

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

BOARD MEETING AGENDA

October 23, 2014

4:00 p.m.

Please note: The first business item on the agenda is Closed Session. The Board will reconvene in open session at 5:00 p.m. or immediately following the Closed Session, whichever is later.

A regular meeting of the Board of Directors will be held at **4:00 p.m.** on Thursday, October 23, 2014, in the BART Board Room, Kaiser Center 20th Street Mall – Third Floor, 344 – 20th Street, Oakland, California.

Members of the public may address the Board of Directors 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 Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under Public Comment.

Any action requiring more than a majority vote for passage will be so noted.

Items placed under “consent calendar” are considered routine and will be received, enacted, approved, or adopted by one motion unless a request for removal for discussion or explanation is received from a Director or from a member of the audience.

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.

Rules governing the participation of the public at meetings of the Board of Directors and Standing Committees are available for review on the District's website (<http://www.bart.gov/about/bod>), in the BART Board Room, and upon request, in person or via mail.

Meeting notices and agendas are available for review on the District's website (<http://www.bart.gov/about/bod/meetings.aspx>), and via email or via regular mail upon request. Complete agenda packets (in PDF format) are available for review on the District's website no later than 48 hours in advance of the meeting. Those interested in being on the mailing list for meeting notices (email or regular mail) can do so by providing the District Secretary with the appropriate address.

Please submit your requests to the District Secretary via email to BoardofDirectors@bart.gov; in person or U.S. mail at 300 Lakeside Drive, 23rd Floor, Oakland, CA 94612; fax 510-464-6011; or telephone 510-464-6083.

Kenneth A. Duron
District Secretary

Regular Meeting of the
BOARD OF DIRECTORS

The purpose of the Board Meeting is to consider and take such action as the Board may desire in connection with:

1. CALL TO ORDER
 - A. Roll Call.
 - B. Pledge of Allegiance.
 - C. Introduction of Special Guests.

2. CLOSED SESSION (Room 303, Board Conference Room)
 - A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property:	300 Lakeside Drive, Oakland, CA, and 101 8 th Street, Oakland, CA
District Negotiators:	Robert Powers, Assistant General Manager, Planning & Development; and Jeffrey P. Ordway, Manager, Real Estate and Property Development
Negotiating Parties:	The Swig Co. and San Francisco Bay Area Rapid Transit District (300 Lakeside Drive); Metropolitan Transportation Commission and Association of Bay Area Governments and San Francisco Bay Area Rapid Transit District (101 8 th Street)
Under Negotiation:	Price and Terms
Government Code Section:	54956.8

3. CONSENT CALENDAR - 5:00 p.m. or immediately following the Closed Session, whichever is later.
 - A. Approval of Minutes of the Meeting of October 9, 2014.* Board requested to authorize.
 - B. Appointment of Glynn and Finley as Special Counsel.* Board requested to authorize.

4. PUBLIC COMMENT – 15 Minutes

(An opportunity for members of the public to address the Board of Directors on matters under their jurisdiction and not on the agenda. An additional period for Public Comment is provided at the end of the Meeting.)

5. ENGINEERING AND OPERATIONS ITEMS

Director McPartland, Chairperson

 - A. District Emergency Preparedness.* For information. (Director Blalock's request.)

6. ADMINISTRATION ITEMS

Director Saltzman, Chairperson

 - A. Financial Stability Policy – Reserve for Economic Uncertainty (Reserve Fund).* Board requested to authorize.

- B. Agreement No. 6M4367, with The Hay Group, to Conduct a Classification and Compensation Study for Non-Represented Employees.* Board requested to authorize.
- C. Retiree Dental and Vision Benefits.*
 - i. Amend dental and vision plans to make available the dental and vision benefits to represented and non-represented retirees, at no cost to the District;
 - ii. Amend agreements with Principal Life Insurance Company and Vision Service Plan;
 - iii. Provide lower premium option, at no cost to the District, to represented and non-represented retirees.Board requested to authorize.

7. PLANNING, PUBLIC AFFAIRS, ACCESS, AND LEGISLATION ITEMS
Director Raburn, Chairperson

- A. Letter from Board President regarding Location of Los Medanos College in Contra Costa County.* (President Keller's request.)

8. GENERAL MANAGER'S REPORT

- A. Review of the Draft Agenda for the Capitol Corridor Joint Powers Board Meeting of November 19, 2014.* For information.
- B. Report of Activities, including Update of Roll Call for Introductions Items.

9. BOARD MATTERS

- A. Board Member Reports.
(Board member reports as required by Government Code Section 53232.3(d) are available through the Office of the District Secretary. An opportunity for Board members to report on their District activities and observations since last Board Meeting.
- B. Roll Call for Introductions.
(An opportunity for Board members to introduce a matter for consideration at a future Committee or Board Meeting or to request District staff to prepare items or reports.)
- C. In Memoriam.
(An opportunity for Board members to introduce individuals to be commemorated.)

10. PUBLIC COMMENT

(An opportunity for members of the public to address the Board of Directors on matters under their jurisdiction and not on the agenda.)

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

Board of Directors
Minutes of the 1,718th Meeting
October 9, 2014

A regular meeting of the Board of Directors was held October 9, 2014, convening at 9:04 a.m. in the Board Room, 344 20th Street, Oakland, California. President Keller presided; Kenneth A. Duron, District Secretary.

Directors present: Directors Blalock, Fang, Raburn, Saltzman, and Keller.

Absent: None. Directors Mallett, McPartland, Murray, and Radulovich entered the Meeting later.

President Keller introduced Major Adam Czekanski, Deputy Commander and Deputy District Engineer, Lieutenant Colonel John C. Morrow, and Mr. Larry Quintana, of the U.S. Army Corps of Engineers, San Francisco District. President Keller commended Major Czekanski for his courage in rescuing a patron who had fallen on the tracks at the Orinda Station, and the Board presented Major Czekanski with a certificate of recognition. Major Czekanski addressed the Board.

Director Radulovich entered the Meeting.

