

**Summary Minutes  
Administration & Finance Committee  
Wednesday, September 7, 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, Laura Hoffmeister  
**Staff:** Bill Churchill, Ruby Horta, Scott Mitchell, Amber Johnson, Lathina Hill, Melody Reeb, Lisa Rettig, Julie Sherman, Cathy MacLeod  
**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 July 6, 2022**

The Committee approved the minutes.

**4. CCCTA Investment Policy-Quarterly Reporting Requirement**

Ms. Johnson reported that the Authority's investment portfolio as of June 20, 2022 complies with the Investment Policy, and that the Authority has the ability to meet projected cash flow for the next six months.

**5. OPEB Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2022**

Ms. Johnson and Ms. MacLeod provided a summary of the Other Post Employment Benefit (OPEB) Actuarial Valuation Report which is required every two years by Governmental Accounting Standards Board (GASB) Statement No. 75. County Connection's net OPEB liability as of June 30, 2022 is \$2.9 million. The actuarially determined contribution (ARC) for FY 2023 is \$445,868 net of implicit subsidy credit. The FY 2023 Budget has sufficient resources set aside to fund this requirement. The A&F members discussed the actuarial report with Ms. MacLeod to gain a better understanding. Each member of the A&F Committee accepted the report and concurred with staff's recommendation to contribute the ARC for FY 2023 which is consistent with past practice. The Committee approved the report to be forwarded to the full Board of Directors as a consent item.

**6. Drug and Alcohol-Free Workplace Policy Update\***

Ms. Rettig stated that during the recent Federal Transportation Authority (FTA) Triennial Review, the reviewer requested a minor change to some language in the Authority's Drug and Alcohol-Free Workplace Policy. In addition, staff recommended removing marijuana (THC) from the list of prohibited substances for employees who are classified as non-safety sensitive. The Committee approved the amended policy language to be forwarded to the full Board of Directors as a consent item.

**7. Annual Adjustment to Cafeteria Amounts for Non-Represented Employees**

Ms. Rettig reported that the Authority contracts under the Public Employee's Medical and Hospital Care Act (PEMHCA) for administrative employee benefits. The current MOUs with the ATU and Teamsters increase the Cafeteria Plan annually using a formula that averages the increases in the two most popular health plans by coverage level and splitting that amount and adding it to the Cafeteria Plan. In recent history the Board has provided the same increases to the Administrative Employees Cafeteria Plan in the interest of equality. For 2023, the two most popular health plans are Kaiser and Healthnet. There are sufficient budgetary resources to accommodate the estimated costs to implement the cafeteria increases for administrative employee groups. The Committee approved the increase to cafeteria amounts for non-represented employees to be forwarded to the full Board of Directors as a consent item.

**8. 2022-23 BART Bus Bridges**

Ms. Reeb reported that the Authority has provided bus bridges to the Bay Area Rapid Transit (BART) agency for over 20 years under an existing mutual aid agreement. More recently, BART has been conducting infrastructure work that requires service to be suspended between various stations and has requested that partner agencies, including County Connection, approve a separate agreement that identifies specific weekend closures. The Committee approved the staff recommendation to enter into an agreement with BART to provide bus bridge service on select days between October 14, 2022 and December 31, 2023, and further recommended the agreement be forwarded to the full Board of Directors as a consent item.

**9. Bus Advertising Contract Extension**

Ms. Reeb reported that Vector Media has requested an extension of the bus advertising services contract. The base term of the contract is set to expire December 31, 2022. The current adjusted contract includes a compensation structure that allows a revenue share of 55% of actual monthly billings rather than the minimum annual guarantee (MAG). Despite the reduced compensation, the revenues remain higher than those that were proposed by the other vendor that responded to the original RFP in 2019. Thus, staff believe that rebidding the contract will not result in higher revenues. Vector Media has proposed a revised compensation structure for the two option years that reinstates the MAG but at a lower amount based on current market conditions. The revised compensation structure aligns with the Authority's budgeted advertising revenue expectations. The Committee approved the staff recommendation of a two-year extension of the current contract with Vector Media for bus advertising services with a revised compensation structure through December 31, 2024, and further recommended the agreement be forwarded to the full Board of Directors as a consent item.

#### **10. 2022 Amended and Restated Clipper MOU**

Ms. Reeb reported that the Authority participates with other transit operators and the Metropolitan Transportation Commission (MTC) in the Clipper program and associated memorandum of understanding (MOU). The MOU defines the operating cost and revenue allocation formulas among the operators and MTC. In 2018, MTC began work on the next generation Clipper system. A new MOU was developed to capture the changes to the system. The MOU and cost sharing agreements were approved by the Clipper Executive Board at its August meeting and are now being circulated to the transit operators for approval. The MOU has also been reviewed by County Connection's legal counsel. All transit operators are required to approve this MOU in order to continue participation in the Clipper program. Failure to approve the MOU would risk the Authority's eligibility for STA funds. The Committee approved the staff recommendation to continue participation in the Clipper program and approve the 2022 Amended and Restated Clipper MOU, and further recommended the MOU be forwarded to the full Board of Directors as a consent item.

#### **11. Amendment to the contract with Ascendal Group LLC**

Mr. Churchill reported that the prior General Manager, Rick Ramacier, entered into a consulting agreement under his contracting authority with Ascendal Group LLC (Ascendal) to support the Authority's efforts along the I-680 corridor. An integral part of these efforts included provided significant support of a Transit and Intercity Rail Capital Program (TIRCP) grant for projects in this corridor, which has been awarded. Now that the grant is awarded, staff requires additional support from Ascendal to complete the project. The existing contract was initiated in July 2021 with a not to exceed \$99,000. Staff has spent \$82,000 of the contract and will require an amendment increasing the contract spending authority in order to complete the tasks outlined in the initial scope of work. The Committee approved the staff recommendation to amend the contract with Ascendal, increasing the contract amount by \$180,000 for a revised not-to-exceed total contract amount of \$279,000, and further recommended the amended contract be forwarded to the full Board of Directors as a consent item.

#### **12. Review of Vendor Bills, July and August 2022**

The Committee reviewed the vendor bills for July and August 2022.

#### **13. Approval of Legal Services Statement, May, June and July 2022 General and Labor**

The Committee approved the legal services statements for May, June and July 2022 General and Labor.

#### **14. Next Scheduled Meeting**

The next meeting was scheduled for October 5<sup>th</sup> at 2:00 p.m. via teleconference.

#### **15. Closed Session:**

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

Employee Organization:

Amalgamated Transit Union, Local 1605, AFL-CIO, Bus Operators

Machinists Automotive Trades District Lodge No. 1173, Machinists

#### **16. Open Session:**

Report of Action(s) taken during the Closed Session - No reportable actions were taken.

**17. Adjournment**

The meeting was adjourned at 3:47pm.

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