



# TRI DELTA TRANSIT

Eastern Contra Costa Transit Authority  
801 Wilbur Avenue • Antioch, California 94509  
Phone 925.754.6622 Fax 925.757.2530

## Board of Directors Meeting Agenda

Wednesday December 17<sup>th</sup>, 2014

4:00pm

ECCTA Boardroom

801 Wilbur Avenue, Antioch, CA 94509

Available on line: [www.trideltatransit.com](http://www.trideltatransit.com)

Please see the last page of this agenda for:

- Public comment guidelines
- Agenda, staff report, and document availability
- Americans with Disabilities Act information
- Anticipated action by the Board of Directors

1. **Call to Order:** Chair Gene Clare

2. **Pledge of Allegiance**

3. **Public Comment**

While public comments are encouraged and taken very seriously, State law prevents the Board of Directors from discussing items that are not on the meeting agenda. If appropriate, staff will follow up on public comments. Please see Public Comment Guidelines on Page 3 of this agenda.

4. **Chair's Report:** Chair Gene Clare

5. **Consent Calendar (ACTION ITEM):** Minutes, Financial Report, and Marketing Activities Report (*see attachment: tab #1*)

- Minutes of the Board of Directors meeting of October 29, 2014
- Financial Report
- Marketing Activities Report

**Requested Action:** Approve items 5a, 5b, and 5c

6. **CEO's Report:** Jeanne Krieg

- Operations Report** (*see attachment: tab #2*)

### Board of Directors:

City of Antioch

Wade Harper

Mary Rocha

City of Brentwood

Gene Clare\*

Barbara Guise

City of Oakley

TBA

Kevin Romick

City of Pittsburg

Ben Johnson\*\*

TBA

Contra Costa County

Federal Glover

Mary Piepho

Member-at-Large

Ken Gray

\* Chair: FY 2014-15

\*\* Vice-chair: FY 2014-15

**7. ACTION AND DISCUSSION ITEMS**

- a. **ACTION ITEM:** Independent Auditor's Report for the Year ended June 30, 2014  
(see attachment: tab #3)

**Requested Action:** Adopt Resolution 141217a accepting the Independent Auditor's Report for the year ended June 30, 2014

- b. **ACTION ITEM:** 2015 Marketing Plan and Advertising Strategy  
(see attachment: tab #4)

**Requested Action:** Approve the proposed 2015 Marketing Plan and Advertising Strategy

- c. **ACTION ITEM:** Bus Advertising Contract  
(see attachment: tab #5)

**Requested Action:** Adopt Resolution 141217b authorizing the CEO to execute and deliver a three year contract with two one-year options to Lamar Transit Advertising.

- d. **ACTION ITEM:** Disposition of Retired Vans and Obsolete Parts  
(see attachment: tab #6)

**Requested Action:** Adopt Resolution 141217c authorizing staff to publicly advertise the sale of six retired vans and nine pallets of obsolete parts to the highest qualified buyer or buyers.

- e. **ACTION ITEM:** 2015 ECCTA Board of Director Meetings  
(see attachment: tab #7)

**Requested Action:** Adopt Resolution 141217d rescheduling the November and December 2015 meetings of the ECCTA Board of Directors.

**8. CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION** (Government Code Section 54956.9(d)(1))

Name of case: *Mayr dawna Davis v. Tri-Delta Paratransit, AKA, First Transit, et al.*, Contra Costa County Superior Court, Case No. C14-01718

**9. Return to Open Session: Report, if any.**

**10. Board of Directors Comments**

Under this item, Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to staff, or requesting a report be made at another meeting.

**11. Adjourn**

Next Meeting: January 28<sup>th</sup>, 2015 at 4:00pm at the ECCTA administration facility, 801 Wilbur Avenue, Antioch, CA

**Public Comment Guidelines:**

- Persons requesting to address the ECCTA Board of Directors are requested to complete a Comment Request form and submit it to the clerk. If possible, please submit the form prior to the start of the meeting. At the appropriate time, the ECCTA chair will call on individuals to comment.
- During the public comment agenda item, the public is permitted to address the ECCTA Board of Directors on items that are on the consent calendar or items not on the agenda. Individuals may also make a request for future agenda items. No action or discussion may take place on any item not appearing on the posted agenda.
- If a person wishes to speak on a specific agenda item, the ECCTA chair will call on the individual when the agenda item is being discussed by the Board of Directors.
- Persons addressing the ECCTA Board of Directors are requested to limit their remarks to three (3) minutes unless an extension of time is granted by the chair, subject to approval of the ECCTA Board of Directors.

**Agenda, staff report, and document availability:**

Copies of all staff reports and documents subject to disclosure that relate to each item of business referred to on the agenda are available for public inspection the Friday before each regularly scheduled Board of Director's meeting at Tri Delta Transit's front desk located 801 Wilbur Avenue, Antioch, California. Any documents subject to disclosure that are provided to all, or a majority of all, of the members of the Board regarding any item on this agenda after the agenda has been distributed will also be made available for inspection at Tri Delta Transit's front desk at the above referenced address during regular business hours.

**Americans with Disabilities Act Information:**

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available in the Tri Delta Transit parking lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the CEO's Office at (925) 754-6622 or fax (925) 757-2530. Notification 48 hours prior to the meeting will enable Tri Delta Transit to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II} Please help us accommodate individuals with EI-MSD and refrain from wearing scented products to this meeting. Please turn off any electronic paging device or cell phone.

**Anticipated action by the Board of Directors:**

The Board of Directors may take action on any item on the agenda, which action may consist of the recommended action, no action or a related action.

# **TAB 1**

Agenda Item 5a,b,c

Consent Calendar (ACTION ITEM): Minutes, Financial Report, and  
Marketing Activities Report

## **Board of Directors Meeting Agenda**

Wednesday December 17, 2014

4:00pm

ECCTA Boardroom

801 Wilbur Avenue, Antioch, CA 94509

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**Antioch - Brentwood - Pittsburg - Oakley and Contra Costa County**

MINUTES

October 29, 2014

The special meeting of the Eastern Contra Costa Transit Authority (ECCTA) was called to order in the ECCTA Board Room, 801 Wilbur Avenue, Antioch, California by Chair Gene Clare at 11:00 A.M.

**ROLL CALL / CALL TO ORDER**

PRESENT: Federal Glover\* (Contra Costa County), Ken Gray (Member-at-Large), Barbara Guise (Brentwood), Wade Harper (Antioch), Nancy Parent (Pittsburg), Mary N. Piepho (Contra Costa County), Carol Rios (Oakley), Mary Rocha (Antioch), Kevin Romick (Oakley), Ben Johnson (Pittsburg/Vice Chair), and Gene Clare (Brentwood/Chair)

\*Arrived after Roll Call

ABSENT: None

STAFF: Jeanne Krieg, Chief Executive Officer  
Ben Stock, Legal Counsel  
Ann Hutcheson, Director of Administrative Services

**OTHERS**

PRESENT: Susan Hinson, First Transit  
Gary Mitchell, First Transit  
Hosie Pintily, First Transit  
Nick Promponas, First Transit  
Don Swain, First Transit  
Brad Thomas, First Transit  
Michael Melaniphy, APTA President and CEO  
Mary Erbez, Board Alternate  
Michael Daugelli, Board Alternate  
Joe Tovar, Former Boardmember  
Tom Clark  
Lou Rocha, Antioch  
Rich Rios, Oakley

**PLEDGE OF ALLEGIANCE**

Michael Melaniphy, APTA President and CEO, led the Pledge of Allegiance.

### PUBLIC COMMENT

Michael Daugelli, Antioch, explained that on October 23 the Antioch Senior Center had taken advantage of a BART program encouraging seniors to use BART during the middle of the day, and thanks to BART, and Tri Delta Transit through Route 300, the seniors had taken a shopping trip to the El Cerrito Shopping Center where lunch had been provided.

### CHAIR'S REPORT

Chair Clare highlighted the October 14, 2014 American Public Transportation Association (APTA) Conference in Houston, Texas when the Best of North America Small Transit System of the Year award had been presented to Tri Delta Transit. He referenced the video of Tri Delta Transit that had been presented at the time of the award to the 1,500 assembled at the conference and asked that the video be presented to the Board at this time. The video was then presented.

### CONSENT CALENDAR

Director Gray referred to the June 25, 2014 ECCTA minutes and the motion at the bottom of Page 5 related to the approval of the Tri Delta Transit shuttle service for the 2014 Pittsburg Seafood Festival and the minimum of 4,000 riders required to be able to continue to provide shuttle service next year. He stated that the goal was 5,000 riders and he requested that the minutes be corrected accordingly.

*On motion by Director Guise, seconded by Director Gray, ECCTA Boardmembers directed staff to operate shuttle service for the 2014 Pittsburg Seafood Festival with the understanding that a minimum 5,000 riders would have to use the service to be able to continue to provide shuttle service next year, carried by the following vote: [The vote was unanimous]*

On motion by Director Romick, seconded by Director Guise, ECCTA Boardmembers adopted the Consent Calendar, as shown, along with a correction to the minutes of the June 25, 2014 meeting, as shown, carried by the following vote:

- A. Minutes of the Board of Directors meeting of September 24, 2014
- B. Financial Report
- C. Marketing Activities Report

AYES: Glover, Gray, Guise, Harper, Johnson, Parent, Piepho, Rios, Rocha, Romick, and Clare

NOES: None

ABSTAIN: None

ABSENT: None

## **CHIEF EXECUTIVE OFFICER'S REPORT**

### A. Operations Report

Chief Executive Officer (CEO) Jeanne Krieg reported that all operational and financial measurements were within acceptable tolerances; month-to-month ridership on fixed route increased by 5 percent comparing this September with September of last year and ridership had been pushing the 10,000 passengers per weekday mark for several months and was now consistently over it; the route design project continued and the next visible step would be public outreach which would be conducted in January; and the new MedVans had been delivered and were being prepared for service and as soon as they were in service the old MedVans would be retired.

Ms. Krieg also referenced the concern expressed last month related to the reduction in average fare per passenger and Tri Delta Transit's determination that the fraudulent use of senior and disabled passes was driving it. As a result, Tri Delta Transit no longer sold senior and disabled passes at its Ticket Connection locations. She noted that there had been few complaints and senior and disabled customers had understood the explanation offered. She commented that she had received a call from one woman who was upset about not being able to get the senior passenger discount although that caller had stated that she was not a senior.

Ms. Krieg added that Tri Delta Transit had received another award in that it had been named a winner in the 2014 Contra Costa Leadership in Sustainability in the Government Agencies and Sustainability Programs. She explained that this was the second time that honor had been awarded to Tri Delta Transit. She added that while in Houston she had been honored to receive the award and had become a grandmother at the same time.

## **ACTION AND DISCUSSION ITEMS**

### A. Solar Design Consultant

Ms. Krieg reported that Tri Delta Transit had received a grant to consider solar for its building and part of that process was to hire a consultant to advise of the options available. A Request for Proposal (RFP) had been published for a Solar Design Consultant, had been mailed to 15 firms, and had been advertised in publications and on the ECCTA website. Nine firms had responded and two proposals had been received. The most responsive and responsible proposer was EDesign C, Inc. She recommended approval of a resolution to authorize the CEO to enter into a contract with EDesign C, Inc. for an amount not to exceed \$62,150, which includes a 10 percent contingency for Solar Design Consultant services.

Director Rios recommended that the consultant consider covering the bus wash, and Ms. Krieg reported that there were a number of ideas being considered.

On motion by Director Romick, seconded by Director Johnson, ECCTA Boardmembers adopted Resolution 141029 authorizing the CEO to execute and deliver a contract with EDesign C, Inc. for an amount not to exceed \$62,150, which includes a 10 percent contingency, for Solar Design Consultant services, carried by the following vote.

AYES: Glover, Gray, Guise, Harper, Johnson, Parent, Piepho, Rios, Rocha, Romick, and Clare  
NOES: None  
ABSTAIN: None  
ABSENT: None

### **BOARD OF DIRECTORS COMMENTS**

Director Gray reported that it had been a great experience to be at the APTA Conference in Houston, Texas.

Director Guise expressed her excitement with Tri Delta Transit's receipt of the Transit System of the Year award, and noted that Tri Delta Transit had been initiated in Brentwood and the Metropolitan Transportation Commission (MTC) had presented an award given that the effort to create a bus system for East County had involved the cities of Pittsburg and Antioch uncharacteristically working together.

Director Romick congratulated Tri Delta Transit on the award.

Director Rios stated that it had been nice to be at the APTA Conference in Houston when the award had been presented. She recognized and expressed her appreciation to those who had been there at the creation of Tri Delta Transit.

Director Johnson echoed the pleasure at being able to attend the APTA Conference, was glad to learn about Houston, had taken the tour on both transit rail and transit bus which had been a good learning experience, and noted that Tri Delta Transit representatives at the conference had received lots of kudos for the Transit System of the Year Award. On another matter, he reminded everyone that Veterans Day was next month and he urged support for all veterans.

Director Glover stated that the APTA Conference was always great although this year was memorable.

Director Rocha presented numerous brochures she had received at the conference on a number of interesting subjects such as art in transit, youth/children's ideas, and cell phones for soldiers.

Ms. Krieg reported that Tri Delta Transit had already made its first shipment of cell phones



to soldiers.

Director Harper commented that he had not attended the APTA Conference. He congratulated Tri Delta Transit on its prestigious award.

Director Parent concurred that the APTA Conference had been very good. She noted that she had advocated for Ms. Krieg's selection as APTA Chair given her leadership abilities, and acknowledged that the ECCTA Board had given Ms. Krieg the latitude to do the kind of work that she did.

On another matter, Director Parent stated that this would be her last meeting on the Board given that the Board would not meet prior to the election and she was not running for re-election. Having been a member of the Board for many years, she commented that she had enjoyed her time on the Board and it had been gratifying to work for such an exceptional organization.

Director Rios reported that this would also be her last meeting in that she was also not running for re-election. She too expressed her pleasure at being a member of such an outstanding organization for a number of years.

Ms. Krieg took this opportunity to introduce APTA President and CEO Michael Melaniphy and the other special guests present for the award celebration.

### **ADJOURNMENT**

Chair Clare adjourned the meeting of the Eastern Contra Costa Transit Authority at 11:25 A.M. to December 17, 2014 at 4:00 P.M. at the ECCTA Administration Facility, 801 Wilbur Avenue, Antioch, California.

