



## **MARIN COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS**

Board of Supervisors Chambers, Room 330  
3501 Civic Center Drive, San Rafael, CA 94903

### **AGENDA**

Monday, February 4, 2019

#### **10:00 a.m. Convene as the Marin County Transit District Board of Directors**

1. Convene in Closed Session

#### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION - SIGNIFICANT EXPOSURE TO LITIGATION**

There is significant exposure to litigation against the Agency pursuant to Government Code section 54956.9(d)(2) Number of Cases: 1

#### **Report from Closed Session**

2. Open Time for Public Expression (limited to three minutes speaker on items not on the Transit District's agenda)
3. Board of Directors' Matters
4. General Manager's Report
  - a. General Manager's Oral Report
5. Consent Calendar
  - a. Minutes for January 7, 2019
  - b. Consideration of Compensation Increase for General Manager
  - c. Purchase Agreement with Syncromatics for Automatic Vehicle Location Systems for Two XHF Buses at a cost not to exceed \$25,191 and a yearly maintenance fee that will not exceed \$3,586.
  - d. Purchase Agreement with TripSpark to Host Paratransit Scheduling Software and Applications for three years at a cost not to exceed \$50,000.

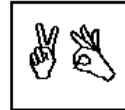
**Recommended Action: Approve.**

**(Continued)**

6. Second Amendment to Agreement with Clean Solution Services Inc.  
**Recommended Action: Authorize General Manager to execute a second amendment to the agreement with Clean Solution Services Inc. for bus stop cleaning and repair services for bus stops throughout Marin County (#181929) to extend the time of the contract for three additional years through January 31, 2022, at a cost not to exceed \$300,000.**

7. Service Credit Replacement Plan Disclosure of Plan Costs  
**Recommended Action: Receive and file report regarding the estimated cost of the Service Credit Replacement Plan.**

### **Adjourn**



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**Material de agenda de última hora puede ser inspeccionado en la oficina de Marin Transit, entre las horas de 8:00 am y 5:00 pm. La oficina está ubicada en 711 Grand Avenue, Suite 110, San Rafael, CA 94901.**

## **REGULAR MEETING OF THE MARIN COUNTY TRANSIT DISTRICT BOARD OF DIRECTORS**

**Held Monday, January 7, 2019 at 10:05 A.M.**

### **Roll Call**

**Present: President Moulton-Peters, Second Vice President Rodoni, Director Arnold, Director Rice, Director Colin, Director Sears**

**Absent: Vice President Connolly**

**Director Lucan was in attendance as a voting member**

**President Moulton-Peters opened the meeting at 10:05 am.**

### 1. Organization of Marin Transit District

Director Rice made a motion to nominate Damon Connolly as President, Director Rodoni as Vice President, and Director Colin as Second Vice President.

M/s: Director Rice - Director Sears

Ayes: President Moulton-Peters, Second Vice President Rodoni, Director Arnold, Director Colin, Director Rice, Director Sears

Noes: None

Absent: Director Connolly

### 2. Open Time for Public Expression (limited to three minutes speaker on items not on the Transit District's agenda)

Vice President Rodoni asked if any member of the public wished to speak. Seeing none he called for Board of Directors' Matters.

### 3. Board of Directors' Matters

Director Stephanie Moulton-Peters congratulated Board President Connolly, Vice President Rodoni, and Second Vice President Colin.

Director Rice and Vice President Rodoni expressed their gratitude for Director Moulton-Peters' service as chair

#### 4. General Manager's Report

##### a. General Manager's Oral Report

General Manager Nancy Whelan congratulated the new officers on their elections and expressed her gratitude towards Director Moulton-Peters for her twelve months as Board President.

Ms. Whelan highlighted the items on the consent calendar, including the 2018 accomplishments and a 2019 look ahead.

Director Arnold commented that the work that Marin Transit has accomplished is impressive and remarked that there is a lot to get ready for, and it is good to see it in writing.

Director Moulton-Peters remarked that it is very helpful the way Marin Transit has organized the looking back and looking forward.

##### b. Monthly Monitoring Reports for November

Ms. Whelan reported that overall ridership in November 2018 decreased by 2.8 percent compared to November 2017. Detailed analyses of system performance and trends will be provided in a separate quarterly report.

