

County Connection

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

ADMINISTRATION & FINANCE COMMITTEE MEETING AGENDA

Wednesday, September 4, 2024
2:00 p.m.

County Connection Administration Office
2477 Arnold Industrial Way
3rd Floor Conference Room
Concord, CA 94520

The committee may take action on each item on the agenda, even items that are listed as “information only”. 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 10, 2024*
4. Investment Report as of June 30, 2024*
5. Proposed Changes to Advisory Committee Bylaws*
6. 2025 Administrative Employees Cafeteria Adjustment*
7. Update to CCTA Disadvantaged Business Enterprise (DBE) Program*
8. Clipper Bay Pass Amendment*
(Staff requests that the Committee forward the Clipper Bay Pass Amendment to the Board for approval.)
9. Review of Vendor Bills, July 2024**
10. Approval of Legal Services Statement, June 2024 General and May and June 2024 Labor**
11. Next Scheduled Meeting – TBD
12. Adjournment

*Enclosure

**Enclosure for Committee Members

***To be mailed under separate cover

****To be available at the meeting.

FY2023/2024 A&F Committee

Laura Hoffmeister-Concord, Renata Sos-Moraga, Sue Noack-Pleasant Hill

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: If you wish to address the committee, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the committee and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.

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 made available for public inspection by posting them to County Connection's website at www.countyconnection.com. 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 and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service, or alternative format requested at least two days before the meeting. Requests should be sent to the Assistant to the General Manager, Lathina Hill, at 2477 Arnold Industrial Way, Concord, CA 94520 or hill@cccta.org. Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Currently Scheduled Board and Committee Meetings

Board of Directors:	September 19, 9:00 a.m., County Connection Board Room 2477 Arnold Industrial Way, Concord, CA 94520
Administration & Finance:	October 2, 2:00 p.m., County Connection Administrative Offices, 2477 Arnold Industrial Way, Concord, CA
Advisory Committee:	TBA. Location TBD
Marketing, Planning & Legislative:	September 5, 8:30 a.m., Supervisor Andersen Office 3338 Mt. Diablo Blvd, Lafayette, CA
Operations & Scheduling:	Wednesday, September 4 8:00 a.m., Supervisor Andersen Office 3338 Mt. Diablo Blvd, Lafayette, CA

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.

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

Summary Minutes Administration & Finance Committee

County Connection Administration Office
2477 Arnold Industrial Way
3rd Floor Conference Room
Concord, CA 94520

Wednesday, July 10, 2024, 2:00 p.m.

Directors: Renata Sos, Sue Noack, Laura Hoffmeister
Staff: Bill Churchill, Ruby Horta, Amber Johnson, Karol McCarty
Cathy MacLeod – MacLeod & Watts, Rachael Sanders – PARS, Ashley Baires – PARS,
Dennis Mullins - PARS
Public: None

Call to Order: Meeting called to order at 2:01 p.m. by Director Sos.

1. Approval of Agenda

The Committee approved the agenda.

2. Public Communication

None.

3. Approval of Minutes of June 5, 2024

The Committee approved the minutes.

4. OPEB Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2024

Ms. Johnson explained that an Other Post-Employment Benefits (OPEB) actuarial is required to be updated every two years per GASB 75, and this valuation assesses our retirement liabilities recorded in the financial statements. Cathy MacLeod of MacLeod & Watts presented County Connection's actuarial with OPEB Liability (NOL) as of June 30, 2024, of \$3 million which is a decrease of \$619K since the last valuation. The decrease is attributed to assumptions of healthcare trends, participation assumptions for future retirees, and updated demographics. The Actuarially Determined Contribution (ADC) is the amount the Authority should contribute to fund retiree benefits. For FY 2025, this is \$603,192 however the credit for implicit subsidy of \$129,274 brings this contribution down to \$473,918. This amount was included in the current FY 2025 budget. The ADC for FY 2026 is projected at \$621,288.

The A&F Committee accepts the report and forwards it to the Board of Directors.

5. Public Agency Retirement Services (PARS) Combination 115 Trust

Ms. Johnson reported that the Public Agency Retirement Services (PARS) Combination 115 Trust holds funds for two types of future benefits. Rachael Sanders and Ashley Baires of PARS and Dennis Mullins of Public Financial Management (PFM), the investment sub-advisor, presented the report.

The OPEB 115 Trust funds future OPEB benefits that will be collected by current employees. As of March 2024, the amount in trust is approximately \$5.49 million and has earned 4.63% return on investment utilizing a “moderately conservative (passive)” investment strategy. Investments are 30% stocks and 70% bonds. No funds have been withdrawn to pay benefits to date.

In February 2023, the Board established a Pension 115 Trust that is used for prefunding pension liabilities. As of March 2024, this amount is approximately \$1.07 million and has earned 6.93% return on investment utilizing a “moderately conservative (passive)” investment strategy. Investments are 30% stocks and 70% bonds. No funds have been withdrawn to pay benefits to date.

This item is informational only and requires no action.

6. Regional Fare Transfer Policy

Ms. Horta reported that the Metropolitan Transportation Commission (MTC) has initiated an idea for a fare transfer pilot to improve passenger experience and promote higher ridership by discounting inter-agency transfers between transit agencies. The proposed policy would provide a discount of up to \$2.50 for each transfer within two hours of the first boarding. Based on current transit operators’ fares in the region, this would mean that transfers between local bus agencies would be free, and transfers to regional services such as BART or Caltrain would be discounted. Given County Connection’s fare structure, reimbursement of transfers by MTC would mean additional revenue to the Authority. The pilot will coincide with the future launch of Clipper 2.0 and is expected to last for 18 to 24 months.

The A&F Committee forwards this to the Board for approval for the General Manager to execute an MOU with MTC for the No-Cost and Reduced Cost Interagency Transfer Pilot Program.

7. Bus Accelerated Infrastructure Delivery (BusAID) Update

Ms. Horta reported that in September 2021, the Metropolitan Transportation Commission (MTC) adopted the Transformation Action Plan (TAP) which identified near-term actions to improve the region’s transit system, reduce transit travel times, and improve transit reliability. The Bus Accelerated Infrastructure Delivery (BusAID) Program has \$30 million set aside for the program. County Connection’s Monument Corridor would receive \$385K in federal funding from MTC—which would have a minimum 11.47% local match of \$50K—to optimize bus stops, improve ADA accessibility, and enhance signal timing.

The A&F Committee approved this item and recommends the Board of Directors authorization of a Master Funding Agreement with MTC for BusAID project funding.

8. Income Statements for the Nine Months Ended March 31, 2024

Ms. Johnson reported that the actual expenses of \$34.6 million represent 69.6% of the total annual budget of \$49.7 million, and expenditures are equal to revenues due to the way the Authority utilizes its TDA revenues. Fixed route expenses of \$26.9 million have utilized 66.9% of total budget with Fare Revenues exceeding budgetary estimates at 101.7% of anticipated for the year. Non-operating revenues such as investment income (\$942K) and asset disposal (\$200K) represent 932.5% of the budget category and will be transferred to the Operating and Capital Reserve at fiscal year-end. The primary driver of expenses is salaries and wages which has used 69.3% of the annual budget. Over the past three years, the farebox recovery ratio has increased from 7.6% to 9.4% to 9.6% for FY 2024. The cost of service per passenger has decreased the past three years from \$16.98 to \$14.20 to \$13.88 in FY 2024.

Paratransit expenses of \$7.7 million represent 81.0% of the total budget. Purchased transportation expenses are the primary driver and this budgetary line item has been utilized 81.6% of the budget. It is expected that purchased transportation cost will exceed the budget, but this amount can be absorbed by savings on the fixed route side. Over the past three years, the farebox recovery ratio has increased from 3.3% to 4.4% to 6.2% for FY 2024. The cost of service per passenger has decreased in prior years from \$124.19 to \$70.10 in FY 2023, but slightly rose to \$89.45 in FY 2024.

The A&F Committee accepted the report and recommended it be provided as an information item to the Board of Directors.

9. Compensation Structure for Executive-level Staff

Mr. Churchill and Ms. Johnson reported information for a proposed, employer-sponsored 401(a) plan for the executive team. Staff's initial concept was for the executive team to forgo a cost-of-living adjustment (COLA) for a single year in exchange for a comparable contribution to the 401(a) plan. At the June Board of Director's meeting, a 4% COLA was approved for non-represented employees effective July 1, 2024.

After coordinating with the Authority's legal counsel, it was determined that California Public Employees' Pension Reform Act (PEPRA) restricts the amount that governmental employers in California may contribute to 401(a) plans. The revised proposal for a 401(a) plan would encompass guidelines including: (1) eligibility of the executive team members; (2) a contribution of 2% of base salary, or the legal limit, whichever is lesser; and (3) no vesting period. In the first year, given the approved 4% COLA in June 2024, 2% would be contributed to the new 401(a) plan and 2% would be applied to regular pay. This would be cost-neutral to the Authority in the first and in subsequent years because the executive team's COLA is merely being shifted to a 401(a) contribution—in full or in part, depending upon the legal limits relating to PEPRA.

The A&F Committee approved this proposal and forwards it to the Board of Directors for final authorization.

10. Review of Vendor Bills, June 2024

The Committee reviewed the vendor bills for June 2024.

11. Approval of Legal Services Statement, April and May 2024 General and April 2024 Labor

The Committee approved the legal services statement, April and May 2024 General plus April 2024 Labor.

12. Next Scheduled Meeting

There was consensus to skip the August meeting. The next meeting is scheduled for Wednesday, September 4th at 2:00 p.m.

13. Adjournment

The meeting was adjourned at 3:01 p.m.

Minutes prepared and submitted by: Karol McCarty, Manager of Accounting

INTER OFFICE MEMO

To: Administration and Finance Committee

Date: 08/26/2024

From: Bill Churchill, General Manager *WC.*

SUBJECT: Investment Report as of June 30, 2024

Background:

This report is provided as required by the Authority's investment policy. Current investments are consistent with the investment policy and are allowable under current California law. Investments are selected to meet the priority principles of the policy: safety, liquidity, and yield.

Investment Report:

The total cash and investments held by the Authority as of June 30, 2024, is \$21,954,786 as follows:

Type of Investment	Issuer	Date of Maturity	Par Amount	Market Value
Cash – Cash on hand	N/A	July 1, 2024	\$1,762,000	\$1,762,000
Cash – Held in LAIF	N/A	July 1, 2024	\$20,192,786	\$20,192,786
Total			\$27,299,948	\$27,299,948

A detailed report of all cash and investments held in each individual bank account as of this date is included as Attachment 1.

It is noted that the funds held in the Authority's 115 Trust for Pensions and OPEB are outside of this policy and thereby not included in this report. Greater flexibility of the investment of 115 funds is permitted by California law under the condition that these funds are irrevocably committed to provide pension or OPEB benefits.

It is hereby affirmed that the Authority has the ability to meet its pool's expenditure requirements (cash flow) for the next six months.

Financial Implications:

No direct financial implication results from this report. However, adherence to the Authority's investment policy helps to ensure the Authority remains in strong financial health.

Recommendation:

None, information only.

Action Requested:

None, information only.

Attachments:

Attachment 1: CCCTA Bank Cash and Investment Accounts as of June 30, 2024

CCCTA

BANK CASH AND INVESTMENT ACCOUNTS AS OF JUNE 30, 2024 (ROUNDED OFF TO NEAREST \$)

FINANCIAL INST	ACCT #	TYPE	PURPOSE	PER BANK DEC 2023	PER BANK MAR 2024	PER BANK JUN 2024	PER GL* JUN 2024
FIXED ROUTE							
U.S. BANK	274-00-26650	CHECKING	AP GENERAL	\$ -	\$ -	\$ -	\$ -
BMO HARRIS	2087682	CHECKING	AP GENERAL	\$ 1,174,557	\$ 479,550	\$ 638,648	\$ 261,295
BMO HARRIS	2088565	CHECKING	PAYROLL	\$ 69,091	\$ 69,614	\$ 72,816	\$ 69,422
BMO HARRIS	2087807	CHECKING	CAPITAL PURCHASES	\$ 86,256	\$ 100,000	\$ 115,677	\$ 100,000
BMO HARRIS	2088706	CHECKING	WORKERS' COMP - CORVEL	\$ 61,390	\$ 58,979	\$ 64,211	\$ 50,665
PAYPAL	27SAXUUFL9732	CHECKING	PAYPAL-PASS SALES	\$ 25	\$ 25	\$ 25	\$ 25
			TOTAL	\$ 1,391,319	\$ 708,168	\$ 891,377	\$ 481,407
PARATRANSIT							
BMO HARRIS	2088425	CHECKING	AP GENERAL	\$ 106,435	\$ 101,560	\$ 870,623	\$ 98,451
			TOTAL	\$ 106,435	\$ 101,560	\$ 870,623	\$ 98,451
LAIF FUND							
<i>Effective Yield:</i>				4.00%	4.30%	4.55%	
LAIF ACCOUNT	4007001	INT-INVEST	OPERATING FUNDS	\$ 31,827,811	\$ 23,403,764	\$ 17,519,671	\$ 17,519,671
LAIF ACCOUNT		INT-INVEST	LCTOP - Martinez Amtrak VI	\$ 358,444	\$ 211,868	\$ 61,856	\$ 61,856
LAIF ACCOUNT		INT-INVEST	LCTOP - FREE Monument V (Routes 11/14/16)	\$ 696,856	\$ 431,900	\$ 142,472	\$ 142,472
LAIF ACCOUNT		INT-INVEST	Pass-Through CA	\$ 802,206	\$ 810,265	\$ 818,922	\$ 818,922
LAIF ACCOUNT		INT-INVEST	Safe Harbor Lease Reserve	\$ 1,616,186	\$ 1,632,423	\$ 1,649,865	\$ 1,649,865
LAIF ACCOUNT		FMV ADJ.	Fair Market Value Adjustment for Year-End				\$ (74,390)
			TOTAL	\$ 35,301,503	\$ 26,490,220	\$ 20,192,786	\$ 20,118,396
GRAND TOTAL				\$ 36,799,257	\$ 27,299,948	\$ 21,954,786	\$ 20,698,254

8/26/2024

KLM/AJ

* GL balances reduced by outstanding checks and increased by deposits in transit, if any.

