

SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT
300 Lakeside Drive, P. O. Box 12688, Oakland, CA 94604-2688

FINANCE, BOND OVERSIGHT AND ADMINISTRATION COMMITTEE

September 19, 2017

9:00 a.m.

COMMITTEE MEMBERS: Directors Josefowitz (Chairperson), Allen (Vice Chairperson), and Dufty

A regular meeting of the Finance, Bond Oversight and Administration Committee will be held at 9:00 a.m. on Tuesday, September 19, 2017, in the BART Board Room, Kaiser Center 20th Street Mall Third Floor, 344 – 20th Street, Oakland, California

Members of the public may address the committee regarding any matter on this agenda. Please complete a “Request to Address the Board” form (available at the entrance to the Board Room) and hand it to the Secretary before the item is considered by the committee. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under Public Comment.

AGENDA

1. Call to Order.
 - a. Roll Call.
 - b. Pledge of Allegiance
2. Maintenance and Reimbursement Agreement for the Hercules Transit Center.* For information.
3. Pension Funding Options.* For information.
4. Public Comment.
5. New Business. (An opportunity for Committee Members to introduce potential matters for a future committee agenda.)

Kenneth A. Duron
District Secretary

Please refrain from wearing scented products (perfume, cologne, after-shave, etc.) to these meetings, as there may be people in attendance susceptible to environmental illnesses.

BART provides service/accommodations upon request to persons with disabilities and individuals who are limited English proficient who wish to address BART Board matters. A request must be made within one and five days in advance of Board meetings, depending on the service requested. Please contact the Office of the District Secretary at 510-464-6083 for information.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Robert M. Penner</i> 15 Sept 2017		GENERAL MANAGER ACTION REQ'D: yes		
DATE: 9/5/2017		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Robert Franklin Dept: Customer Access <i>Bob Franklin</i> Signature/Date:	General Counsel <i>[Signature]</i> 9/15/17 []	Controller/Treasurer <i>[Signature]</i> 9/15/17 []	District Secretary []	BART <i>[Signature]</i> 9-14-17 []

Approval of a Maintenance and Reimbursement Agreement with the City of Hercules and the Western Contra Costa Transit Authority for the Hercules Transit Center

PURPOSE:

To seek Board authorization for the General Manager or her designee to execute a Maintenance and Reimbursement Agreement (“Agreement”) with the City of Hercules and the Western Contra Costa Transit Authority (“WestCAT”) for the operation of the Hercules Transit Center.

DISCUSSION:

In December 2004 the Board authorized the execution of an Exchange Option Agreement with Hercules to exchange BART’s former Park-and-Ride parcel for a comparable city-owned parcel approximately one-half mile east of Highway 4, which is where the Park-and-Ride and bus intermodal facilities are now located.

Currently, the BART-owned Hercules Transit Center is an 8.69 acre intermodal facility with 422 parking spaces, 12 bus bays and 24 electronic bike lockers. WestCAT serves the transit center with 11 routes, including express bus service to the El Cerrito Del Norte BART station.

In September 2005 the Board authorized parking charges at the Hercules Park-and-Ride lot and entered into a revenue sharing agreement with WestCAT and Hercules regarding the parking fees, which include a roundtrip bus pass on WestCAT buses. The Board authorized

a daily parking fee within the range of \$2 to \$8 and a monthly permit fee within a range of \$42 to \$105, based upon utilization. The parking fees commenced with the opening of the new Hercules Transit Center in August 2009. The Hercules Transit Center is one of four Park-and-Ride facilities which BART owns, and is the only one with a parking fee. The intent behind the initial parking fee was to encourage parking space available for bus riders. As the former Park-and-Ride location was dominated by casual carpoolers, who parked for free and restricted access to those wishing to park at the facility and take a bus to BART, a parking fee was implemented. For those taking public transit in conjunction with parking, they were in effect reimbursed for their parking fee with an equivalently valued roundtrip bus pass.

People parking at the transit center are currently offered various options. There is a daily fee of \$3 per day, which includes a two-part WestCAT transit pass for travel between the Hercules Transit Center and the El Cerrito Del Norte BART station. The paper transfers are collected by WestCAT and submitted to the city for reimbursement at a rate of \$1.375 each, which is the equivalent fare based upon roundtrip travel to BART with the transfer discount. There are two monthly parking permits available. One is for \$63, which is designed for parkers not taking connecting transit. The other monthly parking fee is \$80, which includes a WestCAT monthly pass. WestCAT is reimbursed \$40 of the \$80 permit for this 31-day fixed route pass, which is the current price of an adult/student monthly pass. Utilization of the facility has been increasing recently, with an average weekday usage of about 80% of the parking spaces.

