

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/12/2019

Staff Report No. 17-312a

TO: AC Transit Board of Directors
FROM: Denise C. Standridge, General Counsel
SUBJECT: Amendment to Agreement with Retirement Board

ACTION ITEM

RECOMMENDED ACTION(S):

Consider approving Amendment Two to the Administrative Agreement between the Alameda-Contra Costa Transit District and the AC Transit District Retirement Board.

BUDGETARY/FISCAL IMPACT:

There is no budgetary or fiscal impact associated with this amendment.

BACKGROUND/RATIONALE:

In December 2018, the District Board approved the creation of a Joint Limited-Purpose Committee to review the relationship between the District and the Retirement Board and to review the agreement between them. The Committee consisted of Directors Joel Young and Diane Shaw for the District and Trustees Jeff Lewis and Yvonne Williams for the Retirement Board.

The Committee met on March 28, 2019. All Committee members were present as were the General Counsels for both Boards and the Assistant General Counsel for the District. The Committee concluded that the relationship between the District and the Retirement Board was positive, with frequent exchanges of information through a variety of channels, while at the same time respecting the independence of the Retirement Board under the California Pension Protections Act. The Committee noted the absence of administrative issues, except in the one area of temporary staffing. The Committee concluded that the issue could best be resolved by amending the administrative services agreement to permit the Retirement Board to contract directly with temporary staffing agencies.

While the agreement did provide that the Retirement Board could procure services and not use the District's procurement department, the agreement did not allow the Retirement Board to hire its own temporary staff. This amendment remedies that limitation. Additionally, the Committee recommended deleting the language recently added to the agreement to allow the Retirement Board to contract directly with Robert Half for a six-month period as the time frame has expired.

A copy of the redlined agreement is attached. Please see section 11 for the changes.

ADVANTAGES/DISADVANTAGES:

The advantage to amending this agreement is that the District will no longer be the exclusive provider of temporary services for the Retirement Board. There is no disadvantage to this amendment.

ALTERNATIVES ANALYSIS:

As this was the recommendation of the Joint Limited-Purpose Committee made up of Board members from both Boards, no alternatives were considered.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 18-329: Consider approving the creation of a joint limited-purpose committee, consisting of two members of the AC Transit Board of Directors and two members of the Retirement Board.

Staff Report 18-156: Consider the request of the AC Transit Retirement Board to amend the administrative agreement between the District and the Retirement Board.

Staff Report 17-312: Approving the amended Administrative Agreement with AC Transit Retirement Board.

ATTACHMENTS:

1. Proposed Second Amendment to Agreement

Approved by:

Michael A. Hursh, General Manager

Reviewed by:

Michael A. Hursh, General Manager

Prepared by:

Denise C. Standridge, General Counsel