#### 5. Consent Calendar

- a. Minutes for December 3, 2018
- b. Contracting Opportunities and Awards Update
- c. 2018 Accomplishments and 2019 Look Ahead
- d. Marin Transit Legislative Program for 2019
- e. Contract with Matsumoto Consulting for Benefits Consulting Services
- f. Update on the California Air Resource Board's Innovative Clean Transit Rule

#### **Recommended Action: Approve.**

M/s: Director Arnold - Director Sears

Ayes: Vice President Rodoni, Second Vice President Colin, Director Arnold, Director Moulton-Peters, Director Rice, Director Sears

Noes: None

Absent: Director Connolly

## 6. FY 2019-20 Funding for Yellow School Bus Services

General Manager Nancy Whelan provided an overview of Marin Transit's role in providing Supplemental School service. Marin Transit is not able to fully fund all the programs with Measure AA funds and recommended eligibility criteria for future funding.

{President Damon Connolly present at 10:15}

Director Arnold remarked that she was struck by what would have happened if Marin voters had not approved Measure AA local transportation sales tax in November, specifically regarding the impact on school transportation. She asked the General Manager to identify the largest school district.

General Manager Nancy Whelan replied that the largest district is the San Rafael City Schools and noted that Novato does not have a yellow bus program.

Second Vice President Colin suggested that staff breakdown the benefits of Measure AA funding from the perspective of the individual school districts. That will show the Board what each district is getting and help the Board understand the impacts by district.

Director Lucan asked about the funding eligibility criteria and the ability of districts that do not have an existing program to become eligible. Mr. Lucan commented that Novato is ready to restart their program now. Ms. Whelan responded that that Novato and Kentfield school districts will be considered as expansion programs. Since they do not have existing programs, they need other sources of funding. Ms. Whelan noted that there are limits on the expansion of Measure AA supported programs due to the lack of school bus parking and limited contractor availability.

Director Moulton-Peters requested that Ms. Whelan elaborate on the impact of the lack of maintenance and parking facilities. Director Moulton-Peters asked about the role of Measure AA funding versus local funding. Ms. Whelan responded that for eligible programs, Measure AA funds may replace the use of city, county, and school district funds already designated for yellow school bus service. Director Moulton-Peters stated that the allocation for Marin Transit's school programs does not begin to cover the costs.

Director Rice asked Ms. Whelan to remind the Board that Measure AA did not increase funding going to Marin Transit and that it designated a portion of Marin Transit's allocation to school transportation. She asked for weekday ridership, and Ms. Whelan confirmed that approximately there are 10,000 daily riders on all Marin Transit-operated services, including the yellow bus service managed by Marin Transit in the Ross Valley. Director Rice then asked Ms. Whelan to break out how much of Marin Transit's ridership is school-related. From passenger surveying, 25 percent of Marin Transit riders are

under age 18. Director Rice commented that limiting inclusion of those districts who are only now starting yellow school bus programs is fair and a good starting point.

Second Vice President Colin inquired about the recommended formula and San Rafael's Dixie School District where school transportation is more heavily subsidized and whether they might change their pass price. Ms. Whelan stated that they school district can change its pass price. Ms. Whelan said that one of the reasons staff recommended the formula was to acknowledge that districts currently use different contractors, a range of pricing, and that their requirements vary.

Director Moulton-Peters stated that this formula for use of Measure AA funds is a good start and that Marin Transit will keep working on these issues.

**Recommended Action: Approve report.**

M/s: Director Moulton-Peters - Director Sears

Ayes: President Connolly, Vice President Rodoni, Second Vice President Colin, Director Arnold, Director Moulton-Peters, Director Rice, Director Sears

Noes: None

Absent: None

7. Transit Connect Service Mid-Year Evaluation Recommended Action: Information only

Director of Operations and Planning Robert Betts provided an overview of Marin Transit Connect, the development history, and an update on initial observations, data collection, and survey results.

Director Moulton-Peters noted that there were technical difficulties with the on-demand scheduling software.

Second Vice President Colin asked if the survey had a question on whether the individual has used Uber or Lyft before. If they have not, this might be a barrier to using the Connect service and should be a consideration in marketing on-demand service in general. She requested that staff come before the San Rafael City Council to present this update on the Connect service.

Director Sears commented that the staff findings are encouraging, and she noted that seven percent of the riders responded that they have not used public transportation service prior to using Connect. Director Sears also appreciated the map of trip origins.

