

# County Connection

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

## CCCTA BOARD OF DIRECTORS

### MINUTES OF THE REGULAR MEETING

June 16, 2022

#### CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

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

Staff: Churchill, Chun, Dixit, Glenn, Hill, Horta, Johnson, Kamara, Longmire, McCarthy, Mitchell, Noya, Reeb and Rettig

#### PUBLIC COMMENT:

Michelle Gray, ATU President spoke on the administrative merit pool for management. She wanted to voice her opinion that the current management make enough money to where the lower level administrative employees need to have the monetary increase instead in order to keep up with the cost of living.

#### PUBLIC HEARING: CCCTA FY2023 Operating and Capital Budget

At 9:03 a.m., Chair Hudson opened the public hearing regarding the CCCTA FY2023 Operating and Capital Budget. Amber Johnson, CFO, stated that the public hearing is being held for the purpose of discussing and receiving public input on the budget. She advised the public hearing was properly noticed in the East Bay Times. The total FY2023 operating, and capital budget is \$75,681,493. The operating budget of \$47,315,493 is funded 73% with local and state funds, 5% from the farebox and special fare revenues, 16% with federal funds, and 6% with other revenue. The operating budget will support approximately 185,000 revenue hours of fixed-route service and 60,000 revenue hours of County Connection LINK dial-a-ride services.

Chair Hudson asked if there were any comments from the public regarding the FY2023 Operating and Capital Budget. No comments were received, and the public hearing was closed at 9:07 a.m.

#### CONSENT CALENDAR

MOTION: Director Noack moved approval of the Consent Calendar, consisting of the following items: (a) Approval of Minutes of Regular Meeting of May 19, 2022; (b) Resolution No. 2022-036, Declaring that the Proclaimed State of Emergency for the COVID-19 Pandemic Continues to Impact the Ability for the Board and its Committees to Meet Safely in Person, and Directing that Virtual Board and Committee Meetings Continue; (c) FY2022-23 SB1 State of Good Repair Funds; (d) Adoption of Gann Appropriations Spending Limitation for FY2022-23 and Resolution No. 2022-039. Director Haydon seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth  
No: None

Abstain: None  
Absent: None

## **REPORT OF CHAIR:**

### Appointment of Nominating Committee for Election of CCCTA Officers

Chair Hudson informed the Board that the nominating committee consists of himself and the last 2 Chairs, Director Haydon and Director Andersen. He noted that in accordance with the customary Board rotation of officers, the nominees for the next year will likely be Amy Worth as Chair, Don Tatzin as Vice Chair and Kevin Wilk as Secretary.

### Proclamation of Appreciation in Honor of Madeline Chun and Resolution No. 2022-041

All of the Board of Directors, staff and the former General Manager Rick Ramacier offered Madeline Chun well wishes and much gratitude for her expertise, knowledge and friendship throughout the years. Attorney Chun thanked the Board, management team, and entire staff for their public service to the community, and for the privilege of serving as General Counsel to County Connection.

MOTION: Director Hoffmeister moved approval of Resolution No. 2022-041 Appreciation of Madeline Chun. Director Tatzin seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

No: None

Abstain: None

Absent: None

## **REPORT OF GENERAL MANAGER:**

### Report out on meeting with Congressman Mark DeSaulnier

General Manager, Bill Churchill informed the Board that he and Ruby Horta met with Congressman Mark DeSaulnier on June 1, 2022, at the County Connection offices. He was very impressed with our efforts during COVID and the new partnerships that we have engaged in during the pandemic and ever since.

### Update on State Legislation

General Manager, Bill Churchill informed the Board that SB917, the Seamless Transit Transformation Act, is the bill that we are watching closely. The bill is to provide comprehensive regional transportation planning for the region comprised of the City and County of San Francisco and the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma. This bill would require MTC to develop and adopt a Connected Network Plan, adopt an integrated transit fare structure, develop a comprehensive, standardized regional transit mapping and wayfinding system, develop an implementation and maintenance strategy and funding plan, and establish open data standards, as specified. The bill would require the region's transit agencies, as defined, to comply with those established integrated fare structure, regional transit mapping and wayfinding system, implementation and maintenance strategy and funding plan, and open data standards. This bill would require the transit agencies in the region to establish a regional transit coordinating council and would require the council to, among other things, develop and adopt an integrated transit fare structure. As updates occur, we will continue to inform the board.

## Update on State Budget

General Manager Bill Churchill gave an update on the budget. In the proposed budget it's about \$10.9 billion for transit with \$5.5 billion in FY2022-23. Although the budget has not been fully released once it is he will come back and update the Board.