To: Administration & Finance Committee

Date: 08/28/2024

From: John Sanderson, Director of ADA and Specialized Services

Reviewed by:



SUBJECT: Proposed Changes to Advisory Committee Bylaws

Background:

The primary purpose of the Advisory Committee is to review, analyze, and advise the County Connection Board of Directors on issues and policies relating to fixed-route and paratransit service. The Advisory Committee routinely considers and makes recommendations on finance and planning documents including County Connection's Short Range Transit Plan, annual operating and capital budgets, and annual marketing plan. The Advisory Committee members also act as citizen liaisons from the jurisdictions they represent. The Committee's bylaws were originally adopted in June 2011, when the Citizens' Advisory Committee and the Accessibility Advisory Committee were combined into a single body known simply as the Advisory Committee. The bylaws were subsequently amended in September 2019 to include a comprehensive conflict of interest statement.

Since 2019, the Advisory Committee has continued to meet bi-monthly. However, recruiting and retaining members has been a persistent challenge. Staff, the Board, and the Advisory Committee members themselves have all been engaged with the problem. Although no single cause appears to entirely account for the difficulty, a soft consensus did emerge on several related factors. Most observers agreed that the cadence of the Advisory Committee's regular meetings – one every other month – made it difficult if not impossible for the Advisory Committee to be responsive to the business of the Board and the Board subcommittees. At the same time, many stakeholders came to share the view that the Advisory Committee did not have a sufficiently defined purpose or specific goals to guide its work on behalf of the Board. It was therefore determined by both the Advisory Committee and the Board that the Advisory Committee's bylaws should be revised as necessary to attract and retain an engaged membership, and to provide relevant commentary on matters before the Board. Immediately following the May 2024 Board meeting, the Board held a workshop with the Advisory Committee to discuss potential changes to the Advisory Committee's bylaws with the intent of increasing the Advisory Committee's effectiveness as a deliberative body tasked with providing useful input to the Board.

Project Update:

Using the feedback gathered at the Board workshop in May, as well as advice from Legal, Staff presented the following list of proposed changes to the Advisory Committee at their regularly scheduled meeting, on July 9, 2024. Following the July meeting, Staff redrafted the Advisory Committee bylaws based on input received from the Board in May, in consultation with Legal, and the Advisory Committee Chair.

The new proposed bylaws are included as Attachment B. In addition to reformatting and stylistic adjustments to enhance readability, substantive proposed changes to the bylaws include:

- At-Large Members – The total regular roster increased from 11 to 16 with the addition of 5 at-large seats. Under the proposed revision, at-large Members would be recommended by the Advisory Committee for appointment by the Board.
- Alternate Members – The proposed revision includes clarification about when Alternate Members would be expected to attend meetings and vote in place of the Regular Members.
- Members' Term in Office – The proposed revision would increase the standard term from 2 to 3 years, which it is hoped will reduce the administrative demands of recruiting, appointing, and reappointing members, both at County Connection and Member Jurisdictions.
- Removal of Members and Code of Conduct – The proposal includes specific requirements and procedures for removing Members for cause, as well as a basic Code of Conduct for Members.
- Selection and Duties of Officers – The proposed revision includes more detail about the process for electing the Advisory Committee Chair and Vice Chair, as well as their duties. The same section also clarifies County Connection staff's role in support of the Advisory Committee.
- Cadence and Schedule of Meetings – The proposed revision increases the cadence of meeting to every month instead of every other month, to allow for timely input to the Board.
- Ad-Hoc Subcommittees the proposed bylaws include a new section allowing for the creation of ad-hoc subcommittees to work on specific issues.
- Annual Workplan, Public Statements, and Amendments the proposed revision includes new sections:
 - calling for the Advisory Committee draft a workplan annually for approval by the Board,
 - providing guidance and setting limits on Members making public statements related to their work on the Advisory Committee, and
 - documenting a process for amending bylaws in the future.

Financial Implications:

None.

Recommendation:

Staff recommends the consideration and approval of the proposed Advisory Committee Bylaws contained in Attachment B.

Action Requested:

Staff respectfully requests that the A&F Committee provide feedback regarding the proposed Advisory Committee Bylaws, and/or a recommendation to the Board for approval of the proposed Bylaws.

Attachments:

Attachment A: Central Contra Costa Transit Authority Advisory Committee – Role and Function, September 19, 2019 (ADOPTED)

Attachment B: DRAFT Bylaws of the Central Contra Costa Transit Authority (County Connection) Advisory Committee (Ad-Comm), September 19, 2024 (PROPOSED)

Central Contra Costa Transit Authority Advisory Committee

Role and Function

Approved June 16, 2011
Amended September 19, 2019

Purpose

The primary purpose of the Central Contra Costa Transit Authority Advisory Committee will be to review, analyze and advise the County Connection Board of Directors on issues and policies relating to fixed-route and paratransit service. The Advisory Committee will be asked to consider and make recommendations on finance and planning documents that include but are not limited to the following:

- CCCTA Ten Year Short Range Transit Plan
- Annual operating and capital budget
- Annual marketing plan
- Other issues such as operations, scheduling, administration, finance, and legislation.

Composition

The Advisory Committee shall be comprised of eleven (11) members from Central Contra Costa County. Each member jurisdiction will be requested to recommend one member from that jurisdiction for appointment by the CCCTA Board of Directors. Each member jurisdiction may also recommend an alternate member from that jurisdiction for appointment by the CCCTA Board of Directors. The following criteria should be considered:

- Representative should be active in community participation and involvement
- Representative should reside in the appointed community
- Representative should be a current or former user of fixed-route and/or paratransit service, or an advocate for transit users in their communities.

Term

- Members will be appointed for a two-year term, with no limit on the number of terms served.
- If during his/her term, a representative resigns, is removed, or unable to continue to serve, the recommending jurisdiction will be requested to appoint a successor, to be approved by the CCCTA Board of Directors to serve the balance of the term.
- If a member misses three or more consecutive meetings without cause, the Advisory Committee may request that member resign or be removed by the CCCTA Board after consultation with the affected jurisdiction.

Officers

- The Advisory Committee will elect officers who will serve one-year terms. Officers will include a chair and a vice chair.

Meetings

- The Advisory Committee will meet every other month. However, if the Committee wishes to have a special meeting, any member may request that the Chair ask the staff liaison to schedule such a meeting.
- A majority of those present shall be required to adopt an action.

Charge

The Advisory Committee is charged with the responsibility of acting as ADVISORS to the CCCTA Board of Directors, and of collecting and reporting service issues and concerns received from the jurisdictions. Members may volunteer, or be appointed by the Chair to attend scheduled CCCTA Committee meetings, participate in Advisory Committee subcommittees, or undertake other duties for the Advisory Committee.

Furthermore, the Committee is charged with the responsibility of acting as DISSEMINATORS of information in their community, and of assisting in the education of their jurisdictions regarding the fixed-route and accessible services that are available.

In fulfilling these responsibilities the Committee will:

- Make formal recommendations in the form of written communications and reports to the CCCTA Board of Directors, and where appropriate, supplement with oral comments
- Appoint a member to serve as the Committee liaison to the Contra Costa County Paratransit Coordinating Council
- Act as a forum for fixed-route, accessible services, and LINK paratransit users to express concerns or ideas about the services to the Authority.

In fulfilling this charge, individual members may be expected to:

- Network with other interested citizens and groups in the community.
- Maintain a working relationship with the Board representative from his/her jurisdiction
- Assist CCCTA staff at community or business events

Conflict of Interest Regulations

An Advisory Committee member shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to his or her duties, functions or responsibilities on the Citizens Advisory Committee (CAC). Such member shall not perform any work, service, or counsel for compensation outside of his or her responsibilities where any part of his or her efforts will be reviewed by the CAC.

Members of the CAC shall comply with the provisions of the California Political Reform Act (Government Code Section 87100, *et seq.*) and doctrine of common law conflicts of interest. Each member shall file an Annual Statement of Economic Interest. Individual members shall disclose and disqualify themselves from participating in any decision in which they have a financial interest under the standards of the California Political Reform Act.

**Bylaws of the
Central Contra Costa Transit Authority
(County Connection)
Advisory Committee
(Ad-Comm)**

Approved: June 16, 2011

Amended: September 19, 2019

September 20, 2024 (PROPOSED)

Charge and Purpose

The County Connection Advisory Committee (Ad-Comm) shall act as advisors to the County Connection Board of Directors (Board of Directors or Board) and shall collect and report service issues and concerns received from the jurisdictions. Members may volunteer, or be appointed by the Chair to attend scheduled Board and subcommittee meetings, participate in Ad-Comm subcommittees, or undertake other duties for the Ad-Comm.

Furthermore, the Ad-Comm is responsible for acting as disseminators of information in their communities and shall assist in the education of their jurisdictions regarding the fixed-route and accessible services that are available.

In fulfilling these responsibilities, and with the approval of the Board of Directors, the Ad-Comm shall:

- Make formal recommendations in the form of written communications and reports to the Board of Directors, and where appropriate, supplement them with oral reports to the Board.
- Appoint Members to serve as Ad-Comm liaisons to the County Connection Board subcommittees, the Contra Costa County Paratransit Coordinating Council (PCC), and any other public committees dealing with business relevant to the Ad-Comm's work.
- Function as a forum for County Connection fixed-route, accessible services, and LINK paratransit users to express concerns or ideas about the services to the Board.

In fulfilling these duties, individual Members may be expected to:

- Network with other interested citizens and groups in the community.
- Maintain a working relationship with the Board representative from their jurisdiction.
- Assist County Connection staff at community or business events.

The primary purpose of the Ad-Comm shall be to review, analyze and advise the Board of Directors on issues and policies relating to County Connection's fixed-route and paratransit services. The Ad-Comm shall be asked to consider and make recommendations on finance and planning documents that include but are not limited to the following:

- County Connection's Short-Range Transit Plan
- County Connection's annual operating and capital budgets
- County Connection's annual marketing plan

- Other issues assigned by the Board of Directors such as
 - Fixed-route bus and paratransit operations,
 - Service scheduling,
 - Administrative and financial matters, and
 - Legislation.

Membership & Governance

Regular Members

The Ad-Comm shall be comprised of up to sixteen (16) Members from Central Contra Costa County including:

- One (1) Member each representing:
 - the City of Concord,
 - the City of Pleasant Hill,
 - the City of Martinez,
 - the City of Walnut Creek,
 - the City of Clayton
 - the City of Lafayette,
 - the City of Orinda,
 - the Town of Moraga,
 - the Town of Danville,
 - the City of San Ramon, and
 - the unincorporated communities in Central Contra Costa County; and
- Up to five (5) “At-Large” Members from Central Contra Costa County.
- Each member jurisdiction shall be requested to recommend one Member to represent that jurisdiction for appointment by the County Connection Board of Directors. At-large Members shall be recommended by the Ad-Comm for appointment by the County Connection Board of Directors.
- The following criteria should be considered by the recommending body when selecting Members to serve on the Ad-Comm:
 - The proposed Member should be active in community participation and involvement.
 - The proposed Member should reside in the appointing community.
 - The proposed Member should be a current or former user of fixed-route and/or paratransit service, or an advocate for transit users in their communities.

Alternate Members

In addition to Regular Members, each jurisdiction may also recommend one (1) Alternate Member for appointment by the County Connection Board of Directors. No alternate At-Large

Members shall be appointed. Alternate Members shall abide by the same rules of conduct applicable to Regular Members.

