METROPOLITAN TRANSPORTATION COMMISSION

Meeting Transcript

ADMINISTRATION COMMITTEE

WEDNESDAY, MARCH 13TH, 2024, 9:40 AM

CHAIR, GINA PAPAN: GOOD MORNING. MY NAME IS GINA PAPAN, I AM THE CHAIR OF THE ADMINISTRATIVE COMMITTEE. AND I WOULD LIKE TO CALL TO ORDER THIS MEETING OF MTC'S ADMINISTRATIVE COMMITTEE. THIS MEETING IS BEING WEBCAST ON MTC'S WEB SITE. COMMISSIONERS AND MEMBERS OF THE PUBLIC PARTICIPATING BY ZOOM WISHING TO SPEAK SHOULD USE THE RAISED HAND FEATURE OR DIAL STAR NINE, AND I WILL CALL UPON -- OR THE CLERK WILL CALL UPON THEM, UPON -- AT THE APPROPRIATE TIME. TELECONFERENCE ATTENDEES WILL BE CALLED UPON BY THE LAST FOUR DIGITS OF THEIR PHONE NUMBER. ROLL CALL VOTE WILL BE TAKING PLACE FOR ALL ACTIONS DUE TO REMOTE COMMISSIONERS PARTICIPATION TODAY. IF WE COULD HAVE ROLL CALL AND CONFIRM THE QUORUM, PLEASE

CLERK, CARSIE BONNER: CERTAINLY, CHAIR. CHAIR PAPAN?

CHAIR, GINA PAPAN: OH, YEAH. HERE. SORRY.

CLERK, CARSIE BONNER: (LAUGHTER) PAPAN PRESENT.

CHAIR, GINA PAPAN: THANK YOU. (LAUGHTER)

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CLERK, CARSIE BONNER: VICE CHAIR FLEMING IS ABSENT. COMMISSIONER ABE-KOGA?

MARGARET ABE-KOGA: HERE.

CLERK, CARSIE BONNER: CHAVEZ?

CINDY CHAVEZ: HERE.

CLERK, CARSIE BONNER: NON-VOTING COMMISSIONER EL-TAWANSY?

DINA EL-TAWANSY: HERE.

CLERK, CARSIE BONNER: GLOVER?

FEDERAL D. GLOVER: HERE.

CLERK, CARSIE BONNER: MILEY?

NATHAN MILEY: HERE.

CLERK, CARSIE BONNER: NON-VOTING COMMISSIONER SCHAFF?

LIBBY SCHAAF: HERE.

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CLERK, CARSIE BONNER: SCHAFF IS PRESENT. AND COMMISSIONER THAO? HAS STEPPED AWAY AT THE MOMENT. BUT WE DO HAVE QUORUM.

CHAIR, GINA PAPAN: WE HAVE QUORUM. GREAT. AND WE ALSO HAVE REQUEST FOR REMOTE PARTICIPATION UNDER A.B. 2449 FROM COMMISSIONER RONEN. THE CRUTCHES ARE A NICE TOUCH. PLEASE, COMMISSIONER RONEN.

HILLARY RONEN: I AM REQUESTING TO PARTICIPATE REMOTELY UNDER A.B. 2449 BECAUSE I'M RECOVERING FROM KNEE RECONSTRUCTION SURGERY. THERE IS NO ONE PRESENT IN THE ROOM OVER 18. THANK YOU.

CHAIR, GINA PAPAN: YOUR REQUEST IS NOTED AND WE ARE ADDING COMMISSIONER RONEN AS PRESENT FOR THIS MEETING. ITEM TWO, CONSENT CALENDAR, INCLUDES ITEMS 2A THROUGH 2C. ARE THERE ANY COMMISSIONERS THAT WOULD LIKE TO PULL AN ITEM FROM THE CONSENT CALENDAR?

CINDY CHAVEZ: CHAVEZ, MOVE APPROVAL.

CHAIR, GINA PAPAN: THANK YOU VERY MUCH.

FEDERAL D. GLOVER: GLOVER SECONDS.

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CHAIR, GINA PAPAN: MOTION BY CHAVEZ, SECOND BY GLOVER. DID WE GET ANY COMMENTS ON THIS? OR CORRESPONDENCE?

CLERK, CARSIE BONNER: NO WRITTEN CORRESPONDENCE RECEIVED, NO MEMBER OF THE PUBLIC ON ZOOM, AND NO ONE IN THE BOARDROOM WISHING TO PROVIDE COMMENT.

CHAIR, GINA PAPAN: OKAY. PLEASE CALL THE ROLL.

CLERK, CARSIE BONNER: CHAIR PAPAN?

