

County Connection

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

CCCTA BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING

October 24, 2024

CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

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

Staff: Churchill, Sherman, Boehm, Glenn, Hill, Horta, Johnson, Jones, Longmire, Martinez, Mitchell, Sanchez, Sanderson, VanBuskirk and Voltz

PUBLIC COMMUNICATION: None

CONSENT CALENDAR

MOTION: Director Storer moved approval of the Consent Calendar, consisting of the following items: (a) Approval of Minutes of Regular Meeting September 19, 2024; (b) FY 2024-25 SB1 State of Good Repair Funds and Resolution No. 2025-12. Director Sos seconded the motion, and it received the following vote of approval:

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

REPORT OF CHAIR: None

REPORT OF GENERAL MANAGER:

Director Hoffmeister arrived at 9:01 a.m.

Recognition of Retired Employees

Ron Salerno-Maintenance Department
Alicia Dominguez-Transportation Department

Electric Bus Update

Scott Mitchell, Chief Operating Officer, gave a brief update on our electric buses, stating that we are still not up and running. We are in continuing talks with our current vendor as well as speaking to others in order to get our electric buses up and running.

Transportation Revenue Measure Update

At last month's Board meeting Bill Churchill, General Manager, provided a brief overview of the progress the Transportation Revenue Measure Select Committee had made and described the two different measure options they are considering. Since that time, the Operators led by SFMTA staff have developed another potential option using a parcel tax as the base mechanism to generate revenue. There are a couple of interesting components to this proposal, firstly it's a five-county proposal, Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara. The tax rate is variable across the counties, San Francisco would be at a rate of 0.28 cents per square ft., while Santa Clara would be at 0.11 cents per square ft. Contra Costa would be at 0.19 sq. ft. or less, should the County decide it needs a lower rate to pass a measure. Also, this would be a 10 year measure, and it has some creative financing components that would frontload some of the dollars to help BART and SFMTA. This proposal was provided to the Transportation Revenue Measure Select Committee on Monday earlier this week.

Potential Board Workshop Discussion

Bill Churchill explained that as we come out of COVID, we find ourselves in some uncharted territory ranging from a significant change in passenger travel patterns, funding security as we have used all our federal stimulus funds and some of our transit partners are facing profound fiscal cliffs and shifts in thinking about what public transit should look like in the future as AV technology has improved. In the coming months, we will revisit the discussion to hold a Board workshop to discuss these issues.

Naming of the County Connection Administration Building

Bill Churchill reminded the Board that at the June Board meeting following Rob Schroder's retirement from public service, the Board requested staff develop a plan to potentially rename the Administration Building after the Schroder family. Staff has been working on a couple of concepts and we would like to run them by the Board and get feedback. He wanted to provide some ideas on implementation, once we have a consensus from the Board regarding the options it will take about 4 weeks to receive the plaques and lettering. We will reach out to the Schroder family and determine which Board meeting they could attend for an unveiling, His thought is we would invite the Schroder family to attend the Board, pass a proclamation in honor of their service to the Authority and after the Board meeting have an unveiling of the plaque and sign on the Building. The Board provided its feedback.

Upcoming Thanksgiving Feast on November 21, 2024

Bill Churchill informed the Board that County Connection's annual Thanksgiving feast will follow the Board meeting that is scheduled for November 21, 2024. All are invited.

REPORT OF STANDING COMMITTEES

Marketing, Planning & Legislative Committee

Bus Advertising Contract and Resolution No. 2025-013

Ryan Jones, Manager of Marketing & Communications, gave a brief background stating that County Connection currently contracts with Vector Media for on-bus advertising services. The contract began on January 1, 2019, and included three years plus the option for two additional years. Both option years were exercised, and the current contract will expire on December 31, 2024. The contract includes exterior advertising, including full coverage ads on up to 20% of the fleet; and interior advertising, including digital ad

space on monitors mounted inside the 2300-series buses (40 in total). Compensation is based on a percentage of gross revenues with a minimum annual guarantee (MAG), whichever is greater.

The originally agreed upon MAG was \$525,000, with an increase of \$25,000 each year over the five-year contract. The contract was amended to a lesser MAG in 2022 in response to the impacts of the COVID-19 pandemic. The Board approved the amendment, and in this final year of the contract, County Connection will receive a MAG of \$350,000 or 70% of the previous year's gross advertising revenue, whichever is greater. To date, revenues have never exceeded the minimum guaranteed threshold.