Consent Calendar items brought before the Board were:

1. Approval of Minutes of the Meeting of September 25, 2014.
2. Audit of Directors' Use of District Property for Fiscal Year 2014.
3. Award of Contract No. 09EK-140, Oakland Transition Structure (OTS) Security Fence.
4. Award of Invitation for Bid No. 8934, Gear, Bull, Low Speed.

Director Blalock made the following motions as a unit. Director Raburn seconded the motions, which carried by unanimous acclamation. Ayes - 6: Directors Blalock, Fang, Raburn, Radulovich, Saltzman, and Keller. Noes - 0. Absent - 3: Directors Mallett, McPartland, and Murray.

1. That the Minutes of the Meeting of September 25, 2014, be approved.
2. That the Audit of Directors' Use of District Property for Fiscal Year 2014 be accepted.
3. That the General Manager be authorized to award Contract No. 09EK-140, OTS Security Fence, to Golden Bay Fence Plus Iron Works, Inc., for the

Bid price of \$147,768.00, pursuant to notification to be issued by the General Manager, and subject to compliance with the District's protest procedures.

4. That the General Manager be authorized to award Invitation for Bid No. 8934, an estimated quantity contract, for Low Speed Bull Gears, to Columbia Gear, Avon, MN, for the price of \$1,161,504.00, inclusive of sales tax, pursuant to notification to be issued by the General Manager, and subject to compliance with the District's protest procedures.

(The foregoing motion was made on the basis of analysis by the staff and certification by the Controller/Treasurer that funds are available for this purpose.)

Director Saltzman, Chairperson of the Administration Committee, brought the matter of Late Night Bus Service Pilot Project: Agreement with Alameda Contra Costa Transit District for Provision of Bus Service, before the Board.

Director Murray entered the Meeting.

Mr. Bob Franklin, Department Manager, Customer Access, and Ms. Mariana Parreiras, Access Coordinator, Transit and Shuttles, presented the item.

Director Mallett entered the Meeting.

The item was discussed. Director Raburn moved that the General Manager be authorized to execute an agreement with AC Transit for a late night bus service pilot. Director Radulovich seconded the motion, which carried by unanimous verbal and electronic vote. Ayes – 8: Directors Blalock, Fang, Mallett, Murray, Raburn, Radulovich, Saltzman, and Keller. Noes - 0. Absent - 1: Director McPartland.

Director Saltzman brought the matter of Fiscal Year 2015 to Fiscal Year 2024 Short Range Transit Plan/Capital Improvement Program (SRTP/CIP) before the Board. Mr. Dennis Markham, Acting Manager, Operating Budgets, and Ms. Priya Mathur, Financial Planning, presented the item.

Mr. Joel Ramos addressed the Board.

The item was discussed. Director Radulovich moved that the District's final Fiscal Year 2015 SRTP/CIP be adopted and transmitted to the Metropolitan Transportation Commission and Federal Transit Administration as required. Directors Blalock and Murray seconded the motion, which carried by unanimous electronic vote. Ayes – 8: Directors Blalock, Fang, Mallett, Murray, Raburn, Radulovich, Saltzman, and Keller. Noes - 0. Absent - 1: Director McPartland.

President Keller announced that the order of agenda items would be changed.

Director Fang, Vice Chairperson of the Engineering and Operations Committee, brought the matter of East Contra Costa County BART Extension (eBART) Project: Semi-Annual Update, before the Board. Mr. Ric Rattray, eBART Project Manager, presented the item.

The following individuals addressed the Board.

Mr. Joe Sbranti

Honorable Salvatore Evola

Mr. Pete Longmire

The item was discussed.

Director McPartland entered the Meeting.

Director Fang welcomed Millbrae Mayor Wayne Lee.

Director Saltzman brought the matter of Fiscal Year 2014 Year End Budget Revision before the Board. Mr. Carter Mau, Assistant General Manager, Administration and Budgets, and Mr. Robert Umbreit, Department Manager, Operating Budget and Analysis, presented the item.

Mr. Joel Ramos addressed the Board.

The item was discussed. Director Murray moved adoption of Resolution No. 5279, In the Matter of Amending Resolution No. 5217 Regarding Fiscal Year 2014 Annual Budget. Director McPartland seconded the motion, which carried by unanimous electronic vote. Ayes – 9: Directors Blalock, Fang, Mallett, McPartland, Murray, Raburn, Radulovich, Saltzman, and Keller. Noes - 0.

Director Saltzman exited the Meeting.

Director McPartland, Chairperson of the Engineering and Operations Committee, brought the matter of Award of Contract No. 79HY-110, San Francisco International Airport Station (SFIA) Closed Circuit Television (CCTV), before the Board. Mr. Anthony Seung, Principal Engineer, presented the item. The item was discussed. Director Murray moved that the General Manager be authorized to award Contract No. 79HY-110, San Francisco International Airport Station (SFIA) CCTV, to Rodan Builders, Inc., for the Bid price of \$2,272,950.00, pursuant to notification to be issued by the General Manager, and subject to the District's protest procedures and the Department of Homeland Security's procedures related to protests. Director Blalock seconded the motion, which carried by unanimous verbal and electronic vote. Ayes – 8: Directors Blalock, Fang, Mallett, McPartland, Murray, Raburn, Radulovich, and Keller. Noes - 0. Absent - 1: Director Saltzman.

Director McPartland brought the matter of Fleet of the Future: New Revenue Vehicle Procurement Semi-Annual Update, before the Board. Mr. John Garnham, Group Manager, Rail Vehicle Capital Program, presented the item. The item was discussed.

Mr. Jerry Grace addressed the Board.

President Keller reopened the vote on Award of Contract No. 79HY-110. Director Saltzman voted aye, and the resulting final vote was as follows: Ayes – 9: Directors Blalock, Fang, Mallett, McPartland, Murray, Raburn, Radulovich, Saltzman, and Keller. Noes - 0.

Director Raburn, Chairperson of the Planning, Public Affairs, Access, and Legislation Committee, brought the matter of Millbrae Station Development: Extension of Exclusive Negotiating Agreement, before the Board. Mr. Jeffrey Ordway, Department Manager, Real Estate and Property Development; and Ms. Ellen Smith, Division Manager, Planning, presented the item.