When the Regular Member from any jurisdiction is unable to attend an Ad-Comm meeting, the Alternate Member (if one has been appointed) representing that jurisdiction shall vote in their place. Alternate Members may not vote in an Ad-Comm meeting where the Regular Member for that jurisdiction is present. However, Alternate Members are welcome to participate in the discussion and are encouraged to attend all Ad-Comm meetings.

Officers

The officers of the Ad-Comm shall consist of one Chair and one Vice Chair. The Chair and Vice Chair shall be elected at the first meeting of each calendar year and shall serve one-year terms. The Chair shall preside over all meetings of the Ad-Comm, call special meetings as needed, and regularly provide oral reports to the Board of Directors. The Vice Chair shall assume all duties of the Chair in the absence of or upon request by the Chair. In the absence of the Chair and Vice Chair, the Ad-Comm shall appoint a chair pro-tem to fill the duties of the Chair.

Term of Appointment of Ad-Comm Members

Each Member shall be appointed for a three-year term, with no limit on the number of terms served. If during their term, a representative resigns, is removed, or becomes unable to continue to serve, the recommending jurisdiction shall be requested to appoint a successor, to be approved by the County Connection Board of Directors to serve the balance of the term. If the resigning/removed Member's jurisdiction is also represented by an Alternate Member, the Alternate Member may assume the position of the resigning Member for the balance of their term, with the approval of the Board of Directors.

Resignation, Removal, and Conduct of Ad-Comm Members

A Member may resign from the Ad-Comm at any time by notifying the Ad-Comm Chair, the Board, or designated County Connection staff. Member resignations will take immediate effect unless otherwise specified at the time of notification.

Each Member is expected to observe basic rules of good conduct. Members and Alternates should use common sense and reasonable judgement in fulfilling their duties at all times during their terms of appointment. Members are to refrain from disruptive and/or inappropriate behaviors such as:

- Violating County Connection's substance free workplace policy,
- Violating the Conflict-of-Interest Regulations included in these Bylaws,
- Harassing, bullying, or intimidating other Members of the Ad-Comm, County Connection staff, or members of the public,
- Habitual absences from or tardiness to Ad-Comm meetings, except for reasons beyond the Member's control.

A Member may be temporarily or permanently removed from the Ad-Comm by the Board of Directors for conduct unbecoming a Member. In cases of severe misconduct that creates a

threat to health and safety, or that seriously disrupts the business of County Connection, the Board of Directors (including subcommittees), or the Ad-Comm, a Member may be suspended immediately by the Ad-Comm Chair or the County Connection General Manager (or their designee) and barred from County Connection property and further participation in County Connection, Board, or Ad-Comm activities, pending removal by the Board of Directors.

Quorum

A majority of the Ad-Comm Members present shall be required to adopt an action.

Meetings and Meeting Schedule

The Ad-Comm shall meet once per month at times and locations to be selected by the Ad-Comm. At the last meeting of each calendar year, the Ad-Comm shall adopt the full schedule of regular meetings for the next calendar year. Notwithstanding the annual meeting schedule, regular meetings may be canceled by the Chair in consultation with County Connection staff when circumstances make holding the meeting as scheduled unsafe, impractical, or unnecessary. Special meetings may also be held as needed. Any Member may request that the chair work with the staff liaison to schedule such a meeting.

Ad-Comm Subcommittees

The Chair may, with the approval of the Ad-Comm, create temporary Ad-Comm subcommittees, and appoint Members to serve on the subcommittees. Ad-Comm subcommittees shall be ad-hoc in nature, and no standing subcommittees shall be created. Each Ad-Comm subcommittee shall have a specific assignment or task within the broader scope of the Ad-Comm's responsibilities. Any Ad-Comm Member may be appointed to any Ad-Comm subcommittee, but subcommittees will be composed of less than a quorum of the Ad-Comm. Ad-Comm subcommittees may not take formal action.

Staff Liaison and Minutes

A County Connection staff member shall serve as staff liaison to the Ad-Comm. The staff liaison shall take minutes at all meetings of the Ad-Comm, maintain a record of attendance, record all roll-call votes, and assist with administrative tasks on behalf of the Ad-Comm. The minutes of each regular or special Ad-Comm meeting shall be presented to the Ad-Comm for approval at the next regular meeting, and to the Board of Directors at the regular Board meeting immediately following approval by the Ad-Comm.

Miscellaneous

Annual Workplan

Each Fiscal Year, the Ad-Comm shall draft and submit to the Board of Directors a proposed Ad-Comm workplan for the coming year, for consideration and approval at the next regularly scheduled Board meeting. The proposed workplan will include planned topics to be addressed by the Ad-Comm, a suggested time timelines for discussing those topics, and specific proposed agenda items as appropriate.

Public Statements

No Member of the Ad-Comm shall speak, or represent themselves as a spokesperson for County Connection, or make any public statements on behalf of County Connection without express authorization by County Connection.

Conflict of Interest

No Ad-Comm Member shall engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to their duties, functions or responsibilities on the Ad-Comm. Such Member shall not perform any work, service, or counsel for compensation outside of their responsibilities where any part of their efforts shall be reviewed by the Ad-Comm.

Members of the Ad-Comm shall comply with the provisions of the California Political Reform Act (Government Code Section 87100, et seq.) and doctrine of common law conflicts of interest. Each Member shall file an Annual Statement of Economic Interests. Individual Members shall disclose and disqualify themselves from participating in any decision in which they have a financial interest under the standards of the California Political Reform Act.

Amendments

Proposed amendments to these bylaws may be submitted to the Board of Directors by the Ad-Comm, with the approval of the County Connection General Manager or their designee. Amendments shall be incorporated into the bylaws only by approval of the Board of Directors.

To: Administration and Finance Committee

Date: 08/27/2024

From: Kristina Martinez, Director of Human Resources

Reviewed by: *Ref*

SUBJECT: 2025 Administrative Employees Cafeteria Adjustment

Background:

County Connection contracts with California Public Employees Retirement System (CalPERS) under the Public Employees' Medical and Hospital Care Act (PEMHCA) for Administrative, Amalgamated Transit Union (ATU), and Teamsters employee health benefits. County Connection contributes a fixed employer amount to active and retiree health benefit premiums as required by PEMHCA. In addition, County Connection offers a cafeteria plan contribution towards health benefit premiums (or alternative taxable benefits) for active employees.

The current Memorandums of Understanding (MOUs) with the ATU and Teamsters increase the health benefit cafeteria plan contribution annually using a formula that averages the increase in the two most popular health plans by coverage level, splitting that amount in half, and adding it to the prior year cafeteria plan contribution. As a result of this formula, the average increase in premiums is shared equally between the employee and County Connection.

Summary of Issues:

In the interest of equity, the Board has historically utilized the same formula to calculate the increase to the cafeteria plan contribution for Administrative staff, as is required for represented employees. In 2024, the two most popular health plans for Administrative employees are Kaiser and Blue Shield Access. Therefore, these plans were included in the formula to arrive at the new cafeteria plan contribution. The formula results in the following increases:

Plan Type	Monthly Cafeteria Plan Contribution		
	2024	Increase	2025
Employee Only	\$668.74	\$69.08	\$737.82
Employee Plus 1 dependent	\$1,068.63	\$138.16	\$1,206.79
Family	\$1,513.95	\$179.60	\$1,693.55

Financial Implications:

The proposed cafeteria plan contribution for 2025 will result in an annual increase of \$64,325 in expenditures based on current enrollment statistics. There are sufficient funds in the budget to accommodate the proposed increase.

Recommendation:

Staff recommends approval of new monthly Administrative Employee Cafeteria Plan rates for calendar year 2024 as follows:

Employee only:	\$737.82
Employee +1:	\$1,206.79
Family:	\$1,693.55

Action Requested:

Approve proposed monthly Administrative Employee Cafeteria Plan rates for calendar year 2025 and forward them to the full Board with recommendation.

Attachments:

Attachment 1: 2025 Medical Premiums per month – Administrative Employees

**2025 Medical Premiums
Per Month (\$)
Employee Group #1
Administrative Employees**

<u>Basic Plans</u>	<u>Total</u>	<u>CCCTA</u>	<u>Employee</u>	<u>Cafeteria Plan</u>	<u>Net Employee</u>
Kaiser Permanente*	\$ 1,112.90	\$ 303.56	\$ 809.34	\$ 737.82	\$ 71.52
Kaiser Permanente+1	\$ 2,225.80	\$ 607.12	\$ 1,618.68	\$ 1,206.79	\$ 411.89
Kaiser Permanente+2	\$ 2,893.54	\$ 789.26	\$ 2,104.28	\$ 1,693.55	\$ 410.73
PERS Platinum*	\$ 1,476.10	\$ 392.42	\$ 1,083.68	\$ 737.82	\$ 345.86
PERS Platinum+1	\$ 2,952.20	\$ 784.84	\$ 2,167.36	\$ 1,206.79	\$ 960.57
PERS Platinum+2	\$ 3,837.86	\$ 1,020.29	\$ 2,817.57	\$ 1,693.55	\$ 1,124.02
PERS Gold*	\$ 1,013.70	\$ 270.71	\$ 742.99	\$ 737.82	\$ 5.17
PERS Gold+1	\$ 2,027.40	\$ 541.42	\$ 1,485.98	\$ 1,206.79	\$ 279.19
PERS Gold+2	\$ 2,635.62	\$ 703.85	\$ 1,931.77	\$ 1,693.55	\$ 238.22
Anthem Blue Cross Select HMO*	\$ 1,256.65	\$ 270.71	\$ 985.94	\$ 737.82	\$ 248.12
Anthem Blue Cross Select HMO+1	\$ 2,513.30	\$ 541.42	\$ 1,971.88	\$ 1,206.79	\$ 765.09
Anthem Blue Cross Select HMO+2	\$ 3,267.29	\$ 703.85	\$ 2,563.44	\$ 1,693.55	\$ 869.89
Anthem Blue Cross Traditional HMO*	\$ 1,500.40	\$ 494.86	\$ 1,005.54	\$ 737.82	\$ 267.72
Anthem Blue Cross Traditional HMO+1	\$ 3,000.80	\$ 989.71	\$ 2,011.09	\$ 1,206.79	\$ 804.30
Anthem Blue Cross Traditional HMO+2	\$ 3,901.04	\$ 1,286.63	\$ 2,614.41	\$ 1,693.55	\$ 920.86
Western Health Advantage HMO*	\$ 914.27	\$ 383.51	\$ 530.76	\$ 737.82	\$ -
Western Health Advantage HMO+1	\$ 1,828.54	\$ 767.01	\$ 1,061.53	\$ 1,206.79	\$ -
Western Health Advantage HMO+2	\$ 2,377.10	\$ 997.12	\$ 1,379.98	\$ 1,693.55	\$ -
Blue Shield Access HMO and EPO*	\$ 1,170.17	\$ 392.42	\$ 777.75	\$ 737.82	\$ 39.93
Blue Shield Access HMO and EPO+1	\$ 2,340.34	\$ 786.84	\$ 1,553.50	\$ 1,206.79	\$ 346.71
Blue Shield Access HMO and EPO+2	\$ 3,042.44	\$ 1,020.29	\$ 2,022.15	\$ 1,693.55	\$ 328.60
Blue Shield Trio HMO	\$ 1,134.79	\$ 303.56	\$ 831.23	\$ 737.82	\$ 93.41
Blue Shield Trio HMO+1	\$ 2,269.58	\$ 607.12	\$ 1,662.46	\$ 1,206.79	\$ 455.67
Blue Shield Trio HMO+2	\$ 2,950.45	\$ 789.26	\$ 2,161.19	\$ 1,693.55	\$ 467.64
UnitedHealthcare SignatureValue Alliance*	\$ 1,184.58	\$ 392.42	\$ 792.16	\$ 737.82	\$ 54.34
UnitedHealthcare SignatureValue Alliance+1	\$ 2,369.16	\$ 784.84	\$ 1,584.32	\$ 1,206.79	\$ 377.53
UnitedHealthcare SignatureValue Alliance+2	\$ 3,079.91	\$ 1,020.29	\$ 2,059.62	\$ 1,693.55	\$ 366.07
UnitedHealthcare SignatureValue Harmony*	\$ 1,005.02	\$ 392.42	\$ 612.60	\$ 737.82	\$ -
UnitedHealthcare SignatureValue Harmony+1	\$ 2,010.04	\$ 784.84	\$ 1,225.20	\$ 1,206.79	\$ 18.41
UnitedHealthcare SignatureValue Harmony+2	\$ 2,613.05	\$ 1,020.29	\$ 1,592.76	\$ 1,693.55	\$ -

Employees who do not elect medical coverage and complete a Certification Form receive \$200.00 per month in Cafeteria Plan Contributions. This amount can be used to purchase vacation, vision benefits, or can be cashed out at calendar year-end.

The monthly Net Employee premium is deducted semi-monthly from paychecks in two equal amounts.