Staff released a Request for Proposals (RFP) for a new contract on August 1, 2024. Bid notices were published in the local newspaper, sent directly to three firms (Vector Media, Lamar Transit, and Outfront Media), and advertised broadly across social media (LinkedIn, Facebook, X, and Threads). County Connection's current vendor, Vector Media, chose not to submit a proposal, claiming that they had not received the level of success they were hoping for in the current contract period.

One proposal was received by the September 16, 2024 deadline from Lamar Transit, LLC (Lamar), and staff has found it to meet the minimum standards set forth in the RFP. Lamar had previously held an advertising contract with County Connection from 2009 to 2019

Staff recommends that a contract for bus advertising services be awarded to Lamar Transit, LLC, commencing January 1, 2024, for three years with two one-year options. Staff further recommends that the contract continue with Option B to allow full coverage ads on no more than 20% of the fleet, and that revenues paid to County Connection are based on a percentage share of gross revenue with a minimum monthly guarantee. With the broad decline in advertising revenue, Lamar's Option B proposal will provide the highest possible revenue for County Connection by offering more options to interested advertisers.

MOTION: Director Andersen moved adoption of Resolution No. 2025-13, authorizing the General Manager or designee to execute a contract with Lamar Transit, LLC for bus advertising services consisting of full coverage advertisements on no more than 20% of CCCTA's fleet for a three-year base term with up to two additional one-year option terms. Director Noack seconded the motion, and it received the following vote of approval:

Aye: Directors Andersen, Diaz, Hoffmeister, Howard, Hudson, Noack, Sos, Storer, Wilk and Worth

No: None

Abstain: None

Absent: Director Tatzin

Summer Youth Pass Report – Information Only

Ryan Jones, Manager of Marketing & Communications, gave a brief background stating that in 2019, County Connection partnered with 511 Contra Costa and neighboring transit agencies Tri Delta Transit and WestCAT to offer a joint summer youth pass providing unlimited rides on the three bus systems from June through August. This pass replaced a 20-ride punch pass that County Connection had offered prior to eliminating all paper passes in March 2019. Due to COVID-19, the Summer Youth Pass program was not offered in 2020 or 2021. However, once restrictions were lifted and schools returned to in-person instruction, the program was offered again starting in 2022. Sales with the Summer Youth Pass has been slowly increasing following the pandemic, which suggests that those using the pass are riding more frequently. However, this year, even with an increase in pass sales, the usage on County Connection buses is down approximately 19% across three months of use June-August.

Total revenue received by County Connection for the 2024 Summer Youth Pass program was \$4,800 (\$720 more than 2023 sales). This includes a subsidy from 511 Contra Costa of \$2,400 towards the cost of the pass. In

addition, 511 Contra Costa covered the costs of operating the online store, including transaction fees and fulfillment, producing the fare media, and developing the marketing campaign.

511 Contra Costa informed staff that it will not be continuing funding the Summer Youth Pass Program. Funding for the program, which has been supported by Transportation Fund for Clean Air funds from the Air District and distributed by CCTA, is now open for use by additional programs, reducing the available resources to continue to fully subsidize the Summer Youth Pass. Staff at 511 Contra Costa shared that they did, however, submit a request to continue to fund Pass2Class, which is offered to Contra Costa students at the start of the school year through the end of October. In an effort to continue a summer youth transit option, staff has connected with WestCAT and Tri Delta Transit staff, the two other agencies who participate in the Summer Youth Pass program, to explore alternative funding models and a possible replacement program.

BOARD COMMUNICATION: None

CLOSED SESSION:

Conference with Legal Counsel – Existing litigation
Pursuant to Government Code Section 54956.9(a)
Juan Ruiz v. CCCTA

The Board of Directors went into Closed Session at 10:40a.m.

OPEN SESSION:

Report of Action(s) taken during the Closed Session

The Board of Directors came back into open session at 10:47 a.m. No reportable action was taken.

ADJOURNMENT: Chair Wilk adjourned the regular Board meeting at 10:48 a.m. am.

Minutes prepared by:

Lathina Hill

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

Date: November 11, 2024