The following individuals addressed the Board.

Honorable Wayne Lee

Mr. Walter Gonzales

Mr. John Lynn Smith

Mr. Michael Van Every

The item was discussed. Director Blalock moved that the General Manager or her designee be authorized to extend the exclusive negotiating agreement with Republic Millbrae, LLC, for potential development of property located at the BART Millbrae Station, for an additional term of 18 months, and that staff provide the Board with status reports every six months. Director Keller seconded the motion, which carried by roll call vote. Ayes – 7: Directors Blalock, Mallett, Murray, Raburn, Radulovich, Saltzman, and Keller. Noes – 2: Directors Fang and McPartland.

President Keller called for the General Manager's Report. General Manager Grace Crunican reported on steps she had taken and activities and meetings she had participated in, reminded the Board of upcoming events, and gave a report on the progress of outstanding Roll Call for Introductions items.

President Keller called for the Independent Police Auditor's Report. Mr. Mark Smith, Independent Police Auditor, reported on the activities of the Office.

President Keller called for Board Member Reports, Roll Call for Introductions, and In Memorium commemorations.

Director Blalock reported he had attended the Alameda County Mayors' Conference, had participated in a program with HNTB Corporation, and reported on a play which featured BART.

Director Murray reported she had met with transportation officials in Spain while vacationing.

Director Radulovich requested that information on the District's criteria for installing solar panels be included in the upcoming report on energy strategies.

Director Raburn reported an agreement had been signed between the District and the East Bay Regional Parks District regarding wayfinding signs.

Director Mallett requested a Board presentation on the organization/structure of the worker safety committee and how performance/accountability of the committee is evaluated. Director McPartland seconded the request.

Director Mallett requested the Meeting be adjourned in honor of Alice Frayne.

Director Fang requested an examination and analysis of minority business participation in Bombardier's contract for rail cars. Director Mallett seconded the request.

Director Fang requested an analysis of promotional opportunities for engineers employed by the District. President Keller seconded the request.

President Keller called for Public Comment. Mr. Jerry Grace addressed the Board.

The Board Meeting was adjourned at 1:29 p.m. in memory of Mrs. Alice Frayne.

Kenneth A. Duron
District Secretary



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Marcia DeBurger</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 10/17/14		BOARD INITIATED ITEM: No		
Originator/Prepared by: Matthew Burrows Dept: General Counsel's Office	General Counsel	Controller/Treasurer	District Secretary	BARC
<i>Matthew Burrows</i> Signature/Date: 10/17/14	<i>Matthew Burrows</i> 10/17/14	<i>[Signature]</i> []	[]	[]
Status: Draft		Date Created: 10/16/2014		

TITLE:

Appointment of Glynn & Finley as Special Counsel to the District

NARRATIVE:

Purpose: To seek Board adoption of the attached Resolution naming the law offices of Glynn & Finley as special counsel to the District for Cal/OSHA matters, subject to notification to the Board by the General Counsel at the conclusion of the fiscal year if he seeks to continue to utilize these services on an ongoing basis.

Discussion: From time to time the Board has authorized the Office of the General Counsel to appoint Special Counsel to assist it in areas where the office lacks sufficient resources to adequately staff a matter. Such authorization often requires the General Counsel to notify the Board near the end of the Fiscal Year if he wishes to continue to utilize the Special Counsel in subsequent years. We are seeking similar authority here.

Glynn & Finley has represented the District since August 1996 when the firm was hired to defend the District in a class action brought by Ann Cupolo and others under the Americans with Disabilities Act ("ADA") on behalf of all mobility disabled patrons of the BART system. The plaintiffs alleged, among other things, they were denied equal access to the BART system in violation of the ADA because of frequently inoperable and/or unsanitary conditions because they were being used as toilets. The firm adopted early a conciliatory approach to the class action and successfully negotiated a settlement without protracted litigation and attendant attorneys' fees and costs. More recently, the firm has successfully defended the District in CalOSHA matters.

The nature of Cal/OSHA litigation matters is such that resolution through settlement, trial or otherwise is often a time consuming and lengthy process, but Glynn & Finley has consistently demonstrated a cost effective approach to every matter it has handled, and has provided excellent, effective service at the least cost to the District.

Fiscal Impact: Funding for these services will be subject to funds being available in the funding department's approved budgets, including the Office of the General Counsel and the System Safety Department. In Fiscal Year 2014 the services totaled \$241,000. We anticipate a similar level of service to be required for Fiscal Year 2015.

Alternative: To not authorize this appointment and require the General Counsel to seek approval

for these continuing services on an ad hoc basis.

Recommendation: That the Board adopt the attached Resolution.

Motion: Adoption of the attached Resolution entitled Appointment of Special Counsel for Cal/OSHA matters.

**BEFORE THE BOARD OF DIRECTORS OF THE
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**

In the Matter of the Appointment
of Special Counsel for
Cal/OSHA Matters /

Resolution No. _____

WHEREAS, the District is party to numerous and ongoing proceedings involving Cal/OSHA; and

WHEREAS, the District, while committed to attempting to reach compromise, often must vigorously defend its position when warranted through administrative proceedings, litigation and otherwise; and

WHEREAS, the District has utilized the law firm of Glynn & Finley for outside counsel assistance in defending these matters, many of which continue for several years; and

WHEREAS, the District has benefited financially, operationally and otherwise from the legal work of Glynn & Finley;

NOW, THEREFORE, BE IT RESOLVED, THAT the Board of Directors of the San Francisco Bay Area Rapid Transit District hereby adopts the following statement of policy concerning the Office of the General Counsel:

The Law Offices of Glynn & Finley is named Special Counsel for the District on Cal/OSHA matters, subject to normal budgetary restrictions. The General Counsel shall notify the Board of his intent to continue utilizing the law offices of Glynn and Finley as Special Counsel by May 31st of each year. Where direct contact by staff members with Special Counsel is necessary, such contact shall be pursuant to the authorization of the General Counsel on either a general or specific basis as he deems best.