Respectfully submitted,

Anita L. Tucci-Smith

**TRI DELTA TRANSIT**  
**Income Statement - Comparison to Annual Budget**

As of November 30, 2014  
*(unaudited)*

	YTD Actual			YTD Budget			YTD Variance favorable/(unfavorable)			FY15 Full Year Budget						YTD % of Fiscal Year Budget			
	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR	
																			ECCTA
<b>OPERATING REVENUES</b>																			
Passenger Fares	\$ 1,326,496	\$ 1,126,607	\$ 199,889	\$ 1,427,455	\$ 1,232,148	\$ 195,307	\$ (100,959)	\$ (105,541)	\$ 4,682	\$ 3,357,000	\$ 2,900,000	\$ 457,000	\$ 3,357,000	\$ 2,900,000	\$ 457,000	40%	39%	44%	
Other Income	\$ 95,815	\$ 50,000	\$ 45,815	\$ 95,500	\$ 50,000	\$ 45,500	\$ 315	\$ -	\$ 315	\$ 290,000	\$ 108,000	\$ 182,000	\$ 290,000	\$ 108,000	\$ 182,000	33%	46%	25%	
<b>Total Operating Revenues:</b>	\$ 1,422,311	\$ 1,176,607	\$ 245,704	\$ 1,522,955	\$ 1,282,148	\$ 240,807	\$ (100,644)	\$ (105,541)	\$ 4,897	\$ 3,647,000	\$ 3,008,000	\$ 639,000	\$ 3,647,000	\$ 3,008,000	\$ 639,000	39%	39%	38%	
<b>OPERATING EXPENSES</b>																			
Purchased Transportation	\$ 4,779,309	\$ 3,336,805	\$ 1,442,504	\$ 4,762,600	\$ 3,287,400	\$ 1,475,200	\$ (16,709)	\$ (49,405)	\$ 32,696	\$ 11,475,600	\$ 7,929,200	\$ 3,546,400	\$ 11,475,600	\$ 7,929,200	\$ 3,546,400	42%	42%	41%	
Materials and Supplies	\$ 1,417,240	\$ 1,161,053	\$ 256,187	\$ 1,635,338	\$ 1,360,273	\$ 275,065	\$ 218,098	\$ 199,220	\$ 18,878	\$ 3,924,000	\$ 3,271,000	\$ 653,000	\$ 3,924,000	\$ 3,271,000	\$ 653,000	36%	35%	39%	
Salaries & Benefits	\$ 1,581,032	\$ 1,425,826	\$ 155,206	\$ 1,605,815	\$ 1,445,000	\$ 160,815	\$ 24,783	\$ 19,174	\$ 5,609	\$ 3,910,000	\$ 3,518,000	\$ 392,000	\$ 3,910,000	\$ 3,518,000	\$ 392,000	40%	41%	40%	
Services	\$ 352,250	\$ 267,008	\$ 85,242	\$ 361,000	\$ 289,000	\$ 72,000	\$ 8,750	\$ 21,992	\$ (13,242)	\$ 840,000	\$ 672,000	\$ 168,000	\$ 840,000	\$ 672,000	\$ 168,000	42%	40%	51%	
Other	\$ 134,568	\$ 127,546	\$ 7,022	\$ 130,000	\$ 121,978	\$ 8,022	\$ (4,568)	\$ (5,568)	\$ 1,000	\$ 448,900	\$ 423,500	\$ 25,400	\$ 448,900	\$ 423,500	\$ 25,400	30%	30%	28%	
Casualty and liability insurance	\$ 180,671	\$ 150,357	\$ 30,314	\$ 200,700	\$ 144,399	\$ 56,301	\$ 20,029	\$ (5,958)	\$ 25,987	\$ 443,000	\$ 314,000	\$ 129,000	\$ 443,000	\$ 314,000	\$ 129,000	41%	48%	23%	
Utilities	\$ 108,388	\$ 103,294	\$ 5,094	\$ 88,000	\$ 83,000	\$ 5,000	\$ (20,388)	\$ (20,294)	\$ (94)	\$ 213,000	\$ 201,000	\$ 12,000	\$ 213,000	\$ 201,000	\$ 12,000	51%	51%	42%	
Taxes	\$ 9,788	\$ 7,788	\$ 2,000	\$ 13,750	\$ 11,700	\$ 2,050	\$ 3,962	\$ 3,912	\$ 50	\$ 27,500	\$ 21,500	\$ 6,000	\$ 27,500	\$ 21,500	\$ 6,000	36%	36%	33%	
<b>Total Operating Expenses:</b>	\$ 8,563,246	\$ 6,579,677	\$ 1,983,569	\$ 8,797,203	\$ 6,742,750	\$ 2,054,453	\$ 233,957	\$ 183,073	\$ 70,884	\$ 21,282,000	\$ 16,350,200	\$ 4,931,800	\$ 21,282,000	\$ 16,350,200	\$ 4,931,800	40%	40%	40%	
<b>NON-OPERATING REV</b>																			
Federal Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Funds	\$ 6,149,247	\$ 4,534,213	\$ 1,615,034	\$ 6,225,939	\$ 4,628,876	\$ 1,597,063	\$ (76,692)	\$ (94,663)	\$ 17,971	\$ 13,087,066	\$ 10,080,558	\$ 3,006,508	\$ 13,087,066	\$ 10,080,558	\$ 3,006,508	47%	45%	54%	
Local Funds	\$ 758,838	\$ 492,671	\$ 266,167	\$ 480,834	\$ 264,301	\$ 216,533	\$ 278,004	\$ 228,370	\$ 49,634	\$ 1,693,683	\$ 937,620	\$ 756,063	\$ 1,693,683	\$ 937,620	\$ 756,063	45%	53%	35%	
Inter-Operator Agreements	\$ -	\$ -	\$ -	\$ 566,975	\$ 566,975	\$ -	\$ (566,975)	\$ (566,975)	\$ -	\$ 2,267,900	\$ 2,267,900	\$ -	\$ 2,267,900	\$ 2,267,900	\$ -	303%	326%	92%	
Interest & Other Misc Income	\$ 3,631	\$ 3,521	\$ 110	\$ 500	\$ 450	\$ 50	\$ 3,131	\$ 3,071	\$ 60	\$ 1,200	\$ 1,080	\$ 120	\$ 1,200	\$ 1,080	\$ 120	303%	388%	44%	
<b>Total Non-operating Revenues:</b>	\$ 6,911,716	\$ 5,030,405	\$ 1,881,311	\$ 7,274,248	\$ 5,460,602	\$ 1,813,646	\$ (362,532)	\$ (430,197)	\$ 67,865	\$ 17,635,000	\$ 13,342,200	\$ 4,292,800	\$ 17,635,000	\$ 13,342,200	\$ 4,292,800	39%	39%	44%	
<b>EXCESS REV/(EXP)</b>	\$ (229,219)	\$ (372,665)	\$ 143,446	\$ -	\$ -	\$ -	\$ (229,219)	\$ (372,665)	\$ 143,446	\$ -	\$ -	\$ -	\$ (229,219)	\$ (372,665)	\$ 143,446	-	-	-	


Agenda Item #5b  
 Eastern Contra Costa Transit Authority  
 Board of Directors Meeting  
 December 17, 2014

**TRI DELTA TRANSIT**  
**Income Statement - Comparison to Prior Year**  
 As of November 30, 2014  
*(Unaudited)*

	November 2014 YTD Actual			November 2013 YTD Actual			FY15 vs FY14 - YTD			% Change from Previous Year		
	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR	ECCTA	FR	DR
<b>OPERATING REVENUES</b>												
Passenger Fares	\$ 1,326,496	\$ 1,126,607	\$ 199,889	\$ 1,359,864	\$ 1,203,745	\$ 156,119	\$ (33,368)	\$ (77,138)	\$ 43,770	\$ -2%	\$ -6%	\$ 28%
Other Income	\$ 95,815	\$ 50,000	\$ 45,815	\$ 98,627	\$ 50,000	\$ 48,627	\$ (2,812)	\$ -	\$ (2,812)	\$ -3%	\$ 0%	\$ 0%
<b>Total Operating Revenues:</b>	<b>\$ 1,422,311</b>	<b>\$ 1,176,607</b>	<b>\$ 245,704</b>	<b>\$ 1,458,491</b>	<b>\$ 1,253,745</b>	<b>\$ 204,746</b>	<b>\$ (36,180)</b>	<b>\$ (77,138)</b>	<b>\$ 40,958</b>	<b>\$ -2%</b>	<b>\$ -6%</b>	<b>\$ 20%</b>
<b>OPERATING EXPENSES</b>												
Purchased Transportation	\$ 4,779,309	\$ 3,336,805	\$ 1,442,504	\$ 4,730,457	\$ 3,324,466	\$ 1,405,991	\$ (48,852)	\$ (12,339)	\$ (36,513)	\$ -1%	\$ 0%	\$ -3%
Materials and Supplies	\$ 1,417,240	\$ 1,161,053	\$ 256,187	\$ 1,473,042	\$ 1,209,008	\$ 264,034	\$ 55,802	\$ 47,955	\$ 7,847	\$ 4%	\$ 4%	\$ 3%
Salaries & Benefits	\$ 1,581,032	\$ 1,425,826	\$ 155,206	\$ 1,581,216	\$ 1,429,882	\$ 151,334	\$ 184	\$ 4,056	\$ (3,872)	\$ 0%	\$ 0%	\$ -3%
Services	\$ 352,250	\$ 267,008	\$ 85,242	\$ 342,127	\$ 274,102	\$ 68,025	\$ (10,123)	\$ 7,094	\$ (17,217)	\$ -3%	\$ 3%	\$ -25%
Other	\$ 134,568	\$ 127,546	\$ 7,022	\$ 141,617	\$ 133,816	\$ 7,801	\$ 7,049	\$ 6,270	\$ 779	\$ 5%	\$ 5%	\$ 10%
Casualty and liability insurance	\$ 180,671	\$ 150,357	\$ 30,314	\$ 199,953	\$ 168,938	\$ 31,015	\$ 19,282	\$ 18,581	\$ 701	\$ 10%	\$ 11%	\$ 2%
Utilities	\$ 108,388	\$ 103,294	\$ 5,094	\$ 101,846	\$ 96,568	\$ 5,278	\$ (6,542)	\$ (6,726)	\$ 184	\$ -6%	\$ -7%	\$ 3%
Taxes	\$ 9,788	\$ 7,788	\$ 2,000	\$ 6,873	\$ 11,254	\$ 2,771	\$ (2,915)	\$ 3,466	\$ 771	\$ -42%	\$ 31%	\$ 28%
<b>Total Operating Expenses:</b>	<b>\$ 8,563,246</b>	<b>\$ 6,579,677</b>	<b>\$ 1,983,569</b>	<b>\$ 8,584,283</b>	<b>\$ 6,648,034</b>	<b>\$ 1,936,249</b>	<b>\$ 21,037</b>	<b>\$ 68,357</b>	<b>\$ (47,320)</b>	<b>\$ 0%</b>	<b>\$ 1%</b>	<b>\$ -2%</b>
<b>NON-OPERATING REV</b>												
Federal Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Funds	\$ 6,149,247	\$ 4,534,213	\$ 1,615,034	\$ 6,091,418	\$ 4,680,464	\$ 1,410,954	\$ 57,829	\$ (146,251)	\$ 204,080	\$ 1%	\$ -3%	\$ 14%
Local Funds	\$ 758,838	\$ 492,671	\$ 266,167	\$ 442,379	\$ 249,999	\$ 192,380	\$ 316,459	\$ 242,672	\$ 73,787	\$ 100%	\$ 100%	\$ 0%
Inter-Operator Agreements	\$ -	\$ -	\$ -	\$ 577,572	\$ 577,572	\$ -	\$ (577,572)	\$ (577,572)	\$ -	\$ 0%	\$ 0%	\$ 0%
Interest & Other Misc Income	\$ 3,631	\$ 3,521	\$ 110	\$ 221,508	\$ 221,251	\$ 257	\$ (217,877)	\$ (217,730)	\$ (147)	\$ -98%	\$ -98%	\$ -57%
<b>Total Non-operating Revenues:</b>	<b>\$ 6,911,716</b>	<b>\$ 5,030,405</b>	<b>\$ 1,881,311</b>	<b>\$ 7,332,877</b>	<b>\$ 5,729,286</b>	<b>\$ 1,603,591</b>	<b>\$ (421,161)</b>	<b>\$ (598,881)</b>	<b>\$ 277,720</b>	<b>\$ -6%</b>	<b>\$ -12%</b>	<b>\$ 17%</b>
<b>EXCESS REV/(EXP)</b>	<b>\$ (229,219)</b>	<b>\$ (372,665)</b>	<b>\$ 143,446</b>	<b>\$ 207,085</b>	<b>\$ 334,997</b>	<b>\$ (127,912)</b>	<b>\$ (436,304)</b>	<b>\$ (707,662)</b>	<b>\$ 271,358</b>			

Agenda Item #5b  
 Eastern Contra Costa Transit Authority  
 Board of Directors Meeting  
 December 17, 2014

## Staff Report to ECCTA Board of Directors

**Meeting Date:** December 17, 2014  
**Agenda Item:** Marketing/Communications Activities – Agenda Item 5c  
**Lead Staff:** Mike Furnary, Director of Marketing  
**Approved:** Jeanne Krieg, Chief Executive Officer 

### I. Completed Marketing Activities

#### 1. **Commuter Pass**

Completed alternative commute promotion, which offers free introductory bus passes for East Contra Costa County residents to encourage the use of buses as part or all of daily commuting. Reached program goals of:

- Rides: 8,000
- Revenue: \$13,200
- Fare collected per ride : \$1.65

#### 2. **Park & Ride/Route 300 Promotion**

Launched 8-week promotion designed to increase awareness/interest in Antioch & Brentwood Park & Ride lots as a commute option. Promotion includes television, newspaper inserts, magazine, outdoor and geo-targeted search engine ads online

#### 3. **Faster Boarding Campaign**

Launched an extensive on board campaign to decrease boarding times on commuter routes.

#### 4. **Fall Fair Cross Promotion**

Completed cross promotion with Fairgrounds exchanging ad space for event sponsorship, advertising and customer discounts to bus riders.