CHAIR, GINA PAPAN: YES.

CLERK, CARSIE BONNER: PAPAN AYE. VICE CHAIR FLEMING IS ABSENT. ABE-KOGA?

MARGARET ABE-KOGA: AYE.

CLERK, CARSIE BONNER: CHAVEZ?

CINDY CHAVEZ: YES.

CLERK, CARSIE BONNER: GLOVER?

FEDERAL D. GLOVER: AYE.

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CLERK, CARSIE BONNER: MILEY?

NATHAN MILEY: YES.

CLERK, CARSIE BONNER: MILEY AYE. COMMISSIONER RONEN?

HILLARY RONEN: AYE

CLERK OF THE BOARD: RONEN AYE. COMMISSIONER THAO?

SHENG THAO: AYE.

CLERK, CARSIE BONNER: THAO, AYE. MOTION PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT.

CHAIR, GINA PAPAN: THANK YOU VERY MUCH. MOVING ON TO AGENDA ITEM THREE ENTERPRISE RESOURCE PLANNING PROGRAM UPDATE. UPDATE ON THE ENTERPRISE RESOURCE PROGRAM OTHERWISE KNOWN AS THE ERP AND REVIEW ITS DRAFT PRELIMINARY CAPITAL BUDGET. NICK IS HERE TO PRESENT. THANK YOU.

SPEAKER: GOOD MORNING COMMISSIONERS AND CHAIR PAPAN I'M NICK RACHAEL CHIEF OPERATING OFFICER FOR MTC ALONG WITH ME IS DEREK HANSEL CHIEF FINANCIAL OFFICER. PHILIPPE, YURIE, THEY ARE

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GOOD. THANK YOU. THANK YOU FOR BRING UP THAT PRESENTATION. I'LL PROVIDE A SHORT PRESENTATION I WANT TO PROVIDE A COHESIVE STRATEGY PICTURE OF WHAT WE'RE DOING IN TERMS OF A RESOURCE PLANNING PROGRAM AND WILL GO THROUGH A BIT MORE ABOUT WHAT THAT ACTUALLY MEANS USING THE ACRONYM ERP WE KNOW THERE'S A LOT OF WORK COMING IN FRONT OF THE ADMINISTRATION COMMITTEE AS WELL AS THE ENTIRE COMMISSION SO TODAY IS A GOOD DAY TO GET THE ENTIRE STRATEGY IN FRONT OF YOU TO LET YOU ASK QUESTIONS AND MAKE SURE YOU'RE PREPARED FOR THE ITEMS THAT WE PLAN TO BRING FORWARD TO YOU IN THE NEXT MONTHS NOTABLY IN JUNE WE HAVE A NUMBER OF ITEMS. I THINK IT'S GOING TO BE HELPFUL AND IMPORTANT. I WANT TO TAKE US TO THE NEXT SLIDE AND TALK ABOUT WHAT AN ERP SYSTEM IS. I'M GOING TO USE ACRONYMS. MY APOLOGIES FOR THAT, THE ENTERPRISE RESOURCE PLANNING PROGRAM IS REALLY WHAT I CALL THE OPERATING SYSTEM OF THE AGENCY IT'S THE COMPUTER SYSTEM THAT ALLOWS US TO DEAL WITH EVERYTHING FINANCIAL EVERYTHING HUMAN RESOURCES RELATED, OUR CONTRACTS AND PROCUREMENTS, BUDGET DEVELOPMENT, GRANTS AND PROJECTS, EVERYTHING YOU SEE ON THAT WHEEL. THAT IS REALLY THE LIFE BLOOD OF WHAT WE DO IN THIS AGENCY AS FAR AS THE BUSINESS ELEMENT OF HOW WORK GOES FROM THE PLANNING PHASES INTO THE ACTUAL IMPLEMENTATION. HOW WE INTEND HOW WE SPEND MONEY, PAY PEOPLE, AND PLAN FOR PEOPLE'S WORK AND HOW WE GENERAL RUN SMOOTHLY I'M GOING TO TAKE A STEP BACK TO THE YEAR 2,000 FOR A MINUTE. IN THE YEAR 2,000, THINK OF MTC AS AN ORGANIZATION OF