Key:

* Employee only

+1 Employee plus one dependent

+2 Employee plus two or more dependents (also known as family coverage)

To: Administration and Finance Committee

Date: 08/27/2024

From: Kristina Martinez, Director of Human Resources

Reviewed by: *Ref*

SUBJECT: Update to the Disadvantaged Business Enterprise (DBE) Program

Background:

Central Contra Costa Transit Authority (CCCTA), as a recipient of federal financial assistance from the Federal Transit Administration (FTA), of the United States Department of Transportation (USDOT), is required to implement a Disadvantaged Business Enterprise (DBE) Program in accordance with 49 CFR Part 26 (Regulations). CCCTA's commitment to the DBE Program allows for the participation of DBEs in contracts and subcontracts related to construction, procurement, and professional services activities.

The Board of Directors most recently adopted the CCCTA DBE Program on February 15, 2018, pursuant to the USDOT guidelines. The DBE Program was submitted to FTA on March 14, 2018, and approved on May 23, 2019.

Summary of Issues:

On April 9, 2024, the USDOT issued a Final Rule with modifications to the DBE program regulations with an effective date of May 9, 2024. These modifications included:

- Expanding reporting requirements to the USDOT, including bidding and solicitation utilization and practices.
- Strengthening monitoring and prompt payment requirements.
- Clarification in counting participation by DBE material suppliers.
- Adjustment to the personal net worth (PNW) cap for inflation in small business owners.
- Streamlining the certification and eligibility process.
- Formalizing guidance around COVID-19 flexibilities for certification activities.
- Expediting interstate reciprocity.

As part of the USDOT Final Rule, a new tiered system (Tier I & Tier II) was developed for FTA recipients. CCCTA is considered a Tier I recipient, which is defined by the FTA as awarding more than \$670,000 in federal transit funds annually in third-party contracts. As such, Tier I recipients are required to submit an updated DBE Program per the Final Rule to the FTA by October 9, 2024, and implement procedures immediately upon submission.

The DBE Liaison Officer (DBELO) is responsible for administering the DBE Program. The revised CCCTA DBE Program will continue to meet the requirements for administration as directed by the USDOT in the Final Rule.

Financial Implications:

A revised DBE Program, as approved by the FTA will enable CCCTA to continue to be eligible for federal financial assistance.

Recommendation:

Staff recommends approval of the updated CCCTA DBE Program.

Action Requested:

Staff requests that the A&F Committee forward a recommendation to the Board of Directors to approve the revised DBE Program and authorize staff to forward it to the FTA.

Attachments:

Attachment 1: Draft CCCTA DBE Program (Revised August 2024)

**Plan for Utilization
of Small Businesses Owned and Controlled
by Disadvantaged Individuals
(DBE Program)**

I. POLICY

The Central Contra Costa Transit Authority (CCCTA) is committed to a *Plan for Utilization of Small Businesses Owned and Controlled by Disadvantaged Individuals (DBE Program)* for the participation of Disadvantaged Business Enterprises (DBEs) in CCCTA's contracting opportunities, in accordance with federal Regulations 49 CFR Part 26, effective March 4, 1999, as may be amended.

It is the policy of CCCTA to ensure nondiscrimination based on race, color, sex or national origin in the award and administration of contracts assisted by the U.S. Department of Transportation. It is the intention of CCCTA to create a level playing field on which DBEs can compete fairly and participate in the performance of contracts and subcontracts relating to CCCTA's construction, procurement and professional services activities.

The General Manager has primary responsibility for adherence to provisions of the *DBE Program*. Responsibility for developing, implementing, monitoring and evaluating CCCTA's *DBE Program* is assigned to the DBE Liaison Officer. Other CCCTA management staff responsible for making decisions relative to construction, procurement and professional service contracts share in this responsibility. It is the expectation of the CCCTA Board of Directors and the General Manager that the stipulations and provisions contained in the *DBE Program* are adhered to, in the spirit and the letter, by all CCCTA personnel.

Notices setting forth this policy are posted at CCCTA's offices and website and they are available to the public and to the DBE and non-DBE business communities that perform, or are interested in performing, work on CCCTA's contracts. Questions regarding CCCTA's *DBE Program* should be addressed to the DBE Liaison Officer, 2477 Arnold Industrial Way, Concord, California 94520, telephone (925) 680-2031.

To formalize its commitment, the CCCTA Board of Directors hereby adopts the *DBE Program* applicable to CCCTA's contracting operations effective September 19, 2024.

Bill Churchill
CCCTA General Manager

Kevin Wilk, Chair
CCCTA Board of Directors

A. Applicability

Pursuant to 49 CFR §§ 26.3 and 26.21, CCCTA, a recipient of federal financial assistance from the Federal Transit Administration (FTA) of the United States Department of Transportation (U.S. DOT), is required to implement a *DBE Program* in accordance with 49 CFR Part 26 (Regulations). The requirements of the Regulations are incorporated by reference. In the event of any conflicts or inconsistencies between the Regulations and the *DBE Program* with respect to U.S. DOT-assisted contracts, the Regulations shall prevail. The *DBE Program* outlined herein applies to all CCCTA contracts that are funded, in whole or in part, by U.S. DOT federal financial assistance.

B. Program Objectives

The objectives of the *DBE Program* are to:

- Ensure nondiscrimination in the award and administration of U.S. DOT-assisted contracts;
- Create a level playing field on which DBEs can compete fairly for U.S. DOT-assisted contracts;
- Ensure the *DBE Program* is narrowly tailored in accordance with 49 CFR Part 26 and applicable law;
- Ensure that only firms that fully meet the eligibility standards in 49 CFR Part 26 are permitted to participate as DBEs;
- Help remove barriers to DBE participation in the bidding, award and administration of U.S. DOT-assisted contracts;
- Identify business enterprises that are eligible as DBE to provide CCCTA with required materials, equipment, supplies and services;
- Develop communications programs and procedures that will acquaint prospective DBEs with CCCTA's contracting procedures, activities and requirements, and allow DBEs to provide CCCTA with feedback on existing barriers to participation and effective procedures to eliminate those barriers; and
- Assist the development of firms that can compete successfully in the marketplace outside the *DBE Program*.

C. Prohibited Discrimination

CCCTA will not exclude persons from participation in, deny benefits to, or otherwise discriminate against any persons in connection with the award and performance of any contract governed by 49 CFR Part 26 on the basis of race, color, sex or national origin. CCCTA will not directly, or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of this *DBE Program* with respect to individuals of a particular race, color, sex or national origin.

II. DEFINITIONS

Any terms used in this *DBE Program* that are defined in 49 CFR § 26.5 or elsewhere in the Regulations shall have the meaning set forth in the Regulations. Some of the most common terms are defined below.

Disadvantaged Business Enterprise (DBE) means a for-profit, small business concern -

- (1) That is at least fifty-one percent (51%) owned by one or more individuals who are both socially and economically disadvantaged; and
- (2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

Business Size Standard is defined by the U.S. Small Business Administration (SBA) found in 23 CFR Part 121 appropriate to the types of work the firm seeks to perform. In addition, for purposes of this *DBE Program*, even if the firm meets the SBA requirements, a firm is not an eligible DBE or SBE if the firm (including its affiliates) has had average annual gross receipts as defined in SBA regulations over the firm's previous three fiscal years in excess of \$30.72 million, or as adjusted for inflation from time to time by U. S. DOT.

Good Faith Efforts means efforts to achieve a DBE or SBE goal or other requirements of this part that, by their scope, intensity and appropriateness to the objective can reasonably be expected to fulfill the program requirements.

Personal Net Worth means the net value an individual's net assets and liabilities as calculated by 49 CFR § 26.68.

Race-Conscious measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.

Race-Neutral measure or program is one that is, or can be, used to assist all small businesses. For the purposes of this *DBE Program*, race-neutral includes gender neutrality.

Small Business Concern means a small business seeking to participate as a DBE or SBE in U.S. DOT-assisted contracts, as defined by section 3 of the Small Business Act and the Small Business Administration regulations implementing it (13 CFR Part 121) that also does not exceed the cap on average of annual gross receipts specified in 49 CFR § 26.65(b).

Socially and Economically Disadvantaged Individuals means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is

- (1) Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
 - Black Americans (including persons having origins in any of the Black racial groups of Africa);
 - Hispanic Americans (including persons of Central or South American, Cuban, Dominican, Mexican, Puerto Rican, or other Spanish or Portuguese culture or origin, regardless of race);

- Native Americans (including persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians);
- Asian-Pacific Americans (including persons whose origins are from Brunei, Burma (Myanmar), Cambodia (Kampuchea), China, the Commonwealth of the Northern Marianas Islands, the Federated States of Micronesia, Fiji, Guam, Hong Kong, Indonesia, Japan, Juvalu, Kiribati, Korea, Laos, Macao, Malaysia, Nauru, the Philippines, Samoa, Taiwan, Thailand, Tonga, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), or Vietnam);
- Subcontinent Asian Americans (including persons whose origins are from Bangladesh, Bhutan, India, the Maldives Islands, Nepal, Pakistan, or Sri Lanka);
- Women.

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III. RESPONSIBILITY FOR DBE PROGRAM IMPLEMENTATION AND ADMINISTRATION

A. CCCTA Board of Directors

The Board of Directors ultimately is responsible for ensuring that the *DBE Program* has a high priority and is effectively implemented and adhered to at CCCTA.

B. General Manager

The General Manager has primary responsibility for ensuring that the Board's policies are implemented throughout CCCTA.

C. Management Staff

Management staff who are responsible for making contracting decisions, share in the responsibility of assuring the processes of contracting and procurement of goods and services are carried out in a nondiscriminatory manner. In coordination with the DBE Liaison Officer (DBELO), other management staff will assist in problem identification and resolution, monitor and audit contracts, and remove any contracting obstacles to ensure the *DBE Program* guidelines are being followed.

D. DBE Liaison Officer

The DBE Liaison Officer (DBELO) is responsible for development, implementation, monitoring, and evaluation of the *DBE Program*. The DBELO will have direct, independent access to the General Manager concerning *DBE Program* matters. The DBELO will work closely with Legal Counsel and management staff responsible for construction, procurement and professional service contracts. Specific responsibilities of the DBELO include, but are not limited to:

1. Developing, recommending, monitoring, evaluating, and revising the *DBE Program*, DBE policies and procedures, and internal and external communications mechanisms. Issuing supplementary policies and procedures for implementation of the *DBE Program* by CCCTA staff, as necessary.
2. Gathering, analyzing and assessing available resources and evidence for the establishment and achievement of an overall DBE participation goal for three fiscal years. Adjusting an overall DBE goal during that three-year period, if required, due to changed circumstances. Preparing and submitting CCCTA's *DBE Overall Goal and Goal Setting Methodology (DBE Report)*.
3. Conducting race-neutral measures to facilitate participation of small business concerns, including DBEs, through outreach and other communication programs, training and business development programs, restructuring contracting opportunities, simplifying bonding, surety and insurance requirements, or other race-neutral means.
4. Identifying contracts and procurements where DBE or SBE goals can be included in solicitations (both race-neutral methods and contract-specific goals).

5. Participating in the contract solicitation and award process, including recommending specific contract goals, where appropriate, reviewing contract specifications, attending pre-bid and pre-proposal conferences, and evaluating bids and proposals for contractor responsiveness, responsibility and good faith efforts related to the DBE or SBE requirements of the contract.
6. Providing outreach to DBEs, SBEs and community organizations to advise them of contracting opportunities. Ensuring contracting information is available to identified DBEs and SBEs in a timely manner.
7. Providing DBEs and SBEs with information and assistance, as appropriate, in preparing bids/proposals and obtaining bonding and insurance.
8. Frequently monitoring contract performance and actual DBE and SBE participation and contract payments.
9. Monitoring overall DBE participation, adjusting overall DBE goal and means of achievement, and assessing any areas of over-concentration of DBE participation.
10. Participating as a member of the Business Outreach Committee (BOC). Representing CCCTA, as assigned, on other regional, state and national groups or organizations working in support of DBEs and SBEs.
11. Participating as a member of the California Unified Certification Program (CUCP) in accordance with 49 CFR § 26.81 and the CUCP Memorandum of Agreement (MOA).
12. Maintaining all appropriate records and documentation of the *DBE Program*.
13. Advising the General Manager, Board of Directors and U.S. DOT officials, as required, on DBE matters and achievement.
14. Preparing, maintaining, and submitting reports and documents, as required.

E. Reconsideration Official

In accordance with 49 CFR §§ 26.53(d)(2) and 26.87(e), all proceedings by CCCTA regarding the reconsideration of compliance with provisions of the DBE Regulations concerning a contract award will be made by the General Manager or his/her designated representative who did not take part in the original determination. This official will preside over CCCTA hearings that may be held pursuant to this *DBE Program*, including administrative reconsideration of the DBELO's determination of a bidder's or proposer's compliance with good faith efforts.