## **REPORT OF STANDING COMMITTEES**

### **Administration & Finance Committee**

#### Adjustment to Non-Represented Administrative Employees Compensation and Resolution No. 2022-033

Lisa Retting, Director of Human Resources gave a brief history stating that County Connection employees consist of the following groups: Transit Operators, Transit Supervisors, Maintenance and Administrative. The Administrative employee group is the only non-represented group. The other three employee groups are all represented by separate unions with distinct Memoranda of Understanding (MOUs).

It looks reasonably certain that for FY23 the Authority can afford an increase for the non-represented employees. The General Manager requests a 3% increase for all satisfactorily performing administrative employees effective July 1, 2022. This is the same percentage increase included in the MOUs for the represented employees. The General Manager also requests a Merit Pool not to exceed \$50,000, to be allocated at the General Manager's discretion, to management employees. The cost for the above requested increases will not exceed \$245,000 and is accounted for in the budget.

**MOTION:** Director Noack moved adoption of Resolution 2022-033 which provides a 3% COLA increase for administrative employees and additional \$50,000 merit pool for management employees, not to exceed a total cost of \$245,000 effective July 1, 2022. Director Hoffmeister seconded the motion, and it received the following vote of approval:

**Aye:** Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

**No:** None

**Abstain:** None

**Absent:** None

#### Revised Fiscal Year 2023 Draft Budget and Ten Year Forecast and Resolution No. 2022-038

Amber Johnson, CFO, explained that County Connection's proposed budget for FY2023 includes \$47 million in operational expenses for fixed route and paratransit services with revenues to offset these costs. An additional \$26 million is proposed in capital expenditures and associated revenue in the budget year (Table 1).

The next fiscal year will continue to be impacted by the COVID-19 pandemic, although with far less severity than two years ago. The proposed FY 2023 budget is based on a continued projected recovery of fixed route and paratransit services. While federal stimulus funds provided much-needed relief from the worst of the financial impacts of the pandemic, changing travel patterns and work from home trends have made a lasting impact to the way transit is utilized in the community and the larger region. As state and local revenues are anticipated to recover, many are not expected to meet pre-pandemic projections. Even when reliable revenue streams return, it is important to remember that the Authority lost a couple years of revenue growth during the pandemic while contractual and inflationary factors that drive expense growth did not stop.

The operating expense budget of \$47.3 million is a 4.4 percent increase over the FY 2022 budget and allows for fixed route service levels to begin to return to pre-pandemic levels. The capital budget of \$28.4 million includes a 40-vehicle bus replacement and 15 vehicle paratransit replacement, funded largely by federal dollars and matched with TDA capital funds. Adoption of the FY 2023 budget will result in expenditure authority of \$47 million in operational expenses and \$26 million in capital expenditures for the budget year.

MOTION: Director Noack moved adoption of the FY 2023 Budget, pursuant to Resolution 2022-038. Director Andersen seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

No: None

Abstain: None

Absent: None

### **Marketing, Planning & Legislative Committee**

#### **Regional Institutional Pass Pilot and Resolution No. 2022-040**

Melody Reebbs gave a brief background stating that in late 2019, the Metropolitan Transportation Commission (MTC) began a Regional Fare Coordination and Integration Study (FCIS) to evaluate the impacts of the region's disparate fare systems on ridership and develop goals for a regional system that would improve the passenger experience and promote higher ridership. The Fare Integration Task Force was formed as a "Special Committee" of the Clipper Executive Board (CEB) to oversee the study, and last Fall, this Task Force adopted a Policy Vision Statement for fare integration in the 9-county region based on the study recommendations. The first action in the Policy Vision Statement is to deploy an all-transit agency institutional/employer pass as a demonstration pilot. The pilot will be rolled out in two phases. Phase 1, which is planned to launch in August 2022 and last for two years, will focus on educational institutions and affordable housing properties that already offer an "all you can use" transit pass under pre-existing agreements, including San Francisco State University, San Jose State University, UC Berkeley, Santa Rosa Junior College, and MidPen Housing. Phase 2, which is expected to begin in early 2023, will expand the program to employers in transit-rich locations such as downtown San Francisco, Oakland, and San Jose and involve defining a pricing structure for the passes. MTC has identified approximately \$6M of regional funds for the two phases of the pilot project, with \$5.5M going to transit agencies to offset fare revenue losses.