#### 5. **Antioch Beer Festival Cross Promotion:**

Worked with County Fairgrounds event to provide free bus passes to event participants in the event that a safe ride was needed after the event. 100 passes were made available in exchange for event sponsorship recognition

#### 6. **Class Pass/Facility Tour/Classroom on Wheels Presentation**

Four class passes provided/scheduled for Nov/Dec 2014 (as of 12/9/14)

#### 7. **Ongoing marketing programs**

- Welcome Pack mailing
- 2 for 1 tickets on Route 300 (subsidized by 511 Contra Costa)
- Take One on board newsletter

## II. Planned Marketing/Communications Activities

1. Email/Text Alert sign up campaign
2. CommuterPass follow-up marketing
3. Trade agreements completed
4. Senior/high-density housing on site displays
5. Class Pass & Senior presentation outreach
6. 2015 advertising campaign launch

# **TAB 2**

Agenda Item 6a  
CEO's REPORT: Operations Report

## **Board of Directors Meeting Agenda**

Wednesday December 17, 2014

4:00pm

ECCTA Boardroom

801 Wilbur Avenue, Antioch, CA 94509

# Chief Executive Officer's Report

November-December 2014



TRI DELTA TRANSIT

## ECCTA Executive Team

Jeanne Krieg  
*Chief Executive Officer*

Steve Ponte  
*Chief Operating Officer*

Tom Harais  
*Chief Financial Officer*

Ann Hutcheson  
*Director of  
Administrative Services*

Kevin Moody  
*Director of  
Maintenance*

Mike Furnary  
*Director of Marketing*

Susan Hinson  
*First Transit  
Director of Operations*

## Highlights:

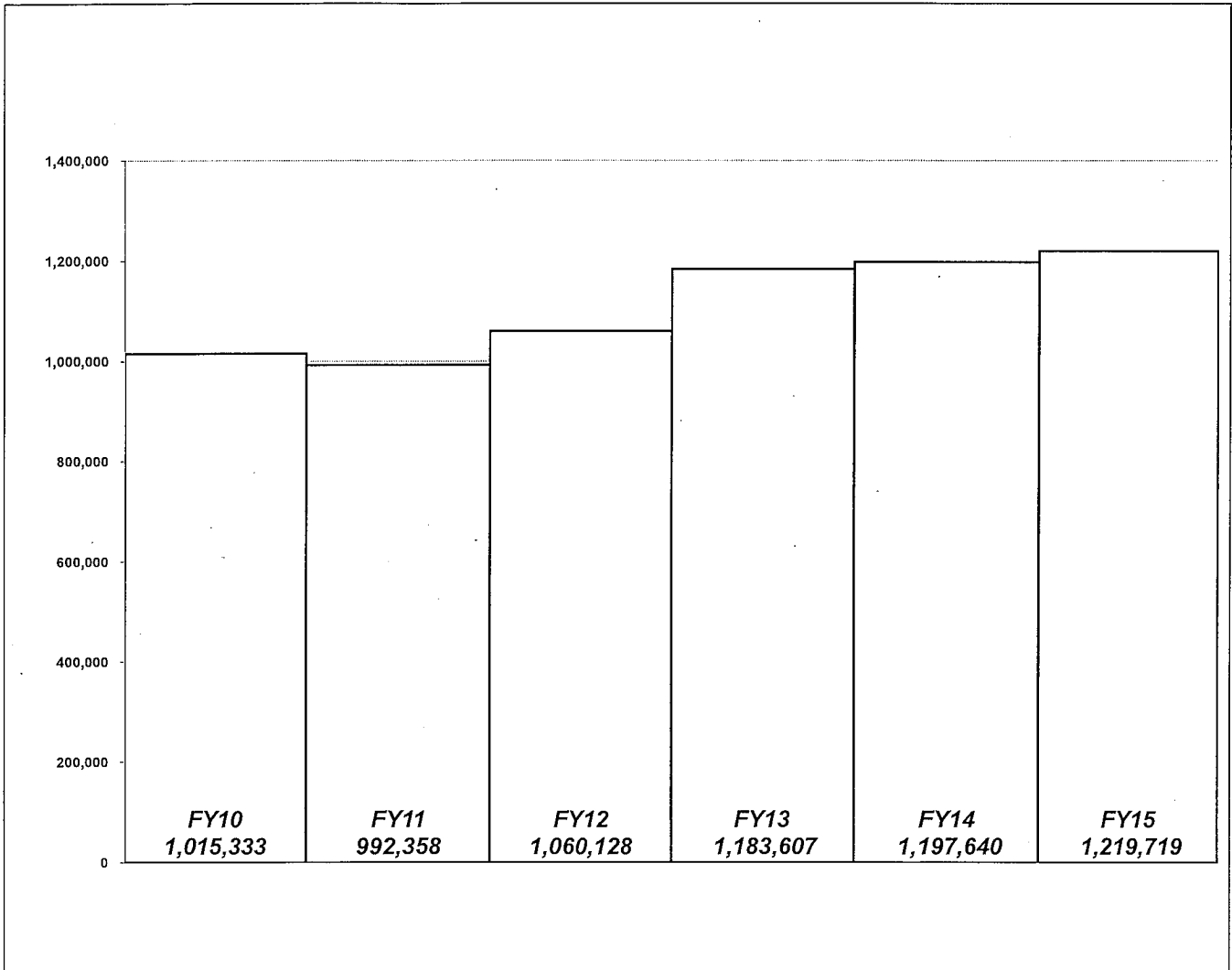
- The six replacement Tri Delta Transit MedVans have been placed into service.
- Kevin Moody was promoted from Mechanic to Director of Maintenance. Kevin has worked for Tri Delta Transit since 2000.
- ECCTA is recruiting for a mechanic and a service worker.
- CHP conducted the annual facility, equipment, and record audit. ECCTA passed all requirements.
- The FTA triennial audit is in process. The audit is scheduled to be completed by early 2015.
- MTC's TDA performance audit is in process. The audit is scheduled to be completed by early 2015.
- Antioch Park & Ride lot: The City of Antioch added a requirement to the Park & Ride project which means a sub-consultant will be completing an EIR traffic study.
- The mobile lifts have been delivered and installed.
- The Zonar bus inspection system was updated to use 4G instead of 2G.
- CCTA selected a consultant for the update to the 2001 Express Bus Study. A kick-off meeting will be held before the end of the year. Steve Ponte is representing ECCTA on the oversight committee.
- The kick-off meeting for the solar project was held.
- The Bus Route Evaluation & Re-design project continued. The public outreach sessions will be conducted in January.
- Regular meetings are being conducted by MTC – and progress is being made -- for the implementation of Clipper on the Tri Delta Transit system.

## Pending:

- PATH Integrated Dynamic Transit Operations system demonstration project
- Securement system for new buses
- 511 Interface
- Contra Costa County Mobility Management Plan implementation
- Contra Costa County Transportation Plan
- Operations Contract (expires June 30, 2016)
- CCTA Express Bus Study (update to the 2001 study)
- Federal Funding Re- Authorization
- Solar project for the administration/maintenance facility
- ESMS final audit – January 29, 2015
- Electric Bus grant
- Electric Car Charging Station grant
- A&E: Antioch Park & Ride lot (in process)

Agenda Item #6a  
Eastern Contra Costa Transit Authority  
Board of Directors Meeting  
December 17, 2014

**TRI DELTA TRANSIT  
NOVEMBER YTD COMPARISON  
FR RIDERSHIP**





**EASTERN CONTRA COSTA TRANSIT AUTHORITY  
OPERATING PARAMETERS BY SERVICE YTD**

								<b>YTD COMPARISON</b>		
						<i>Budget</i>	<i>14/15B</i>	<i>Actual</i>		<i>% ▲</i>
	<i>09/10</i>	<i>10/11</i>	<i>11/12</i>	<i>12/13</i>	<i>13/14</i>	<i>14/15</i>	<i>% ▲</i>	<i>Nov 2013</i>	<i>Nov 2014</i>	
<b>DIAL-A-RIDE</b>										
<b>PASSENGER RATIOS</b>										
Total DAR Trips Provided	125,759	129,041	130,619	128,999	131,476	137,383	4%	57,209	58,509	2%
Average Weekday Ridership	463	474	481	470	471	492	5%	488	507	4%
Average Sat Ridership	110	110	106	140	180	189	5%	184	181	-2%
Average Sun/Hol Ridership	68	71	71	72	68	77	12%	74	68	-8%
Average Passengers/Hour (wkdays)	2.3	2.2	2.2	1.9	2.0	2.0	0%	2.0	2.1	0%
<b>SERVICE RATIOS</b>										
Ride Refusals / Day	0.0	0.0	0.0	0.0	0.0	0.0	0%	0.0	0.0	0%
Customer Complaints	0.143%	0.148%	0.183%	0.097%	0.071%	0.075%	6%	0.103%	0.099%	-4%
On Time Performance	87%	85%	85%	87%	89%	90%	1%	89%	88%	-1%
Miles Between Preventable Accidents	131,554	61,377	898,467	328,002	244,390	1,002,590	310%	410,718	418,258	2%
Miles Between Road calls	34,318	21,920	56,154	109,568	61,109	66,839	9%	58,696	83,683	43%
<b>COST RATIOS</b>										
Farebox Recovery Ratio	11%	12%	11%	11%	10%	9%	-5%	8%	10%	25%
Cost/Passenger	\$ 31.12	\$ 31.47	\$ 30.58	\$ 33.22	\$ 35.25	\$ 35.90	2%	\$ 33.85	\$ 33.90	0%
Cost/Revenue Hour	\$ 65.53	\$ 63.05	\$ 64.34	\$ 63.52	\$ 68.75	\$ 71.60	4%	\$ 67.91	\$ 69.81	-3%
Cost/Revenue Mile	\$ 5.53	\$ 5.25	\$ 5.22	\$ 5.36	\$ 5.76	\$ 6.01	4%	\$ 5.70	\$ 5.81	-2%
<b>FIXED ROUTE</b>										
<b>PASSENGER RATIOS</b>										
Total FR Trips Provided	2,345,668	2,351,662	2,431,768	2,740,834	2,832,264	2,826,000	0%	1,197,640	1,219,719	2%
Average Weekday Ridership	8,338	8,345	8,594	9,616	9,930	9,949	0%	10,008	10,225	2%
Average Sat Ridership	2,652	2,594	2,753	3,232	3,464	3,391	-2%	3,495	3,601	3%
Average Sun/Hol Ridership	1,966	1,989	2,087	2,788	2,692	2,695	0%	2,691	2,854	6%
Average Passengers/Hour	15.2	15.1	15.9	17.7	19.0	19.3	2%	18.8	19.8	6%
<b>SERVICE RATIOS</b>										
Customer Complaints	0.016%	0.020%	0.023%	0.012%	0.009%	0.009%	0%	0.011%	0.008%	-27%
On Time Performance	95%	97%	86%	86%	92%	90%	-2%	90%	92%	2%
Miles Between Preventable Accidents	183,217	170,175	120,644	65,392	110,754	2,424,482	2089%	102,558	146,301	43%
Miles Between Road calls	41,372	37,539	32,481	42,844	67,684	67,347	0%	56,977	56,896	0%
<b>COST RATIOS</b>										
Farebox Recovery Ratio	17%	16%	16%	18%	18%	18%	0%	18%	17%	-5%
Cost/Passenger	\$ 6.17	\$ 6.52	\$ 6.60	\$ 6.01	\$ 5.58	\$ 5.79	4%	\$ 5.55	\$ 5.39	3%
Cost/Revenue Hour	\$ 93.78	\$ 98.54	\$ 105.05	\$ 106.53	\$ 105.76	\$ 111.77	6%	\$ 104.11	\$ 107.00	-3%
Cost/Revenue Mile	\$ 6.71	\$ 6.98	\$ 7.46	\$ 7.98	\$ 7.71	\$ 8.07	5%	\$ 7.66	\$ 7.74	-1%

**TRI DELTA TRANSIT  
COMPARATIVE YTD FR RIDERSHIP BY ROUTE**

<b>TOTAL PASSENGER TRIPS</b>											<b>YTD COMPARISON</b>		
<b>ROUTE</b>	<b>09/10</b>	<b>% Chg</b>	<b>10/11</b>	<b>% Chg</b>	<b>11/12</b>	<b>% Chg</b>	<b>12/13</b>	<b>% Chg</b>	<b>13/14</b>	<b>% Chg</b>	<b>Nov 2013</b>	<b>Nov 2014</b>	<b>% Chg</b>
	200	35,204	-38%	36,121	3%	37,682	4%	55,322	47%	55,914	1%	24,619	22,821
201	99,356	-10%	105,655	6%	110,660	5%	119,977	8%	124,289	4%	56,682	44,555	-21%
300	270,095	-18%	290,750	8%	302,067	4%	290,313	-4%	328,582	13%	131,572	150,982	15%
379	12,219	-2%	12,230	0%	10,235	-16%	15,232	49%	6,759	-56%	4,288	1,504	-65%
380	590,428	-10%	565,484	-4%	584,779	3%	680,981	16%	682,650	0%	286,654	294,482	3%
383	43,852	-12%	39,780	-9%	34,210	-14%	35,031	2%	32,073	-8%	13,765	13,054	-5%
384	29,694	-32%	25,653	-14%	26,201	2%	8,227	-69%	N/A	N/A	N/A	N/A	N/A
385	34,901	-11%	36,855	6%	36,481	-1%	61,388	68%	70,974	16%	31,106	27,713	-11%
386	4,843	-23%	4,650	-4%	3,042	-35%	2,172	-29%	1,902	-12%	1,028	699	-32%
387	192,402	-13%	195,608	2%	212,731	9%	262,396	23%	264,036	1%	114,500	111,644	-2%
388	296,477	-11%	311,242	5%	320,981	3%	366,041	14%	400,190	9%	170,587	164,133	-4%
389	52,773	-28%	48,272	-9%	46,723	-3%	53,255	14%	53,068	0%	22,910	20,675	-10%
390	51,711	-10%	49,042	-5%	52,650	7%	68,564	30%	72,054	5%	29,982	29,892	0%
391	331,928	-8%	332,841	0%	346,080	4%	370,500	7%	386,640	4%	160,753	175,920	9%
Dimes a Ride	14,208	-47%	12,745	-10%	11,328	-11%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Delta Express (Hac)	15,771	-15%	18,586	18%	11,831	-36%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Shuttles	6,790	-45%	9,161	35%	9,446	3%	4,941	-48%	3,370	-32%	2,343	5,375	129%
392	106,300	-4%	105,702	-1%	112,330	6%	133,569	19%	142,284	7%	58,693	62,952	7%
393	102,975	-10%	104,487	1%	111,697	7%	135,181	21%	133,078	-2%	55,615	61,146	10%
394	51,842	9%	46,798	-10%	50,614	8%	71,557	41%	64,904	-9%	28,357	29,170	3%
395	N/A	N/A	N/A	N/A	N/A	N/A	6,187	100%	9,497	100%	4,186	3,002	-28%
<b>Total Fixed Route</b>	<b>2,345,664</b>	<b>-13%</b>	<b>2,351,662</b>	<b>0%</b>	<b>2,431,768</b>	<b>3%</b>	<b>2,740,834</b>	<b>13%</b>	<b>2,832,264</b>	<b>3%</b>	<b>1,197,640</b>	<b>1,219,719</b>	<b>2%</b>

