

County Connection

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

ADMINISTRATION & FINANCE COMMITTEE MEETING AGENDA

Tuesday, August 12, 2014
9:00 a.m.

Hanson Bridgett
1676 North California Blvd., Suite 620
Walnut Creek, California

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 July 2, 2014*
4. PARS OPEB TRUST FY2014 Investment Rate of Return*
5. City of Walnut Creek Agreement for Free Route #5*
6. Continuation of the Senior and Disabled Mid-day Free Fare Program*
7. Review of Vendor Bills, July 2014**
8. Legal Services Statement, May & June 2014-Labor, May & June 2014-General**
9. Adjournment

*Enclosure

**Enclosure for Committee Members

FY2013/2014 A&F Committee

Al Dessayer – Moraga, Don Tatzin – Lafayette, Robert Storer – Danville, Gregg Manning - Clayton

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

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

General Information

Public Comment: Each person wishing to address the committee is requested to complete a Speakers Card for submittal to the Committee Chair before the meeting convenes or the applicable agenda item is discussed. Persons who address the Committee are also asked to furnish a copy of any written statement to the Committee Chair. Persons who wish to speak on matters set for Public Hearings will be heard when the Chair calls for comments from the public. After individuals have spoken, the Public Hearing is closed and the matter is subject to discussion and action by the Committee.

A period of thirty (30) minutes has been allocated for public comments concerning items of interest within the subject matter jurisdiction of the Committee. Each individual will be allotted three minutes, which may be extended at the discretion of the Committee Chair.

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 available for public inspection at 2477 Arnold Industrial Way, Concord, California, at the same time that the public records are distributed or made available to the legislative body. 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. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service so that it is received by County Connection at least 48 hours before the meeting convenes. Requests should be sent to the Assistant to the General Manager, Lathina Hill, at 2477 Arnold Industrial Way, Concord, CA 94520 or hill@countyconnection.com.

Shuttle Service: With 24-hour notice, a County Connection LINK shuttle can be available at the BART station nearest the meeting location for individuals who want to attend the meeting. To arrange for the shuttle service, please call Robert Greenwood – 925/680 2072, no later than 24 hours prior to the start of the meeting.

Currently Scheduled Board and Committee Meetings

Board of Directors:	Thursday, August 21, 9:00 a.m., County Connection Board Room
Administration & Finance:	TBA. 1676 N. California Blvd., S620, Walnut Creek
Advisory Committee:	Tuesday, September 9, 2:00 p.m. County Connection Board Room
Marketing, Planning & Legislative:	Thursday, September 4, 8:30 a.m., 3338 Mt. Diablo Blvd., Lafayette
Operations & Scheduling:	Wednesday, September 10, 8:30 a.m. Pleasant Hill City Hall Community Room

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 prior to attending a meeting.

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

Administration and Finance Committee
Summary Minutes
July 2, 2014

The meeting was called to order at 9:00 a.m. at the Walnut Creek offices of Hanson Bridgett. Those in attendance were:

Committee Members: Director Al Dessayer
 Director Don Tatzin
 Director Gregg Manning

Staff: General Manager Rick Ramacier
 Director of Finance Kathy Casenave
 Director of Maintenance Scott Mitchell

1. Approval of Agenda- Approved.
2. Public Communication- None.
3. Approval of Minutes of May 29, 2014- Approved.
4. Pay Adjustment for Mechanic Positions- Director Mitchell reported that there has been a shortage of qualified Mechanic applicants for the past few years, and there has been a higher turnover rate due to personnel leaving for higher paying jobs and retirements. A survey of hourly mechanic wages shows that our highest hourly rate is the lowest in the area. Staff recommends that the A&F approve adding grade level VI to allow more room for growth for current employees. The committee approved the additional grade level a 7% increase in the hourly rate.
5. Review of Vendor Bills, June 2014- Reviewed.
6. Legal Services Statement, April 2014, General and Labor- Approved.
7. Adjournment- The meeting was adjourned. The next meetings will be August 6 at 9:00 am. (Later changed to August 12.)