IV. ADMINISTRATIVE REQUIREMENTS

A. Dissemination of Policy Statement

Pursuant to 49 CFR § 26.23, the DBELO shall distribute a signed and dated Policy Statement throughout CCCTA's offices, on the CCCTA website and to the business community, including DBEs and non-DBEs that perform work on U.S. DOT-assisted contracts for CCCTA. The entire *DBE Program* will be available to the public upon request and made available for public access on CCCTA's website.

B. Regional Coordination/Unified Certification Program

The DBELO is designated by the General Manager to represent CCCTA as a member of the Business Outreach Committee (BOC). The DBELO will participate in BOC programs, activities and efforts to create a level playing field on which DBEs and SBEs can compete fairly; to enhance outreach and communication efforts with these firms; to provide appropriate assistance and information for participation in U.S. DOT-assisted contracts; and to develop joint resources among U.S. DOT-recipients. To this end, the DBELO will attend scheduled meetings of the BOC and will contribute to the achievement of projects approved by CCCTA's General Manager.

CCCTA is a participant in the California Unified Certification Program (CUCP), which is a reciprocal statewide DBE certification program. It is the intent of CCCTA to cooperate and participate fully in the facilitation and implementation of the CUCP.

CCCTA is a signatory to the California Unified Certification Program (CUCP) Memorandum of Agreement (MOA). The DBELO will participate in CUCP activities to further the objectives of the *DBE Program*, consistent with the DBE Regulations and the CUCP MOA, as approved by the U.S. Department of Transportation Secretary on March 13, 2002, and as may be amended from time to time.

As a member of the CUCP, CCCTA relies upon the CUCP for the certification of DBE firms and assurance that only firms certified as eligible DBEs participate in the *DBE Program*. The CUCP MOA provides U.S. DOT recipients the option to be either a certifying member or a non-certifying member. CCCTA has elected to be a non-certifying member.

As designated by the General Manager, the DBELO will represent CCCTA on other regional, state and national groups or organizations working in support of DBEs and SBEs.

C. DBE Database

The CUCP DBE Database (DBE Database) is a consolidated and automated directory that identifies firms that have been certified as DBEs by the CUCP. The DBE Database is jointly maintained and updated by the CUCP certifying member agencies, in coordination with the California Department of Transportation (Caltrans) as the CUCP DBE Database Manager.

CCCTA will use the DBE Database as a resource when developing overall and contract-specific DBE participation goals and conducting outreach and other activities to promote DBE participation on U.S. DOT-assisted contracts. The CUCP DBE Database is available in printed form and

electronically at <https://californiaucp.dbesystem.com/>. The database is available to contractors, DBE firms, other public agencies and the public.

Potential contractors will be apprised of the availability of the DBE Database as a means of identifying DBEs with capabilities relevant to general contracting requirements and particular solicitations, thereby facilitating contractors' efforts to meet DBE requirements. Potential DBE firms will be encouraged by CCCTA to seek DBE certification so that they can be added to the DBE Database. The importance of taking advantage of this resource as a means of increasing the likely use of DBE firms will be emphasized, and the procedure by which their businesses can become a California certified DBE will be explained to prospective firms.

The DBE Database includes the following information on each DBE firm: name of firm, name of owner(s), business and mailing addresses, telephone number, firm website, types of work utilizing the CUCP Work Codes and North American Industry Classification System (NAICS) Codes for which the firm is certified as a DBE, and work descriptions. Additionally, the Database may include, whenever possible: certification status, race/ethnicity, licenses, and email address. The DBE Database does not, in any way, prequalify the identified DBE firms with respect to licensing, bonding, competence or financial responsibility.

D. Bidders List

CCCTA will require all prime contractors bidding or proposing on U.S. DOT-assisted contracts to submit the following information about the prime contractor and all subcontractors who provided a bid, proposal or quote to the prime contractor: the firm's name, address including zip code, status as a DBE or non-DBE, race and gender information of the firm's majority owner, NAICS code applicable to each scope of work the firm seeks to perform, age of the firm, and annual gross receipts or gross receipts bracket of the firm. CCCTA will use this information to maintain and update its Bidders List, including entering it into a system designated by U.S. DOT. CCCTA will maintain the confidentiality of any proprietary information in accordance with applicable California laws and the Regulations.

E. Monitoring Actual DBE and SBE Participation and Payments

It is the prime contractor's responsibility to maintain records and documents for three (3) years following performance of the contract. This reporting requirement is extended also to any DBE or SBE subcontractors. Records maintained by prime contractors and DBE or SBE subcontractors will be made available for inspection, upon request of any authorized representative of CCCTA or U.S. DOT.

The DBELO will frequently monitor and track actual DBE and SBE participation through contractor reports of payments and other monitoring mechanisms as determined by the DBELO based on the size and complexity of the project. The DBELO will maintain a running tally of payments actually made to DBE and SBE firms and may require prime contractors and DBE or SBE subcontractors and suppliers to provide appropriate documentation to verify such payments.

The DBELO will ensure that DBE participation is counted toward contract goals and DBE participation is counted toward the overall DBE goal in accordance with the Regulations. Credit toward overall or contract goals will only be given upon satisfactory evidence that payments were actually made to DBEs.

CCCTA may perform interim audits of contract payments to DBEs and SBEs. The audit will review payments to DBE and SBE subcontractors to ensure that the actual amount paid to them equals or exceeds the dollar amounts stated on the List of Prime Contractor and Subcontractors/Suppliers form and any contract amendments.

F. Monitoring the Performance of Program Participants

CCCTA will apply legal and contract remedies available under federal, state and local laws to ensure all program participants comply with the Regulations and this *DBE Program*. The DBELO and project managers will frequently monitor contractor performance to ensure that work committed to DBEs or SBEs at contract award, and subsequent contract amendments, is actually performed by the identified DBEs or SBEs and payments are made to those firms in accordance with the contract requirements.

This monitoring mechanism will include a written certification that the DBELO and/or the project manager has reviewed contracting records and monitored work sites in the CCCTA service area of firms performing CCCTA contracts. This monitoring may be conducted in combination with monitoring of contract performance for other purposes (e.g., close-out review for a contract).

G. Reporting to U.S. Department of Transportation

The DBELO will report DBE participation, overall goal setting methodology, revisions in the *DBE Program*, and other information and documentation to FTA as required. Statistical data will be maintained as prescribed and the Uniform Report of DBE Awards or Commitments and Payments form will be submitted to FTA at the intervals stated on the form, reflecting the DBE participation on CCCTA's federally assisted procurement activities. These reports will provide DBE participation on CCCTA's race-neutral contracts, race-conscious contracts, and the combined DBE participation on all U.S. DOT-assisted procurement activities.

H. DBE Financial Institutions

It is the policy of CCCTA to investigate the full extent of services offered by financial institutions located in its service area that are owned and controlled by socially and economically disadvantaged individuals, to make reasonable efforts to use these institutions, and to encourage prime contractors on U.S. DOT-assisted contracts to use these institutions.

As of May 1, 2024, the Federal Reserve Board on its website www.federalreserve.gov listed no minority-owned financial institutions located in the CCCTA service area. The DBELO will continue to use this source to identify and solicit minority-owned banks to participate in CCCTA's *DBE Program*.

I. Over-Concentration

Pursuant to 49 CFR § 26.33, if the DBELO determines that DBE participation is so over-concentrated in certain types of work or contracting opportunities that it unduly burdens the participation of non-DBEs in that type of work, the DBELO will develop appropriate measures to address the over-concentration. The DBELO will seek approval of these corrective measures from FTA and once approved, they will become part of this *DBE Program*. Currently, CCCTA is unaware of any types of work that have a burdensome over-concentration of DBE participation.

J. Small Business Element

One method of providing race-neutral efforts for DBE participation will be through CCCTA's small business element, which is incorporated into this *DBE Program*. The small business element is intended to facilitate compliance with the two objectives in 49 CFR § 26.51: (1) To meet the maximum feasible portion of CCCTA's DBE overall goal by using race-neutral means of obtaining DBE participation; and (2) to establish DBE contract goals to meet any portion of the DBE overall goal CCCTA is unable to meet using race-neutral methods alone. CCCTA will implement the small business element within nine (9) months of receiving approval from FTA.

The small business element applies to sub-recipients in the same way as CCCTA's *DBE Program*. CCCTA will ensure that any sub-recipients implement CCCTA's approved small business element. If a sub-recipient has its own DBE Program separate from CCCTA's *DBE Program*, the sub-recipient is responsible for creating and implementing its own small business element.

An important part of CCCTA's small business element is its outreach activities. These outreach efforts include active, effective steps to increase small business participation, such as soliciting bids/proposals from DBEs and SBEs, responding to requests for information, participating at pre-bid and pre-proposal meetings, and participating at outreach and training events for DBEs and small businesses. CCCTA will collaborate with regional resources by pooling resources and/or creating joint programs for review and approval by FTA.

As time and resources allow, the DBELO will help plan and/or participate in outreach and informational events for DBEs and small businesses that may be coordinated with other U.S. DOT recipients, federal agencies, or local organizations. Discussed during these outreach events will be procedures on how to do business with CCCTA, how to become certified as a DBE or SBE, CCCTA's *DBE Program* requirements, and other topics of interest to DBEs and small businesses.

Other strategies that CCCTA will consider as a part of its small business element include unbundling contracts and setting SBE contract-specific goals when subcontracting opportunities are available.

For purposes of this DBE Program, a small business enterprise (SBE) is defined as a Small Business Concern that does not exceed the Business Size Standard. CCCTA's small business element includes a verification process to ensure eligibility of small business firms to participate in its *DBE Program*. To avoid fraud, a firm's small business status will be verified when CCCTA utilizes SBE contract goals on a project. CCCTA will rely on the certification/verification process used by other agencies, providing their process is to confirm eligibility consistent with those of Part 26, including the requirement that the SBE firm may not exceed the Business Size Standard. CCCTA will not accept certifications/verifications by agencies that allow companies to self-certify as small businesses. A currently certified DBE is presumed eligible to participate in the small business element of CCCTA's *DBE Program*. CCCTA will require that all SBEs and any DBEs not certified by the CUCP provide documentation to verify their certification status. CCCTA may require SBEs to submit additional documents, as necessary, to verify their eligibility.

CCCTA will track and report any race-neutral participation by currently certified DBEs achieved through the small business element in the same way it reports race-neutral DBE participation obtained through other methods. To the extent feasible, data on small business participation will be collected and maintained in order to respond to any future questions regarding the results of CCCTA's *DBE Program*.

K. Business Development and Mentor/Protégé Program

CCCTA may establish a DBE business development program to assist firms in gaining the ability to compete successfully in the marketplace outside the *DBE Program*. As a part of the business development program or separately, CCCTA may establish a mentor/protégé program in which another DBE or non-DBE firm is the principal source of business development assistance. If CCCTA determines such a program is beneficial, a proposed program will be written and submitted to FTA's regional office for approval, after which it will become part of this *DBE Program*. Guidelines outlined in Appendices C and D of 49 CFR Part 26 will be utilized in setting up the formal agreements and programs. CCCTA may participate in a business development program and/or mentor/protégé program established by other U.S. DOT recipients.

L. Issuance of Supplementary Procedures

The General Manager, upon recommendation of the DBELO and in consultation with Legal Counsel, may issue supplementary written procedures for the implementation of the *DBE Program*, consistent with the Regulations.

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V. DETERMINING AND ACHIEVING OVERALL GOAL AND COUNTING DBE PARTICIPATION

Pursuant to 49 CFR § 26.45, the CCCTA Board of Directors will establish an overall DBE goal on a fiscal-year basis every three years for the participation of DBEs in all budgeted contracts utilizing U.S. DOT financial assistance. The overall DBE goal shall be expressed as a percentage of the total amount of U.S. DOT funds CCCTA anticipates expending during those three fiscal years.

CCCTA's overall DBE goal represents the amount of ready, willing and able DBEs that are available to participate in U.S. DOT-assisted contracting opportunities. The overall DBE goal is reflective of the amount of DBE participation CCCTA expects based upon its analysis of CCCTA's planned federally assisted projects and the number of available DBEs within CCCTA's market area. CCCTA intends to meet its goal to the maximum extent feasible through race-neutral measures. Where race-neutral measures are inadequate to meet the overall DBE goal, CCCTA will establish specific contract goals for particular projects with subcontracting opportunities.

A. Methodology for Setting Overall DBE Goal

1. Projecting U.S. DOT-Assisted Contract Expenditures

In conjunction with the preparation and adoption of the budget for each fiscal year, the DBELO, in consultation with the appropriate CCCTA department managers responsible for contracting activities, will conduct an analysis of the projected numbers, types of work, and dollar amounts of contracting opportunities that will be funded, in whole or in part, by U.S. DOT financial assistance for each fiscal year during that three-year period. This analysis will exclude projected contract expenditures with transit vehicle manufacturers, which will be subject to the requirements of 49 CFR § 26.49.