<b>AVERAGE PASSENGERS PER REVENUE HOUR</b>											<b>YTD COMPARISON</b>		
<b>ROUTE</b>	<b>09/10</b>	<b>% Chg</b>	<b>10/11</b>	<b>% Chg</b>	<b>11/12</b>	<b>% Chg</b>	<b>12/13</b>	<b>% Chg</b>	<b>13/14</b>	<b>% Chg</b>	<b>Nov 2013</b>	<b>Nov 2014</b>	<b>% Chg</b>
	200	9.3	-8%	10.0	7%	10.3	3%	12.6	22%	12.5	-1%	12.8	12.6
201	18.5	3%	19.1	3%	19.7	3%	17.8	-10%	17.9	1%	19.0	16.1	-15%
300	14.2	-14%	15.2	7%	15.8	4%	15.8	0%	18.6	18%	17.5	20.8	19%
379	12.7	N/A	13.2	4%	9.8	-26%	10.7	9%	16.8	57%	12.5	32.5	159%
380	17.4	-14%	16.6	-5%	17.4	5%	20.2	16%	20.6	2%	20.5	21.3	4%
383	12.3	-3%	11.2	-9%	9.7	-13%	10.2	5%	12.6	23%	11.4	13.3	16%
384	11.7	26%	9.6	-18%	10.2	7%	14.6	43%	N/A	N/A	N/A	N/A	N/A
385	13.3	18%	12.0	-10%	11.1	-7%	11.9	7%	12.9	8%	13.1	12.5	-5%
386	6.1	9%	6.0	-2%	3.9	-36%	3.6	-7%	6.3	74%	6.3	7.3	16%
387	17.4	-16%	17.7	2%	19.6	11%	22.8	16%	23.7	4%	24.1	23.9	-1%
388	14.4	-14%	15.0	4%	15.5	3%	17.1	10%	18.2	7%	18.6	18.1	-2%
389	15.0	-9%	14.7	-2%	13.6	-8%	13.4	-1%	14.4	8%	14.2	14.6	2%
390	12.1	-8%	9.9	-19%	10.7	9%	18.6	73%	20.8	12%	20.2	21.7	7%
391	16.9	-13%	16.8	0%	18.7	11%	19.6	5%	20.5	4%	20.1	22.9	14%
Dimes a Ride	9.0	-13%	8.1	-10%	10.9	36%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Delta Express (Hac)	8.0	-25%	9.0	12%	8.1	-10%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Shuttles	8.1	-25%	11.7	44%	N/A	N/A	N/A	N/A	6.4	N/A	6.8	30.7	351%
392	15.4	-9%	15.1	-2%	15.2	1%	17.6	16%	19.1	9%	18.9	19.6	4%
393	15.5	-14%	15.7	1%	16.4	5%	17.5	7%	17.5	0%	17.4	19.0	9%
394	11.7	-6%	10.8	-8%	11.7	9%	15.0	28%	17.0	13%	16.5	17.3	4%
395	N/A	N/A	N/A	N/A	N/A	N/A	12.0	N/A	16.2	N/A	16.5	11.0	-33%
<b>Total Fixed Route</b>	<b>15.2</b>	<b>-9%</b>	<b>15.1</b>	<b>-1%</b>	<b>15.9</b>	<b>5%</b>	<b>17.7</b>	<b>12%</b>	<b>19.0</b>	<b>7%</b>	<b>18.8</b>	<b>19.8</b>	<b>6%</b>

# **TAB 3**

Agenda Item 7a

**ACTION ITEM: Independent Auditor's Report for the year ended June 30, 2014**

Resolution # 141217a

## **Board of Directors Meeting Agenda**


**Wednesday December 17, 2014**

**4:00pm**

**ECCTA Boardroom**

**801 Wilbur Avenue, Antioch, CA 94509**

## **Staff Report to ECCTA Board of Directors**

Meeting Date: December 17, 2014  
Agenda Item: Independent Auditor's Report for the year ended June 30, 2014  
Lead Staff: Tom Harais, Chief Financial Officer  
Approved: Jeanne Krieg, Chief Executive Officer 

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### **Background**

ECCTA is required to have an annual certified fiscal audit conducted by an outside independent firm.

### **Process**

Per the contract between ECCTA and Maze & Associates, an audit of the fiscal year ending June 30, 2014 was conducted.

### **Results**

The Authority's financial statements were found to fairly present the financial condition of the Authority in accordance with GAAP standards.

There were no material findings or questioned costs.

The Authority was found to be compliant with the requirements of OMB circular A-133, and the regulations regarding expenditures funded with Transportation Development Act and the Public Transportation, Modernization of Service and Enhancement Account funds.

### **Requested Action**

Adopt Resolution #141217a accepting the Independent Auditor's Report for the year ended June 30, 2014.

#### **Attached**

- Proposed Resolution
- Independent Auditor's Report



# TRI DELTA TRANSIT

Eastern Contra Costa Transit Authority  
801 Wilbur Avenue • Antioch, California 94509  
Phone 925.754.6622 Fax 925.757.2530

## RESOLUTION #141217a INDEPENDENT AUDITOR'S REPORT

**Resolution 141217a accepts the EASTERN CONTRA COSTA TRANSIT AUTHORITY Independent Auditor's Report for the years ended June 30, 2014.**

**WHEREAS**, ECCTA is required by PUC 99245 to have an annual certified fiscal audit conducted by an outside entity; and

**WHEREAS**, the independent audit performed was designed to express an opinion on the FY 2014 financial statements and address current statutory and regulatory requirements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and

**WHEREAS**, the Independent Auditor's Report for the years ended June 30, 2014 shows no significant issues.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Eastern Contra Costa Transit Authority to adopt resolution #141217a accepting the Independent Auditor's Report.

PASSED AND ADOPTED THIS 17<sup>th</sup> day of December 2014, by the following votes:

### EASTERN CONTRA COSTA TRANSIT AUTHORITY

\_\_\_\_\_  
Gene Clare, Chair

\_\_\_\_\_  
Jeanne Krieg, CEO

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTENTIONS: \_\_\_\_\_

**EASTERN CONTRA COSTA  
TRANSIT AUTHORITY  
ANTIOCH, CALIFORNIA**

**BASIC FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

**PREPARED BY THE FINANCE DEPARTMENT**

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EAST CONTRA COSTA TRANSIT AUTHORITY

BASIC FINANCIAL STATEMENTS

For the Years Ended June 30, 2014 and 2013

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Eastern Contra Costa Transit Authority  
Antioch, California

### *Report on Financial Statements*

We have audited the accompanying basic financial statements of Eastern Contra Costa Transit Authority (Authority) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects the financial position of the Authority as of June 30, 2014 and 2013, and changes in financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2014, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

*Maze & Associates*

Pleasant Hill, California  
November 13, 2014

## Management's Discussion and Analysis

This discussion and analysis of the Eastern Contra Costa Transit Authority's financial performance provides an overview of the Authority's financial activities for Fiscal Year 2014 including comparisons to prior fiscal years. This information should be considered in conjunction with the statements and notes contained in the Financial Section.

### Financial Highlights

- At June 30, 2014, total assets were \$28M vs. \$33M the previous fiscal year end. Total assets decreased \$5M or 15% for the year. Total current assets decreased from \$7.2M to \$5.0M in the same period of time. Capital assets, net of depreciation also decreased during the fiscal year from \$26M to \$23M.
- Total liabilities also decreased during FY14 from \$5.5M to \$2.9M. A decrease from \$4.9M in FY13 to \$2.2M in accounts payable at the end of FY14 represented the major change in liabilities.
- In FY14 the Authority saw a slight decrease in program operating revenues of \$100 thousand over FY13 from \$3.8M to \$3.7M respectively.
- Program operating expenses saw a similar \$100 thousand decrease during FY14 from \$23.4M to \$23.3M in the prior year.
- Non-operating revenues decreased \$200 thousand from \$17.0M in FY13 to \$16.8M in FY14.
- As a result of all of the above, net position decreased from \$27.6M to \$25.3M during FY14.

### Overview of the Financial Statements

The Financial Section of this report presents the Authority's financial statements including the basic financial statements and the notes to those financial statements. It also includes other, supplemental information in addition to the basic financial statements.

### Basic Financial Statements

The *Statement of Net Position* presents information about the assets and liabilities and the difference between the two as *net position*. The change in net position over time indicates whether the Authority's financial position is improving or deteriorating.

The *Statements of Revenues, Expenses and Changes in Net Position* indicates how net position has changed during the fiscal year as well as compares operating revenues and operating expenses between the current and prior, fiscal years. The operating revenues and expenses shown here are the financial activities of the Authority related to the Authority's mission of providing public transportation services in Eastern Contra Costa County. The expenses and revenues reported include fares and advertising revenues along with the cost of passenger services, administration of those services, services that have

been contracted out and depreciation of fixed assets. All other revenues and expenses not included within these categories are reported as non-operating revenues and expenses.

The *Statement of Cash Flows* reports the inflow and outflow of cash at the Authority. Such activity is classified into four major components.

- *Cash flows from operating activities* including transactions reported as components of operating income in the statement of revenues, expenses and changes in net assets.
- *Cash flows from investing activities* include interest and similar returns on funds invested while held by the Authority.
- *Cash flows from non-capital financing activities* includes operating grant funding received as well as operating payments from third parties and non-operating items.
- *Cash flows from capital and related financing activities* come from the procurement of capital assets and the proceeds of capital grants.

#### Notes to the Financial Statements

Immediately following basic the financial statements are various notes intended to provide additional information that is essential for the reader to gain a full understanding of the information provided within the financial statements.

#### Other Information

This section presents required supplementary information meeting GASB requirements.

#### Analysis of Basic Financial Statements

##### ➤ Assets:

	2014	2013	Change	%
Current Assets	\$4,968	\$7,155	(\$2,187)	-31%
Net Capital Assets	<u>23,190</u>	<u>25,854</u>	<u>(2,664)</u>	<u>-10%</u>
<b>Total Assets:</b>	<b>\$28,158</b>	<b>\$33,009</b>	<b>(\$4,851)</b>	<b>-15%</b>

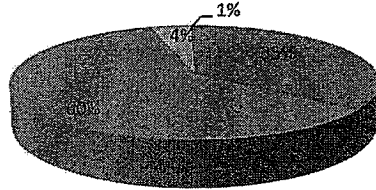
The 31% decrease in current assets from FY2013 to FY2014 was the result of the Authority having significantly lower amount of deferred receipt of operating funds at YE FY14 compared to YE FY13: \$0.4M vs. \$3.4M.

The 10% decrease in net capital assets in FY2014 from FY2013 was due primarily to the first year of depreciation for the twenty five new, fixed route buses acquired at the end of 2013 being placed into service during 2014.

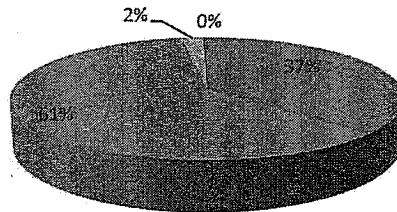
Rolling stock and Land & Structures comprise the majority of the Authority's capital assets.

## NET CAPITAL ASSETS

**FY13**



**FY14**



Land & Structures
  Rolling Stock
  Office & Shop Equipment
  Field Amenities

➤ **Liabilities:**

	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>%</u>
Current Liabilities	\$2,633	\$5,243	(\$2,610)	-50%
Non-Current Liabilities	<u>250</u>	<u>215</u>	<u>35</u>	<u>16%</u>
<b>Total Liabilities:</b>	<b>\$2,883</b>	<b>\$5,458</b>	<b>(\$2,575)</b>	<b>-47%</b>

The decrease in current liabilities from FY13 to FY14 is due to the decrease in trade accounts payable at YE 2014. This change in trade payables was due to not having the outstanding capital procurement invoices from the vendor of the twenty five buses that was part of the trade AP at the previous year's end for the recently delivered but, not-yet-in-service, twenty five fixed route bus procurement.

➤ **Net Position:**

The Authority's net position decreased from \$28M at year end FY2013 to \$25M at June 30<sup>th</sup> 2014. This reflects the increasing depreciation on existing capital assets.

➤ **Operating Revenue:**

The Authority received \$91,000 less in operating revenues in FY14 compared to FY13. 89% of the decrease was a loss in fare revenue despite increased ridership. Average FR fare per passenger fell from \$1.08 in FY13 to \$1.03 in FY14, while the average DR fare per passenger fell from \$3.74 to \$3.45. The Authority has identified several changes in the ridership mix and is investigating those in an effort to identify the specific reasons for the drop in fare revenues and ensure their legitimacy with public policy.

➤ **Operating Expense:**

The Authority saw a 2% decrease in operating expense in FY14 over FY13. Most expense categories were consistent from year-to-year within 1%. Casualty and Liability costs show a 21% increase which is more timing related than absolute cost due to changes made in certain administrative insurance coverage.

The most significant savings in FY14 over FY13 was an indicated \$607 thousand decrease in materials and supplies.

The comparative "savings" in materials amounted to \$\$\$ in FY14 vs. FY13 and is directly due to bus part procurements. However, this was not so much a savings in the cost of maintenance parts, but rather due to the availability of capital, federal bus procurement funds that had been appropriated to the Authority by the FTA and could be applied to the purchase of spare parts for the large bus purchase completed at the beginning of FY14.

