

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



Minutes

Wednesday, May 22, 2019

1600 Franklin Street
2nd Floor Board Room
Oakland, California

BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

JOE WALLACE, PRESIDENT (WARD 1)

ELSA ORTIZ, VICE PRESIDENT (WARD 3)

GREG HARPER (WARD 2)

MARK WILLIAMS (WARD 4)

DIANE SHAW (WARD 5)

H. E. CHRISTIAN PEEPLES (AT-LARGE)

JOEL YOUNG (AT-LARGE)

BOARD OFFICERS

MICHAEL A. HURSH, GENERAL MANAGER

DENISE C. STANDRIDGE, GENERAL COUNSEL

LINDA A. NEMEROFF, DISTRICT SECRETARY

The Alameda-Contra Costa Transit District Board of Directors held a meeting on Wednesday, May 22, 2019, at 5 p.m.

President Wallace called the Board of Directors meeting to order at 5:05 p.m.

1. ROLL CALL

Present: Harper, Williams, Shaw, Young, Peeples, Wallace

Absent: Ortiz (first excused absence taken)

2. PRESENTATION

- 2.A. 19-206** Consider adoption of Resolution No. 19-020 honoring Bus Operator Durelle Barksdale on the occasion of her retirement after more than 43 years of service.

[Resolution No. 19-020 was provided at the meeting for the Board's consideration.]

On behalf of the Board of Directors, President Wallace offered congratulations and expressed his sincere appreciation for Ms. Barksdale's professional achievement and thanked her for being an exemplary bus operator, teacher and mentor to other operators.

Ms. Barksdale accepted the Resolution and addressed the Board, AC Transit Staff and the public recalling her career as a "wonderful ride" adding that her journey with AC Transit will continue as a bus rider.

General Manager Michael Hursh presented the longevity award pin to Ms. Barksdale and congratulated her on retirement.

Chief Operating Officer Salvador Llamas acknowledged Ms. Barksdale's legacy with AC Transit and congratulated her on her many years of service.

MOTION: PEEPLES/WALLACE to adopt Resolution No. 19-020 honoring Bus Operator Durelle Barksdale on the occasion of her retirement after more than 43 years of service. The motion carried by the following vote:

AYES:6: Peeples, Wallace, Harper, Williams, Shaw, Young

ABSENT:1: Ortiz

3. PUBLIC COMMENT

Omar Ahmed asked the District to remove of an inactive bus stop near Alcatraz and Shattuck that was impacting his business due to the loss of parking. [Planning staff was requested to discuss the issue with Mr. Ahmed.]

4. MODIFICATIONS TO THE AGENDA

There were no modifications to the agenda.

5. CONSENT CALENDAR

MOTION: YOUNG/PEEPLS to receive or approve the items on the Consent Calendar as indicated, with the exception of Item 5H, which pulled off consent by Director Harper. The motion carried by the following vote:

AYES:6: Young, Peeples, Harper, Williams, Shaw, Wallace

ABSENT:1: Ortiz

- 5.A. 19-139** Consider receiving the FY 2018-19 Third Quarter Travel and Meeting Expense Report for Directors and Board Officers.
- 5.B. 19-207** Consider receiving Retirement Board minutes of April 22, 2019.
- 5.C. 19-163** Consider receiving the FY 2018-19 Third Quarter Employee and Non-Employee Out-of-State Travel Report
- 5.D. 14-144c** Consider approving the release of a solicitation for a fixed price construction contract to upgrade the bus wash at the Seminary Division (D4).
- 5.E. 19-185** Consider authorizing the General Manager or his designee to file and execute applications and funding agreements with the Department of Homeland Security (DHS) for the FY 2019 Transit Security Grant Program to procure, install, and configure security access control and video management system equipment for the General Office and Divisions, as well as create District identification cards to enhance overall security and a safer working environment.
- 5.F. 19-173** Consider receiving the monthly progress and operational readiness report on the East Bay Bus Rapid Transit (BRT) Project.
- 5.G. 19-157** Consider authorizing the issuance of a Request for Proposals for on-call planning services.
- 5.H. 19-187** Consider receiving a status update on the Next Generation Clipper Program.