Adopted: _____

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SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

MEMORANDUM

TO: Board of Directors

DATE: October 17, 2014

FROM: General Manager

SUBJECT: E&O Item 5.A: District Emergency Preparedness – For Information

At the October 24, 2014 Board meeting, staff will provide an overview of District Emergency Preparedness activities. If you have any questions, please contact Chief Kenton Rainey at (510) 464-7022.


Grace Crunican

Attachment

cc: Board Appointed Officers
Deputy General Manager
Executive Staff



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Marcia DeVaulen</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: <i>10/15/14</i>		BOARD INITIATED ITEM: No		
Originator/Prepared by: <i>Michaela Morales</i> Dept: <i>four Scott Schroeder</i> , Controller-Treasurer x6070	General Counsel <i>Andrew Rawls</i> <i>10/12/14</i>	Controller/Treasurer <i>[Signature]</i>	District Secretary	BARC <i>[Signature]</i> <i>10-15-14</i>
Signature/Date:	[]	[]	[]	[]
Status: Routed		Date Created: 06/18/2014		

TITLE:

AMENDED RESERVE FUND POLICY

NARRATIVE:

PURPOSE:

To amend the Financial Stability Policy with an increase in the District Reserves goal.

DISCUSSION:

In 2003, the Board adopted the Financial Stability Policy which requires a reserve of at least 5% of the District's total annual operating expenses be set aside. This amount is substantially less than the actual amount of funds expended by the District's operating and capital budget each month. The Reserve Fund Policy amendment presented with this EDD is designed to be installed into the framework of the existing Financial Stability Policy under the Reserve for Economic Uncertainty(b) as provided in the attached.

It increases the Reserve Fund from 5% of total annual operating expenses (\$33 million) to 15% or \$89 million for the current fiscal year. This increase yields a reserve fund goal which more closely matches a single month of District expenses.

The Amended Reserve Fund Policy also installs an automatic funding mechanism which follows "Best Practices" of the industry. The funding of the reserve would be accomplished through a requirement to transfer 50% of any annual year-end positive result, up to \$3.5 million, until the reserve is fully funded.

The reserves would be accessed only under either 1) emergency funding in the event of a major adverse natural event, or 2) supplementing the budget due to an economic down turn and no other funding options are deemed feasible, as determined by the Board of Directors. Either action would require a Board Resolution supported by a majority of the board.

The Office of the General Counsel has approved the amendment as to form.

FISCAL IMPACT:

The District's operating budget will automatically appropriate an amount equal to 50% of any annual year-end positive result up to \$3.5 million until the reserve account is fully funded. This would reduce the amount of discretionary funds available for re-allocation.

ALTERNATIVE: Do not authorize a new Reserve Policy.

MOTION:

The Board adopts the following Resolution adopting a new Reserves Policy to replace section (b) of the Reserve for Economic Uncertainty in the Financial Stability Policy (attached).

BEFORE THE BOARD OF DIRECTORS OF THE SAN FRANCISCO
BAY AREA RAPID TRANSIT DISTRICT

In the Matter of the Amendment
Of the Financial Stability Policy
To Provide for an Increase in the
District Reserves Goal _____

Resolution No.

WHEREAS, in 2003, the Board of Directors adopted the District's Financial Stability Policy; and

WHEREAS, said policy currently requires that a reserve of at least 5% of the District's total annual operating expenses be set aside; and

WHEREAS, said 5% is substantially less than the actual amount of funds expended by the District's operating and capital budget each month, and

WHEREAS, the District needs a superior and realistic Reserve Fund Policy that can be designed to be incorporated within the framework of the existing "Financial Stability Policy" under the "Reserve for Economic Uncertainty(b)",

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Francisco Bay Area Rapid Transit District that the current language under "Reserve for Economic Uncertainty(b)" be repealed, and that the Board adopt in its place the following language under "Reserve for Economic Uncertainty (b)" in the District's existing "Financial Stability Policy":

Increase the Reserve for Economic Uncertainty from 5% of total annual operating expenses (\$33 million) to 15% or \$89 million for the current fiscal year. This increase yields a reserve fund goal which more closely matches a single month of District Expenses. The District shall also follow the "Best Practices" of the industry by installing an automatic funding mechanism. The funding of the reserve would be accomplished through a requirement to transfer 50% of any annual year-end positive result, up to \$3.5 million, until the reserve is fully funded.

The aforementioned reserve balance may be accessed only upon a finding that its use is necessary to provide either 1) emergency funding in the event of a major adverse natural event, or 2) to supplement the budget due to an economic downturn and no other funding options are deemed feasible, as determined by the Board of Directors. Either action shall require a Board Resolution making the necessary findings supported by a majority of the full board.

Adopted at a regular meeting of the Board of Directors of the San Francisco Bay Area Rapid Transit District at Oakland, California this ____ day of _____, 2014.

Attest: _____
Kenneth A. Duron
District Secretary

Signed: _____
Joel Keller
President

PROPOSED REVISION TO FINANCIAL STABILITY POLICY

The San Francisco Bay Area Rapid Transit District has an important responsibility to its riders and the citizens of the Bay Area to wisely manage the District's finances in both the short and long term. In times of economic change and uncertainty, it is especially important for the District to make sure its ability to deliver service rests on a strong and stable financial foundation. To this end, the following are the District's financial stability goals and strategies for achieving those goals.

GOALS

- A. Maintain an operating and capital financial base that is sufficient to deliver safe, quality service efficiently and cost-effectively to meet the level of demand.
- B. Continuously improve productivity.
- C. Preserve and maximize BART's fare revenue base, through a predictable pattern of adjustments, while retaining ridership.
- D. Provide a fare and fee structure that is tied to the cost of providing service, optimizes use of the BART system, and provides BART customers with convenience, ease of use, and a good value for the money.
- E. Establish and maintain prudent reserves sufficient to ensure that the District can adjust to economic downturns.
- F. Maintain the highest possible credit rating and reputation for prudent financial management.

