

### Summary Minutes Administration & Finance Committee

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

Wednesday, May 7, 2025, 9:00 a.m.

**Directors:** Laura Hoffmeister, Jim Diaz, Don Tatzin (via Zoom)  
**Staff:** Ruby Horta, Amber Johnson, Kristina Martinez, John Sanderson, Karol McCarty, and Judy Barrientos, V.P of Amalgamated Transit Union (ATU)

**Call to Order:** Meeting called to order at 9:03 a.m. by Director Hoffmeister.

#### 1. Approval of Agenda

The Committee approved the agenda.

#### 2. Public Communication

None.

#### 3. Approval of Minutes of April 2, 2025

The Committee approved the minutes.

#### 4. Disadvantaged Business Enterprise (DBE) Overall Goal for Federal Fiscal Years (FFYs) 2026-2028

Ms. Martinez reported that the Authority has had a Disadvantage Business Enterprise (DBE) Program in place since October 1983. The most recent revision was adopted by the Board of Directors and submitted to the Federal Transit Administration (FTA) on February 27, 2025. For participation in FTA-assisted contracts, the Authority is required to establish a three-year overall goal for DBE participation. The current goal is 5.9% for FFYs 2023-2025. The proposed goal is 3.5% for FFYs 2026-2028 and is based on anticipated FTA-assisted contracting projections. This goal submission is due to FTA August 1, 2025, and enables the Authority to continue to be eligible for federal financial assistance. FTA rules require the Authority to post a 30-day notice on its official website announcing the goal for public inspection and comment.

The Committee recommends the posting of the DBE goal of 3.5% on the Authority's website and that this item be forwarded to the Board of Directors for review and approval.

## 5. Review of Proposed Amendment to Fiscal Year 2025 Operating Budget

Ms. Johnson reported that the Fiscal Year 2025 (FY 2025) was adopted on June 20, 2024, with Resolution 2025-025. The operating budget is divided into two, main categories: fixed route (big bus) and paratransit. Current trends indicate that there are insufficient resources budgeted to paratransit to cover the costs of the program.

Mr. Sanderson reported that paratransit (LINK) ridership has been on the rise and recovering since the COVID pandemic. The recent trend in ridership increased 30.4% in FY 2023 and 13.3% in FY 2024. Mid-year analysis indicates a further increase of 9.7% by the end of FY 2025. LINK productivity is measured by passengers per revenue hour (PPH) which has declined over the past two years based upon origins, destinations, requested times of specific trips, traffic conditions and other factors largely beyond the providers' control.

Ms. Johnson noted that FY 2025 actual ridership has been nearly double the estimated budget projections, and as a result, the actual costs are estimated to exceed the paratransit budget amount by about 10.7% or \$750,000. The fixed route budget includes a \$500,000 contingency line item plus \$250,000 of diesel fuel budgetary line item savings that staff recommends be applied to the paratransit contract costs.

The Committee discussed the net-zero budget changes and recommends this item be forwarded to the Board of Directors for review and approval.

## 6. Review of Updates to Fiscal Year 2026 Draft Budget and Forecast

Ms. Johnson reported that there are no updates to the FY 2026 Operating and Capital budget at the present time. The FY 2026-2031 Forecast includes the following projections:

### 5-Year Operating Forecast for FFYs 2026-2031:

- Growth in fixed route and paratransit fare revenues of approximately 3% per year.
- Sales tax revenue (Measure J, TDA) and advertising revenue to remain flat.
- Optimistic fuel tax revenue (STA) growth of 2% per year after sharp decline.
- Paratransit partner revenue increasing by 5% per year.
- Interest income increasing by 3% per year.
- Discontinuation of BART feeder funds.
- Fixed route operating expenses increase of 2% per year.
- Paratransit operating expenses increase of 4% per year.

The 5-year Capital forecast includes: (1) Zero Emission Bus (ZEB) roll-out plan in FY 2030; (2) second phase of solar array project in FYs 2027-2028 of \$15 million with 100% state funding; and (3) maintenance and fueling facilities improvements in FYs 2028-2031 of \$3.8 million.

The Authority is projected to have sufficient Operating and Capital Reserves through FY 2028. These reserves are considered sufficient when at least 25% of operating costs are reserved. In FY 2029, reserves begin to dip below the 25% threshold and are projected to go negative in FY 2030.

The Committee discussed these forecast items noting that the final version of both the FY 2026 Budget as well as the FY 2026-2031 Forecast will be forwarded to the Board of Directors for review and approval in June.

**7. Review of Vendor Bills, March 2025**

The Committee reviewed the vendor bills for March 2025.

**8. Approval of Legal Services Statement, February 2025 General and Labor**

The Committee approved the legal services statements for February 2025 General and Labor.

**9. Next Scheduled Meeting**

The next meeting is scheduled for Wednesday, June 4<sup>th</sup> at 9:00 a.m.

**10. Closed Session: Conference with Labor Negotiator (pursuit to Government Code Section 54957.6)**

There were no reportable actions taken.

**11. Adjournment**

The meeting was adjourned at 9:40 a.m.

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