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ABOUT 100 PEOPLE. WE FIT ON A SINGLE FLOOR IN A BUILDING IN OAKLAND, A LITTLE BIT OF OVERFLOW TO ANOTHER BUILDING THAT WAS NEARBY. THAT'S ABOUT A QUARTER OF THE PEOPLE WE HAVE TODAY. MTC AND SAFE WERE THE BOARDS AND COMMITTEES AND COMMISSIONS THAT YOU ALL WOULD HAVE BEEN DEALING WITH. AND IMAGINE DAYS LIKE TODAY IT PROBABLY WOULD HAVE GONE QUICKER BACK 2000. THERE WAS NO ABAG -- WELL THERE WAS, BUT IT WAS SEPARATE, THERE WAS NO BAHA, BATA, NO BILLED IN REVENUE, HALF BILLION DOLLARS IN DEBT AND 2.7 MILLION INVESTMENTS DIDN'T EXIST AT THE TIME, NOT AT LEAST UNDER MTC'S ROOF. TODAY THE STAFF IS QUADRUPLE. WE HAVE THE DOLLAR AMOUNTS I PUT OUT THERE JUST IN BATA ALONE. AND WE ARE STILL USING THE EXACT SAME FINANCIAL SYSTEM WITH JUST A FEW UPGRADES THAT WE WERE USING BACK IN 2000. SO IT'S TIME FOR A CHANGE. IT IS TIME FOR AN ENTERPRISE RESOURCE PLANNING PROGRAM TO COME INTO MTC AND WE'RE AT THE POINT NOW WHERE WHAT HAS BEEN AN EVOLUTIONARY JOURNEY FOR THE AGENCY NOW BECOMES A REVOLUTIONARY TECHNOLOGY PROJECT. ALL RIGHT. SO, TALKED A LITTLE BIT ABOUT WHAT AN ERPS WHY WE'RE AT THE POINT WHERE IT IS TIME TO CREATE THE PROGRAM AND INSTALL THAT PRODUCT. LET'S MOVE TO THE NEXT SLIDE, PLEASE. THIS ONE IS BRUTAL. A LITTLE BIT OF AN EYE CHART, EVEN FOR ME. THESE ARE TRADEMARK WHAT I WOULD LIKE TO TALK THROUGH, TOP LEFT TO RIGHT TOP LEFT YOU SEE WE'RE DOING A LOT OF DIFFERENT FUNCTIONS IN A LOT OF DIFFERENT SYSTEMS IN FACT BETWEEN PAYING OUR PEOPLE DOING PROCUREMENTS, SIGNING OFF ON RECEIPTS,

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INVOICES, DOING PROJECT COUNTY TEN DIFFERENT SOFTWARE PACKAGES WE'RE USING TODAY A LOT OF MANUAL PROCESSES INVOLVED, AND THERE IS A LOT OF ROOM FOR ERROR MAKING MANUAL ENTRIES BETWEEN TEN DIFFERENT SYSTEMS. WHERE WE'RE GOING AND WHAT TODAY IS ABOUT, IT'S ABOUT CREATING THAT SINGLE LOCATION, THAT KIND OF BIG HARD DRIVE WITH THE CLOUDS THAT YOU SEE IN THE MIDDLE, ON THE TOP, IS THAT FUTURE STATE OF WHERE ARE WE HEADING, HAVING WHAT BECOMES A SINGLE SOURCE OF TRUTH ONE PLACE FOR THE DATA TO EXIST, ONE PLACE FOR THE DATA CREATED AND FOLLOW-THROUGH IT ALLOWS US TO HAVE INCREASED CONTROL, TRANCE PATTERN, AND ACCOUNTABILITY AND MOST IMPORTANTLY IT DECREASES OUR RICK. ALSO GIVEN THE FACT THAT MTC, RIGHT NOW, HAS TAKEN ON SO MANY DIFFERENT FUNCTIONS. IT CREATES BETTER CROSS FUNCTIONAL COLLABORATION USING THAT TECHNOLOGY PLATFORM AND THAT IS A PLACE WE ABSOLUTELY ALL DISPARATELY WANT TO BE. ALSO, VERY IMPORTANTLY, WE KNOW THAT MTC HAS BEEN CHANGING AND WILL LIKELY CONTINUE TO CHANGE. SO, WE'RE ALSO USING AN ADAPTIVE MODEL THAT AS WE'RE MOVING FORWARD WE HAVE A SYSTEM THAT CAN CONTINUE TO MOLD AND MEET THE NEEDS OF THE AGENCY WHATEVER NEW FUNCTIONS COME INTO THE ORGANIZATION. KEY QUESTIONS, HOW DO WE GET THERE. AND THIS IS THE BOTTOM OF THE SLIDE. SO, WE HAVE GONE THROUGH DISCOVERY, WE HAVE TALKED WITH THE BUSINESS GROUPS THROUGHOUT THE ENTIRE AGENCY AND THAT'S A KEY COMPONENT. THIS IS AN AGENCY-WIDE PROJECT AND WE ARE TREATING IT AS SUCH. WE'RE WORKING ON THE CREATION -- WE HAVE CREATED