STRATEGIES

Operating Expenses

- a) Adjust operating expenses as needed to reflect changes in service demand, technology, and productivity.
- b) Endeavor to keep growth in rail operating expenses (as measured by a rolling average of growth in rail operating cost per passenger mile) at or below the rate of inflation by:
 - Implementing technology and productivity advancements designed to reduce or avoid increasing operational costs.
 - Exploring greater efficiency, effectiveness, and increased ridership.
 - Working to increase and optimize ridership on the BART system through partnerships that foster transit oriented development and improve access to the BART system.
- c) Regularly review productivity improvement programs and results as part of the annual budget process.

Capital Investment

- a) Pursue grant funding for BART capital projects pursuant to priorities as addressed in the Capital Improvement Program.
- b) Adopt an annual budget that includes an allocation to capital programs adequate to meet annual baseline reinvestment needs for programs which are essential to ensure system performance but not likely to receive grant funds. Such funding should also be available for local match to grants and for unforeseen needs and emergencies.
- c) Use debt financing prudently to leverage local, regional, state, and federal funding for major cyclical capital investments such as transit vehicle, escalator and elevator, fare collection equipment, and train control renovation and replacement.

Fares and Other Revenues

- a) To the extent revenue increases are needed as one part of a program to preserve BART's revenue base and financial stability, tie passenger revenue increases to service costs and system needs with particular consideration to:
 - Aligning fares with CPI-based cost growth.
 - Small regular fare increases tied to CPI-based cost increases or other major cost factors and to factors such as significant change in other revenues and productivity.
 - Small surcharges tied to capital needs such as rehabilitation or seismic retrofit.
 - A peak premium, at some point in the future when ridership is growing, tied to the need to optimize off-peak system use and to fund core system capacity improvements.
- b) Increase customer satisfaction, when economically and technologically feasible, by giving consideration to:
 - Increasing discounts for high-value tickets to mitigate the impact of fare increases on regular BART riders.
 - Developing new interoperator and interagency partnerships to increase transit access.
 - Developing innovative partnership programs with major employers, educational institutions, and other rider generators.
 - Using time-limited passes to market BART for special events, weekends, and families, evaluating the impact on ridership of each pass program.
- c) Increase revenue from other sources such as parking, advertising, concessions, and joint development while meeting customer needs and providing safe, reliable service.

- ~~b) Adopt a Short Range Transit Plan that builds the reserve to at least 5% of total annual Operating expenses by funding regular contributions to the reserve.~~
- b) Increase the Reserve for Economic Uncertainty from 5% of total annual operating expenses (\$33 million) to 15% or \$89 million for the current fiscal year. This increase yields a reserve fund goal which more closely matches a single month of District Expenses. The District shall also follow the “Best Practices” of the industry by installing an automatic funding mechanism. The funding of the reserve would be accomplished through a requirement to transfer 50% of any annual year-end positive result, up to \$3.5 million, until the reserve is fully funded. The aforementioned reserve balance may be accessed only upon a finding that its use is necessary to provide either 1) emergency funding in the event of a major adverse natural event, or 2) to supplement the budget due to an economic downturn and no other funding options are deemed feasible, as determined by the Board of Directors. Either action shall require a Board Resolution making the necessary findings supported by a majority of the full board.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Marcia DeVander</i>		GENERAL MANAGER ACTION REQ'D: 0		
DATE: c <i>10/17/14</i>		BOARD INITIATED ITEM: No		
Originator/Prepared by: Patrice McElroy Dept: Human Resources	General Counsel	Controller/Treasurer	District Secretary	BARC
Signature/Date: <i>Patrice McElroy 10/17/14</i>	<i>[Signature] 10/17/14</i>	<i>[Signature] 10/17/14</i>	[]	<i>[Signature] 10-17-14</i>

TITLE:

AGREEMENT NO. 6M4367, WITH HAY GROUP, INC., TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY FOR NON-REPRESENTED EMPLOYEES

NARRATIVE:

PURPOSE:

To authorize the General Manager to award Agreement No. 6M4367 to Hay Group, Inc. to assist the District in conducting a classification and compensation study involving District's Non-Represented employees.

DISCUSSION:

Background

It has been six years since the District last examined its classification system for non-represented employees and over seventeen years since it has been recalibrated. The industry norm is to recalibrate such systems at least every ten years. A poorly maintained classification system: loses the consistent underlying rationale for decisions; does not accommodate changes in the organization and in occupations; is not understood by managers and employees and negatively impacts morale; and may allow circumstances in which employees performing very similar duties and responsibilities are in different job titles and compensation levels.

A classification and compensation study is the best way to ensure that positions are classified in a manner that is consistent, grounded in business needs, and equitably related to both internal and external labor markets. In addition, the District will request its consultant to consider and advise the District on relevant areas including the compensation structure; how to encourage career progression; the implications of changes to classifications that cross bargaining units; performance recognition in compensation; as well as other pay policies. The District is also seeking to reduce the number of individual classifications, and clean up its roster of positions so that all classifications are current and appropriate.

The District's last classification and compensation study agreement was awarded in February 2008 to The Segal Company, of San Francisco, California. The District moved forward with completing the study and The Segal Company provided their recommendations in October 2008. At that time there was a significant decline in the economy and the recommendations provided

would have negatively impacted the District's budget; therefore it was determined that the results would not be implemented at that time. In 2014 District staff reviewed the 2008 study but felt that too much time had elapsed since that study's recommendations and therefore moved forward with a new Request for Proposals.

Request For Proposals Process

Advance notice to proposers was issued on June 25, 2014. Subsequently, the Request for Proposals (RFP) were issued to twenty-six (26) potential proposers. The distribution list was derived from the project sponsor's research. The RFP was advertised in twelve (12) newspapers on June 27, 2014 and a pre-proposal meeting was held on July 15, 2014 with six (6) firms attending. A total of three proposals were received on August 5, 2014 from Hay Group, Inc., Milliman Inc. and The Segal Company.