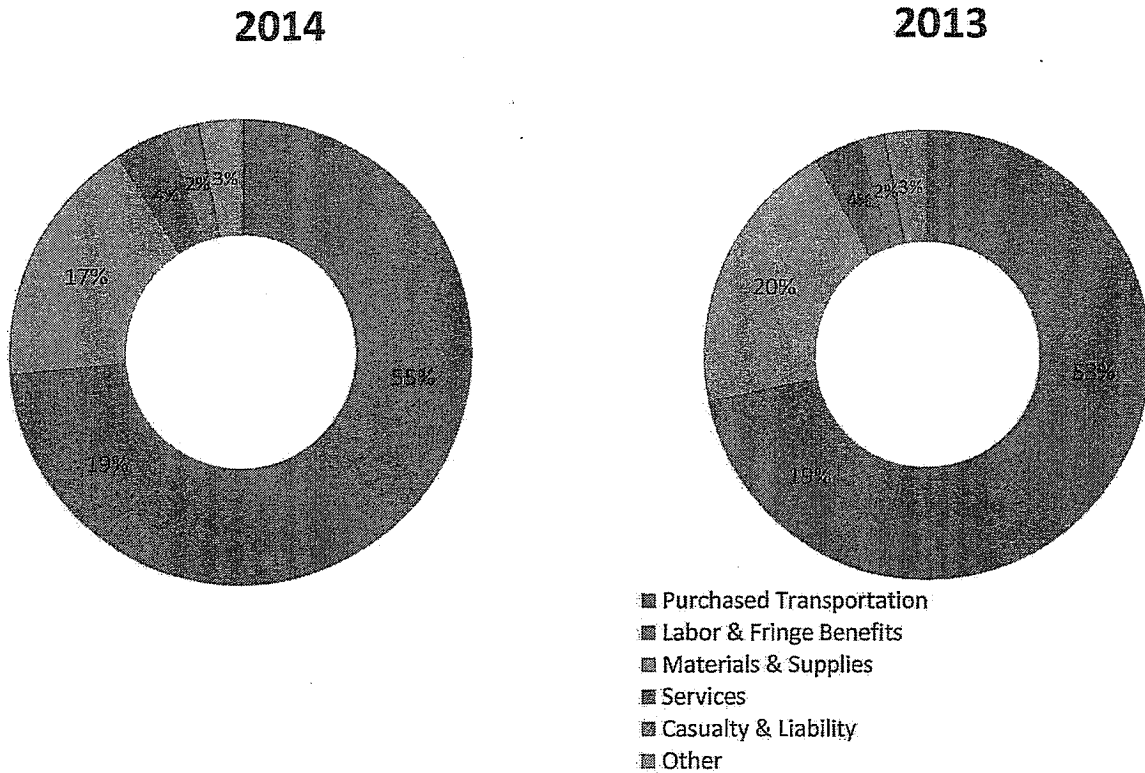
Overall fuel consumption was similar between the two years and the difference was due to lower fuel costs rather than any change in fuel consumption. The authority procures fuel on the spot market and is subject to the vagrancies of fuel prices.

**Operating Expenses**

*(\$thousands)*

	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>%</u>
Purchased Transportation	\$11,148	\$11,028	\$120	1%
Labor & Fringe Benefits	3,883	3,861	22	1%
Materials & Supplies	3,546	4,153	(607)	-15%
Services	789	737	52	7%
Casualty & Liability	450	371	79	21%
<u>Other</u>	<u>622</u>	<u>631</u>	<u>(9)</u>	<u>-1%</u>
<b>Total Operating Cost</b>	<b>\$20,438</b>	<b>\$20,781</b>	<b>(\$343)</b>	<b>-2%</b>

## COMPARATIVE OPERATING COSTS



➤ **Non-Operating Revenues/(Expenses):**

The total grant funds that the Authority received in FY14 were \$470 less than in FY13. The \$3.5M loss of the one-time federal grant funds that the Authority was able to obligate in FY13 was the most significant year-to-year change and required ECCTA to utilize additional TDA funds of an equal amount in FY14 to offset this.

Available STA funds continued to decline as anticipated due to changes in state law.

The authority received an additional \$118 thousand in Measure J funding and \$153 thousand increase in BART "feeder" bus funding in FY14 compared to FY13. As the chart shows, the relative proportion of these funds continues to grow for the Authority.



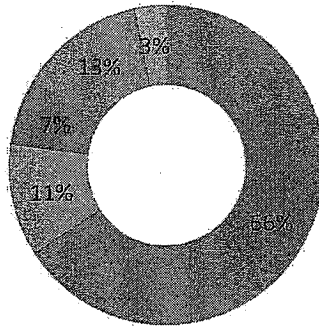
### Funds Expended on Operations

(\$thousands)

	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>%</u>
Federal Funds	\$0	\$3,495	(\$3,495)	-100%
TDA Funds	10,888	7,320	3,568	49%
STA Funds	1,867	2,681	(814)	-30%
Measure J Funding	1,136	1,018	118	12%
BART "feeder bus" Funds	2,117	1,964	153	8%
<u>RM2 funds</u>	<u>532</u>	<u>532</u>	<u>0</u>	<u>0%</u>
<b>Total Operating Funds Received</b>	<b>\$16,540</b>	<b>\$17,010</b>	<b>(\$470)</b>	<b>-3%</b>

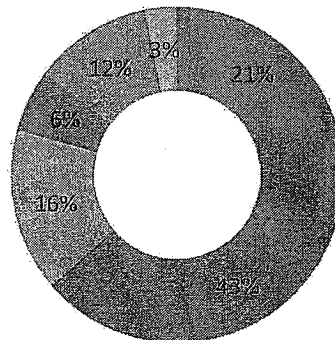
### FUNDS EXPENDED ON OPERATIONS

2014



- Federal Funds
- STA Funds
- BART "feeder bus" Funding
- TDA Funds
- Measure J Funding
- RM2 Funding

2013



The Authority received non-transportation revenues of \$7,272 in FY13 and, due to a one-time occurrence, \$225,393 in FY14. ECCTA sold more than thirty fully depreciated rolling stock units for scrap value in FY14 along with obsolete parts and other items no longer of use to the agency. Due to high commodities prices (scrap metal), the Authority received this relatively large windfall on those sales. The Authority invested this windfall in their replacements.

➤ **Capital Activity:**

The Authority expended more than \$11M on capital procurements in FY13 but purchased less than \$200 thousand of capital assets in FY14. The FY14 purchases were for minor capital projects and finishing items for earlier capital procurements. This is the ebb and flow of capital procurements for a transit agency, primarily because of large rolling stock replacement procurements that occur on large buses with useful lives in excess of a decade.

The Authority anticipates that adequate capital funding will be available over the long range to allow for necessary rolling stock replacement and capitalized facility maintenance. Funding for construction of offsite facilities or any expenditure for expansion of service would be outside of such funding and is more constrained by regional policies.

➤ **Operational Considerations**

The general economy has continued to improve during FY14. ECCTA has seen an increase in fixed route ridership along with an increase in traffic congestion in our service area due to major infrastructure construction projects such as the widening of SR4 from Pittsburg out through Brentwood, a connector between SRs 4 and 160 in Oakley and eBART facilities in East County.

Tri Delta Transit's system efficiency continued to improve as measured in total passenger trips provided and the number of passengers carried per revenue hour of service or the cost of each passenger trip.

**Selected Measurements of Operational Efficiency**

	<u>2014</u>	<u>2013</u>	<u>Change</u>	<u>%</u>
Total FR passenger trips	2,832,264	2,740,834	91,430	3%
FR passengers/rev hr	19.0	17.7	1.3	7%
Total DR passenger trips	131,476	128,999	2,477	2%
DR passengers/rev hr	2.0	1.9	0.1	5%
<b>Average cost/passenger</b>	<b>\$6.90</b>	<b>\$7.24</b>	<b>(\$0.34)</b>	<b>-5%</b>

The chart above indicates improvements in important measures of performance and efficiency in FY14.

## ➤ Subsequent Events

The lack of long term commitments for future funding amounts and sources continues to be of concern to the Authority. Overall funding available has increased historically but, this does not guarantee continued increases. There continues to be a general uncertainty concerning public transit funding although as the general economy has recovered, there have been positive developments in this area at the federal, state and local levels. As the designated recipient for more than 80% of the funding the Authority receives, the regional policies of the Metropolitan Transportation Commission have an important impact on the sources and uses of funds available to the Authority.

The Authority continues to seek operational efficiencies in all areas of the provided services. There remain three important concerns related to the Authorities operations

- The amount of funding available particularly in the competitive environment for such funding in the Bay Area. With the future opening of eBART service in East County, there are unknown potential impacts on the Authority's service. ECCTA continues to work closely with BART in an effort to determine how best to accommodate and economize, this future service. As part of that cooperative effort, Tri Delta Transit recently contracted with to review the Authority's entire route structure and scheduling and suggest changes that might better accommodate the bus transit needs of the local communities with an eye towards future changes such as the opening of eBART service while also remaining compliant with all funding agency imposed requirements.
- The paratransit eligible population of the Authority's service area continues to grow and the demand for paratransit services as well as the comparative higher cost of providing demand responsive services remains a concern. This is true for all publicly funded, transit operators who are required to provide complimentary paratransit services under ADA guidelines applicable to public transit fund recipients. This issue may be best addressed on a regional or national scale than at the operator level alone.
- The Authority has faced Increasing employee benefit costs as have all employers. This is particularly true of employee health care and retirement benefits as well as worker's compensation insurance. The Authority seeks to control these costs while providing necessary benefits so as to retain qualified and experienced employees. The Authority recently changed employee health care coverage options during open enrollment and seeks the lowest cost provider for worker's comp insurance each year at renewal by engaging a business savvy insurance broker.

## Requests for Information

This financial report was created to provide citizens, taxpayers, as well as the Authority's customers and creditors with a general overview of the Authority's finances. It is designed to demonstrate agency accountability for appropriate use of public funds that the Authority receives. Any questions or requests for additional information can be made to:

The Eastern Contra Costa Transit Authority  
Attn: CFO  
801 Wilbur Avenue  
Antioch, CA 94590  
(925) 754-6622  
[comment@eccta.org](mailto:comment@eccta.org)

Copies of this report are available online: <http://www.trideltatransit.com/public.aspx>

EASTERN CONTRA COSTA TRANSIT AUTHORITY  
STATEMENTS OF NET POSITION  
JUNE 30, 2014 AND 2013

	2014	2013
<b>ASSETS</b>		
<b>Current Assets</b>		
Unrestricted assets:		
Cash and equivalents (Note 3)	\$3,140,136	\$2,311,268
Operating assistance receivable	379,119	3,255,471
Capital grants receivable	147,172	658,746
Accounts receivable	142,932	151,091
Maintenance inventories and supplies, at cost	682,945	698,779
Total unrestricted assets	4,492,304	7,075,355
Restricted cash and equivalents (Note 3 and 8):		
PTMISEA reserves (Note 8)	333,372	31,909
CTSGP reserves	142,372	47,454
Total restricted assets	475,744	79,363
Total Current Assets	4,968,048	7,154,718
<b>Non-Current Assets</b>		
Capital assets (Note 4):		
Non-depreciable	2,456,985	2,445,157
Depreciable, net of accumulated depreciation	20,733,049	23,409,414
Total Non-Current Assets	23,190,034	25,854,571
Total Assets	28,158,082	33,009,289
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	2,233,709	4,860,403
Accrued liabilities	399,300	382,445
Total Current Liabilities	2,633,009	5,242,848
<b>Non-Current Liabilities</b>		
Other Post Employment Benefit Obligation (Note 10C)	250,000	215,000
Total Liabilities	2,883,009	5,457,848
<b>NET POSITION (Note 2G)</b>		
Net investment in capital assets	23,190,034	25,854,571
Restricted for:		
PTMISEA projects	333,372	31,909
CTSGP projects	142,372	47,454
Unrestricted	1,609,295	1,617,507
Net Position	\$25,275,073	\$27,551,441

See accompanying notes to basic financial statements

EASTERN CONTRA COSTA TRANSIT AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2014 AND 2013

	<u>2014</u>	<u>2013</u>
PROGRAM OPERATING REVENUES		
Passenger fares	\$3,358,976	\$3,439,726
Other operating income	314,780	325,179
Total Program Operating Revenues	<u>3,673,756</u>	<u>3,764,905</u>
PROGRAM OPERATING EXPENSES		
Purchased transportation (Note 12)	11,147,718	11,028,322
Materials and supplies	3,545,858	4,153,238
Salaries and benefits	3,883,373	3,861,347
Services	789,577	737,072
Casualty and liability insurance	450,444	371,250
Utilities	223,601	192,960
Other	398,209	437,906
Depreciation (Note 4)	2,845,740	2,658,532
Total Program Operating Expenses	<u>23,284,520</u>	<u>23,440,627</u>
PROGRAM OPERATING LOSS	(19,610,764)	(19,675,722)
NON-OPERATING REVENUES (EXPENSES)		
Federal grant revenues		3,494,880
State grant revenues	12,755,241	10,001,345
Local grant revenues	3,784,390	3,513,694
Non-transportation revenues	7,643	7,272
Gain on sale of capital asset	217,750	
Net Non-Operating Revenues, Before Capital Contributions (Grants)	<u>16,765,024</u>	<u>17,017,191</u>
Capital Contributions (Grants)	<u>569,372</u>	<u>8,296,165</u>
Net Non-Operating Revenues and Capital Contributions	<u>17,334,396</u>	<u>25,313,356</u>
CHANGE IN NET POSITION	(2,276,368)	5,637,634
NET POSITION AT BEGINNING OF YEAR	<u>27,551,441</u>	<u>21,913,807</u>
NET POSITION AT END OF YEAR	<u>\$25,275,073</u>	<u>\$27,551,441</u>

See accompanying notes to basic financial statements

EASTERN CONTRA COSTA TRANSIT AUTHORITY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from passenger fares	\$3,367,135	\$3,416,198
Cash received from operations - other	314,780	325,179
Cash payments for purchased transportation	(11,147,718)	(11,028,322)
Payments to and on behalf of employees	(3,848,373)	(3,826,347)
Payments to suppliers for goods and services	(8,001,694)	(3,317,828)
	(19,315,870)	(14,431,120)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income received	6,449	6,404
	6,449	6,404
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State operating grants	13,266,815	9,866,992
FTA grants		3,494,880
Local grants	6,660,742	2,196,264
Other	218,944	868
	20,146,501	15,559,004
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Capital contributions received	172,991	11,218,141
Purchase of capital assets	(181,203)	(11,218,753)
	(8,212)	(612)
<b>NET CASH FLOWS</b>		
	828,868	1,133,676
<b>CASH AND INVESTMENTS AT BEGINNING OF YEAR</b>	2,311,268	1,177,592
<b>CASH AND INVESTMENTS AT END OF YEAR</b>	\$3,140,136	\$2,311,268
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating loss	(19,610,764)	(19,675,722)
Depreciation expense	2,845,740	2,658,532
Change in assets and liabilities:		
Other receivables	8,159	(23,528)
Maintenance inventories and supplies	15,834	(51,079)
Accounts payable	(2,626,694)	2,605,060
Accrued liabilities	16,855	20,617
Other post employment benefit obligation	35,000	35,000
	(\$19,315,870)	(\$14,431,120)

See accompanying notes to basic financial statements

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 1 - GENERAL**

The Eastern Contra Costa Transit Authority (Authority), also known as Tri Delta Transit, was created August 3, 1976 under a joint exercise of powers agreement between the cities of Antioch, Pittsburg, Brentwood, and Contra Costa County, for the purpose of meeting the public transportation needs in Eastern Contra Costa County. The Authority is governed by a board of Directors composed of representatives of the member jurisdictions. The joint exercise of powers agreement was amended on April 26, 2000 to include the recently incorporated City of Oakley.