In September 2009, the BART Board of Directors adopted Resolution No. 4965 authorizing the General Manager to execute a one year Maintenance and Reimbursement Agreement with the Redevelopment Agency of the City of Hercules and the WestCAT for the Hercules Transit Center. This agreement gave the parties an opportunity to assess whether this arrangement was effective in managing the Transit Center site. Subsequently, the parties extended the agreement through June 30, 2015. The parties now want to enter into a new Maintenance and Reimbursement Agreement to clarify current roles and responsibilities.

The key terms and conditions of the Maintenance and Reimbursement Agreement are as follows:

- Hercules is responsible for the maintenance, operation and repair of the facility. It will prepare an annual budget for the performance of these functions and all parties will review and approve the annual budget.
- The Hercules Police Department is responsible for enforcement of parking violations and police services at the Center. The BART Police Department responds to address any crime that may occur at the Transit Center.
- Parking revenue collected at the Center are allocated to the following agencies in this

order of priority:

- ◊ The Parking Permit Vendor, as payment for the distribution of permits.
 - ◊ WestCAT, for the portion of the parking permits that are used as transit passes.
 - ◊ The City for management, maintenance, repair and operation of the Center.
 - ◊ The Hercules Transit Center Facility Maintenance Reserve account, which is not to exceed 1/12 of the previous year's budgeted expenses.
 - ◊ BART's General Fund.
- Should costs incurred by Hercules exceed revenue collected, the city, BART and WestCAT would confer on how to most effectively resolve the shortfall.
 - The term of the Agreement would be for 4 years, with 6 successive 1-year terms, subject to termination by any one of the parties.

In order to provide a better passenger experience for the patrons of the Center, BART, the City and WestCAT have been embarking upon several new initiatives to make the Center safer and more welcoming. BART is taking the lead contractually for several site improvements, partially sponsored through a grant from Contra Costa County's sales tax initiative, Measure J. Upgrades to the facility will include the following:

- An LED lighting replacement project, which will brighten the facility and reduce energy usage and expenses;
- Installation of wind screens for bus patrons;
- An emergency telephone;
- Installation of infrastructure to accommodate an on-site parking collection fee;
- Improved signage about the parking program;
- Upgrading and adding additional waterproofing of the electrical system.

Staff recommends that the Board authorize the execution of the Maintenance and Reimbursement Agreement with Hercules and WestCAT for the Hercules Transit Center. The Office of the General Counsel will approve the Agreement as to form.

FISCAL IMPACT;

There is no fiscal impact for the District anticipated in FY18. In subsequent years, based upon current parking fees, the Hercules Transit Center may generate up to \$40,000 in revenue annually for BART's General Fund, after all operating and maintenance costs are taken into account. If future unexpected maintenance expenses exceed the revenue

generated and are in excess of the capital rehabilitation fund set up for the Center, then at least a portion of the expenses would come out of the operating budget for the Customer Access and Accessibility Department or from revenue from increased parking fees.

ALTERNATIVES:

Not approve the Agreement and direct BART staff to maintain and operate the Hercules Transit Center.

RECOMMENDATION:

It is recommended that the Board adopt the following Motion.

MOTION:

The General Manager or her designee is authorized to execute a Maintenance and Reimbursement Agreement with the City of Hercules and the Western Contra Costa Transit Authority for the Hercules Transit Center.

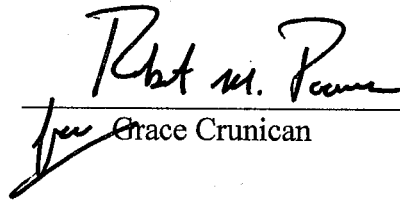
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Finance, Bond Oversight and Administration Committee **DATE:** September 15, 2017
FROM: General Manager
SUBJECT: Pension Funding Options

At the September 19th Finance, Bond Oversight & Administration Standing Committee meeting, Mary Beth Redding, Vice President of Bartel Associates, the District's actuarial consultant will present information on pension funding options. Attached is a copy of her presentation.

If you have any questions about the document, please contact Michael Jones, Assistant General Manager, Human Resources, at 510-464-6231.


Grace Crunican

cc: Board Appointed Officers
Deputy General Manager
Executive Staff