The Source Selection Committee chaired by Contract Administration included representatives from Human Resources, Office of Civil Rights, Rolling Stocks and Shops, and the Planning and Development Departments. The Committee evaluated the proposals based on the best value method. This approach compares the differences in the value of the combined qualifications/technical/oral presentation with differences in the pricing proposed to determine which proposer will provide the District the best value for the services proposed.

The proposals were first reviewed to determine which were responsive to the requirements of the RFP and then, which had satisfied the minimum technical requirements including such items as having experience in conducting classification/compensation studies with transit and public sector agencies. The Selection Committee determined that one proposer, The Segal Company, was non responsive to the requirements of the RFP. The two responsive proposals that satisfied the minimum technical requirements were then scored based on technical approach, organizational experience, and project team experience. The Committee reviewed the price proposals and determined that both firms were in a competitive range and held oral interviews with both. The Committee combined the qualifications/technical and oral presentation scores and determined, for the reasons described below, that Hay Group presents the District with the best value in performing the classification compensation study.

Recommended Vendor

Hay Group's price proposal of \$340,350 is \$90,350 more than Milliman's price of \$250,000. However, Hay Group, Inc. has twenty nine (29) years of experience and extensive knowledge of public entity and transit compensation structure systems; proven point factor methodology; flexibility in creating compensation systems that focus on the needs of the District; ability to commit to a fiscal year-based timeline; integration of new/modified job descriptions into the new system; and development of policies and procedures for maintaining the new program. For these reasons, staff feels that it is more advantageous to accept Hay Group, Inc.'s higher price based on the added value afforded.

Office of Civil Rights Issues

Pursuant to the District's Non-Discrimination in Subcontracting Program, the availability percentages for this contract are 16% for Minority Business Enterprises (MBEs) and 20% for Women Business Enterprises (WBEs). The proposer will not be subcontracting any work and will do all work with its own forces. Therefore, the District's Non-Discrimination in Subcontracting Program does not apply.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights (OCR) set a 5% prime preference for this Contract for Small Businesses (SB) certified by the California Department of General Services (DGS). It was determined that there were no small businesses certified by DGS among the responsive bidders and therefore the Small Business Program's prime preference does not apply.

The Office of the General Counsel will approve the Agreement as to form.

FISCAL IMPACT: The maximum compensation under this agreement will not exceed \$340,350. The funding for this agreement will be allocated out of the Human Resources FY15 operating budget. Following completion of consultant's study, staff's recommendations and the associated costs will be presented to the Board as we move forward with implementation.

ALTERNATIVE: 1) Not perform the study; or 2) Issue another Request For Proposals to procure another firm to perform the services needed.

RECOMMENDATION: Adoption of the following Motion.

MOTION: That the General Manager is authorized to award Agreement No. 6M4367 to Hay Group, Inc. to conduct a classification and compensation study for non-represented employees for a cost not to exceed \$340,350, subject to compliance with the District's protest procedures.



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Melroy Delaune</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: c 10/15/14		BOARD INITIATED ITEM: No		
Originator/Prepared by: Diane Iwata Dept: Human Resources <i>Diane Iwata</i> 10/15/14	General Counsel <i>Andrew...</i> 10/15/14	Controller/Treasurer []	District Secretary []	BARC <i>...</i> 10-15-14
Signature/Date:				

TITLE:

Retiree Dental and Vision Benefits

NARRATIVE:

PURPOSE: To obtain Board authorization to amend agreements with Principal Life Insurance Company (“Principal”) and Vision Service Plan (“VSP”) and adopt amendments to the District’s dental and vision plans to offer the same dental and vision benefits to BPOA and to non-represented retirees that were approved for ATU, SEIU, AFSCME and BPMA in the current collective bargaining agreements and to offer a lower premium option to all such groups, all on a no-cost to the District basis.

DISCUSSION: The District’s 2013-2017 collective bargaining agreements with ATU, SEIU, and AFSCME, and 2013-2018 collective bargaining agreement with BPMA provide that retirees shall have the option to purchase the same dental and vision coverage offered to active employees (the “Contracted Retiree Dental Plan”) at no cost to the District. In order to implement such benefits for retirees, staff seek Board authorization to amend the District’s agreements with Principal, its third-party administrator for dental benefits, and with its vision plan provider, VSP, and to adopt necessary amendments to the dental and vision plans.

In addition to offering these benefits to ATU, SEIU, AFSCME and BPMA retirees, staff proposes to also (1) offer a lower premium dental plan as an alternative, and (2) extend the retiree vision and dental plans to BPOA retirees and to retired non-represented employees on the same terms. The lower premium dental plan will have lower benefits, such as but not limited to, a lower annual benefit limit, lower benefit contribution amounts for dental services, and no orthodontia benefit. The District will have no contractual obligation to continue the lower premium plan at the end of any plan year.

Retirees will have a one-time opportunity to enroll in a plan or plans and may not change to an alternative plan in the future, unless the lower premium plan is discontinued. Should the lower premium dental plan be discontinued, those impacted retirees will have an opportunity to elect to participate in the contracted dental plan. Retirees who participate in any of the dental and vision plans will pay the full cost of coverage for such plans, including administrative fees, as more fully discussed below.

As the District’s vision plan is fully insured, there is no financial risk to the District. The District’s dental plan design is unique and staff is not able to obtain a fully insured plan at this time. Since the retiree dental plans will be self-funded by the District and the District will

effectively serve like an insurance carrier, there will be some risk that the costs for a plan year will exceed the total of the participants' premiums. The District will set the retirees' premiums based on the recommendations of our broker's actuary. If the total plan costs should exceed the total premiums collected, the District would have a loss. However, the risk will be mitigated by requiring enrollment by the retiree for a plan year and by establishing new rates each year based on plan size and experience. The risk of underestimating the cost is likely highest in the first year, but staff anticipate the cost will be neutral over the next three years.

By providing such dental and vision benefits to retirees, the District does not intend to vest retirees with such benefits.

The Office of the General Counsel will approve as to form the amendments to the District's agreements with Principal and VSP, and to the District's dental and vision plans.