Director Moulton-Peters commented that we are learning a lot and this data is important.

President Rodoni requested that staff consider the potential savings from riders transferring trips from paratransit to the Connect service.

**Recommended Action:** Information item only.

8. Update on Marin Transit's State of Good Repair Projects

Capital Project Manager Adrienne Taylor provided an update on the State of Good Repair Bus Stop Improvement Project. The project will upgrade eleven bus stops throughout the county and include passenger amenities, Americans with Disabilities improvements, and sidewalk and pavement construction.

Director Moulton-Peters requested that Marin Transit provide general cost estimates and specifications for bus stops to the local cities and towns. Local jurisdictions may be able to direct general funds towards advancing bus stop improvements at a faster pace.

**Recommended Action:** Information only

Adjourn President Connolly adjourned the meeting at 11:35 am and the Board went into closed session.

**Report from Closed Session**

President Connolly reported that no action was taken.

SINE DIE

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PRESIDENT

ATTEST:

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CLERK



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February 4, 2019

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Consideration of Compensation Increase for General Manager**

**board of directors**

Dear Board Members:

damon connolly  
president  
supervisor district 1

**RECOMMENDATION:** Approve a compensation increase of 5% for FY 2018/19 for the General Manager.

dennis rodoni  
vice president  
supervisor district 4

**SUMMARY:**

Nancy Whelan has served as the General Manager of Marin Transit since June 16, 2014. As a follow-up to her performance evaluation by the Marin Transit Board on January 7, 2019, I am recommending that the Board of Directors consider increasing her annual salary. Specifically, I am recommending a 5% increase to account for her performance over the past year. This raise would be effective as of July 1, 2018.

kate colin  
2nd vice president  
city of san rafael

**FISCAL/STAFFING IMPACT:** There are sufficient funds available in the Salaries and Benefits account in the approved FY 2018/19 Marin Transit budget to accommodate this compensation increase.

judy arnold  
director  
supervisor district 5

Respectfully submitted,

stephanie moulton-peters  
director  
city of mill valley

Damon Connolly  
President of the Board of Directors

katie rice  
director  
supervisor district 2

kathrin sears  
director  
supervisor district 3

eric lucan  
alternate  
city of novato





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February 4, 2019

Honorable Board of Directors  
Marin County Transit District  
711 Grand Avenue, Suite 110  
San Rafael, CA 94901

**SUBJECT: Purchase Agreement with Syncromatics for Automatic Vehicle Location Systems for Two XHF Buses**

Dear Board Members:

**board of directors**

damon connolly  
president  
supervisor district 1

dennis rodoni  
vice president  
supervisor district 4

kate colin  
2nd vice president  
city of san rafael

judy arnold  
director  
supervisor district 5

stephanie moulton-peters  
director  
city of mill valley

katie rice  
director  
supervisor district 2

kathrin sears  
director  
supervisor district 3

eric lucan  
alternate  
city of novato

**RECOMMENDATION:** Authorize purchase and installation of on-board automatic vehicle location (AVL) equipment at a cost not to exceed \$25,191 and a yearly maintenance fee that will not exceed \$3,586.

**SUMMARY:** In 2018, Marin Transit purchased two expansion 35' XHF buses to provide more flexibility on supplemental school services where routes experience overcrowding. These vehicles have been delivered and will go into service in February 2019.

Syncromatics AVL equipment is installed on every vehicle in Marin Transit's fixed route fleet. This system provides riders with access to real-time information on their bus and automated on-board passenger announcements. Each bus will be equipped with a mobile data terminal, an automated vehicle annunciator system, and an automatic passenger counter system. Syncromatics also automatically updates the transit vehicle head signs to reflect the vehicle's route and direction of travel.

**FISCAL/STAFFING IMPACT:** The capital cost to purchase and install the AVL systems for two XHF buses will not exceed \$25,191. There is budget available for this purchase within Marin Transit's FY2018/19 vehicle purchase budget under Purchase 2 expansion XHFs (Project #XA).

