



# ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

## Master Minute Order

**File Number: 20-062b**

**Report ID:** 20-062b

**Type:** Regular - Finance & Audit

**Status:** Received

**Agenda  
Section:**

**Meeting Body:** Board of Directors -  
Regular Meeting

**Report Created:** 06/10/2020

**Final Action:** 07/08/2020

**ded Action:** Consider receiving a report on the Draft FY 2020-21 Operating and Capital Budgets, including an overview of the major assumptions and drivers to the operating revenues and operating expenses.

**Sponsors:**

**Enactment Date:**

**Attachments:** STAFF REPORT, Att 1 FY21 Draft Op Budget, Att 2  
FY21 Draft Cap Bud, Att 3 FY21 Draft Budget  
Presentation

**Enactment Number:**

**Hearing Date:**

**Effective Date:**

### History of Legislative File

Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
Board of Directors - Regular Meeting	07/08/2020	Received				Pass
<b>Action Text:</b>	MOTION: ORTIZ/PEEPLS to receive a report on the Draft FY 2020-21 Operating and Capital Budgets, including an overview of the major assumptions and drivers to the operating revenues and operating expenses. The motion carried by the following vote:					
<b>Notes:</b>	Acting Deputy Chief Financial Officer Chris Andrlichak presented the staff report.					
<p>Director Peeples asked why diesel taxes would be down. Mr. Andrlichak advised that diesel sales are down due to the slowing of the economy.</p> <p>Director Harper expressed a strong desire for the Board to receive a draft budget at the meeting on August 5th. He further expressed the need to have detailed expense information so the Board can make a comparison of what occurred with the budget as a result of COVID. Director Harper also noted that FY 2020-21 was full of unknowns and the Board needed to know what staff was seeing with regard to making adjustments in the upcoming year to keep the District ahead of potential problems.</p> <p>Director Shaw asked why the District was getting less CARES Act funds than</p>						

estimated. Mr. Andrichak responded that the \$120 million figure was his estimate before MTC came up with a formula for distribution of the money.

Director Shaw commented that she hoped staff reviewed any cost savings that might be realized from not having as much service on the road as well as any savings that could be derived from other labor costs such as some of the clerical and salaried overtime. Director Shaw also requested a report on the status of the mobile ticketing applications.

Director Peebles asked about the Capital Budget and advised that he planned to request a report on the installation of a bus wash at Division 3.

Vice President Ortiz asked how staff planned to increase service levels to 75% of pre-pandemic levels. Mr. Andrichak advised that ridership had grown since April, but staff was planning to increase some of the service to give riders more space as a result of social distancing measures.

Vice President Ortiz asked about the twelve positions requested for the Tempo service and whether they were permanent positions. Mr. Andrichak advised that the requests were associated with the operation and maintenance of the service.

Vice President Ortiz asked why the District was proposing service cuts when the District had modest deficits. Mr. Andrichak explained that the service was in need of realignment to make it more efficient and to have enough operators to provide the service that is planned. Staff was also looking to get a handle on overtime costs.

Director Young noted that the District appears to be in fairly good financial shape for FY 2020-21 due the CARES Act funding but expressed concern with the finances in FY 2021-22. He asked how staff planned to prepare for this. Mr. Andrichak advised that attrition of staff, advocacy for additional financial support, and attempt to manage expenses and revenues efficiently to reduce the burden in FY 2021-22. He added that sales tax revenues were of concern. General Manager Michael Hursh advised that ridership was difficult to project as well.

Director Williams asked staff to elaborate on Regional Measure 3 funding. Mr. Andrichak advised that the measure was challenged by a couple of groups that are contemplating an appeal of the court decision.

**Public Comment:**

**Tyrone Ellingberg** noted that farebox revenue for the previous fiscal year was 6% of overall budget and asked the following questions: 1) what is the farebox revenue in a normal operating year; and 2) how much of the deficit (in dollars) is related to the Covid-19 crisis; [Later in the meeting, Mr. Andrichak advised that he would follow-up with the speaker.]

**Drew Van Zee** commented that the service needs of passengers was critical and

recommended that the Board and staff seek input from operators on how to better serve the public.

**Tamika Johnson (4993)**, Bus operator, requested more shadow buses to assist District efforts toward social distancing on buses.

**Kennard Plummer**, ATU Local 192, commented that the Personal Protective Equipment that was promised in the CARES Act for Operators, Mechanics has not been provided. In addition, operators are unhappy with the cutting-out of 'built-in' runs because many drivers schedule these runs for additional pay.

**Connie McFarland**, Division 2 bus operator, requested that Clipper Card service be made possible through the rear doors of the bus.

**Ben Fong** suggested that alternative revenue sources should be researched (e.g., gasoline tax).

**Darryl Owens**, East Bay Transit Riders, commented that alternative sources of revenue are needed in lieu of cutbacks and suggested that the District consider a transfer tax increase.

**Hayden** suggested the District seek alternative revenue sources, including extended metered (parking) hours as well as a 1/8 cent sales tax.

**Yvonne Williams**, President of ATU Local 192, recalled that Assembly Bill 5 established that Rideshare workers are considered employees, not contractors. This means Rideshare companies must tax them as employees. Speaker Williams added that if the District wants riders to return, operators must be made to feel safe. The District must provide PPE for workers and riders, and bus cleaning measures must be focused on.

**Kyle Finger** suggested revenue generation like the ones used by MUNI are a good idea.

**David Ying** spoke in support of revenue generation ideas like a gas tax as well as the others already reported.

**JD** commented in support of long-term revenue generation such as ideas used in San Francisco (e.g., sustainable tax revenue-related options).

Ayes: 7 President Wallace, Vice President Ortiz, Director Harper, Director Shaw,  
Director Williams, Director Peeples, Director Young

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