If required by FTA, CCCTA will express its overall DBE goal as a percentage of funds for a particular grant or project or group of grants and/or projects. A project DBE goal may be adjusted to reflect changed circumstances with the concurrence of FTA. A project DBE goal covers the entire length of the project to which it applies. A project DBE goal includes a projection of the DBE participation anticipated to be obtained during each fiscal year covered by the project DBE goal. The funds for the project to which the project DBE goal pertains are separated from the base from which CCCTA's regular overall DBE goal applicable to contracts not part of the project covered by a project goal is calculated.

2. Establishing a Base Figure

Pursuant to 49 CFR § 26.45(c), CCCTA will develop a base figure, based upon the projected fiscal year budgets for the three-year term of the goal to express the availability of DBEs as a percentage of all contractors, subcontractors, manufacturers and suppliers in the relevant contracting markets. CCCTA will follow one of the methodologies provided in the Regulations or develop an alternative methodology and provide the appropriate documentation in the *DBE Overall Goal and Goal Setting Methodology (DBE Report)*.

a. Analyzing Available Businesses in the Relevant Contracting Markets

The DBELO will conduct an analysis of the relevant contracting markets in which CCCTA will solicit participation from contractors, subcontractors, manufacturers and suppliers for each fiscal year. This analysis will include a description of geographical boundaries of the solicitations, the applicable North American Industry Classification System (NAICS) Codes for the types of work to be contracted and any other indicators that CCCTA determines to be relevant to defining its contracting markets. The DBELO will then determine the available businesses according to the relevant contracting markets. The DBELO will consult a variety of sources including, but not limited to, the U.S. Census Bureau, CCCTA's Bidders List and any relevant disparity studies.

b. Analyzing Available DBEs in the Relevant Contracting Markets

The DBELO will conduct a similar analysis to determine the number of ready, willing and able DBEs that are available to participate as contractors, subcontractors, manufacturers and suppliers in the projected federally assisted contracts for each fiscal year. This analysis will include a description of the available DBEs relative to the geographical boundaries of the solicitations, the NAICS Codes for the types of work to be contracted, and any other pertinent factors. The DBELO will consult a variety of sources including, but not limited to, CUCP DBE Database, U.S. Census Bureau, CCCTA's Bidders List and any relevant disparity studies.

c. Calculating the Base Figure

The DBELO will compare the available DBEs to the available businesses in the relevant contracting markets for each fiscal year. The calculation will include a weighting factor according to the U.S. DOT-assisted contracting expenditure patterns.

d. Adjusting the Base Figure

Pursuant to 49 CFR § 26.45(d), the DBELO will adjust the base figure based on demonstrable evidence indicating that the availability of DBEs for U.S. DOT-assisted contracts for each fiscal year may be higher or lower than the base figure indicates. At a minimum, the DBELO will analyze:

- (1) The results of CCCTA's efforts to contract with DBEs for the current and recent years;
- (2) Any available and relevant disparity studies (to the extent that they are not accounted for in the base figure);
- (3) Any available and relevant results of other, similar U.S. DOT recipients' efforts to contract with DBEs;
- (4) Any relevant feedback or projections from DBE firms, minority and women professional and resource organizations, the U.S. Small Business Administration, general contractor organizations, community groups, or others; and
- (5) Any other available evidence from related areas that affects the opportunities for DBEs to form, grow and compete.

e. Projection of Percentage of Overall DBE Goal to be Achieved Through Race-Neutral and Race-Conscious Measures

Once the overall DBE goal is calculated, the DBELO will analyze and project the maximum feasible portion of the goal that can be achieved by using race-neutral methods. Where the projected portion of the goal using race-neutral methods is less than the overall DBE goal, the remaining portion may be achieved by establishing contract goals for particular projects that have subcontracting opportunities.

The DBELO shall monitor and adjust the use of contract-specific goals in accordance with 49 CFR 26.51(f). When projecting the percentage of the overall goal to be achieved through establishing contract-specific goals, the DBELO shall analyze the actual achievement of the overall goal through race-neutral methods in the current and recent years. When establishing contract-specific goals during the current fiscal year, the DBELO shall analyze the progress toward achieving the overall goal and increase, reduce or eliminate the use of contract-specific goals accordingly. Contract goals will provide for participation by certified DBEs or SBEs and will not be subdivided into group-specific goals.

B. Public Participation and Adoption of the Overall DBE Goal

1. Consultation with Various Groups, Organizations and Officials

In a joint effort, members of the CUCP and BOC will continue to hold public participation sessions to obtain input in the goal-setting process, specifically on the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and efforts to establish a level playing field for the participation of DBEs. Members from the public invited to attend the public participation sessions will include, but not be limited to, minority, women and general contractor groups, community organizations, and other U.S. DOT recipients.

2. DBE Report

Upon completion of the analysis described above and after consultation with various groups, organizations and officials, the DBELO will prepare the *DBE Report* for a three-year period for review and approval by the General Manager. The report will document the analysis and methodology as well as the proposed DBE goal and estimated percentages to be achieved through race-neutral measures. Upon the General Manager's approval and recommendation, the Administration & Finance (A&F) Committee will consider authorizing publication of the proposed DBE goal for public comment and adoption of the DBE goal thereafter.

3. Publication of the Proposed Overall DBE Goal

Pursuant to 49 CFR § 26.45(g), CCCTA will publish the proposed overall goal on its Internet Website and may also publish the proposed goal in general circulation and DBE oriented media before submission to the FTA.

Concurrently, CCCTA may notify the public of the availability of the *DBE Report* for review and comment. The notice will include a statement that the methodology and report are available for inspection for thirty (30) days from the date of publication. Upon receipt of any public comments, the DBELO will prepare a summary report analyzing the public comments and recommending any modifications to the overall DBE goal or methodology and will furnish it to the General Manager for review and concurrence. If no comments are received that would change substantially the goal analysis, the results of the public comment period may be presented as an informational matter to the Board of Directors with no further action required.

4. Adoption of the Overall DBE Goal

The A&F Committee will consider making a recommendation to the Board of Directors to adopt the overall goal. The Board of Directors will consider and determine whether to adopt the overall DBE goal for DBE participation in U.S. DOT-assisted contracts. Unless otherwise directed, the *DBE Overall Goal* will be submitted every three years by August 1st, to FTA for review and approval.

The overall DBE goal applies to each fiscal year during that three-year period. CCCTA may adjust the overall DBE goal during that three-year period to which it applies in order to reflect changed circumstances. Such an adjustment will be submitted to FTA for review and approval.

C. Transit Vehicle Manufacturers Participation and Certification

CCCTA will require transit vehicle manufacturers (TVMs) to certify that they have established an overall DBE participation goal that has been approved by FTA (or the goal has been submitted but not disapproved) as a condition of being authorized to bid on any FTA-assisted transit vehicle procurements. Expenditures for FTA-assisted transit vehicle procurements are not included in establishing the CCCTA overall DBE goal for U.S. DOT-assisted contract expenditures.

D. DBE Quotas or Set-Asides

CCCTA will not use quotas for DBEs and will not set-aside contracts for DBEs on U.S. DOT-assisted contracts. CCCTA will make every effort to achieve its DBE goals by utilizing the means outlined in the *DBE Program*.

E. Achieving the Overall DBE Goal

CCCTA will attempt to achieve the overall DBE goal for DBE participation through a combination of race-neutral measures and contract goals for contracts with subcontracting opportunities.

If an overall DBE goal is not achieved by the end of its fiscal year, CCCTA will analyze the reason(s) for the shortfall and establish specific steps and milestones to correct the problems identified in the analysis that will enable CCCTA to meet its DBE goal for the following fiscal year. This analysis and corrective action will be retained in the record for three years and made available to FTA upon request for its review.

1. Race-Neutral Methods

CCCTA will use race-neutral methods to the maximum extent feasible to achieve its overall DBE goal, including:

- a. Ensuring contracting barriers do not exist by using contracting arrangements (such as, arranging solicitations, times for the presentation of bids, quantities, specifications and delivery schedules) that facilitate participation by DBEs and other small businesses and make contracts more accessible to them.
- b. Configuring large contracts into smaller contracts to make contracts more accessible to small businesses, when feasible, providing it would not impose significant additional cost, delay or risk to CCCTA.
- c. Identifying components of the work that represent subcontracting opportunities and identifying the availability of DBE subcontractors. Contractors will be encouraged to consider DBE subcontractors for components of the work for which there is a known supply of ready, willing and able DBE subcontractors, as well as non-DBE subcontractors, in preparing their bids and proposals.
- d. Assisting in overcoming limitations in bonding and financing, when requested and as appropriate.
- e. Providing technical assistance and other business related services, as requested and as appropriate.
- f. Providing outreach and communications programs related to contracting opportunities and procedures to ensure the inclusion of DBEs and other small businesses on mailing lists soliciting bids and proposals.
- g. Requiring prime bidders on multi-year design-build contracts or other large contracts to specify elements of the contract or specific subcontracts that are of a size that small businesses, including DBEs, can reasonably perform.
- h. Requiring prime contractors on contracts not having a DBE goal to provide subcontracting opportunities of a size that small businesses, including DBEs, can reasonably perform rather than self-performing all the work involved.
- i. Ensuring that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform them.
- j. Providing information about the availability of the CUCP DBE Database, through print and electronic means, to potential prime contractors, DBEs, public agencies and the general public. Encouraging prime contractors to use the DBE Database to solicit DBE firms. Encouraging eligible DBEs to become certified, and to remain certified, so they will be listed in the DBE Database.

2. Contract Goals

CCCTA shall establish contract-specific DBE or SBE participation goals on particular prime contracts with subcontracting opportunities to the extent that it cannot achieve its overall DBE goal with other race-neutral measures. Where a contract-specific DBE or SBE goal has

been established, the bidder or proposer must meet the contract-specific goal or demonstrate that it made sufficient good faith efforts to do so. A bidder/proposer shall be ineligible for award if it does not meet the goal or demonstrate sufficient good faith efforts.

The General Manager will establish the contract-specific DBE goal based on a recommendation from the DBELO. The contract-specific DBE goal will apply to the percentage participation of DBEs or SBEs in the total contract work and shall be set forth in the contract specifications. CCCTA is not required to establish a contract-specific DBE goal for every prime contract with subcontracting opportunities. For each U.S. DOT-assisted contract involving subcontracting opportunities, the factors outlined below will be considered to determine whether a contract-specific DBE goal should be established for the particular contract and, if so, what the percentage DBE goal will be.

- a. The projected amount of the contract and the full range of activities in the proposed contract.
- b. CCCTA's progress toward achieving its overall DBE goal.
- c. The projected portion of the overall goal that will be met by establishing a contract-specific goal.
- d. The availability of DBEs or SBEs as prime contractors, subcontractors or suppliers in the types of work involved in the performance of the proposed contract.
- e. The unique conditions of the project that might affect the ability of the prime contractor to coordinate utilize or incorporate subcontractors or suppliers into the project.
- f. Any other relevant criteria.

3. Awarding Contracts with Contract-Specific Goals

CCCTA will award its contracts to the lowest responsive and responsible bidder for construction contracts and other procurements as required under applicable procurement laws, U.S. DOT procurement guidelines, and CCCTA policies.

For such contracts, as well as for contracts awarded pursuant to a request for proposal procedure where the lowest responsible bidder standard does not apply, a bidder/proposer that fails to demonstrate that it achieved the contract-specific DBE or SBE participation goal, and fails to demonstrate that it made sufficient good faith efforts to do so, will not be deemed "responsive" and, therefore, shall be ineligible for award of the contract.

a. Evaluation of Bids and Proposals

After the bid opening, or submission deadline for proposals, the DBELO will evaluate all bids/proposals with regard to the DBE or SBE requirements to determine whether the bidders/proposers submitted all the information required by 49 CFR § 26.53 and CCCTA's procurement documents. Prior to making a recommendation to the CCCTA Board of Directors for award of contract, bidders/proposers will be required to demonstrate that they have met the requirements of 49 CFR § 26.53.

The responsible bidder with the lowest apparent bid price, or the most highly ranked proposer, who also meets the contract-specific DBE or SBE goal or demonstrates sufficient good faith efforts, shall be recommended for award of contract. In the event that the bidder with the lowest monetary bid price (or the proposer ranked first), fails to meet the contract-specific goal or fails to demonstrate sufficient good faith efforts, or is otherwise nonresponsive or not responsible, the DBELO will evaluate the bidder with the next lowest bid price (or the proposer ranked second).

Bidders/proposers will be required to submit with their bids/proposals (or at a later date specified in RFP documents, but not later than 5 days after the proposal due date) the completed List of Prime Contractor and Subcontractors/Suppliers form. This form requests the following information about DBE and non-DBE firms that will participate in the contract: name and address of firm including zip codes, phone number, owner's name, DBE or SBE, age of firm, annual gross receipts, description of work and type of materials/supplies to be furnished for the contract, and dollar amount of the work or supplies. By submitting the List of Prime Contractor and Subcontractors/Suppliers form, a bidder/proposer certifies that it is committed to using the identified DBEs or SBEs in the performance of the contract.