In addition to equipment costs, Marin Transit pays a yearly maintenance fee to Syncromatics, which includes on-call support and cellular data to support equipment communications. This fee will be increased by \$2,766 for the first year and \$3,586 each year after to include an extended warranty on the new equipment. The additional maintenance expenses are within Marin Transit's FY2018/19 operating budget and will be included in future financial projections.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Anna Penoyar". The signature is written in a cursive, flowing style with a large initial 'A' and a long, sweeping tail.

Anna Penoyar  
Senior Capital Analyst



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February 4, 2019

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Purchase Agreement with TripSpark to host our Trapeze paratransit scheduling software and applications**

**board of directors**

Dear Board Members:

damon connolly  
president  
supervisor district 1

**RECOMMENDATION:** Authorize General Manager to execute an agreement with TripSpark Technologies to host Marin Transit's Trapeze paratransit scheduling software and applications for three years, at a cost not to exceed \$50,000.

dennis rodoni  
vice president  
supervisor district 4

**BACKGROUND:** Marin Transit uses Trapeze software, applications, and associated servers to schedule, dispatch, and send notifications and for reporting on local and regional paratransit trips. This data system requires added stability and reliability from Trapeze servers that are currently installed in a remote Co-Location (COLO) data center in the East Bay.

kate colin  
2nd vice president  
city of san rafael

These COLO servers are at the end of their useful life, and staff have evaluated options for ongoing support and hosting of the Trapeze software. Factors considered in this decision include initial capital costs for new servers, ongoing maintenance costs, and overall reliability and stability of the system.

judy arnold  
director  
supervisor district 5

stephanie moulton-peters  
director  
city of mill valley

Staff recommends that TripSpark Technologies remotely host the paratransit software environment. TripSpark is the software and technology provider for the Trapeze scheduling software. In addition to hosting the data system, TripSpark will provide technical support. In hosting the paratransit scheduling software, TripSpark will be able to directly access and monitor the system and provide immediate support during system failures and breakdown.

katie rice  
director  
supervisor district 2

kathrin sears  
director  
supervisor district 3

**FISCAL/STAFFING IMPACT:** This agreement with TripSpark Technologies includes a one-time \$13,175 setup fee and an annual hosting fee. Future hosting charges will depend on the amount of data storage and data transfer needed and will include a five percent increase each year. Table 1 below summarizes the estimated annual costs for TripSpark based on the amount of digital storage required. The total three-year cost for this agreement is estimated to

eric lucan  
alternate  
city of novato

cost \$44,069.50. Since annual pricing is based on actual data storage and data consumption which may increase slightly over estimates, staff is requested approval of up to \$50,000 for the three years. Compared to the current hosting costs of approximately \$47,000 per year, the Trapeze hosting is expected to save the District an estimated \$97,000 over the three years.

**Table 1: Annual Trapeze Hosting Costs**

	Cost		
	Year 1	Year 2	Year 3
Setup Fee	\$13,175.00	-	-
Hosting Fee <sup>1</sup>	\$9,800.00	\$10,290.00	\$10,804.50
<b>Total</b>	<b>\$22,975.00</b>	<b>\$10,290.00</b>	<b>\$10,804.50</b>

1. Estimated based on current data storage and consumption. This may change slightly in future years

Respectfully submitted,



Robert Betts  
Director of Planning and Operations



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February 4, 2019

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**SUBJECT: Second Amendment to Agreement with Clean Solution Services Inc.**

**board of directors**

Dear Board Members:

damon connolly  
president  
supervisor district 1

**RECOMMENDATION:** Authorize General Manager to execute a second amendment to the agreement with Clean Solution Services Inc. for bus stop cleaning and repair services for bus stops throughout Marin County (#181929) to extend the time of the contract for three additional years through January 31, 2022, at a cost not to exceed \$300,000.

dennis rodoni  
vice president  
supervisor district 4

**SUMMARY:** Staff recommends that your Board authorize the General Manager to execute an amendment to the current agreement #151650 with Clean Solution Services Inc. for bus stop maintenance to exercise the options to extend the contract through January 31, 2022.

kate colin  
2nd vice president  
city of san rafael

The tasks in the original agreement include routine bus stop cleaning and maintenance at several local-only bus stops throughout the county, as well as on-call maintenance requests. On-call maintenance tasks include additional trash, graffiti, and broken glass removal.

judy arnold  
director  
supervisor district 5

A February 2018 amendment to the agreement added regular cleaning and maintenance for the completed Redwood and Grant facility. This larger facility requires additional roof and gutter cleaning, power washing, and trash pickup. As a shared facility, Golden Gate Transit shares in the cost of this maintenance task.

