

County Connection

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CCCTA BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING

April 18, 2024

CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

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

Staff: Churchill, Sherman, Brewer, Dixit, Glenn, Hill, Horta, Johnson, Jones, Martinez, Mitchell, Noya, Reebbs and Sanderson

PUBLIC COMMUNICATION:

Judy Barrientos, ATU Vice President spoke about giving the drivers longer meal breaks and that they are waiting for staff to meet with them on the issue again, since we have not seen any movement on this issue.

CONSENT CALENDAR

MOTION: Director Noack moved approval of the Consent Calendar, consisting of the following item: (a) Approval of Minutes of Regular Meeting March 21, 2024; (b) 2024-2026 Bus Bridges Agreement and Resolution No. 2024-020. Director Hudson seconded the motion, and it received the following vote of approval:

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

REPORT OF CHAIR: None

REPORT OF GENERAL MANAGER:

Report on APTA Legislative Conference
Candace Andersen arrived at 9:10 a.m.

General Manager, Bill Churchill informed the Board that he met with legislative parties in Washington, DC with an Eastbay Coalition, including TriDelta, LAVTA, and although Westcat was not in attendance, they made sure to include the agency's interests in their meetings. The legislative parties recognize that a lot of the transit agencies will be affected by the fiscal cliff and understand we are interested in how can we make federal funding more flexible in these questionable times. As new projects come along, he will continue to update the Board.

State Legislation Update

Bill Churchill stated that SB 397, SB 926 and AB1837 have no reportable updates. Regarding SB 925 (Wiener), last month he informed the Board that Senator Wiener will carry the enabling legislation to authorize the Metropolitan Transportation Commission (MTC) to seek a Bay Area Region wide tax measure to help fund among other things public transit. Wiener has also informed us that his legislation would include language that would formalize and strengthen the Regional Network Management efforts already initiated by the operators and MTC. The Board strongly suggested that we “Transit Operators” should develop a counter proposal that would be acceptable to the existing transit Boards. All of the Bay Area GMs have met multiple times on this issue and staff have developed what we believe will be a strong and acceptable proposal. This proposal has been distributed to MTC with the goal of seeking their support and thereby giving the Senator a collaborative operator/MTC model to consider. Since the Senator is carrying the legislation for MTC we think this will be a strong approach.

REPORT OF STANDING COMMITTEES

Administration & Finance Committee

Adoption of Revised Policy #06.02 on Reserves and Resolution No. 2024-021

Amber Johnson, CFO, explained that County Connection’s policy regarding reserve funds was adopted on October 15, 1987, and has not been modified since then. The current reserve policy is solely focused on Transportation Development Act (“TDA”) funds that are held on behalf of the Authority by MTC. At the time this policy was adopted, the Authority was uniquely reliant on federal operating assistance for its day to-day operations. Since that time, the composition of operating revenue sources has changed substantially, and the current policy language is no longer relevant. Additionally, the current policy does not provide parameters for the appropriate level of reserves, nor does it address all the reserve types utilized by the Authority today.

After consulting with MTC and the Authority’s financial auditors, staff are recommending a modification to this practice. Certain revenue sources collected by the Authority are considered discretionary, such as advertising revenue and unallocated interest income. This proposed policy permits the Authority to reserve excess discretionary revenue in accounts that are held by the Authority – thereby not applying these revenue sources to expenditures before claiming TDA funds from MTC. The proposed policy further defines the Authority’s “Operating and Capital Reserve” as being comprised of both types of funds, excess TDA revenue and excess discretionary revenue.

The proposed policy also provides guidance around appropriate use of the reserves. The reserve funds are to be used during periods of declining revenue or slower than anticipated revenue growth to sustain the Authority’s operations until service reductions, program cuts, or fare increases are made to reestablish a balanced budget. In addition, the reserve funds may be used for one-time capital projects.