CCCTA will require written documentation from the DBEs and/or SBEs that they are participating in the contract as provided in the prime contractor's commitment. In addition, subcontractors not currently certified by the CUCP and SBEs will be required to submit information verifying their current certification status and will be encouraged to seek DBE certification in California. CCCTA may require that SBEs submit additional documentation, as necessary, to verify their eligibility.

If the DBELO determines additional information is needed to evaluate a bidder's or proposer's submission regarding the DBE or SBE requirements, the DBELO will request the bidder/proposer to submit the required information. The DBELO may contact, also, the listed DBEs and SBEs directly to obtain the information.

b. Evaluation of DBE and SBE Certification Status

CCCTA will ensure that only firms currently certified as eligible DBEs and SBEs will be counted as DBEs or SBEs on its contracts. Any DBEs or SBEs listed by bidders or proposers for participation in the contract must be certified as eligible DBEs or SBEs when the bids/proposals are due (or at a later date specified in the contract documents).

The DBELO will review the List of Prime Contractor and Subcontractors/Suppliers form and other pertinent information to confirm the certification status of each DBE or SBE. For DBE firms, CCCTA will accept current certifications by the CUCP in accordance with the Regulations. For SBE firms, CCCTA will accept certifications and verifications by the California Department of General Services, the U.S. Small Business Administration, and other public agencies, provided the firm's Business Size Standard does not exceed the SBA size standard and the U.S. DOT cap of \$30.72 million, whichever is lower. CCCTA will not accept SBE certifications from agencies that allow firms to self-certify as small businesses.

If a change in DBE or SBE participation is proposed by the prime contractor after the contract is fully executed (such as a contract amendment or replacement of a defaulting DBE or SBE subcontractor) both CCCTA and the prime contractor will follow the process outlined in 49 CFR § 26.53(f).

c. Determination of Amount of DBE or SBE Participation

The DBELO will review for accuracy the total dollar value of the work to be performed and supplies to be furnished by DBEs or SBEs with the total contract amount reported on the List of Prime Contractor and Subcontractors/Suppliers form. The DBELO will then determine the percentage of total DBE or SBE participation and compare it to the contract-specific DBE goal established for the contract, if one has been established for the project.

d. Determination of Good Faith Efforts

If the amount of DBE or SBE participation does not meet the contract-specific DBE goal, the DBELO will review the report of good faith efforts submitted by the bidder/proposer. The DBELO will determine whether the bidder/proposer performed the quality, quantity and intensity of efforts that demonstrates a reasonably active and aggressive attempt to meet the contract-specific DBE goal in accordance with 49 CFR Part 26, Appendix A.

DBE and SBE bidders/proposers on prime contracts will be expected to make the same outreach efforts as other bidders/proposers and to document good faith efforts in situations where they do not fully meet the contract goals.

e. DBE or SBE Termination, Substitution, or Replacement

Prime contractors may not terminate or reduce the scope of work of a DBE or SBE subcontractor listed on the contractor's bid/proposal documents without CCCTA's prior written consent. This includes, but is not limited to, instances in which a prime contractor seeks to perform work originally designated for a DBE or SBE subcontractor with its own workforce or those of an affiliate, a non-DBE firm or another DBE firm. CCCTA may provide such written consent if it determines that the prime contractor has good cause, as described in 49 CFR Part 26.53, to terminate or reduce the scope of work of the DBE or SBE subcontractor.

Before transmitting to CCCTA its request to terminate and/or substitute a DBE or SBE subcontractor, the prime contractor must give notice in writing to the DBE or SBE subcontractor, with a copy to CCCTA, of its intent to request to terminate and/or substitute and the good cause basis for the request. The prime contractor must give the DBE or SBE five (5) days to respond to the prime contractor's notice and advise CCCTA and the prime contractor of the reasons, if any, of: (1) why the DBE or SBE objects to the proposed termination or reduction in the scope of work of the subcontract; and (2) why CCCTA should not approve the prime contractor's proposed action.

In addition to post-award terminations, these provisions apply to pre-award deletions of or substitutions for DBE or SBE firms put forward by offerors in negotiated procurements.

Prime contractors will be required to utilize good faith efforts to include additional DBEs to replace a defaulting DBE or SBE subcontractor to the extent needed to meet the contract-specific DBE goal, which must be documented by the prime contractor. A prime contractor may not terminate or reduce the scope of work a DBE or SBE firm for convenience and then perform the work with its own workforce without, following the procedures detailed in this section, including obtaining CCCTA's prior written consent.

The prime contractor must immediately notify the project manager and the DBELO of the inability of the DBE or SBE to perform the work and must provide documentation to substantiate its claims to the satisfaction of the DBELO within seven (7) days of the request by CCCTA. This time period may be extended by an additional seven (7) days at CCCTA's discretion when requested by the prime contractor. The prime contractor must provide copies of new or amended subcontracts for each new DBE or SBE or any applicable good faith efforts. If replacement of the DBE or SBE is acceptable to CCCTA, it will issue written notification to the prime contractor. If the contractor fails or refuses to comply in the timeframe specified in the contract documents, CCCTA will pursue administrative remedies available under the contract or laws of California.

f. Right to Administrative Reconsideration

In the event the DBELO determines that the apparent successful bidder/proposer has not met the contract-specific goal and has not demonstrated sufficient good faith efforts, the DBELO will notify the bidder/proposer in writing. The notification will include the reasons for the DBELO's determination and advise that the bidder/proposer has the right to submit additional written documentation or appear at a hearing for reconsideration, which must be submitted to the General Manager, or his/her designee within 10-days from date on the written notification.

All requests for reconsideration must be submitted to the General Manager, or his/her designee.

Following a reconsideration hearing and/or review of any additional information received, the General Manager, or his/her designee, will provide the bidder/proposer with a written decision on reconsideration, explaining the basis for the determination. In the event the General Manager, or his/her designee finds a bidder/proposer did not meet the contract goal or demonstrate sufficient good faith efforts, that determination is final and such bidder/proposer will be deemed not responsive. The reconsideration decision of the General Manager, or his/her designee cannot be appealed administratively to U.S. DOT.

g. Recommendation for Award

Following the determination of the responsiveness with a contract-specific DBE or SBE requirement, the DBELO will prepare a report on compliance with the DBE/SBE requirements of all bidders/proposers for review by the General Manager and project manager for presentation to the Board of Directors at the time the contract award is considered. If the Board disagrees with the staff recommendation for award of contract, it shall reject all bids/proposals or refer the matter back to the General Manager for further evaluation and recommendation. The decision of the CCCTA Board

of Directors on the award of contract, if such a decision is made, shall be final and binding on all parties, subject to CCCTA's protest procedures.

F. Counting and Tracking DBE and SBE Participation

Following award of contract for all DOT-assisted contracts, the DBELO will frequently monitor and track the types of work and dollar amounts actually paid by the prime contractor to DBE or SBE subcontractors. The DBELO will require the prime contractor to submit periodic reports of payments made to DBEs or SBEs. DBEs and SBEs will be required to verify the work they performed and the dollar amounts they received from the prime contractor.

The prime contractor will notify the project manager and DBELO in writing of any proposed contract changes or amendments, and it will submit a statement regarding how that change may affect DBE or SBE subcontracting opportunities. Following CCCTA's approval of that contract change or amendment, the project manager and DBELO will assure that work is actually done by the DBE or SBE firms, as verified through job site visits and other contract compliance mechanisms.

Only the work actually performed by a DBE or SBE will be counted toward the contract-specific DBE goal. The cost of supplies and materials obtained by the DBE or SBE or equipment leased may also be counted consistent with the Regulations. However, the DBE or SBE subcontractor and its prime contractor may not count toward the DBE goal items that the DBE or SBE purchases or leases from its own contractor.

DBE and SBE prime contractors may count toward goals the work they perform with their own workforce as well as the work performed by DBE or SBE subcontractors. Work that a DBE or SBE subcontracts to a non-DBE or non-SBE firm does not count toward contract-specific DBE goals.

The DBELO will not count a DBE's participation toward DBE or SBE goals if the firm is not currently certified, in accordance with the eligibility standards in the Regulations. An SBE firm will be counted toward an SBE goal if the firm is currently certified and it does not exceed the Business Size Standard. Additionally, the DBELO will not count toward the overall DBE goal that portion of a DBE's participation achieved after the certification of the DBE has been removed during the performance of a contract. Additionally, participation of a DBE subcontractor will not be counted toward the prime contractor's DBE goal or CCCTA's overall DBE goal until the DBE has been paid for work completed on the project. The DBELO will track the participation of DBEs in contracts with goals separately from DBE participation considered to be race neutral.

Expenditures may only be counted if the DBE or SBE is performing a commercially useful function. According to the Regulations, a DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing and supervising the work involved. If a DBE or SBE does not perform or exercise responsibility for at least thirty percent (30%) of the total cost of its contract with its own workforce, or the DBE or SBE subcontracts a greater portion of the work of a contract than would be expected on the basis of normal industry practices for the type of work involved, the firm is not performing a commercially useful function. CCCTA will use factors outlined in 49 CFR § 26.55(d) to determine if a DBE or SBE trucking company is performing a commercially useful purpose. Decisions on commercially useful function are subject to review by the FTA, but cannot be appealed administratively to U.S. DOT.

The DBELO will count DBE and SBE participation on the contract in the following manner:

- Count at 100% the entire amount of that portion of a contract for construction, professional services, or other services that is performed by the firm's own workforce, including the cost of supplies and materials purchased or equipment leased by the DBE or SBE for the contract work (except supplies and equipment the DBE or SBE subcontractor purchased or leased from the prime contractor or its affiliate).
- Count the entire amount of fees or commissions charged by a DBE or SBE for providing a bona fide service, such as professional, technical, consultant or managerial services, or for providing bonds or insurance specifically required for the contract if the fees are reasonable and not excessive as compared with fees customarily allowed for similar services.
- Count one-hundred percent (100%) of the cost of materials or supplies obtained from a DBE or SBE manufacturer. Count sixty percent (60%) of the cost if the materials and supplies are purchased from a DBE or SBE regular dealer, or forty percent (40%) of the cost if that materials and supplies are purchased from a distributor that does not maintain inventory or uses its own equipment. This includes the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site.
- When a DBE or SBE performs as a participant in a joint venture, count a portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the DBE or SBE performs with its own workforce.

VI. CONTRACT PROVISIONS

Each financial assistance agreement CCCTA signs with U.S. DOT will include a nondiscrimination assurance from CCCTA. U.S. DOT-assisted contracts that CCCTA solicits and awards will include, as appropriate, the model contract provisions that are set forth in the current edition of CCCTA's *Procurement Manual*. The DBELO shall have discretion to modify the contracting provisions for particular contracts as needed, in consultation with Legal Counsel. These required contract provisions consist of:

- CCCTA's *DBE Program* policy statement.
- A nondiscrimination assurance from the contractor (and each subcontract the prime contractor signs with a subcontractor).
- A clause requiring the prime bidder or proposer to submit the List of Prime Contractor and Subcontractors/Suppliers form.
- A clause that requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than thirty (30) days from receipt of each payment CCCTA makes to the prime contractor.
- A clause that requires the prompt return of retainage payments from the prime contractor to the subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed.
- The website address for the CUCP DBE Database identifying DBE firms eligible to participate in the *DBE Program*.
- Statements describing the amount of the DBE or SBE goal, if established, DBE or SBE certification standards, required documents for verification of certification status, how DBE or SBE participation is counted toward the goal, and required good faith efforts if the DBE or SBE goal is not achieved.
- A section on recordkeeping and reporting requirements, including a provision ensuring that DBE participation is credited toward the overall DBE goal and DBE or SBE participation is counted on contract goals only when payments are actually made to DBE or SBE firms.
- A section on administrative and legal remedies to ensure compliance with the *DBE Program*.

VII. PUBLIC PARTICIPATION AND OUTREACH EFFORTS

CCCTA's activities managing public participation and outreach efforts are directed at assisting CCCTA to solicit public input to set its overall annual DBE participation goals and to meet the established overall annual DBE goals. In establishing an overall annual DBE goal, CCCTA will provide for the following public participation.

- Prior to finalizing the annual *DBE Report*, the DBELO will consult with other U.S. DOT recipients, minority, women, and general contractor groups, community organizations, and other individuals, officials or organizations that could be expected to have information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and CCCTA's own efforts to establish a level playing field for the participation of DBEs.
- CCCTA will publish the proposed overall goal on its Internet Website and may also publish the proposed goal in general circulation and DBE oriented media before submission to the FTA. CCCTA may elect to notify the public of the availability of the *DBE Report* for review and comment. The notice will include a statement that the methodology and report are available for inspection for thirty (30) days from the date of publication.
- In conjunction with CCCTA's activities to meet its overall DBE goals, CCCTA will implement various public participation and outreach activities designed to broaden awareness of CCCTA's *DBE Program* for contracts. The measures described in 49 CFR Part 26.51, focusing on race-neutral means will be actively pursued, and CCCTA will encourage its contractors to make similar outreach efforts to include DBE participation in subcontracting opportunities. In conjunction with the BOC, CUCP and other U.S. DOT recipients, CCCTA will continue to organize and offer informational programs for meeting DBE certification eligibility requirements, familiarize potential contractors with CCCTA's procurement procedures and requirements, and develop effective programs to further the inclusion of DBEs in CCCTA's contracting activities.