Director Harper re-iterated his long-standing concern that Clipper needed to: 1) have the ability to capture certain data that would be beneficial in planning bus service; and 2) the ability to allow third parties to purchase fares for groups of riders. Based on the information provided to date, he did not believe Clipper 2

would have either of these features.

Ed Meng, Principal Program Coordinator with the Metropolitan Transportation Commission, advised that Clipper 2 would provide for third party payments as well as collect data to assist in planning efforts.

MOTION: PEEPLES/SHAW to receive a status update on the Next Generation Clipper Program. The motion carried by the following vote:

AYES:6: Peeples, Shaw, Harper, Williams, Young Wallace

ABSENT:1: Ortiz

6. REGULAR CALENDAR

External Affairs Items - Chair Ortiz

- 6.A. 19-178** Consider receiving the monthly legislative report and approval of legislative positions, if necessary.

Director of Legislative Affairs and Community Relations Claudia Burgos presented the staff report.

MOTION: PEEPLES/SHAW to receive the monthly legislative report as presented. The motion carried by the following vote:

AYES:6: Peeples, Shaw, Harper, Williams, Young, Wallace

ABSENT:1: Ortiz

Finance and Audit Items - Chair Harper

- 6.B. 19-174** Consider authorizing the General Manager to enter into contracts and approve renewal rates for Kaiser Permanente, Health Net, Vision Service Plan, MetLife Dental and Standard Life Insurance.

Human Resources Manager Rachel Lightburn presented the staff report.

President Wallace asked what attributed to the large rate increase for Kaiser insurance. Ms. Lightburn advised that in addition to several large claims, there was an increase in inpatient and outpatient services.

Discussion ensued regarding the effectiveness of the wellness program considering the increase in health insurance rates over the previous year. Ms. Lightburn advised that staff believed the program was helping employees become more conscience of their health in terms of nutrition and fitness and reminded the Board that the cost increase in Kaiser insurance the two previous

years was very modest, and that the wellness program alone wasn't necessarily responsible for the jump in cost. She further pointed out that use of the plan by employees' dependents wasn't necessarily tied to the effectiveness of the wellness program.

Directors Young and Harper were interested in obtaining information on the District's claims experience to better understand the rationale/justification behind rate increases, believing that this might help the District focus its wellness efforts and better position itself in staving off or limiting rate increases. Ms. Lightburn advised that she could obtain information on claims but did not believe this would be effective in negotiating lower rates.

MOTION: YOUNG/WALLACE to authorize the General Manager to enter into contracts and approve renewal rates for Kaiser Permanente, Health Net, Vision Service Plan, MetLife Dental and Standard Life Insurance. The motion carried by the following vote:

AYES:6: Young, Wallace, Harper, Williams, Shaw, Peeples

ABSENT:1: Ortiz

6.C. 19-052b

Consider receiving report on the Proposed FY 2019-20 Operating and Capital Budgets.

Director of Management and Budget Chris Andrichak presented the staff report. Members of the Board inquired about the following issues:

- *Issue:* Need to include the ATU contract in the budget. (Harper)

Response: General Manager Michael Hursh responded that it was difficult to quantify the ATU contract at this point, noting that staff hoped to gain efficiencies in the contract that would offset other costs. He proposed that staff bring a revised budget to the Board once the contract was settled but was seeking direction from the Board. Director Harper suggested to hold off on some of the management positions requested until the contract with ATU was settled. He also questioned whether to fill positions in safety, marketing and finance. There was no concurrence voiced from other members of the Board on these suggestions.

- *Issue:* Staff's plans to address impacts on the District's pension contribution given that projected returns are assumed to be lower over the next five years because of market volatility and how to prepare, plan and be more realistic about future increases in the pension contribution during the yearly budget process. (Young)

Response: Mr. Andrichak commented on the rate of return the Retirement

Board hoped to achieve in the long term saying that staff was comfortable with the number in the budget. Retirement System Manager Hugo Wildmann added that if next year's returns are closer to their investments consultant's short-term projection of 6.2%, the District's contribution would go up, but it wouldn't be a drastic increase because of smoothing and amortization. Mr. Hursh commented that he understood the concerns but felt comfortable with the layered amortization method implemented by the Retirement Board. He added the staff had begun an actuarial study and planned to provide the Board with three scenarios (pessimistic, optimistic and mid-point).