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THE STRATEGY AROUND HOW THE ERP IS GOING TO WORK. AND AT THIS POINT, WE ARE IN THE PROCUREMENT PHASE. WE WILL BE RECOMMENDING SOFTWARE TO YOU THAT WILL BE ORACLE, WHICH HAS A FAIRLY LARGE NAME IN THIS SPACE. RIGHT NOW, WE'RE GOING THROUGH THE PROCESS OF SELECTING SO THAT WE CAN RECOMMEND A SYSTEM INTEGRATOR TO YOU. BOTH OF THOSE ITEMS WE EXPECT TO COME FORWARD IN THE MONTH OF JUNE. INTO THEN WE HAVE GOT TO DO IT. AND THAT'S WHERE THE RUBBER WILL HIT THE ROAD -- OR WILL MEET THE ROAD. WHERE THE TRAIN MEETS THE TRACKS. LET'S GO AHEAD AND GO TO THE NEXT SLIDE THAT'S WHERE WE TALK ABOUT WHEN WE GET IT DONE. AND I CAN ASSURE YOU THIS PROJECT WILL NOT BE DONE IF MINE NINE MINUTES EITHER. THIS IS A MULTIYEAR PROJECT AND WE HAVE ADDED A LOT ALREADY PLANNING, PREPARATION, A LOT OF TALKING TO STAFF AND UNDERSTAND WHAT NEEDS EXIST AND FRANKLY OPPORTUNITIES EXIST AS WE MOVE FORWARD INTO THE SUMMER HOPEFULLY WE'LL GET YOUR APPROVAL FOR THE SYSTEM INTEGRATOR AND APPROVAL FOR THE SOFTWARE WE'LL BE DOING THE MAJOR KICKOFF WHERE WE'RE IMPLEMENTING THIS PROGRAM AND PROJECT LOOKING AT OUR PROCESSES LOOKING AT IMPROVING THOSE PROCESSES AND INSTALLING SOFTWARE, TESTING IT, AND MIGRATING A LOT OF DATA FROM OUR EXISTING SYSTEM TO THAT NEW SYSTEM. THAT'S GOING TO TAKE US INTO JANUARY OF 2026. AND THAT MAY SEEM LIKE A LONG TIME, BUT THIS IS ACTUALLY, FOR THIS TYPE OF PROJECT, A FAIRLY AGGRESSIVE TIMELINE, BUT ONE WE THINK IS VERY REASONABLE TO GET TO WHERE WE GO -- WHERE WE NEED TO GO. BECAUSE ONE OF THE

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CHALLENGES, I THINK WE ALL KNOW THIS, THE FURTHER YOU PUT YOUR MILESTONE OUT, THE EASIER IT IS TO LET THINGS SLIDE. SO WE HAVE A GOAL, WE FEEL IT'S REASONABLE AND WE'RE WORKING HARD TOWARDS THAT. NOW, I'LL NOTE, WHEN WE LOOK AT THE WHEEL THAT HAD THE FIVE DIFFERENT KEY COMPONENTS OF AN ERP SYSTEM, THE KEY AREAS THAT WE WANT TO INSTALL AND GO LIVE ON JANUARY OF 2026 IS ROLE THE CORE PIECES, THE HEART OF THE NUMBERS, THE FINANCIAL SYSTEM, HR SYSTEM AND PAYROLL SYSTEM. FROM THERE, THERE WILL BE ADDITIONAL PIECES THAT WE WILL ADD, AND YOU'RE GOING TO SEE THAT REFLECTED WHEN WE GET TO THE BUDGET BECAUSE THERE ARE SOME AREAS THAT ARE TBDS. SO, ON THAT NOTE, LET'S GO AHEAD AND GO TO THE NEXT SLIDE, PLEASE SO, THIS IS THE INITIAL BUDGET. I'M GLAD BRAD IS SITTING NEXT TO ME I REALIZE I CAN'T READ IT FROM HERE. APPRECIATE IT. WE HAVE BROKE THE COST DOWN INTO A NUMBER OF DIFFERENT AREAS. AND TO BE CLEAR, THIS IS A BUDGET THAT WE'LL BRING FORWARD TO YOU AS PART OF THE FORMAL BUDGETING PROCESS. THIS IS PRELIMINARY, IT IS DRAFT. IT WILL GO UP. THAT'S THE OTHER PART OF IT, BECAUSE THERE ARE A NUMBER OF COMPONENTS THAT WE CAN'T ACTUALLY PRICE OUT UNTIL WE GET FURTHER INTO THE PROJECT. SO YOU DO SEE THE BUDGET IN FRONT OF YOU. ONE OF THE KEY AREAS THAT I WILL BRING UP, BECAUSE I THINK THE FIRST FEW STRATEGY CHANGE MANAGEMENT CONSULTING, THAT'S IMPORTANT. IT'S A DIFFERENT FIRM FROM THE FIRM THAT'S DOING THE ACTUAL INTEGRATION OF THE SOFTWARE. WE DO WANT THIS TO BE A PEOPLE-FIRST PROGRAM. THAT'S AN AREA WHERE WE SEE A