To: Administration & Finance Committee

Date: 08/26/2024

From: Pranjal Dixit, Manager of Planning

Reviewed by: AMS

SUBJECT: Clipper BayPass Amendment

Background:

In November 2021, the Metropolitan Transportation Commission's (MTC) Fare Integration Task Force adopted the Fare Policy Vision Statement directing staff to pilot a regional institutional pass product. In August 2022, the first phase of the Clipper BayPass pilot was launched as a funded pilot to assess the impacts of an unlimited-use product at four higher education institutions – the University of California, Berkeley (UC Berkeley), San Francisco State University (SFSU), San Jose State University (SJSU), and Santa Rosa Junior College (SRJC) – and at 12 MidPen Housing affordable housing properties.

Institutional Pass Pilot:

A randomized control trial was conducted at UC Berkeley, SFSU, and SJSU. 25 percent of students received unlimited Clipper BayPass access (treatment group), while the remaining 75 percent retained their existing transit benefits, typically a single-agency pass (control group).

Preliminary results showed treatment group students took 40 percent more trips and made 74 percent more transfers, doubling MTC's original estimate. This increased usage requires an additional \$1.5 million in reimbursement to transit operators from MTC, beyond the previously projected \$4.5 million.

Amendment:

Encouraged by the positive initial results, several institutions have expressed interest in purchasing Clipper BayPass for their entire student body. To allow institutions sufficient time to secure self-funding, the Participation Agreement Amendment includes a one-year extension of the existing Phase 1. This extension will provide a transition period for institutions to obtain necessary approvals and funding, often through a student referendum.

Furthermore, the following amendments to the Participation Agreement introduce additional flexibility for the current Phase 2 pilot:

- Granting the Fare Integration Task Force the ability to expand the Phase 2 capacity limits (currently 10 institutions and a total of 20,000 individuals), if supported by available funding
- Allowing San Francisco International Airport (SFO) to participate in Phase 2. While SFO is an existing BART institutional customer, their location in San Mateo County limits their eligibility based on the current Participation Agreement terms
- Allowing the sale of limited-duration Clipper BayPass cards to organizers of up to 10 special events (conventions, sports events, festivals etc.)

Financial Implications:

There will be no fiscal impact to County Connection. Funds collected from participating employers will be distributed to transit operators based on ridership and lost fare revenue. If the pass is overutilized and foregone revenue exceeds what is paid by participants, MTC has set aside \$3.5M in State Transit Assistance Regional Program funds to fund the extension and to address the existing budget gap.

Recommendation:

Given the program's potential to enhance rider experience, increase ridership, and receive MTC financial support, staff recommends adopting the Amendment.

Action Requested:

Staff requests the Administration and Finance Committee recommend Board approval for the General Manager to execute the Clipper BayPass Program Amendment with MTC.

Attachments:

Amendment No 1_Clipper BayPass Participation Agreement

**AMENDMENT NO. 01 TO CLIPPER® BAY PASS PILOT PROGRAM
PARTICIPATION AGREEMENT**

THIS AMENDMENT, effective as of August 15, 2024 is Amendment No. 01 to the Clipper® BayPass Pilot Program Participation Agreement, dated November 1, 2023, as amended on August 15, 2024 (collectively, “Agreement.”).

WHEREAS, The Clipper BayPass Pilot Program (“Pilot”) was first launched in 2022 by the Metropolitan Transportation Commission (“MTC”) and the participating transit operators (“Operators”) as defined in Clipper® BayPass Pilot Program Participation Agreement. MTC and the Operators are referred to herein collectively as the “Parties” or individually as a “Party;” and

WHEREAS, Phase 1 of the Pilot commenced in August 2022 and Phase 2 of the Pilot commenced in January 2024; and

WHEREAS, After the launch of Phase 2 the Parties determined that several changes to the Agreement were necessary in order to allow the Pilot program to fully capitalize on opportunities to sell the Clipper BayPass Pilot product to institutional customers in the San Francisco Bay Area; and

NOW, THEREFORE, the Parties agree to modify the subject Agreement as indicated below. Where modifications have been made, added text is indicated in italics, deleted text is indicated in strikethrough format.

1. The eighth recital is updated to allow the Fare Integration Task Force (or a designated successor body) to adjust the size of the Clipper BayPass Pilot

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will offer the Clipper BayPass product for sale to up to 10 employers and/or institutions in the Bay Area with a combined total of up to 20,000 individuals, *unless these cap amounts are adjusted by a vote of the Fare Integration Task Force or its designated successor body*. Each employer/institutional customer of Phase 2, with the exception of Preexisting Institutional Pass Product customers, will enter into a one-year contract with MTC which will set forth the financial terms of the purchase of the Clipper BayPass product. Contracts will be subject to renewal on an annual basis, with financial terms subject to change. Preexisting Institutional Pass Product customers will maintain their existing contractual relationship with the Operator offering their Preexisting Institutional Pass Product with a separate additional contract with MTC for Phase 2 of the Clipper BayPass Pilot unless the Operator, MTC, and customer mutually agree to another contracting arrangement; and

2. A new recital is added after the eighth recital to clarify that Clipper BayPass Phase 1 institutions may purchase Clipper BayPass without counting against the number of passes that can be sold as a part of the Phase 2 Pilot.

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will offer the Clipper BayPass product for sale to Clipper BayPass Phase 1 Participants. The inclusion of these participants will not count against the Phase 2 capacity limits of 10 employers and/or institutions or 20,000 individuals.

3. The ninth recital is updated to extend the duration of the Clipper BayPass Phase 2 Pilot to ensure all Phase 2 participants are offered the opportunity to purchase a second (renewal) one-year contract:

WHEREAS, Phase 2 of the Clipper BayPass Pilot Program will begin on December 1, 2023 and continue to no later than June 30, ~~2026~~ 2027.

4. A new recital is added after the ninth recital to allow for the Clipper BayPass project to be sold to organizers of special events.

WHEREAS, During Phase 2 of the Clipper BayPass Pilot Program, the Clipper BayPass can be sold as a limited-duration regional transit pass to organizers of special events (e.g. conventions, sports events, festivals, etc.). Revenues collected from the sale of special event passes will be used to reimburse operators consistent with the terms set forth in Article III.

5. The twelfth recital is updated to clarify that San Francisco International Airport (SFO) is excluded from San Mateo County for the purposes of a requirement to be a Preexisting Institutional Pass Product customer.

WHEREAS, During Phase 2 of the Clipper BayPass Pilot Program in San Mateo County (*excluding the property of the San Francisco International Airport (SFO)*) and Santa Clara County, Clipper BayPass will only be offered to Preexisting Institutional Pass Product customers of Caltrain's GoPass Program within three miles of a Caltrain rail station or VTA's SmartPass Program outside of three miles of a Caltrain rail station; and

6. A new recital is added after the fourteenth recital to permit Clipper BayPass Phase 1 Participants to purchase Clipper BayPass for their students/residents as soon as the Participant is ready:

WHEREAS, Phase 1 of the Clipper BayPass Pilot Program commenced in August 2022 and was originally intended to last until July 31, 2024, it was agreed upon by the Parties to extend the Phase 1 Pilot by an additional year, until July 31, 2025 to allow Clipper BayPass Phase 1 Participants additional time to purchase Clipper BayPass for their students or residents under the terms of the Phase 2 Clipper BayPass Pilot Program as soon as the Clipper BayPass Phase 1 Participant institution is ready.

7. Article I (A), Operator Responsibilities, is updated to reflect the extension of the Clipper BayPass Phase 1 Pilot:

A. Participate in the Clipper BayPass Pilot program for the remaining period of the Phase 1 Pilot, lasting until July 31, ~~2024~~ 2025.

8. Article I (B), Operator Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2027.

9. Article II (A), MTC Responsibilities, is updated reflect the extension of the Clipper BayPass Phase 1 Pilot:

A. Participate in the Clipper BayPass Pilot program for the remaining period of the Phase 1 Pilot, lasting until July 31, ~~2024~~ 2025.

10. . Article II (B), MTC Responsibilities, is updated clarify the term of the Clipper BayPass Phase 2 Pilot:

B. Participate in the Clipper BayPass pilot program for the entirety of the Phase 2 Pilot lasting from the Effective Date until no later than June 30, ~~2026~~ 2027.

11. Article VI, Term, is updated to clarify the term of the Clipper BayPass Phase 2 Pilot:

The term of the Agreement shall begin upon the Effective Date and continue until June 30, ~~2026~~ 2027, unless terminated by written agreement of the Parties.

SIGNATURES ON SUBSEQUENT PAGES

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto as of the Effective Date written above.

Metropolitan Transportation Commission

Approved as to form:
Kathleen Kane, General Counsel

Name: Andrew B. Fremier
Title: Executive Director

Matthew Lavrinets, Senior Counsel

Date: _____

Alameda-Contra Costa Transit District

Approved as to form:

Name: Michael A. Hursh

Title: General Manager

Date: _____

Jill A. Sprague, General Counsel

**Golden Gate Bridge, Highway and
Transportation District**

Approved as to form:

Name: Denis J. Mulligan
Title: General Manager

Kimon Manolius, General Counsel

Date: _____

San Francisco Bay Area Rapid Transit District Approved as to form:

Name: Robert M. Powers
Title: General Manager

Jeana Zelan, Interim General Counsel

Date: _____

**City and County of San Francisco
Municipal Transportation Agency**

Approved as to form:
David Chiu, City Attorney

Name: Jeffrey Tumlin
Title: Director of Transportation

Lilian Levy, Deputy City Attorney

Date: _____

San Mateo County Transit District

Approved as to form:

Name: April Chan

Title: General Manager/CEO

Date: _____

Joan L. Cassman, General Counsel

Santa Clara Valley Transportation Authority

Approved as to form:

Name: Carolyn Gonot
Title: General Manager/Chief Executive Officer

Victor Pappalardo, Deputy General Counsel

Date: _____

Peninsula Corridor Joint Powers Board

Approved as to form:

Name: Michelle Bouchard

Title: Executive Director

Date: _____

James Harrison, General Counsel

Central Contra Costa Transit Authority

Approved as to form:

Name: William Churchill

Title: General Manager

Date: _____

Julie Sherman, General Counsel

**City of Fairfield
FAST**

Approved as to form:

Name: David Gassaway
Title: City Manager

David Lim, City Attorney

Date: _____

City of Petaluma

Approved as to form:

Name: Peggy Flynn

Title: City Manager

Date: _____

Eric W. Danly, City Attorney

Eastern Contra Costa Transit Authority

Approved as to form:

Name: Rashidi Barnes
Title: Chief Executive Officer

Eli Flushman, General Counsel

Date: _____

Livermore/Amador Valley Transit Authority

Approved as to form:

Name: Christy Wegener
Title: Executive Director

Michael N. Conneran, General Counsel

Date: _____

Marin County Transit District

Approved as to form:

Name: Nancy E. Whelan

Title: General Manager

Date: _____

Kerry Gerchow, County Counsel

Napa Valley Transportation Authority

Approved as to form:

Name: Kate Miller

Title: Executive Director

Date: _____

Osman Mufti, General Counsel

Solano County Transit

Approved as to form:

Name: Beth Kranda
Title: Executive Director

Bernadette Shilts Curry, County Counsel

Date: _____

City of Santa Rosa

Approved as to form:

Name: Maraskeshia Smith

Title: City Manager

Date: _____

Samantha W. Zutler, Interim City Attorney

Sonoma-Marín Area Rail Transit District

Approved as to form:

Name: Eddy Cumins

Title: General Manager

Date: _____

Thomas Lyons, General Counsel

City of Vacaville
Vacaville City Coach

Approved as to form:

Name: Brian McLean
Title: Director of Public Works

Melinda C. H. Stewart, City Attorney

Date: _____

Western Contra Costa Transit Authority

Approved as to form:

Name: Robert Thompson

Title: General Manager

Date: _____

Michael N. Conneran, General Counsel

**San Francisco Bay Area Water Emergency
Transportation Authority**

Approved as to form:

Name: Seamus Murphy

Title: Executive Director

Date: _____

Steve Miller, General Counsel

Sonoma County Transit

Approved as to form:

Name: Bryan Albee
Title: Transit Systems Manager

Jeremy Fonseca, General Counsel

Date: _____

City of Union City

Approved as to form:

Name: Joan Malloy

Title: City Manager

Date: _____

Kristopher J. Kokotaylo, City Attorney