FISCAL IMPACT: Based on a review by the District OPEB actuary, there will be no significant fiscal impact as the retiree is responsible for the cost of the benefit.

ALTERNATIVE: The Board agreed to extend the vision and dental plans to retirees from positions represented by ATU, SEIU, AFSCME and BPMA on a no-cost to the District basis when it ratified the current agreements. The Board could elect not to offer the benefits to BPOA and non-represented retirees and could elect not to offer the lower premium dental plan to any of these groups.

RECOMMENDATION: That the Board adopt the following motion.

MOTION: The General Manager is authorized to:

- extend the opportunity to enroll in the same vision plans and dental plan (the Contracted Retiree Dental Plan) offered to active employees to individuals who retire from BPOA represented positions and from non-represented positions as have been approved for retirees from positions represented by ATU, SEIU, AFSCME and BPMA, and;
- offer retirees a lower premium dental plan, which may be unilaterally discontinued by the District effective at the end of any plan year, all on a no cost to the District basis, and;
- enter into amended agreements with Principal Life Insurance Company and Vision Service Plan, and;
- adopt amendments to the District's dental and vision plans to provide such dental and vision benefits to retirees.



SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

300 Lakeside Drive, P.O. Box 12688
Oakland, CA 94604-2688
(510) 464-6000

2014

October 23, 2014

Joel Keller
PRESIDENT

Thomas M. Blalock, P.E.
VICE PRESIDENT

Grace Crunican
GENERAL MANAGER

John E. Marquez, President
Contra Costa College Community College District Governing Board
500 Court Street
Martinez, CA 94553

Dear President Marquez:

DIRECTORS

Gail Murray
1ST DISTRICT

Joel Keller
2ND DISTRICT

Rebecca Saltzman
3RD DISTRICT

Robert Raburn, Ph.D.
4TH DISTRICT

John McPartland
5TH DISTRICT

Thomas M. Blalock, P.E.
6TH DISTRICT

Zakhary Mallett, MCP
7TH DISTRICT

James Fang
8TH DISTRICT

Tom Radulovich
9TH DISTRICT

At the CCCCDD Governing Board meeting on September 10, 2014, I expressed my interest in assisting the Board in evaluating a possible future Los Medanos College campus in Brentwood near the intersection of Highway 4 and the Mokelumne Trail. I believe this site could be found to be superior to the Vineyards site for several reasons, including ability to serve low income and minority students, and reduced harm to the environment.

According to the report of Frederick Harris, Assistant Vice Chancellor, March 5-6, 2012, "the Center [current Brentwood Outreach Center] is located in proximity to some of the lowest income residents of eastern Contra Costa County, particularly the residents of Oakley. While the Brentwood Education Center has a mission and focus to serve the needs of all residents within the service area, the particular needs of immigrant and moderate income residents with respect to adult basic learning and vocational skills is apparent at the current Outreach Center and will be expanded at the permanent Brentwood Center." However, your proposal to relocate the educational facility to the Vineyards site does exactly the opposite: it makes access to education for the residents of Oakley – and all low income and minority students -- more difficult.

Mr. Harris's report also states, "The Tri Delta Transit Authority provides public transportation bus service throughout the East County, including Los Medanos College and the current Brentwood Outreach Center. Currently there is no bus service to the proposed Brentwood Education Center site. However, the District will begin negotiations with Tri Delta Transit planners to provide a readily accessible bus stop at or very near the new center once the permanent center receives state approval." On September 10, 2014, Jeanne Krieg, Chief Executive Officer of Tri Delta Transit, wrote to the CCCCDD Governing Board, "Our agency is very concerned about the possible location of a new Los Medanos campus near Marsh Creek Road. It is not a good location from a public transportation perspective as it is nearly 15 minutes from the nearest active bus stop. The reality of public transit funding means it is improbably that bus service can be expanded to this new campus". Without public transit service, the low income residents of East County would be doubly damaged by relocation of the facility to the Vineyards site.

John E. Marquez, President

October 23, 2014

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LMC is committed to serving all area students, not just low income and minority learners, and according to CCCC Research, the Brentwood Center's Fall 2011 students reported home ZIP codes all over Contra Costa County. However, only five percent of students live south of the Vineyards site: one percent in Byron, and four percent in Discovery Bay. With 95 percent of students better served at a central Brentwood site, I urge you to reconsider moving further south.

Additionally, your decision to site the new campus seems to run afoul of California Government Code section 11135, which prohibits facially-neutral practices, in state-funded activities, which cause disparate impacts on the basis of race, color or natural origin. Specifically, under Section 98006 (Cal.Code.Reg), property that is acquired or improved with state funds may not cause prohibited disparate impacts. Based on the demographic data of the affected populations and the now firmly established lack of public transit access to the proposed site, it appears that the new location may cause disproportionate adverse impacts on a protected class, racial minorities. Simply put, by selecting a site that will not be served effectively by public transit, those who rely on public transit to participate in this educational opportunity are shut out and those individuals appear to be disproportionately minority persons. Failure to avoid disparate impacts could lead to withdrawal of state funding from the College. In addition to withdrawn state funding, actions which appear to cause disparate impacts are also vulnerable to a private right of action against the College, that may be filed by any person, for such violations. These lawsuits incur significant legal fees to defend. I fail to understand how you continue to insist on this site when more accessible alternatives exist.

Of further note, federal regulations (E.O. 12898 and implementing regulations) and the State of California's environmental justice policies (Government Code Section 65040.12) require that assessments be made on the effects of these sorts of siting decisions on low income persons, prior to acting on the decision. Such assessments must include participation from the affected minority and low-income communities. I question whether your decision making process satisfied these requirements.

Notwithstanding the legal risks and costs incurred, isn't it the moral duty of the College to serve all its residents, not just those who have access to private vehicles?

My second concern is the environment. The campus location I have proposed near Highway 4 and the Mokelumne Trail could offer the most sustainable campus site in East County. The property is located adjacent to the Mokelumne Trail, the premier bike/pedestrian trail in the Brentwood area. Students could access the campus from Brentwood, Antioch, Oakley and Pittsburg via this trail and connecting trails, once the trail's Highway 4 overcrossing is completed.