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LOT OF PROJECTS FAIL THEY DON'T FOCUS ON THE CHANGE ELEMENT OF IT, AND WE'RE FOCUSING A LOT OF EFFORT ON THE CHANGE AND HOW THAT AFFECTS PEOPLE AND PROCESS. SECONDLY, THE COST OF THE SOFTWARE AND THE SYSTEM INTEGRATOR, FAIRLY STANDARD AND WE DO KNOW THAT WE'RE GOING TO HAVE TO HAVE PEOPLE THAT ARE GENERAL GOING TO BE WORKING FULL-TIME TO GET THE SYSTEM UP AND RUNNING THAT NEED TO BE STAFF MEMBERS THAT NEED TO KNOW WHAT'S GOING ON TO BE ABLE TO ACTUALLY GET THE NEW SOFTWARE TO THE POINT WHERE IT'S GOING TO BE FUNCTIONAL. WE NEED TO BACKFILL THOSE FOLKS WE HAVE ACCOUNTED FOR THAT, AS WELL, IN THE BUDGET. YOU SEE THIS IN THE CAPITAL RESERVE PROJECT BUDGET SHAKES OUT, I CERTAINLY CAN ANSWER ANY QUESTIONS YOU HAVE DEREK HANSEL IS HERE, AND JANET BANNER IS HERE SHE IS THE PROJECT MANAGER AND IS VERY SEASONED ENTERPRISE PROJECT SHE RAN THE 511 PROGRAM FOR MANY YEARS. I APPRECIATE YOUR ATTENTION ON THIS ITEM

CHAIR, GINA PAPAN: IT'S EXTREMELY IMPORTANT TO OUR OPERATIONS AND REDUCTION OF RISK AND EFFICIENCY. I WOULD HOPE THAT IT WOULD TAKE LONGER -- (LAUGHTER) SLOWER, FASTER, THAN 2016. LOVE TO SEE THAT LITTLE STAR MOVE. BUT ANY QUESTIONS? YES, COMMISSIONER ABE-KOGA?

MARGARET ABE-KOGA: THANK YOU, CHAIR. THANK YOU FOR THE PRESENTATION. I THINK THIS IS IMPORTANT AND EXCITING. MOVING FORWARD, THOUGH, HOW DO WE -- ARE THERE UPGRADES BUILT INTO

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THE SYSTEM, SO THAT WE'RE NOT WAITING ANOTHER 24 YEARS TO DO A FULL SYSTEM CHANGE, OR WHATEVER, THE LATEST TECHNOLOGY IN 24 YEARS, IS GOING TO BE?

SPEAKER: YEAH. THANK YOU FOR THAT QUESTION. ONE OF THE THINGS THAT WE LOOK AT IN ANY SOFTWARE THAT WE'RE DEPLOYING TODAY IS THAT THEY'RE INLINE IN REGULAR UPGRADES THAT HAPPEN, THAT ARE STREAMLINED. SO, THEY'RE NOT, TAKE THE SYSTEM DOWN, UPGRADE IT OVER A WEEKEND, BRING UP AND HOPE THAT IT WORKS. THE MODERN SYSTEM AND ORACLE BEING THE ONE WE'LL BE RECOMMENDING TO YOU HAS INLINE UPGRADES ALMOST IN REALTIME AND NEW FUNCTIONALITY THAT COMES OUT THAT'S THE SHORT ANSWER, WE WILL BE CONTINUING TO SEE UPGRADES AND IMPROVEMENTS IN THE PRODUCT AS WE GO ALONG.

MARGARET ABE-KOGA: ASSUMING WE'LL HAVE FUNDING SET ASIDE FOR THOSE UPGRADES?

DEREK HANSEL: YEAH, WE WILL. WE'LL HAVE ANNUAL COST, IN ADDITION TO THE CAPITAL COST, AND WE HAVE THAT TODAY WITH OUR CURRENT SYSTEM, AT CENTRAL SQUARE SO THAT, YOU KNOW, TO THE EXTENT THAT THE ADDITIONAL CAPITAL REQUIREMENTS WE'LL CERTAINLY BE REQUESTING THOSE IN FUTURE CAPITAL BUDGETS, BUT AGAIN A LOT OF THAT WILL BE HANDLED IN THE NORMAL WAY.