Director Harper agreed with Director Young, saying that just because the Retirement Board has an objective, doesn't mean that we shouldn't have a plan to deal with the outcome.

- *Issue:* Nature of the Bus Rapid Transit expenses outlined in the report. (Shaw)

Response: Mr. Andrichak advised that some of the expenses were related to launch activities while others were ongoing costs associated with operating the service.

- *Issue:* Limited-term positions versus temporary positions. (Shaw)

Response: General Counsel Denise Standridge advised that temporary help is limited to six months per year and 1920 hours lifetime.

- *Issue:* Difference in total labor expenses between the draft budget and the proposed budget. (Shaw)

Response: Mr. Andrichak advised that the draft budget did not account for any new positions.

MOTION: YOUNG/PEEPLS to receive report on the Proposed FY 2019-20 Operating and Capital Budgets. The motion carried by the following vote:

AYES:6: Young, Peeples, Harper, Williams, Shaw, Wallace

ABSENT:1: Ortiz

6.D. 18-036a

Consider authorizing the General Manager or his designee to execute a standard agreement and related documents in substantially similar form under the State of California's Affordable Housing and Sustainable Communities Program as a joint applicant and joint grantee with Resources for Community Development and with the City of Oakland in connection with the project located at 905 72nd Avenue, Oakland, California.

There was no presentation of the staff report.

Director Shaw asked who would administer the program given the amount of staff time involved. Director of Management of Budget Chris Andrichak advised that the District's Grants Department would be responsible for all reporting and close-out of the grant.

MOTION: WILLIAMS/YOUNG to authorize the General Manager or his designee to execute a standard agreement and related documents in substantially similar form under the State of California's Affordable Housing and Sustainable Communities Program as a joint applicant and joint grantee with Resources for Community Development and with the City of Oakland in connection with the project located at 905 72nd Avenue, Oakland, California. The motion carried by the following vote:

AYES:6: Williams, Young, Harper, Shaw, Peeples, Wallace

ABSENT:1: Ortiz

Planning Items - Chair Peeples

- 6.E. 17-196b** Consider approving the award of a firm fixed-price construction contract to Ray's Electric, in the amount of \$878,000 for the construction of the infrastructure to support the hydrogen facilities upgrade at the Emeryville Division.

There was no presentation of the staff report.

MOTION: WILLIAMS/YOUNG to approve the award of a firm fixed price construction contract to Ray's Electric, in the amount of \$878,000 for the construction of the infrastructure to support the hydrogen facilities upgrade at the Emeryville Division. The motion carried by the following vote:

AYES:6: Williams, Young, Harper, Shaw, Peeples, Wallace

ABSENT:1: Ortiz

- 6.F. 19-171** Consider setting Public Hearings at 2:00 p.m. and 6:00 p.m. on August 7, 2019, at the AC Transit General Office in Oakland regarding the service change proposals for Fiscal Year 2019/20:

- Bus Rapid Transit (BRT) Implementation - Elimination of Line 1 and Replacement with BRT, truncation of Line 801, and service on new streets for Lines 14 and 47.
- Proposed service changes to Lines 71, 376, 60, and 96, and associated service on new streets.

There was no presentation of the staff report.

Director Shaw asked where Line 801 passengers would transfer in the middle of the night. Service Planning Manager Michael Eshelman advised that transfers would take place at the new San Leandro Transit Center.

Public Comment:

David Vartanoff commented in favor of holding a public hearing, noting that the elimination of local service to favor Bus Rapid Transit stops was a disservice to people along the corridor.