The Authority's reporting entity includes all activities of the Authority.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The following is a summary of significant accounting policies of the Authority, which conform with generally accepted accounting principles applicable to governments in the United States of America.

**A. *Enterprise Fund Accounting***

The Authority is accounted for as an enterprise fund. This fund is a set of self-balancing accounts, which comprise its assets and deferred outflows, liabilities and deferred inflows, net position, revenues and expenses.

**B. *Basis of Accounting***

Basis of accounting refers to *when* revenues and expenses are recognized. The Authority is accounted for using the accrual basis of accounting, under which revenues are recognized when they are earned and expenses are recognized when they are incurred.

*Non-exchange transactions*, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**C. *Basis of Presentation***

The Authority's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.



EASTERN CONTRA COSTA TRANSIT AUTHORITY  
NOTES TO BASIC FINANCIAL STATEMENTS  
For The Years Ended June 30, 2014 and 2013

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Authority are charges to customers for farebox revenues. The Authority's *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the Authority. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Cash Equivalents**

The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**E. Risk Management**

The Authority requires its operations contractor, First Transit, Inc., to provide general liability coverage. First Transit provides insurance with primary coverage of \$20,000,000 in aggregate. In addition, the Authority is insured for premises and operational bodily injury and property damage up to a limit of \$12,100,000, with a deductible of \$10,000.

**F. Compensated Absences**

Full-time permanent employees are granted personal time off (PTO) benefits in varying amounts to specified maximums, depending on their tenure with the Authority. PTO accrues to employees to specified maximums after six months of service. The estimated current portion of the liability for PTO benefits is recorded as an expenditure with a corresponding liability.

**G. Net Position**

Net Position is the excess of all the Authority's assets and deferred outflows over all its liabilities and deferred inflows. Net Position are divided into three captions and apply only to Net Position as described below:

*Net Investment in Capital Assets* describes the portion of Net Position which is represented by the current net book value of the Authority's capital assets.

*Restricted* describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Authority cannot unilaterally alter. The Authority's Restricted Net Position is for unexpended funds received from PTMISEA and CTSGP.

*Unrestricted* describes the portion of Net Position which is not restricted to use.

EASTERN CONTRA COSTA TRANSIT AUTHORITY  
NOTES TO BASIC FINANCIAL STATEMENTS  
For The Years Ended June 30, 2014 and 2013

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**I. Deferred Inflow/Outflow of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

**J. New Accounting Pronouncements**

The Authority has implemented the requirements of the following GASB Pronouncements:

**GASB Statement No. 65** – This Statement establishes accounting and financial reporting standards that reclassify certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources, and certain items that were previously reported as assets and liabilities recognizes as outflows of resources or inflows of resources. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. Statement No. 63 established the financial statement presentation for deferred inflows and deferred outflows, and Statement No. 65 makes other changes and defines certain transactions subject to this new presentation. This Statement had no impact on the Authority's financial statements.

**GASB Statement No. 70** - This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement had no impact on the Authority's financial statements.

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the Authority's name and places the Authority ahead of general creditors of the institution.

**A. Cash and Cash Equivalents**

The Authority's unrestricted cash consists of time and demand deposits and petty cash held at the Authority's administrative office.

The Authority's restricted assets, which consist of certificates of deposit with Bank of Agriculture and Commerce, are carried at fair value, as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

Cash and cash equivalents for the years ended June 30, 2014 and 2013 consisted of the following:

	2014	2013
Unrestricted cash:		
Deposits in financial institutions	\$3,139,548	\$2,310,686
Cash on hand at Authority	588	582
Total unrestricted cash and equivalents	3,140,136	2,311,268
Restricted - certificates of deposit:		
PTMISEA reserve	333,372	31,909
CTSGP reserve	142,372	47,454
Total restricted cash and equivalents	475,744	79,363
Total Cash and Equivalents	\$3,615,880	\$2,390,631

**B. PTMISEA Reserve**

The Public Transportation, Modernization, Improvement and Service Enhancement Account (PTMISEA) is one of the programs included in Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act, passed by voters in November 2006 (see Note 8). The Authority is applying these funds to eligible capital expenditures for bus replacements.

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)**

**C. CTSGP Reserve**

The California Transit Security Grant Program (CTSGP) California Transit Assistance Fund is another program included in Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act, passed by voters in November 2006 (Note 8). The Authority is applying these funds to eligible capital expenditures for interoperable communications and physical security enhancement equipment.

**NOTE 4 - CAPITAL ASSETS**

Capital assets of the Authority consist of land, transit and service vehicles, buildings and improvements, and equipment. Capital assets are recorded at cost and depreciated over their estimated useful lives. The Authority's policy is to capitalize all assets when costs exceed \$5,000.

Depreciation of capital assets in service is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Authority has assigned the useful lives as follows:

Building and improvements	30 years
Transit vehicles	4-14 years
Shop, office and other equipment	5-10 years

**A. Capital Asset Activity**

Capital assets activity during fiscal year ended June 30, 2014 is as follows:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014
Capital assets not being depreciated:				
Land	\$2,445,157	\$11,828		\$2,456,985
Total capital assets not being depreciated	<u>2,445,157</u>	<u>11,828</u>		<u>2,456,985</u>
Capital assets being depreciated:				
Buildings and improvements	12,715,138			12,715,138
Transit vehicles	39,128,016	105,572	(\$10,406,200)	28,827,388
Equipment	3,542,407	63,803		3,606,210
Total capital assets being depreciated	<u>55,385,561</u>	<u>169,375</u>	<u>(10,406,200)</u>	<u>45,148,736</u>
Less accumulated depreciation for:				
Buildings and improvements	5,935,262	573,831		6,509,093
Transit vehicles	23,545,964	1,702,309	(10,406,200)	14,842,073
Equipment	2,494,921	569,600		3,064,521
Total accumulated depreciation	<u>31,976,147</u>	<u>2,845,740</u>	<u>(10,406,200)</u>	<u>24,415,687</u>
Total depreciable assets	<u>23,409,414</u>	<u>(2,676,365)</u>		<u>20,733,049</u>
Capital assets, net	<u>\$25,854,571</u>	<u>(\$2,664,537)</u>		<u>\$23,190,034</u>

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 4 – CAPITAL ASSETS (Continued)**

***B. Capital Contributions***

The Authority has grant contracts with the U.S. Department of Transportation through the Federal Transit Administration for certain capital improvements. Federal Transit Administration funds are used to replace and improve the Authority's buses and transit facilities. The Authority also has contracts under the Transportation Development Act of 1971 (TDA) and State Transit Assistance (STA) funds, which are used to match Federal Transit Administration grants or to fund transit improvement projects. Capital funding provided under government grants is considered earned as the allowable expenditures are incurred.

Grants for capital assets acquisition and facility development and rehabilitation are reported in the Statement of Revenues, Expenses and Changes in Net Position, after non-operating revenues and expenses as capital contributions.

**NOTE 5 – OPERATING GRANTS**

The authority records operating assistance grants as revenue when earned.

***A. TDA and STA Operating Assistance***

The Authority receives allocations of local transportation funds pursuant to the Transportation Development Act of 1971 and State Transit Assistance (STA) funds. These funds are generated within Contra Costa County and are allocated based on annual claims filed by the Authority and approved by the Metropolitan Transportation Commission (MTC). Generally, the maximum annual TDA assistance the Authority can receive is limited to its actual operating costs (excluding depreciation) less fare revenues received and other local operating assistance (including interest income).

For the years ended June 30, 2014 and 2013, the maximum TDA operating assistance eligibility was \$10,431,169 and \$7,319,863, respectively. During the year ended June 30, 2014, the TDA operating funds received was \$10,659,834 resulting in an excess amount received of \$228,665. The Authority reduced the TDA Operating Receivable at June 30, 2014 in the amount of the excess (see Note 9).

***B. Inter Operator Agreements***

The Authority receives funding through an arrangement with Bay Area Rapid Transit (BART) for operating assistance applied to certain "feeder bus" services to the Pittsburg/Bay Point BART station. The Authority took over and incorporated such services from BART in 1997 (as detailed in the schedule below).

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 5 – OPERATING GRANTS (Continued)**

**C. Regional Measure 2 Funds**

On March 2, 2004, voters passed Regional Measure 2 (RM2), raising the toll on the seven State-owned toll bridges in the San Francisco Bay Area by \$1.00. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004). Specifically, RM2 establishes the Regional Traffic Relief Plan and identifies specific transit operating assistance and capital projects and programs eligible to receive RM2 funding. The Bay Area Toll Authority (BATA) is responsible for the collection of the bridge tolls and MTC is responsible for administering the RM2 Program. The Authority is an eligible recipient for RM2 funds and received \$531,832 in RM2 funding during fiscal years ended June 30, 2014 and 2013, respectively. The Authority utilized the RM2 funds as operating assistance on a specific, express bus route per the program's requirements.

Operating assistance for the years ended June 30 are summarized as follows:

	2014	2013
Federal Transit Administration		\$3,494,880
Transportation Development Act	\$10,888,499	7,319,863
State Transit Assistance	1,866,742	2,681,482
Inter-operator agreements (BART)	2,117,053	1,963,547
Measure J	1,135,502	1,018,312
Regional Measure 2	531,835	531,835
Total	\$16,539,631	\$17,009,919

**NOTE 6 - CAPITAL GRANTS**

The Authority has received grants from the Federal Transit Administration (FTA) and grants of local transportation funds pursuant to the Transportation Development Act of 1971 (TDA) for the purchase of buses, facility improvements, furniture and fixtures, and supporting equipment.

Expenditures of capital grant funds are allocated based on annual claims filed by the Authority and approved by the MTC. The Authority's management believes that the remaining grants available will be approved in full. These grants (excluding Measure J), less the related amortization, are included in capital contributions.

The Authority's capital contributions for the years ended June 30, 2014 and 2013 are as follows:

	2014	2013
U.S. Department of Transportation grant awards	\$134,328	\$11,038,402
Less: funds used for operating costs		(3,494,880)
<i>Sub-total:</i>	134,328	7,543,522
State grants	9,255	2,994,659
Other	3,587	679,960
<i>Total Capital Contributions</i>	\$147,170	\$11,218,141

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 7 – MEASURE J**

In November 2004, Contra Costa County voters approved Measure J which provided for the continuation of a County half-cent transportation sales tax for 25 more years beyond the original expiration date of 2009 (Measure C). Measure J funding is administered by the Contra Costa Transportation Authority (CCTA). The Authority records Contra Costa County Measure J grants for operations and for capital projects as revenue and capital contributions, respectively, as received.

The Authority is an eligible recipient of Measure J funds and received \$1,251,376 and \$1,123,424 in Measure J operating assistance during fiscal years ended June 30, 2014 and 2013, respectively, of which \$1,135,502 and \$1,018,312, respectively, were applied to specific fixed route and para-transit bus services per CCTA's approved program. The remaining amount of \$115,874 and \$105,112 of Measure J funds for 2014 and 2013, respectively, were "passed through" to the Central Contra Costa Transit Authority (CCCTA) according to an inter-operator agreement that all three agencies entered into to provide Countywide express bus services.

**NOTE 8 – PUBLIC TRANSPORTATION MODERNIZATION IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT**

The Public Transportation, Modernization, Improvement and Service Enhancement Account (PTMISEA) is one of the programs included in Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act, passed by voters in November 2006. During the fiscal year ended June 30, 2010, the Authority applied for and received \$1,802,885 for the procurement of California Air Resource Board (CARB) compliant diesel buses. During the year ended June 30, 2012, the Authority applied for and received \$2,922,016. During the year ended June 30, 2014, the Authority received \$327,019. The activity during the last four fiscal years was as follows:

	2014	2013	2012	2011
PTMISEA beginning balance	\$31,909	\$2,953,894	\$924,964	\$1,087,792
PTMISEA Funds Received	327,019		2,922,016	
Interest Earned	265	13,911	1,680	5,814
Total Revenues	<u>359,193</u>	<u>2,967,805</u>	<u>3,848,660</u>	<u>1,093,606</u>
Expenditures incurred:				
Buses		(2,935,896)	(894,766)	
Shelters	(25,821)			(168,642)
Total Expenditures	<u>(25,821)</u>	<u>(2,935,896)</u>	<u>(894,766)</u>	<u>(168,642)</u>
Unexpended funds at year end	<u>\$333,372</u>	<u>\$31,909</u>	<u>\$2,953,894</u>	<u>\$924,964</u>

Of the \$1,802,885 in PTMISEA funds received during fiscal year ended June 30, 2010, \$882,885 was matched with federal and other funds to procure replacement buses in the normal rotation of revenue vehicle replacement in the near future. The remaining \$200,000 are part of the MTC Administered Lifeline project and has been matched with local funds to purchase and install bus shelters as part of the Authority's Bus Shelters and Amenities for Communities of Concern project.

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 9 – TDA RECEIVABLE/PAYABLE**

The Authority applies for TDA funds for operating purposes prior to the start of each fiscal year. The application is based on the Authority's annual budget and thus contains an estimate of the Authority's annual operating expenditures and revenues during the next fiscal year. After completion of the annual audit whereby any unapplied funds or funding shortfalls are determined, the Authority either returns TDA funds in excess of those used during the fiscal year or applies for additional TDA funding for the prior fiscal year to make up the shortfall.