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MARGARET ABE-KOGA: OKAY. THANK YOU.

CHAIR, GINA PAPAN: COMMISSIONER SCHAFF, FOLLOWED BY CHAIR PEDROZA.

LIBBY SCHAAF: THIS IS GREAT AND FANTASTIC AND THANK YOU FOR HAVING A VISIONARY APPROACH TO MEETING THE NEEDS OF THE ORGANIZATION. IT'S BEEN A WHILE, BUT IN MY FORMER LIFE AS AN EXECUTIVE, I CANNOT SAY THAT I LOVED WORKING WITH ORACLE, I'LL JUST PUT IT OUT THERE. THEY HAVE A LOT OF CONTROL OVER THIS MARKET, AND THEY TEND TO EXERT IT, AND MY QUESTIONS IS ARE WE BUILDING AN INTERNAL CAPACITY OF PEOPLE THAT WORK FOR MTC SO THAT WE'RE NOT RELIANT ON OUR OUTSIDE CONTRACTORS AND JUST THAT WE HONOR HAVING IN-HOUSE EXPERTISE IN TECHNOLOGY THAT'S REALLY MORE AND MORE CORE TO BUSINESS. IT'S A QUESTION YOU CAN EVEN TELL ME OFFLINE. BUT I, AS A NON-VOTING COMMISSIONER, WILL ENCOURAGE A CONTINUED INVESTMENT IN IN-HOUSE TECH EXPERTISE SO THAT YOU DO NOT BECOME OVERLY RELIANT ON ORACLE.

ANDREW FREMIER: COMMISSIONER, IF I COULD TAKE THE OPPORTUNITY, WITH A LOT OF OUR BIG PROGRAMS LIKE THIS, AND MOST OF THE FASTRAK ENVIRONMENT, THE CLIPPER ENVIRONMENT, THIS PARTICULAR ERP WORK, WE DO BELIEVE IN HAVING GOOD STRONG STAFF THAT CAN MANAGE IN THIS SPACE, AS WELL. AND WE DON'T LIKE TO BE COMPLETELY RELIANT ON CONTRACTORS. BUT WE DO USE THEM.

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CHAIR, GINA PAPAN: THANK YOU COMMISSIONER SCHAFF. CHAIR PEDROZA?

ALFREDO PEDROZA: GREAT QUESTION. THAT'S SOMETHING WE HAVE TO BE MINDFUL OF IS DEVELOPING THE INTERNAL INFRASTRUCTURE BUT ALSO MINDFUL OF ONGOING COST WHEN ADDING TO THE FTE. WE'RE LOOKING TO CONTINUE CHANGE ESPECIALLY WITH EVERYTHING WE'RE WORKING ON, I THINK THIS IS AN INVESTMENT IN THE FUTURE BUT WE HAVE TO BE MINDFUL HOW WE MEASURE SUCCESS AND EFFICIENCIES. THAT'S SOMETHING I HOPE YOU REPORT TO US IN TERMS OF HOW IS THIS MAKING IT BETTER FOR THE ORGANIZATION IN HOW WE DO BUSINESS AND WHAT'S THE VALUE? IF WE'RE MAKING AN INVESTMENT INTO THIS SYSTEM, THERE HAS TO BE VALUE THAT WE SEE INTERNALLY THAT FEEDS UP INTO EVERYTHING WE DO. SO, I JUST WANT US TO BE FOCUSED. AND MAYBE YOU ALREADY HAVE AN ANSWER BUT START FOCUSING ON WHERE THE VALUE-ADD IS, THAT MEANS SPEND SOME DOLLARS OR IT MEANS EFFICIENCY FOR THIS ORGANIZATION.

DEREK HANSEL: THANK YOU FOR THE QUESTION OR COMMENT. I THINK THAT'S RIGHT. AND I'LL JUST POINT OUT A FEW AREAS WHERE THAT'S THE CASE. ONE OF THEM, AND IT'S ADDRESSED A LITTLE BIT IN THE EYE CHART THAT NICK BROUGHT UP, IS WHAT WE'LL CALL THE USER EXPERIENCE, AS ONE OF OUR INTERNAL STAFF WHO ARE USING THIS, IT IS, BELIEVE IT OR NOT, A NOT INSIGNIFICANT DECISION WHEN