stephanie moulton-peters  
director  
city of mill valley

katie rice  
director  
supervisor district 2

**FISCAL/STAFFING IMPACT:** The total cost for the additional three years under this amendment will not exceed \$300,000 over the three-year period. These costs are included in the Marin Transit FY 2018/19 operating budget under BM - Bus Stop Maintenance. The annual cost breakdown is included below:

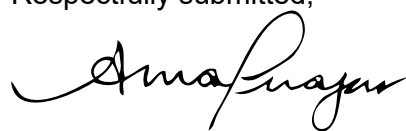
kathrin sears  
director  
supervisor district 3

eric lucan  
alternate  
city of novato

Task	Annual Cost
Regular Stop Cleaning	\$ 20,540
Redwood & Grant	\$ 63,568
On-Call Requests	\$ 15,000
Total:	\$ 99,108

Golden Gate Bridge Highway and Transportation District (GGBHTD) will continue to share the costs for maintenance of the Redwood and Grant transit transfer facility based on percentage of regional service at the facility (currently 34 percent). The estimated annual amount paid by GGBHTD for the Redwood and Grant facility maintenance is \$22,329.

Respectfully submitted,



Anna Penoyar  
Senior Capital Analyst

Attachments: Second Amendment to Agreement with Clean Solutions Services Inc.,  
Presentation

**SECOND AMENDMENT TO AGREEMENT  
BY AND BETWEEN THE  
MARIN COUNTY TRANSIT DISTRICT AND CLEAN SOLUTIONS SERVICES, INC DATED  
FEBRUARY 22, 2016**

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**THIS AMENDMENT is made and entered into this 4th day of February 2019, by and between the MARIN COUNTY TRANSIT DISTRICT, a political subdivision of the State of California (hereinafter referred to as "District") and Clean Solutions Services, Inc. (hereinafter referred to as "Contractor")**

**RECITALS**

WHEREAS, the District and the Contractor entered into an agreement to provide bus stop cleaning and repair services for the maintenance and minor repair of bus stops throughout Marin County dated February 22, 2016 "Agreement" (#151650); and

WHEREAS, the District and the Contractor previously amended the Agreement to include maintenance services at a new downtown Novato bus stop replacing the two Redwood Blvd and Grant curbside stops (#171858); and

WHEREAS, the initial request for proposal for the contract services requested services for three years plus an additional three option years;

WHEREAS parties desire to extend the agreement by three years at the current contract rates and prices; and

NOW, THEREFORE, the parties agree to extend the agreement by three years; as set forth below.

**AGREEMENT**

- 1) Except as otherwise provided herein all terms and conditions of the Agreement and any prior amendments to the Agreement shall remain in full force and effect.
- 2) Updated Certificate of Insurance(s) attached hereto.
- 3) Section 4 is hereby amended to read as follows:

**SECTION 4: TIME OF AGREEMENT:** This Agreement shall commence on February 22, 2016, and shall terminate on January 31, 2022.

- 4) Exhibit B, Fees and Payment Schedule is amended to add the following: The annual contract amount will not exceed \$100,000.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day first written above.

CONTRACTOR:

MARIN COUNTY TRANSIT DISTRICT:

By \_\_\_\_\_

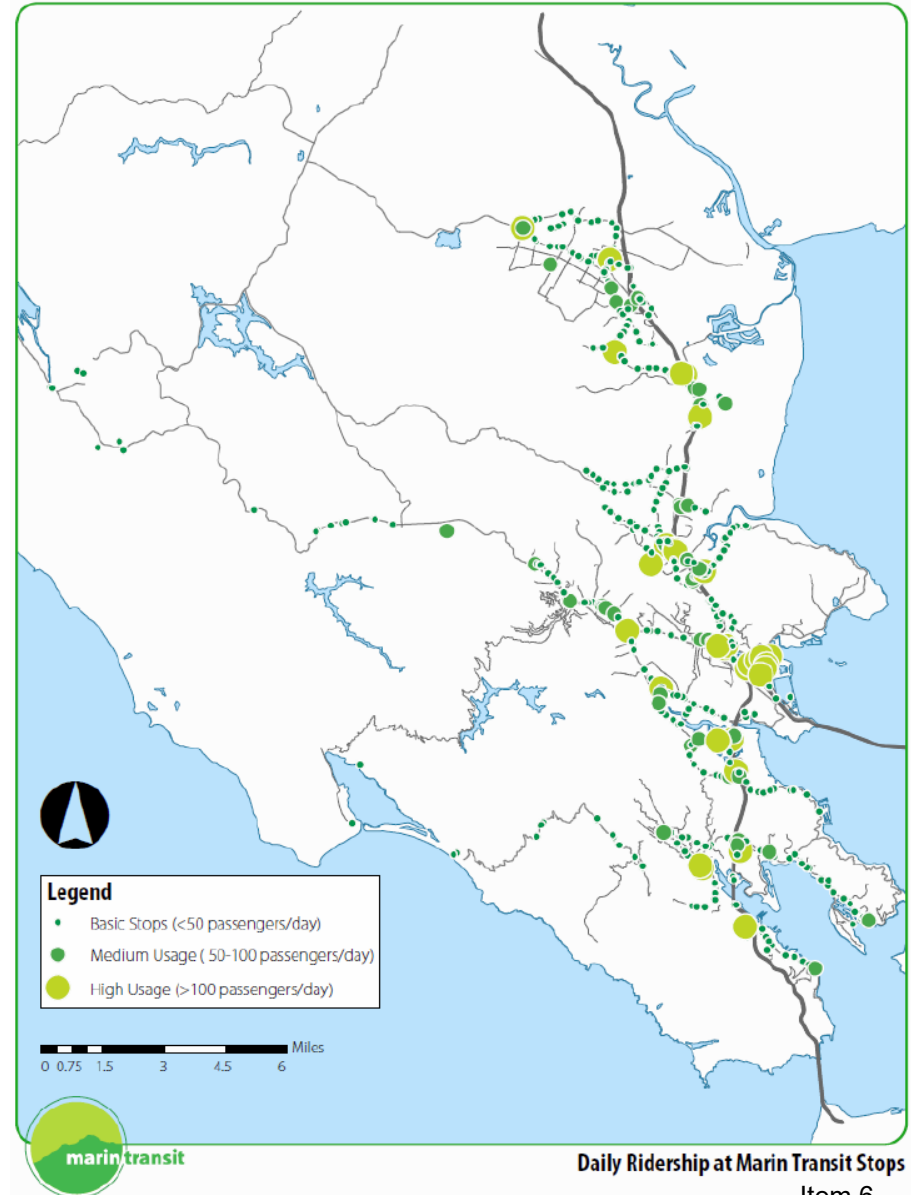


# **Bus Stop Maintenance Contract with Clean Solutions**

February 4, 2018



- Marin County: 828 mi<sup>2</sup>
  - Bus Stops 666
  - Regional Stops 83
  - Local Stops 245
  - Shared Stops 338



Daily Ridership at Marin Transit Stops  
Item 6

# Stop Maintenance – How does it work?

- **Golden Gate Transit** – Responsible for all stops that they serve, including stops they serve on behalf of Marin Transit (329)
- **Advertising Shelters** – Maintained by advertising company (81)
- **Marin Transit** – Local only stops, no GGT Service (173)



# Contract Responsibilities – Clean Solutions

- Weekly Trash pick up/cleaning at 3 local stops
- Redwood and Grant
- On call maintenance requests





## February 2016: Original Contract Approved

- Tasks: Regular Bus Stop Cleaning, On-Call Maintenance
- Three option years included in procurement



## February 2018: 1<sup>st</sup> Amendment

- Added Regular maintenance of Redwood & Grant



## February 2019: 2<sup>nd</sup> Amendment

- Execute three option years

- Authorize General Manager to execute an amendment to execute 3-year contract extension with Clean Solutions services not to exceed \$100,000 annually

Task	Annual Cost
Regular Stop Cleaning	\$ 20,540
Redwood & Grant*	\$ 63,568
On-Call Requests	\$ 15,000
Total:	\$ 99,108

\* Golden Gate Bridge Highway & Transportation District (GGBHTD) shares cost based on percentage of regional service at the facility

# Questions?

**Anna Penoyar**

Senior Capital Analyst, Marin Transit



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February 4, 2019

Honorable Board of Directors  
Marin County Transit District  
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**SUBJECT: Disclosure of Service Credit Replacement Plan Costs**

Dear Board Members:

**board of directors**

damon connolly  
president  
supervisor district 1

dennis rodoni  
vice president  
supervisor district 4

kate colin  
2nd vice president  
city of san rafael

judy arnold  
director  
supervisor district 5

stephanie moulton-peters  
director  
city of mill valley

katie rice  
director  
supervisor district 2

kathrin sears  
director  
supervisor district 3

eric lucan  
alternate  
city of novato

**RECOMMENDATION:** Receive and file this report regarding the estimated cost of the Service Credit Replacement Plan ("Plan").