MOTION: Director Sos moved adoption of Resolution 2024-021, approving the updated Reserve Policy 06.02., as amended. Director Noack seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hudson, Nakamura, Noack, Schroder, Sos, Storer and Tatzin

No: None

Abstain: None

Absent: Directors Wilk and Worth

Adoption of the Proposed Fiscal Year 2025 Draft Operating and Capital Budgets and Resolution No. 2024-022

Amber Johnson, CFO explained that County Connection’s draft budget for July 1, 2024, to June 30, 2025 proposes \$54.7 million in operational expenses for fixed route and paratransit services with revenues to offset these costs. An additional \$9.9 million is proposed in capital expenditures and associated revenue in the budget year.

The operating expense budget of \$54.7 million is a 10.1 percent increase over the FY 2024 budget and allows for a slight increase to service levels, with an optimistic assumption that vacant operator positions will be filled during the fiscal year. The capital budget of \$9.9 million includes revenue and non-revenue vehicle replacements and significant multi-year facility upgrade plans, funded by Federal Section 5307 and TDA capital funds.

The FY2025 capital budget includes scheduled replacements of ten bus and three paratransit vehicles that have reached the end of their useful life, plus replacement of six non-revenue vehicles and the addition of one non-revenue vehicle dedicated to the mobile lobby. It is anticipated that the Authority will utilize 80% federal funding for the bus procurements, matched with TDA capital funds. TDA capital funds will also be utilized on the non-revenue vehicle purchases. In addition, several necessary facility maintenance and modernization projects are included in the budget. Major project additions include a fuel tank replacement, replacement of the five hydraulic lifts in the maintenance facility, concrete pad repairs, expansion of the upper parking lot, and necessary elevator improvements in both buildings. These projects are expected to take place during the next few years and will be funded with TDA capital funds.

MOTION: Director Noack moved approval of the proposed FY 2025 Draft Operating and Capital Budget and adopt Resolution No. 2024-022 authorizing filing applications and supporting documents for allocations of funds by the MTC. Director Schroder seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hudson, Nakamura, Noack, Schroder, Sos, Storer, and Tatzin

No: None

Abstain: None

Absent: Directors Wilk and Worth

Operations & Scheduling Committee

Automated Driving Systems (ADS) Demonstration Project Update-Information Only Item

Melody Reeb informed the Board that the Martinez ADS pilot project will consist of two main operational parts. The first part will help meet an unmet need by transporting Medicare/MediCal patients round-trip from the hospital in Martinez to any one of several different drug stores to fill prescriptions, or grocery stores and the food bank to obtain food. Separate funding supports these patients' travel between their homes and the hospital, however there is currently no mechanism to provide dedicated transportation for these patients to fill prescriptions or meet their basic nutritional needs. The second part of the Martinez ADS pilot project is expected to provide point to point service, booked in real time through a smartphone app, for the general public between 6:00pm and 10:00pm, Monday through Friday, after most County Connection buses in the area have stopped running.

County Connection has committed to funding an in-kind contribution to the project in the form of three full-time contracted AVO positions for one year, projected to be in the amount of \$400,000, which is included in the proposed FY25 budget. Additional operations personnel, if needed, will be provided by County Connection through the LINK paratransit contractor, however CCTA will reimburse County Connection for the cost of any extra positions.

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 the Advisory Committee currently consists of three members, with eight seats vacant. Filling these vacancies would bring our Advisory Committee to a full roster of eleven members, and

we respectfully renew our request that the Board help facilitate appointments of members from those jurisdictions with vacancies.

He reminded the Board that there is a joint meeting scheduled in May to examine how the Advisory Committee can provide a more impactful role within County Connection governance, and we appreciate the Board's ongoing support and commitment to working collaboratively on this issue. Although it is unknown how many Advisory Committee members will be able to attend the joint meeting, he looks forward to a productive session that can establish a sound framework for future collaboration as the Advisory Committee eventually fills out its roster of vacancies.

Director Storer leaves at 10: 06 a.m.

BOARD COMMUNICATION: None

ADJOURNMENT: Secretary Sos adjourned the regular Board meeting at 10:08 am.

Minutes prepared by:

Lathina Hill

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

Date: May 8, 2024