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PEOPLE CHOOSE TO COME HERE OR STAY HERE. THE FACT THAT WE'RE USING A SYSTEM WHICH IS LONG IN THE TOOTH, TO SAY THE LEAST, AND NOT A COMMON SYSTEM, IS A PROBLEM. IT IS A PROBLEM GETTING PEOPLE TO COME HERE, FINANCE STAFF TO COME HERE, IT'S A PROBLEM IN GETTING THEM TO STAY. ANOTHER BIG ISSUE, AND, YOU KNOW, AGAIN, NICK ALLUDED TO THIS, IS THE IDEA BECAUSE WE'RE HAVING FOLKS DO MANUAL PROCESSING, WE CAN'T HAVE THEM DOING TRUE VALUE-ADDED WORK. AND I CAN TELL YOU THAT THERE IS A TON OF VALUE. JUST MANUAL WORK THAT WE HAVE TO DO TODAY, FOR INSTANCE, AND, AGAIN, JUST AS AN EXAMPLE, TODAY, I HAVE TO HAVE TREASURY FOLKS ENTER INVESTMENT TRADES THREE SEPARATE WAYS. HAVE TO HAVE THEM TELL SOMEBODY WE'RE GOING TO BUY SOMETHING. I HAVE TO HAVE THEM LOG IT INTO OUR INVESTMENT ACCOUNTING SYSTEM, AND THEN THEY HAVE TO SEPARATELY ENTER IT INTO THE GENERAL LEDGER SYSTEM.

ALFREDO PEDROZA: I'M THINKING ABOUT RISK RIGHT NOW, DEREK.

DEREK HANSEL: (LAUGHTER) WE HAVE DO HAVE TO HAVE THOSE PROBLEMS OF FAT FINGERS AND WE HAVE TO CHECK AND CHECK. BUT THAT'S NOT VALUE ADDED WORK.

ALFREDO PEDROZA: I THINK THIS ALLOWS US TO BE INFORMED AND THE FACT IS WE'RE TAKING ON A LOT RIGHT NOW THE MERGER OF MTC AND ABAG, AND CREATION OF NEW ORGANIZATIONS THAT JUST MEANS WE

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HAVE TO BE MINDFUL OF INVESTMENTS WE MAKE IN OUR SYSTEM AND OUR PEOPLE AND OUR ORGANIZATION. THANK YOU.

CINDY CHAVEZ: CHAVEZ WHEN I FIRST GOT INTO THE OFFICE I HAD NO IDEA HOW EXCITING IT WOULD BE TO FIND SOFTWARE AND THE CHALLENGE TO NEGOTIATE WITH THESE COMPANIES I MEAN KIND OF EMERGING, ORACLE IS PROBABLY AT THE TOP OF THAT. I KNOW THE LITTLE LIST. SO THAT LEADS ME TO TWO QUESTIONS, I WOULD LIKE TO SEE THE BOARD COME BACK WITH EXPENDITURES WHAT ARE ONGOING. AND THE POINT THAT LIBBY RAISED ABOUT IN OUR ONGOING CAPACITY, I WOULD BE INTERESTED IN KNOWING HOW MANY STAFF WE'RE GOING TO BE RETAINING THROUGH THIS PROJECT SO THAT WE HAVE MORE SMOOTH OPERATIONS WITHIN THE ORGANIZATION. AND I DO REALLY APPRECIATE -- ONE OF THE THINGS I APPRECIATE ABOUT THE PRESENTATION IS I THINK THE POINT YOU'RE RAISING THAT SOMETIMES CAN BE DIFFICULT FOR THE PUBLIC TO UNDERSTAND IS THAT THE BUSINESS SIDE OF OUR ORGANIZATION IS ACTUALLY THE TENT POLE. LIKE IT'S THE MAJOR THING THAT HOLDS US TOGETHER. WE CAN'T DO ANYTHING ELSE WITHOUT IT AND WE OFTEN THINK ABOUT IT IN THE OPPOSITE WAY SO WE INVEST A LOT IN THE ENTRIES AND NOT HOW HIGH WE CAN GET THE TENT THAT'S THIS PROJECT. AND THAT SAID, THE ONGOING COST IS ACTUALLY IMPORTANT TO UNDERSTAND BOTH IN TERMS OF THE ACTUAL CONTRACT, THE SOFTWARE CONTRACT IN PARTNERSHIP WITH ORACLE AND STAFFING. COULD YOU TAKE A MINUTE TO TALK ABOUT HOW THAT INFORMATION WILL BE PRESENTED IN THE FUTURE AND WHAT WE SHOULD

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BE LOOKING FOR IN THE NEXT ITERATION AS IT COMES BACK TO THE BOARD?