Kathy Casenave, Director of Finance

County Connection

INTER OFFICE MEMO

To: Administration and Finance Committee

Date: August 6, 2014

From: Kathy Casenave, Director of Finance *KC*

Reviewed by:

SUBJECT: PARS OPEB TRUST AND OPEB LIABILITY

Summary of Issues:

Staff recently received the PARS Annual Account Report for the period 7/1/2013 to 6/30/2014. The transactions for FY 2014 were:

July 1, 2013 Beginning Balance	\$1,165,830
Earnings	109,334
Expenses	-7,909
FY 2014 contribution	367,000
June 30, 2012 Ending Balance	<u>\$1,634,255</u>

The A&F Committee selected the Moderately Conservative Index PLUS investment option. The dual goals of this strategy are current income and moderate capital appreciation. The allocation for this option is 20-40% equity, 50-80% fixed income and 0-20% cash.

The investment rate of return for FY 2014 was 9.11%. For FY 2013 it was 5.62%; FY 2012, 4.55%; for FY 2011, the first full year of the trust, it was 8.77%. The 3 year annualized return is 6.41%.

The current actuarial valuation report, dated April, 2014, uses a 5.5% discount rate and is the basis for reporting OPEB liabilities for the FY 2014 and FY 2015 financial statements. The Annual Required Contribution is \$486,697, which consists of the actual amount paid for retiree medical premiums during the fiscal year and the accrued expense to fund future years. Although there is no requirement to actually fund the ARC, it has been Board policy to do so. The FY 2014 amounts:

Medical Premiums Paid for Retirees	\$118,538
Contribution to PARS trust	<u>367,000</u>
Total Retiree Medical Costs paid	485,538
ARC	486,697
Underpayment for FY 2014	1,159
OPEB Liability as of June 30, 2013	<u>3,209</u>
OPEB Liability as of June 30, 2014	<u>\$ 4,368</u>

ISSUES: None. Information only.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
PARS GASB 45 Program

Annual Account Report for the Period
7/1/2013 to 6/30/2014

Rick Ramacier
General Manager
Central Contra Costa Transit Authority
2477 Arnold Industrial Way
Concord, CA 94520

Account Summary

Source	Beginning Balance as of 7/1/2013	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2014
Employer Contribution	\$1,165,830.47	\$367,000.00	\$109,333.58	\$7,908.98	\$0.00	\$0.00	\$1,634,255.07
Totals	\$1,165,830.47	\$367,000.00	\$109,333.58	\$7,908.98	\$0.00	\$0.00	\$1,634,255.07

Investment Selection

Central Contra Costa Transit Authority 115 Trust

Investment Objective

Individual account based on Moderately Conservative Index PLUS. The dual goals of the Moderately Conservative Strategy are current income and moderate capital appreciation. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Inception Date
			3-Years	5-Years	10-Years	
0.58%	2.30%	9.11%	6.41%	N/A	N/A	6/28/2010

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past Performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Inception Date: Plans inception date

To: Administration and Finance Committee Date: August 4, 2014

From: Anne Muzzini, Director of Planning and Marketing Reviewed by:

Subject: City of Walnut Creek Agreement for Free Route #5

Background:

The Adaptive Service Plan analyzed underperforming routes to determine ways to improve system productivity. Increasing the directness and frequency of the Route #5 was one change that was recommended by the consultant and was supported by the City of Walnut Creek. The new Route #5 will travel from Creekside drive, an area with many apartments, down Main street and California Ave. to BART. The route change has been approved by the Board and will go into effect August 17th. Because the City is interested in using parking revenues to address traffic issues in the downtown, they have voted to support the new Route #5 by paying the fares for riders similar to the arrangement for the Route #4 Trolley.