A TDA Receivable represents the deficit of TDA operations grants received by the Authority over the allowed expenditures; any deficit amounts are payable to the Authority. A TDA Payable represents the surplus of TDA operations grants received by the Authority over the allowed expenditures. Such surpluses must be returned to the County Local Transportation Fund. The amount of TDA payable or receivable at year end is a provision that the Authority makes to request or return such TDA funds. At the end of fiscal year ended June 30, 2014, the Authority encountered an excess of \$228,665 in TDA Operating Funds revenues. As a result, the Authority reduced its TDA Operating Payable by the amount of the excess.

For the years ended June 30, 2014 and 2013, the maximum TDA operating assistance eligible was \$10,431,169 and \$7,319,863, respectively. The actual TDA operating funds received for the years ended June 2014 and 2013 were \$10,659,834 and \$8,728,315, respectively. The TDA Payable for the years ended June 2014 and 2013 were \$228,665 and \$1,408,452, respectively, and were calculated as follows:

	2014	2013
TDA operating assistance allowable	\$10,431,169	\$7,319,863
Actual TDA operating assistance received	(10,659,834)	(8,728,315)
(Payable) Receivable	(\$228,665)	(\$1,408,452)

**NOTE 10 – EMPLOYEE RETIREMENT PLANS**

The Authority offers two retirement plans - a 401(a) and a 457(b) plan. The plans are optional. The Authority also offers Other Post Employment Benefits (OPEB).

**A. Employees' Retirement Plan**

The Authority offers a 401(a) defined contribution pension plan, administered by the Financial Decision group, through Charles Schwab. All full-time employees are eligible for this voluntary program upon successful completion of his or her probation. In order to participate in this voluntary program, an employee must participate in the 457(b) deferred compensation plan (see note 10B), and contribute a minimum of 4% of his or her gross salary, up to a maximum of 25%, or the federally allowed maximum amount of his or her gross compensation, whichever is less.



**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 10 – EMPLOYEE RETIREMENT PLANS (Continued)**

The Authority makes contributions to the 401(a) plan for each participant depending on the participant's years of service with the Authority as follows:

Less than 10 years	12% of gross salary
10-20 years	13% of gross salary
20-30 years	14% of gross salary
More than 30 years	15% of gross salary

Any changes to the plan and/or contribution requirements must be approved by the Authority's Board of Directors. During fiscal year ended June 30, 2014, the Authority contributed \$315,887 to the 401(a) plan on behalf of its participants.

**B. *Deferred Compensation Plan***

The Authority employees may defer a portion of their compensation under an Authority sponsored Deferred Compensation Plan, administered by ICMA, created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the Authority's property and are not subject to Authority control, they have been excluded from these financial statements.

**C. *Other Post Employment Benefits (OPEB)***

The Authority provides postretirement health care benefits to full time administrative employees who retire directly from the Authority after attaining the age of 62 with at least 20 years of service. As of June 30, 2014, there were no participants receiving these health care benefits. The Authority does not anticipate paying any OPEB until fiscal year ending June 30, 2017.

The Authority will pay the entire COBRA Kaiser Health Savings Account (HSA) plan premium for the retired employee and their eligible dependents until the employee reaches age 65, at which time they will qualify for Medicare. The Authority will pay the equivalent of the Kaiser HSA plan premium towards another health insurance policy selected by the employee in place of this plan.

Under the provisions of Governmental Accounting Standards Board Statement Number 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, the Authority has elected to use an alternative method in calculating its OPEB liability, which is recorded as a noncurrent liability in the Statement of Net Position. The Authority is on a pay-as-you-go funding policy, and uses the following assumptions in calculating the liability on an annual basis: current COBRA Kaiser HSA rate, 10% annual inflation factor, and .5% investment rate of return.

**EASTERN CONTRA COSTA TRANSIT AUTHORITY**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Years Ended June 30, 2014 and 2013**

**NOTE 11 - CONTINGENT LIABILITIES**

The Authority is subject to litigation arising in the normal course of business. In the opinion of the Authority's legal counsel there is no pending litigation, which is likely to have a material adverse effect on the financial position of the Authority.

The Authority participates in Federal and State grant programs. These programs have been audited by the Authority's independent auditors in accordance with the provisions of the Federal Single Audit Act, as amended, and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time. The Authority expects such amounts, if any, to be immaterial.

**NOTE 12 - MAJOR CONTRACTOR**

The Authority has an agreement dated July 30, 2011 with First Transit, Inc., a private transit firm, to provide transportation management and operations services on behalf of the Authority through June 30, 2016. Expenses recorded under this contract amounted to \$11,147,718 and \$11,028,322 for fiscal years ended June 30, 2014 and 2013, respectively, and are recorded as purchased transportation.

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**INDEPENDENT AUDITOR'S REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE WITH THE TRANSPORTATION DEVELOPMENT ACT AND  
OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Members of the Board of Directors of  
Eastern Contra Costa Transit Authority  
Antioch, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Eastern Contra Costa Transit Authority (Authority), as of and for the year ended June 30, 2014, and the related notes to the financial statements, and have issued our report thereon dated November 13, 2014. Our opinion included emphasis of matter paragraphs disclosing the effect of the implementation of new accounting principles.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### *Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Our procedures included the applicable audit procedures contained in §6667 of Title 21 of California Code of Regulations and tests of compliance with the applicable provisions of the Transportation Development Act and the allocation instructions and resolutions of the Metropolitan Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### *Authority's Response to Findings*

The Authority's response to the findings identified in our audit are described in our separately issued Memorandum on Internal Control dated November 13, 2014, which is an integral part of our audits and should be read in conjunction with this report. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### *Purpose of this Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Maze & Associates*

November 13, 2014  
Pleasant Hill, California



**INDEPENDENT AUDITOR'S REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE WITH THE RULES AND REGULATIONS OF THE  
PUBLIC TRANSPORTATION MODERNIZATION  
IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)**

Honorable Members of the Board of Director of the  
Eastern Contra Costa Transit Authority  
Antioch, California

We have audited the statement of revenues and expenditures of the Eastern Contra Costa Transit Authority Public Transportation Modernization, Improvement and Service Enhancement Account Projects, a program of the Eastern Contra Costa Transit Authority, California, (the Authority) in accordance with generally accepted auditing standards in the United States of America as of and for the year ended June 30, 2014, and have issued our report thereon dated November 13, 2014.

In connection with our audit, we have read and performed the applicable audit procedures contained in the *Public Transportation Modernization, Improvement and Service Enhancement Account Guideline* (Guideline) adopted by the California of Department of Transportation.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

*Compliance and Other Matters*

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

*Authority's Response to Findings*

The Authority's response to the findings identified in our audit are described in our separately issued Memorandum on Internal Control dated November 13, 2014, which is an integral part of our audits and should be read in conjunction with this report. The Authority's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

*Purpose of this Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Maze & Associates*

November 13, 2014  
Pleasant Hill, California

# **TAB 4**

Agenda Item 7b

ACTION ITEM: Marketing Plan and Advertising Strategy

## **Board of Directors Meeting Agenda**

Wednesday December 17, 2014

4:00pm

ECCTA Boardroom

801 Wilbur Avenue, Antioch, CA 94509




**Staff Report to ECCTA Board of Directors**

**Meeting Date:** December 17, 2014

**Agenda Item:** 2015 Marketing Plan and Advertising Strategy  
Agenda Item #7b

**Lead Staff:** Mike Furnary, Director of Marketing

**Approved :** Jeanne Krieg, Chief Executive Officer 

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Attached is the proposed Marketing Plan and Advertising Strategy for 2015 which includes media and public outreach plans. The costs associated with this plan were included in the FY2014-15 budget and will be included in the FY 2015-16 budget.

**REQUESTED ACTION**

Approve the proposed 2015 Marketing Plan and Advertising Strategy.

# Marketing Plan & Advertising Strategy 2015

Mike Furnary: 11/14/2014

## I. **SWOT** (Strengths, Weaknesses, Opportunities, Threats)

### **Strengths:**

- 1) Tri Delta Transit is the only public transportation agency serving East County
- 2) Tri Delta Transit is still relatively small and can more readily address customer concerns/suggestions compared to a much larger agency
- 3) Tri Delta Transit has many improved communication tools (mobile app, real time arrival) which have made riding the bus less confusing and have reduced calls to route information.
- 4) Express routes offer quick and reliable service, breaking down the argument that the bus takes too long
- 5) Price - Low price option to commuting
- 6) Park & Ride offers excellent option/convenience for commuters
- 7) Relatively good passenger satisfaction
- 8) Good community involvement

### **Weaknesses:**

- 1) Long runs – Some runs take as long as two hours from start to finish. A major deterrent for potential riders
- 2) Performance enhancing technology (bus tracking, real time position) currently underutilized
- 3) Perception that buses are always late
- 4) Limited weekend service
- 5) Confusing routes
- 6) Lack of service to all areas of East County
- 7) Infrequent service
- 8) Large, inconsistent gaps in service schedules
- 9) Inconsistent front-line customer service

### **Opportunities**

- 1) eBART has provided an opportunity to evaluate the system and make broad changes to address changing traffic and commute/travel needs/patterns
- 2) Clipper Card may add to the overall convenience of using public transportation
- 3) As traffic increases and gasoline prices remain high, use of automobiles will begin to be seen as too expensive/a financial burden. The option of public transportation will be given serious consideration.
- 4) Increased population has resulted increased ridership. Trial and retention programs must be implemented to ensure this increase continues.
- 5) Additional express routes to transit/transfer centers will combat the time resistance of many potential and non-riders

- 6) New bulk pass (U-Pass) programs can dramatically increase revenue while increasing ridership among all three groups: current, potential and non-riders

#### **Threats**

- 1) eBART may potentially cause a large reduction in ridership
- 2) Complacency – Being the only option in town for transit dependent adults, the threat of not seriously addressing customer needs will prevent us from expanding our service, increasing ridership and revenue as well as improving our overall image as a valid alternative to driving and a valued solution to the transportation problems.
- 3) Lack of interest from bulk-purchase groups – U-Pass candidates may see the sponsored pass program as an expense that will not be fully utilized by their members.
- 4) Over-promising and/or not living up to our service promises will lead to poor public image, negative word-of-mouth and decreased possibility of continued ridership.

## **II. Target Markets and Market Segments**

- 1) Current Riders
- 2) Transit Dependent Population
  - Students
  - Low-income adults
  - Seniors
  - Disabled
- 3) Potential Riders
  - Commuters
  - New residents
  - Students
- 4) Influencers and Gatekeepers
  - Social workers
  - School officials
  - Employers
  - Parents
- 5) Bulk Sales Groups
  - Major employers (local)
  - Schools
  - High density housing
  - County offices

## **III. Marketing Goals/Objectives**

- 1) Increase awareness of Tri Delta Transit's recent advances/innovations that make riding the bus more reliable and convenient to:
  - a) Improve retention of current riders

- b) Induce trial by new riders
- c) Improve overall community perception, including non-riders' perception
- 2) Increase use of mobile application and electronic information tools
- 3) Decrease dependency on call center for information
- 4) Maintain a positive company image and good community relations
- 5) Improve/increase customer satisfaction, comfort level and ease of use among current riders through improved use of technology, better customer service, better communication and improved service
- 6) Increase overall system ridership
- 7) Identify and improve routes with substandard ridership

#### **IV. Marketing Strategies/Tactics**

- 1) Increase awareness of Tri Delta Transit's recent advances/innovations that make riding the bus more reliable and convenient
  - a. Develop and launch a comprehensive advertising strategy, plan & campaign that focuses our recent technological advancements that result in making the bus more reliable and convenient to use
- 2) Increase use of mobile application and electronic information tools
  - a. Develop a series of incentive-based promotions to encourage new starts of Email/Text Alerts as well as use of the mobile application/web site.
- 3) Decrease dependency on call center for information
  - a. Develop a series of incentive-based promotions to encourage use of the mobile application/web site.
- 4) Maintain a positive company image and good community relations
  - a. Develop a continuity campaign that portrays our organization in a positive manner and emphasizes our technological advances: multi media campaign
  - b. Have a strong company presence at high profile community events
    - Shuttles and/or booths at local parades/events
    - Sponsorship/cross promotion relationships at highly attended community locations
  - c. Continue memberships with local/community based organizations
    - Cross promotional partners
  - d. Form new relationships with Gatekeepers as well as decision & policy makers
    - Further develop working group/regularly scheduled roundtables with Social Workers and school officials to discuss ideas and service suggestions
- 5) Improve/increase satisfaction and comfort level among current riders through better customer service, better communication and improved service
  - a. Improve point of sale communications
  - b. Improve and maintain bus interior customer communication tools
  - c. Initiate, manage and promote rider appreciation programs/events (Get caught riding the bus, Bus pass savings program)
  - d. Initiate and maintain a consistent secret rider program

- Web site: emphasize information, convenience, fast service, 24-hour availability
  - Real time arrival (smart phone and bus stop): emphasize convenience, peace-of-mind, and reliability
  - Email/text alerts: emphasize information
  - Discount passes: emphasize cost savings
  - Ticket sales locations: emphasize convenience
  - Bus pass savings program: emphasize extended value and savings
  - 2 for 1 ticket offers: emphasize savings
  - Park & Ride/Express bus service to BART: emphasize time-savings, frequent service, cost savings, free parking
- 2) Run a series of newspaper ads and inserts supporting the direct mail brochure content
  - 3) Create and run cable television commercials that focus on the advances we have that make riding the bus ore reliable and convenient.
  - 4) Use social media to advance our message and reinforce all traditional media messages
  - 5) Use the web site trideltatransit.com to provide more detailed information and instructional/educational videos to promote and teach users how to use the new technology to their advantage.
  - 6) Produce bus ads (kings) that support the campaign theme
  - 7) Place ads at Pittsburg BART to support campaign theme

### **2015 Marketing Activities**

1. "More than the bus... campaign"
  - tv
  - print
  - online
  - outdoor
  - direct mail
2. park & ride promotion
3. faster boarding promotion
4. try transit challenge
5. Commuter Pass
6. summer youth pass
7. high density housing direct mail drops
8. Route 300/390 commuter promotion
9. School registration
  - Antioch
  - Brentwood
  - Oakley
  - Pittsburg
10. Dump the pump participation
11. Haunted bus (if bus available)
12. Bus pass savings push
  - social media
  - online

13. email alert sign up promotion: win rides for a year
14. secret rider program start/monitor
15. County Fair cross promo
16. seafood festival shuttle & promo
17. art, wine, jazz cross promo
18. blues festival cross promo
19. Library summer reading cross promo
20. fall faire cross promo
21. Beer festival cross promo
22. Schedule change if necessary
23. Delta Pass logistics
24. Get caught riding appreciation promo
25. Rider tip of the month car card
26. Senior presentations
27. How to ride classes evening

# **Employer Marketing Program Proposal**

East County Employer Transit Benefit Program

Mike Furnary: 12/9/14

## **Program Description**

Building off of the success we have with our new resident welcome pack and commuter two-for-one programs, we will work with HR managers of local businesses to offer an additional "employer benefit" to new hires by providing transit commute information including trial bus passes in new hire benefit packets. Employee welcome packet will contain one or two 24-hour passes provided by Tri Delta Transit and will include a 511 Contra Costa sponsored application/program to receive a free 20-ride bus pass for commuting to work. Applications will be sent to Tri Delta Transit for processing then to 511 Contra Costa for final approval.