**SUMMARY:** The Plan will provide replacement retirement benefits for six Local Government Services ("LGS") employees who were assigned to Marin County Transit District under contract for the period May 2010 through October 2013, approximately 3.5 years. One employee subsequently withdrew from the LGS Public Employees Retirement System (PERS) plan<sup>1</sup>. Staff engaged the services of David M. Dougherty, F.S.A., M.A.A.A, E.A., to provide the required actuarial valuation based on draft plan document as of January 15, 2019. The costs of the remaining five employees are included in this valuation.

The valuation shows an unfunded liability of \$41,121 with the annual cost for FY2019 of \$4,364. The annual cost for the Plan retirement benefits is the contribution toward the 15-year pay-down of the unfunded liability. Annual Plan administration costs are estimated to be approximately \$3,100 for trustee fees and actuarial services,

**BACKGROUND:** Marin County Transit District has evolved into an independent agency over the past twelve years. Initially the District was staffed in the County's Public Works Department and the County effectively managed all the administrative functions of the District. Over time, Marin Transit used different employment models and various means of performing the administrative functions of the agency.

From May 2010 through October 2013 Marin Transit contracted with LGS for six professional and administrative employees to serve the agency. Under this contract, LGS paid the salary and benefits and

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<sup>1</sup>The draft plan includes a provision that would allow this employee to "buy back" his withdrawn service credit after the Plan has been implemented. He would be included in subsequent valuations after he decides to buy back.

performed the Human Resources function for these employees. The employees were directly paid by LGS who also provided PERS retirement benefits and other traditional employee benefits.

In October 2013, the District decided to “in-source” these personnel and administrative activities. Marin Transit elected to not become a member agency of PERS and instead established a defined contribution retirement program for employees. The defined contribution retirement program has significantly reduced costs and potential future financial liability for the agency.

In May 2017 PERS issued an audit of LGS finding that the LGS employees were “common law” employees of the LGS client agencies including Marin Transit. PERS notified Marin Transit and the six employees that their service credits earned while under LGS’ employment would be reversed.

Staff has been working with assistance from Matsumoto Consulting and County Counsel on assessing options to preserve the affected employees’ benefits. Of the options under consideration, the establishment of a PERS credit replacement plan appears to be the most promising. It will provide a defined benefit pension plan with essentially the identical retirement benefit that the impacted employees would have received from LGS.

Staff, with the assistance of outside counsel, Pillsbury Winthrop Shaw Pittman LLP, is finalizing the required documents for a Service Credit Replacement Plan.

Procedurally, because your Board has been presented with actuarial figures on today’s date, your Board may adopt the PERS credit replacement plan at your regular March meeting, consistent with state law.

PERS had agreed to not reverse the employees’ service credits while Marin Transit makes good faith efforts to pursue an appropriate correction to the service credits in question. However, in October 2018, LGS informed us and PERS of their intention to “close up shop” as of November 30, 2018 and that PERS said that they would be unable to continue to hold the LGS/PERS amounts after that. We understand that LGS took the appropriate actions to close their shop as of November 30, 2018, including the creation of a successor entity to wind-up liabilities. We further understand from LGS’s former Executive Director that discussions regarding the status of the funds between the parties have not been concluded at the time of this writing. CalPERS has also not taken any actions to close out any LGS employee member or LGS employer accounts at CalPERS.

Pending your Board’s acceptance of the actuarial valuation, staff will complete the Plan document, trust agreement, an asset transfer agreement and present them or an alternative strategy for Board approval at the March 4, 2018, meeting.

**FISCAL IMPACT:** Approval of the recommended action has no financial impact.

Respectfully submitted,



Nancy Whelan  
General Manager