The City Council has authorized the City Manager to enter into an agreement not to exceed \$55,000 for fare subsidy on the route. During the first year, County Connection will track ridership and determine if the amount is sufficient to cover lost fare revenue and the City will determine if they want to continue the program in subsequent years.

If ridership is equal to 10 passengers per hour, then the subsidy will be enough to break even. Currently the route is scheduled to operate 17 revenue hours a weekday with 20 minute headways in the morning and evening and 45 minute headways in the midday. The schedule may be modified to reflect demand.

Recommendation

Staff recommends that the A&F Committee support Board approval of a resolution authorizing the General Manager to enter an agreement for fare subsidy for Route #5 with the City of Walnut Creek in an amount not to exceed \$55,000.

RESOLUTION NO. 2015 -

**BOARD OF DIRECTORS, CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

* * *

**AUTHORIZING EXECUTION OF
A PUBLIC TRANSPORTATION SERVICES AGREEMENT WITH
THE CITY OF WALNUT CREEK FOR ROUTE 5 SERVICE**

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions;

WHEREAS, CCCTA engaged a consultant to conduct an Adaptive Service Analysis Plan to evaluate and develop recommendations for maximizing the effectiveness of its public transit service;

WHEREAS, the Adaptive Service Analysis Plan was adopted by the Board of Directors in December 2013, and staff was directed to proceed with soliciting public input and conduct further analysis to implement service changes recommended by the Plan, which included modifications to Route 5;

WHEREAS, in April 2014, following consideration of public comment, the Board of Directors authorized implementation of the recommended changes to Route 5 to provide more frequent and direct service from Creekside to the Walnut Creek BART station;

WHEREAS, the City has determined that it is in the public interest and within the scope of its powers to support CCCTA's provision of such service for the benefit of the public by providing a fare subsidy for the passengers of Route 5 so that all passengers ride free, not to exceed \$55,000 a year;

WHEREAS, the Administration & Finance Committee has authorized the General Manager to enter into an agreement with the City of Walnut Creek specifying the terms of the City's financial support for such service.

NOW, THEREFORE, BE IT RESOLVED that the Central Contra Costa Transit Authority Board of Directors hereby ratifies the Administration & Finance Committee's action authorizing the General Manager or his designee to execute a Public Transportation Services Agreement with the City of Walnut Creek, in a form approved by Legal Counsel, to provide

for a two-year "free ride" pilot program, whereby the City will contribute a fare subsidy for the Route 5 service of \$55,000 a year.

Regularly passed and adopted this 21st day of August, 2014, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Bob Simmons, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board

To: Administration & Finance Committee

Date: July 29, 2014

From: Anne Muzzini, Director of Planning & Marketing

Reviewed by:

Subject: Continuation of the Senior and Disabled Mid-Day Free Fare Program

Background:

At the August 2013 Board of Directors meeting, the Board directed staff to implement mid-day free fares for seniors riders and those with disabilities between the hours of 10am and 2pm seven days/week as a pilot fare program.

At the July 2014 Board of Directors meeting, the Board approved the Title VI Equity Analysis needed to continue the fare program beyond its pilot period.

Summary of Issues:

From implementation in December 2013 to June 2014, over 75,000 senior and disabled riders have utilized this fare program. This equates to nearly \$66,000 in fare revenue and represents nearly 4% of total boardings during this period. Additionally, senior and disabled boardings have increased nearly 16% from December 2012 to June 2013 compared to total ridership increasing only 0.6% during that period.

This fare program has drawn praise from groups representing seniors and those with disabilities including the Contra Costa Transportation Authority's Paratransit Coordinating Council.

Recommendation:

Staff recommends continuing this popular fare program, which has demonstrated to not violate County Connection's Disparate Impact or Disproportionate Burden policies.

Options:

1. Recommend the Board authorize the continuation of the Senior and Disabled mid-day free fare program.
2. Allow fare program to expire.
3. Other action determined by the committee.