MOTION: Director Wilk moved approval of Resolution 2022-040, County Connection's participation in the Regional Institutional Pass Pilot Program. Director Schroder seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

No: None

Abstain: None

Absent: None

### **Operations & Scheduling Committee**

#### **Award Contract for Consolidation of CCCTA/LAVTA Paratransit Services to Transdev**

Rashida Kamara gave some background stating that in December 2021, the Central Contra Costa County Transit Authority's (CCCTA or County Connection) Board of Directors approved a joint Request for Proposals (RFP) to

consolidate paratransit services with the Livermore Amador Valley Transit Authority (LAVTA) using one contractor. Under CCCTA's Procurement Policy, and as a recipient of federal funds, CCCTA is required to competitively procure goods and services. This procurement was developed as a "Best Value" procurement, as indicated in the RFP, and allows CCCTA to select the offer deemed most advantageous and of greatest value. The RFP was released in January 2022, and operators were invited to review the RFP and provide a proposal based on best value. Several prospective bidders participated in the question-and-answer portion of the process. CCCTA ultimately received proposals from RydeTrans and Transdev Services Inc., (the incumbent contractor) by the deadline of April 6, 2022. Neighboring transit agencies were invited to participate as panel members to interview the proposers. The panel was comprised of Jeanne Krieg (Tri Delta Transit), Rob Thompson (WestCAT), Christian Kent (Consultant), Toan Tran (LAVTA), and Rashida Kamara (CCCTA). Standard questions were presented to proposers beforehand to help them prepare for the panel interview. As previously reported to the Board, the evaluation committee rated Transdev Services Inc. as the highest ranked proposer.

The RFP instructed potential proposers to provide a fixed and variable cost proposal based on tiers of service. The current paratransit contract already incorporates a fixed and variable cost structure, which allows for a baseline fixed fee regardless of the number of hours of service, plus an hourly rate. Due to fluctuating and unpredictable demand due to the COVID-19 pandemic, the additional element of "tiered pricing" has been introduced to allow for greater flexibility and a scaling of the operation based on demand.

It is difficult to compare the current contract to the new proposed contract due to the combined nature of the services to be provided. The addition of LAVTA as a paratransit partner and formalizing the One Seat pilot program, plus addition of tiered pricing, has created a new service model that is significantly different from the prior model. In addition, the definition of a "billable" hour in the new contract will return to a standard definition, whereas during the height of the COVID pandemic, the definition was broadened to allow for driver retention during periods of slow paratransit demand. Despite this challenge, staff has worked to normalize costs between the two models for comparison purposes.

Transdev's initial pricing proposal including all service partners (CCCTA, LAVTA, and One Seat partners) was 20% higher than current contract pricing. After initial negotiations, total cost was reduced by 1%. After an additional extensive service review, including reductions to Transdev's profit margin, total cost was reduced by an additional 4%, resulting in a net increase of 15% as compared to the current contract.

However, because this contract will be shared with our partners, costs are also allocated across these various partners. LAVTA is the primary partner in the new contract and will be responsible for a significant portion of the baseline fixed fee (memorialized in a separate Memorandum of Understanding between LAVTA and CCCTA), plus their share of hourly charges. As a result, the total cost for CCCTA's portion of the contract under the final proposal is 12% higher than current pricing. Table 1 provides a summary breakdown of the price negotiations and how this affected each partner, using budgeted revenue hour estimates for Year 1.

**MOTION:** Director Hudson moved adoption of Resolution No. 2022-34 authorizing the General Manager to enter into an agreement with Transdev to provide consolidated paratransit services for both LAVTA and CCCTA commencing July 1, 2022, for the period of four years, at a cost not to exceed \$35,337,282, with the understanding that CCCTA's portion of the contract prices is estimated to be \$25,926,833 over the four-year period. Director Hoffmeister seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

No: None

Abstain: None

Absent: None

**MOTION:** Director Storer moved adoption of Resolution No. 2022-035 authorizing the General Manager to negotiate and enter into a MOU with LAVTA to memorialize the respective roles of the parties for the consolidated paratransit services program, contingent on the Board's approval of staff's recommendation to award the paratransit services contract to Transdev:

**Aye:** Directors Andersen, Haydon, Hoffmeister, Hudson, McCluer, Noack, Schroder, Storer, Tatzin, Wilk and Worth

**No:** None

**Abstain:** None

**Absent:** None

**BOARD COMMUNICATION:** None

**CLOSED SESSION:**

Conference with Labor Negotiator (pursuant to Government Code Sections 54957.6)

Employee Organization: Amalgamated Transit Union, Local 1605, AFL-CIO, Bus Operators

**OPEN SESSION:**

Report of Action(s) taken during the Closed Session

Chair Hudson reported that the Board received a briefing from its labor negotiator, Pat Glenn. There was no reportable action.

**ADJOURNMENT:** Chair Hudson adjourned the regular Board meeting at 11:16 am.

Minutes prepared by:

Lathina Hill

Assistant to the General Manager

Date: July 12, 2022