supplemental agreements that add any additional terms that may be needed as new funding sources become available. This is a standard practice that MTC is implementing regionwide. MTC has

enacted these agreements with all congestion management agencies and large operators in the region and is now implementing them with the small operators.

The proposed MFA has been reviewed by the Authority's legal counsel, who advised it is appropriate for the Authority to move forward with the document as written. The Administration & Finance Committee has also discussed and approved the MFA.

MOTION: Director Hoffmeister moved that the Board adopt Resolution No. 2024-02, authorizing the General Manager to enter into the Master Funding Agreement with MTC. Director Hudson seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Hudson, Noack, Wilk, and Worth

No: None

Abstain: None

Absent: Director Schroder, Storer, Sos and Tatzin

Report from the Advisory Committee

Ian McLaughlin, Chair of the Advisory Committee, will give an update from the Advisory Committee

Ian McLaughlin informed the Board that since the advisory committee's last report to the Board three new members have been appointed to fill vacancies on the advisory committee so we're making progress toward full membership. Our advisory committee held its regularly scheduled meeting on July 11, 2023. Based in part on the feedback received at the last Board meeting, we have been more proactive in reaching out to advisory committee members to determine whether they are able to attend the in-person bimonthly meetings and if not, what are the barriers to attendance so that we might address those.

We also received several reports and updates from staff. County Connection staff member Rashida Kamara went over the New Member Orientation and asked for feedback from all members, she also led a discussion on the bylaws and allowed for questions. Melody Reeb provided a report on the Clipper START program; staff member Pranjal Dixit gave an update on the Fall Bid process. Committee members and staff in attendance received the reports and updates on these ongoing projects but no action is required at this time.

BOARD COMMUNICATION: None

CLOSED SESSION:

The Board went into closed session at 10:21 a.m. to discuss the following item:

Public Employee Performance Evaluation; Conference with Labor Negotiator (pursuant to Government Code Sections 54957, 54957.6) Agency Designated Representative: Board Chair

Position: General Manager

Following the Closed Session, the Board may consider potential actions to amend the Employment Agreement of the General Manager

OPEN SESSION:

The Board came back into open session at 10:45 a.m. and made the following oral summary: the Board approved a 12-month contract extension to the General Manager's employment agreement with a 3% wage increase to make his new salary \$253,071 annually.

MOTION: Director Wilk moved approval of an amendment to the General Manager's employment agreement, consisting of a 12-month contract extension with a 3% wage increase to make his new salary \$253,071 annually. Director Andersen seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Hudson, Noack, Wilk, and Worth

No: None

Abstain: None

Absent: Director Schroder, Storer, Sos and Tatzin

ADJOURNMENT: Chair Worth adjourned the regular Board meeting at 10:53 am.

Minutes prepared by:

Lathina Hill

Asst to the General Manager/Clerk to the Board of Directors

Date: September 18, 2023