## **Program Mechanics**

Tri Delta Transit will produce a low-cost "new employee welcome pack" promoting the use of public transit to get to work. In addition to the free pass application, the information will include cost savings data when public transit is used vs. driving as well as detailed information about Tri Delta Transit and how to use our buses. Copies of the packet will be provided to local employer HR Departments to be given to their new employees upon their hire.

## **Employer Benefits:**

- No cost to employer to participate.
- Additional value offered to employees
- Additional tool to show environmental concern
- Frees up parking for customers
- Shows concern for employees and demonstrates support of their hire
- Free services offered from Tri Delta Transit:
  1. Commuter Fairs: Tri Delta Transit will visit work sites to promote commute alternatives and provide trip planning assistance to employees.
  2. Promotional Materials: Tri Delta Transit will provide transit/alternate commute literature to be posted on site for employees

## **Employee Benefit**

- No cost trial of public transit
- Provides relief from gas prices
- Reliable transportation to employment

## **Initial Steps**

- Mail program introduction letter to local employers' HR managers
- Work with all local chambers of commerce
- Follow up phone calls to schedule meetings or to confirm participation

- Write/produce low-cost employee welcome pack

### **Sponsor Benefits**

- Increased introduction to alternate commute methods
- Decreased single-occupancy vehicle trips for commute purposes
- Proactive step in improving air quality

### **Initial Target Employers**

Walmart Stores

Target Stores

Walgreens

Dollar Tree

Kaiser

Sutter Delta

John Muir

AUSD

PUSD

Uss Posco

Safeway

Savemart

Lucky

FoodMaxx

Slatten Ranch

Somersville Towne Center Mall

Streets of Brentwood

Atlantic Plaza

515962925188



- e. Work with outside agency to establish an ongoing survey and report program
  - Maintain strong web presence: Keep site current and accurate
- 6) Increase overall system ridership
  - a. Induce trial among potential riders and non-riders with incentive-based programs and educational programs: Commuter Pass, Try Transit Challenge
  - b. Improve on-time performance through better use of available tracking technology
  - c. Develop additional 2-for-1 ticket programs through 511 Contra Costa
  - d. Route specific direct mail to improve underperforming routes
  - e. Increase presentations to senior centers and retirement communities
  - f. Continue to send a Welcome Pack to new residents
  - g. Research and develop Senior Monthly Pass
  - h. Develop multi-unit community U-Pass program
  - i. Summer Youth pass collaboration with 511 Contra Costa
- 7) Identify and improve routes with substandard ridership
  - f. Use monthly reports to identify underperforming routes
  - g. Develop targeted direct mail promotions to reach perspective riders

## Advertising strategy

- Create a stronger brand identity - one based on Tri Delta Transit being a tech leader, having a variety of easy-to-use tech tools and services allowing for a better, more reliable rider experience.

- Position our service as a trusted and reliable resource, in part with the slogan, "*We have more than buses to keep you moving.*"

- Use traditional media and direct marketing techniques, combined with an expanded social media presence, to target current and potential riders with a strong positive message, and possible introductory offers, to persuade and influence their travel preference.

## Advertising Plan

To build a strong identity based on our advances in technology, we will create an entire advertising campaign based on the message that "we have more than buses to keep you moving." The campaign will be multi-media and have a strong direct mail and social media element. Recommendations include:

1) Developing an informative brochure outlining and describing all advances that many customers may be unaware of, to be direct mailed to residents of East County. Highlights to include:

- New fleet of low floor buses: emphasize comfort and safety
- Mobile app: emphasize convenience, information, reliability

# **TAB 5**

Agenda Item 7c

**ACTION ITEM: Bus Advertising Contract**

Resolution #141217b

## **Board of Directors Meeting Agenda**

**Wednesday December 17, 2014**

**4:00pm**

**ECCTA Boardroom**


**801 Wilbur Avenue, Antioch, CA 94509**

**Staff Report to ECCTA Board of Directors**

Meeting Date: December 17, 2014

Agenda Item: Bus Advertising Contract – Agenda Item #7c

Lead Staff: Ann Hutcheson, Director of Administrative Services

Approved: Jeanne Krieg, Chief Executive Officer 

**Process**

- September 8, 2014, RFP #2014-004, for Bus Advertising Services was mailed to 8 firms, advertised and posted on the ECCTA web site.
- October 20, 2014, one firm attended a pre-proposal meeting.
- November 10, 2014, ECCTA received one proposal from Lamar Transit Advertising

Evaluations of the proposals were made by ECCTA staff using the criteria listed in the RFP:

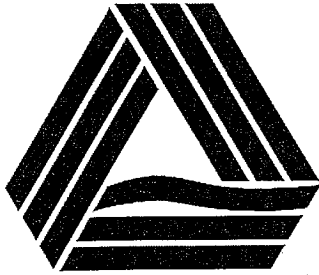
- Knowledge of and experience with bus advertising services
- Qualifications, knowledge & experience of proposer's staff performing the project
- Completeness & thoroughness of the technical proposal
- Proposed quality control program
- References
- Detailed work plan
- Proposed revenues

On December 1, 2014, Lamar Transit Advertising responded to a request by ECCTA for a Best and Final Offer with the terms listed below:

Year	Minimum Annual Guarantee	% Share
1	\$80,000 prepaid	55%
2	\$82,000 prepaid	55%
3	\$85,000 prepaid	55%
Option year 1	\$88,000 prepaid	55%
Option year 2	\$90,000 prepaid	55%

**Requested Action**

Adopt Resolution #141217b authorizing the CEO to execute and deliver a three year contract with two one-year options to Lamar Transit Advertising for the terms listed above for bus advertising services.



# TRI DELTA TRANSIT

Eastern Contra Costa Transit Authority  
801 Wilbur Avenue • Antioch, California 94509  
Phone 925.754.6622 Fax 925.757.2530

## RESOLUTION # 141217b AUTHORIZATION FOR AWARD OF CONTRACT FOR Bus Advertising Services

Resolution # 141217b authorizes the CEO to execute and deliver a contract for Bus Advertising services to Lamar Transit Advertising, for the terms listed below:

Year	Minimum Annual Guarantee	% Share
1	\$80,000 prepaid	55%
2	\$82,000 prepaid	55%
3	\$85,000 prepaid	55%
Option year 1	\$88,000 prepaid	55%
Option year 2	\$90,000 prepaid	55%

WHEREAS, on September 8, 2014, Eastern Contra Costa Transit Authority (ECCTA) published a Request for Proposals for Bus Advertising Services; and

WHEREAS, one proposal was received on November 10, 2014; and

WHEREAS, the process followed all requirements established by ECCTA Purchasing Policies; and

WHEREAS, Lamar Transit Advertising is the recommendation of ECCTA staff as the proposer that offered the highest quality of service possible for the best value possible.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. ECCTA does hereby award a contract for Bus Advertising Services for the terms listed above.
2. ECCTA hereby grants the CEO the authorization to execute and deliver a contract to Lamar Transit Advertising.

PASSED AND ADOPTED THIS 17<sup>th</sup> day of December 2014, by the following votes:

### EASTERN CONTRA COSTA TRANSIT AUTHORITY

\_\_\_\_\_  
Gene Clare, Chair

\_\_\_\_\_  
Jeanne Krieg, CEO

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTENTIONS: \_\_\_\_\_

# **TAB 6**

Agenda Item 7d

**ACTION ITEM: Disposition of Retired Vans and Obsolete Parts**

Resolution #141217c

## **Board of Directors Meeting Agenda**

Wednesday December 17, 2014

4:00pm

ECCTA Boardroom


801 Wilbur Avenue, Antioch, CA 94509

## **Staff Report to ECCTA Board of Directors**

Meeting Date: December 17, 2014

Agenda Item: Disposition of Retired Vans and Obsolete Parts  
Agenda Item #7d

Lead Staff: Ann Hutcheson, Director of Administrative Services

Approved: Jeanne Krieg, Chief Executive Officer 

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In May 2014, the ECCTA Board of Directors approved the purchase of six Dodge Grand Caravans through the CalAct-MBTA Vehicle Purchasing Cooperative Bid. The vans were delivered in late October and put into service in early November. These six new vans replaced older vans that are at the end of their useful life. Two of the retired vans (Chevrolet Uplanders) are no longer operable and the other four (Dodge Grand Caravans) have between 120,000 and 170,000 miles on them.

There are also nine pallets of various obsolete parts from these vans and from older buses that have been sold at previous auctions.

Staff is requesting authorization to sell the retired vans and the pallets of parts to the highest qualified buyer.

### **Requested Action**

Adopt Resolution #141217c authorizing staff to publicly advertise the sale of six vans and nine pallets of obsolete parts to the highest qualified buyer or buyers.



# TRI DELTA TRANSIT

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Phone 925.754.6622 Fax 925.757.2530

## RESOLUTION # 141217c Disposition of Retired Vans and Obsolete Parts

**Resolution # 141217c authorizes the disposal of six vans and nine pallets of obsolete parts.**

**WHEREAS**, two 2007 Chevrolet Uplander vans and four 2010 Dodge Grand Caravan vans are no longer needed for service; and

**WHEREAS**, nine pallets of van and other bus parts do not fit any of ECCTA's current vehicles; and

**WHEREAS**, Eastern Contra Costa Transit Authority (ECCTA) staff desires to obtain the authority to sell said retired vans and obsolete parts to any qualified interested member of the public pursuant to the authority conferred by its Joint Exercise of Powers Agreement.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the Eastern Contra Costa Transit Authority to adopt Resolution # 141217c authorizing staff to conduct a sale of said vans and parts in accordance with the following provisions:

- A. The sale of the six vans and parts shall be made as a group or individually for cash payable by the highest qualified bidder. This may be at a public auction or through public advertising.
- B. The award for the sale of the vans and parts will be made either separately or as one award based on what is most advantageous to ECCTA.
- C. Payment shall be made by the successful bidder (s) in the form of a certified or cashier's check made payable to ECCTA, and each purchaser shall forthwith take all steps which are necessary in order to transfer title and registration to each purchased van to the purchaser, and each purchaser shall further be responsible for paying, in addition to the purchase price, any and all sales or use taxes which may be required by the Department of Motor Vehicles in order to transfer title and ownership of each van to its buyer.

PASSED AND ADOPTED THIS 17<sup>th</sup> day of December 2014, by the following votes:

### EASTERN CONTRA COSTA TRANSIT AUTHORITY

\_\_\_\_\_  
Gene Clare, Chair

\_\_\_\_\_  
Jeanne Krieg, Chief Executive Officer

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTENTIONS: \_\_\_\_\_

# **TAB 7**

Agenda Item 7e

ACTION ITEM: 2015 ECCTA Board of Directors Meetings

Resolution #141217d

## **Board of Directors Meeting Agenda**

Wednesday December 17, 2014

4:00pm

ECCTA Boardroom

801 Wilbur Avenue, Antioch, CA 94509



**Staff Report to ECCTA Board of Directors****Meeting Date:** December 17, 2014**Agenda Item:** 2015 ECCTA Board of Director Meetings  
Agenda Item #7e**Lead Staff:** Jeanne Krieg, Chief Executive Officer 

The regular meeting date and time of the ECCTA Board of Directors is the 4<sup>th</sup> Wednesday of each month at 4:00pm. The Board Chair has the authority to cancel any Tri Delta Transit Board meeting if there is a lack of pressing agenda items or if extenuating circumstances exist. Additionally, the Board of Directors can move the meeting date to accommodate extenuating circumstances. As much notice as possible is given so board members can plan accordingly.

Scheduled Meeting Date	Staff Request
November 25 <sup>th</sup>	Thanksgiving Day is November 26 <sup>th</sup> . Staff requests changing the meeting to Wednesday, November 18 <sup>th</sup>
December 23 <sup>rd</sup>	Christmas Day is December 25 <sup>th</sup> . Staff requests changing the meeting date to December 16 <sup>th</sup> .

**Recommendation**

Adopt Resolution #141217d rescheduling the November and December 2015 meetings of the ECCTA Board of Directors.



# TRI DELTA TRANSIT

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Phone 925.754.6622 Fax 925.757.2530

## **RESOLUTION #141217d AUTHORIZATION TO CHANGE TWO MEETINGS OF THE ECCTA BOARD OF DIRECTORS MEETING IN 2015**

**Resolution #141217d authorizes ECCTA to change two Board of Directors meetings in 2015.**

**WHEREAS**, the Eastern Contra Costa Transit Authority (ECCTA) Board of Directors meets regularly on the fourth Wednesday of each month at 4:00pm; and

**WHEREAS**, according to bylaw 3.03.01 the Board of Directors shall regularly meet on the fourth Wednesday of each month at 4:00pm or at such other dates and times as the Board of Directors shall from time to time designate; and

**WHEREAS**, staff requests that two Board of Directors meeting dates in 2015 be changed:

1. Change the November 25<sup>th</sup> meeting to November 18<sup>h</sup> at 4:00pm
2. Change the December 23<sup>rd</sup> meeting to December 16<sup>th</sup> at 4:00pm

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Eastern Contra Costa Transit Authority to adopt resolution #141217d authorizing ECCTA to change the two listed Board of Directors meeting dates in 2015.

PASSED AND ADOPTED THIS 17<sup>th</sup> day of December 2014, by the following votes:

### **EASTERN CONTRA COSTA TRANSIT AUTHORITY**

\_\_\_\_\_  
Gene Clare, Chair

\_\_\_\_\_  
Jeanne Krieg, Chief Executive Officer

**AYES:** \_\_\_\_\_  
**NOES:** \_\_\_\_\_  
**ABSENT:** \_\_\_\_\_  
**ABSTENTIONS:** \_\_\_\_\_