In addition, this site offers better transit access today, and could offer far superior transit access in the future. The Mokelumne Trail area (Lone Tree Way) is served by three weekday Tri Delta lines now, while the Vineyards site has no transit service, and, as noted, none is planned.

As the college looks to the future, the Mokelumne Trail location could be developed with a state-of-the-art transit facility, beginning with service by Tri Delta Transit, and transitioning to a

John E. Marquez, President

October 23, 2014

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possible eBART station in the future. BART recently completed the “eBART Next Segment Study,” which evaluated the Highway 4 corridor between Antioch (Hillcrest Avenue) and Marsh Creek Road for preferred locations for a possible future eBART station. The study proposed the Highway 4/Mokelumne Trail site as serving the greatest number of riders among the five locations considered. If it were developed with a modern solar-powered transit facility – as has been discussed at BART and Tri Delta Transit -- this site could foreseeably offer more sustainable access to students and staff than the Vineyards site.

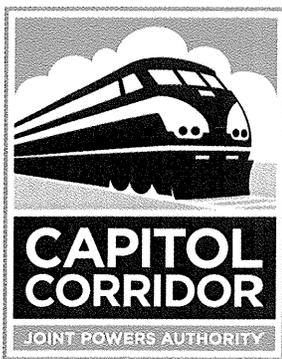
Your Supplemental Environmental Impact Report for the New Brentwood Center (Vineyards site) noted four significant and unavoidable environmental impacts: three air quality impacts, and congestion at the intersection of Highway 4 and Marsh Creek Road. Although it would require another EIR to verify, I strongly suspect a campus sited near the Mokelumne Trail would have significantly reduced impacts. First, air quality impacts would be lower because a station with Tri Delta bus service, and possibly future eBART service, would make transit a reasonable travel option. Also, access to the Mokelumne Trail makes bike and pedestrian access more convenient for students and staff. The more central location places the campus closer to the residences of the great majority of LMC students, reducing emissions from car trips. Finally, locating the college away from the intersection of Highway 4 and Marsh Creek Road would avoid the “significant and unavoidable impact” at that location. The number of senior drivers in this area makes safety a particularly important concern here.

I respectfully request that you slow down the campus development process to include satisfying the College’s legal and moral obligations to the less fortunate of its population to ensure that they are provided adequate and equal access to the College, and avoiding damaging impacts to our environment.

Sincerely,

Joel Keller, President

cc: CCCC CD Governing Board Members
Jeanne Krieg, Tri Delta Transit
Community College Chancellors Office, Sacramento
Mayor, City of Pittsburg
Mayor, City of Antioch
Mayor, City of Brentwood
Mayor, City of Oakley
Contra Costa County Supervisors
Matthew Burrows
Robert Powers
Ellen Smith



**CAPITOL CORRIDOR JOINT POWERS AUTHORITY
MEETING OF THE BOARD OF DIRECTORS**

Wednesday November 19, 2014

10:00 a.m.

City Council Chambers
Suisun City Hall
701 Civic Center Blvd.
City of Suisun City, CA
(see attached map)

DRAFT AGENDA

- I. Call to Order
- II. Roll Call and Pledge of Allegiance
- III. Report of the Chair *Action*
 - 1. Election of Chair and Vice-Chair (2-Year Term: 2015-2016)
 - 2. Establish Committee for Proposed Updates to CCJPA Interagency Transfer Agreement
- IV. Consent Calendar *Action*
 - 1. Minutes of the June 11, 2014 Meeting
 - 2. CCJPA Board 2015 Meeting Schedule
 - 3. 2015 Capitalized Maintenance Program
- V. Action and Discussion Items
 - 1. Capitol Corridor Annual Performance Report (FY 2014) *Action*
 - 2. Vision Plan update (November 2014) – Capitol Corridor Strategic Service Plan *Action*
 - 3. Legislative Matters *Action*
 - 4. BART/CCJPA Administrative Services Agreement (February 2015 – February 2020) *Action*
 - 5. FY 15 Advertising Contract *Action*
 - 6. Sea Level Rise Adaption – Capitol Corridor Route *Discussion*
 - 7. Managing Director’s Report *Info*
 - 8. Work Completed *Info*
 - a. CCJPA FY 14-15 Budget
 - b. CCJPA/Amtrak FY2015 Operating Agreement
 - c. State Rail Safety Month (September 2014)
 - d. Marketing Activities (September – October 2014)
 - 9. Work in Progress *Info*
 - a. Oakland – San Jose Phase 2 Project
 - b. Sacramento-Roseville 3rd Track Environmental Review/Preliminary Engineering
 - c. Positive Train Control Update
 - d. Station and Platform Safety Upgrades
 - e. Proposition 1B Transit Safety/Security Improvement Projects
 - f. On-Board Information System Project (OBIS)
 - g. Proposed Extension of Capitol Corridor Trains to Salinas
 - h. Upcoming Marketing Activities
- VI. Board Member Reports
- VII. Public Comment
- VIII. Adjournment. Next Meeting Date: 10:00 a.m., February 18, 2015 at City Council Chambers, Suisun City Hall, 701 Civic Center Blvd., City of Suisun City, CA

Notes:

Members of the public may address the Board regarding any item on this agenda. Please complete a "Request to Address the Board" form (available at the entrance of the Boardroom and at a teleconference location, if applicable) and hand it to the Secretary or designated staff member before the item is considered by the Board. If you wish to discuss a matter that is not on the agenda during a regular meeting, you may do so under Public Comment. Speakers are limited to three (3) minutes for any item or matter. The CCJPA Board reserves the right to take action on any agenda item.

Consent calendar items are considered routine and will be enacted, approved or adopted by one motion unless a request for discussion or explanation is received from a CCJPA Board Director or from a member of the audience.

The CCJPA Board provides services/accommodations upon request to persons with disabilities who wish to address Board matters. A request must be made within one and five days in advance of a Board meeting, depending on the service requested. Call (510) 464-6085 for information.