MOTION: WALLACE/WILLIAMS to set Public Hearings at 2:00 p.m. and 6:00 p.m. on August 7, 2019, at the AC Transit General Office in Oakland regarding the service change proposals for Fiscal Year 2019/20:

- Bus Rapid Transit (BRT) Implementation - Elimination of Line 1 and replacement with BRT, truncation of Line 801, and service on new streets for Lines 14 and 47.
- Proposed service changes to Lines 71, 376, 60, and 96, and associated service on new streets. The motion carried by the following vote:

AYES:6: Wallace, Williams, Harper, Shaw, Young, Peeples

ABSENT:1: Ortiz

- 6.G. 18-327a** Consider approving contract award to Iteris in the amount of \$719,550 for design services associated with the Dumbarton Bridge Corridor Transit Travel Time Improvement Project.

Senior Transportation Planner John Urgo presented the staff report.

MOTION: YOUNG/HARPER to approve contract award to Iteris in the amount of \$719,550 for design services associated with the Dumbarton Bridge Corridor Transit Travel Time Improvement Project. The motion carried by the following vote:

AYES:5: Young, Harper, Shaw, Peeples, Wallace

ABSENT:2: Ortiz, Williams (out-of-seat)

- 6.H. 19-179** Consider receiving a report on the service changes associated with the June 2019 Sign-up.

Service Planning Manager Michael Eshleman presented the staff report.

MOTION: YOUNG/SHAW to receive report on the service changes associated with the June 2019 Sign-up. The motion carried by the following vote:

AYES:6: Young, Shaw, Harper, Williams, Peeples, Wallace

ABSENT:1: Ortiz

Operations Items - Chair Shaw

- 6.I. 15-222c** Consider authorizing the General Manager to exercise the first option year on contract 2016-1358 for managed print services (copiers/printers) with Ray Morgan Company.

There was no presentation of the staff report.

MOTION: YOUNG/WALLACE to authorize the General Manager to exercise the first option year on contract 2016-1358 for managed print services (copier/printers) with Ray Morgan Company. The motion carried by the following vote:

AYES:6: Young, Wallace, Harper, Williams, Shaw, Peeples

ABSENT:1: Ortiz

Board Administrative Matters:

- 6.J. 19-200** Consider approving the draft agenda for the June 12, 2019, Joint Meeting of the Board of Directors and the Accessibility Advisory Committee.

District Secretary Linda Nemeroff presented an overview of the draft agenda.

Director Harper requested that the topic of wheelchair securement be discussed given the interest in it by both the Board and AAC (it was a topic of discussion at the 2018 joint meeting). Ms. Nemeroff reported that the topic was scheduled to go to the Board in July, but she would consult with staff as to their readiness on the topic and agendaize it if sufficient information would be available.

MOTION: YOUNG/PEEPLS to approve the draft agenda for the June 12, 2019 Joint Meeting of the Board of Directors and the Accessibility Advisory Committee. The motion carried by the following vote:

AYES:6: Young, Peeples, Harper, Williams, Shaw, Wallace

ABSENT:1: Ortiz

7. CLOSED SESSION/REPORT OUT

Closed Session was cancelled.

7.A. Conference with Legal Counsel – Potential Litigation
(Government Code Section 54956.9(b)) (two cases)

7.B. Conference with Labor Negotiators
(Government Code Section 54957.6):
Agency Designated Representatives:
General Manager, Acting Executive Director of Human Resources
Employee Organizations: ATU Local 192, AFSCME Local 3916, IBEW Local 1245,
Unrepresented Employees

7.C. Public Employee Performance Evaluation
(Government Code Section 54957)
Title: General Manager, General Counsel, District Secretary

8. AGENDA PLANNING

8.A. 19-020i Agenda Planning Pending List.

There were no new items added to Agenda Planning.

9. GENERAL MANAGER'S REPORT

The General Manager's Report is incorporated into the file by reference as Staff Report 19-158.

10. BOARD/STAFF COMMENTS

Members of the Board commented on meetings and events attended since the last Board meeting.

11. ADJOURNMENT

There being no further business to come before the Board of Directors, the meeting adjourned at 6:40 p.m. The next meeting of the Board is scheduled for June 12, 2019 at 5:00 p.m.

Respectfully submitted,



Linda A. Nemeroff
District Secretary