DEREK HANSEL: YEAH. IT WILL COME IN, IN A COUPLE OF DIFFERENT WAYS. YOU CERTAINLY SAW IN THE CAPITAL BUDGET AND WE'LL BE BRINGING THAT FORWARD THERE WILL BE REFINING OF THAT, AND THAT WILL INCLUDE THE DESCRIPTIONS, AGAIN, OF THE STAFF BACKFILL THAT'S REQUIRED TO GET THIS IMPLEMENTED AS WELL AS CONSULTING COST AND ONE TIME COST FOR THE IMPLEMENTATION. THE CONTRACT THAT'S BEING BROUGHT FORWARD OF ORACLE IS A MULTI-YEAR CONTRACT, SO YOU WILL SEE ALL THE DETAILS OF THE MULTI-YEAR CONTRACT THAT'S BEING PROVIDED THERE. WE ARE ALSO GOING TO BE IDENTIFYING POSITIONS THAT WE'RE GOING TO BE REQUESTING, WHICH NEW POSITIONS TO PROVIDE THE LONGER TERM SUPPORT OF THE ERP. SO WE'LL BE PROVIDING THAT, AS WELL. SO, HOPEFULLY THAT --

CINDY CHAVEZ: YEAH, AND I WOULD JUST RECOMMEND --

DEREK HANSEL: AS WE GO FORWARD.

CINDY CHAVEZ: I WOULD RECOMMEND WHETHER IT'S ON ONE SHEET OF PAPER OR THE CHART THAT YOU PRESENTED EARLIER, TO MAKE SURE THAT THE BOARD UNDERSTANDS THAT. AND THE OTHER THING I'M CURIOUS ABOUT NOT JUST AS IT RELATES TO THIS CONTRACT, BUT I KNOW THAT WHEN WE LOOK AT OUR ANNUAL AUDITS, THAT THE FEDERAL

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GOVERNMENT IS NOW LOOKING AT THESE SOFTWARE CONTRACTS, AS THEY SHOULD, YOU KNOW, AS LONG-TERM, AM I RIGHT, THE DEFICITS IN THE WAY THAT WE -- GASB IS ASKING US TO PRODUCE OUR ANNUAL REPORTS?

DEREK HANSEL: UM, ONE OF THE --

CINDY CHAVEZ: I MEAN IT LOOKS LIKE THEY'RE TREATING THEM THE WAY WE TREAT LONG-TERM LEASES FOR BUILDINGS AND LONG-TERM LEASES MAKES SENSE.

DEREK HANSEL: WHAT ARE CALLED SPEEDS, I CAN'T REMEMBER THE ACRONYM, SOFTWARE BASED INFORMATION TECHNOLOGY AGREEMENTS, WE DO NEED TO DO SOME SPECIAL ACCOUNTING FOR THAT, ONE OF THE THINGS THAT'S GOING TO ALLOW US IMPORTANT SPECIFIC REQUIREMENTS THAT ARE BEING PLACED UPON US BY THE FEDERAL GOVERNMENT AS A LARGER ISSUE OF DEBT SO WE ACTUALLY HAVE TO PROVIDE A CERTAIN WAY OF STANDARDIZED INFORMATION THROUGH A PORTAL YET TO BE DEVELOPED AND THIS IS JUST NO WAY TO BE ABLE TO DO THAT WITH OUR EXISTING CENTRAL SQUARE SYSTEM. IT'S GOING TO BE SO IMPORTANT; GETTING IT RIGHT IS GOING TO BE SO IMPORTANT.

CINDY CHAVEZ: I MISSPOKE. WHAT I MEANT IS THAT'S A REALLY IMPORTANT THING FOR EVERYBODY TO KNOW THAT THE OLD STONE

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TABLET IS NOT WORKING SO WELL ANYMORE. I REALLY DO UNDERSTAND THAT. WHAT I WAS THINKING MORE ABOUT, AND I WOULD SAY THIS FOR FUTURE BOARD MEMBERS OF THIS BOARD, THAT REALLY BEING ABLE TO UNDERSTAND THE LIABILITY RELATIVE TO THE SIZE OF THESE CONTRACTS, I THINK IS GOING TO BE IMPORTANT, IN EVERY ONE OF OUR JURISDICTIONS WE'RE LOOKING AT THEM NOW. WHEN I WAS SPEAKING OF ROBERT BARONS THE POINT I WAS TRYING TO MAKE IT'S VERY DIFFICULT FOR US TO NEGOTIATE WITH MONOPOLIES AND THAT'S WHAT'S HAPPENING IN A NUMBER OF FIELDS ESPECIALLY IN SOFTWARE AND SO I MENG THAT BECAUSE I THINK IT'S SOMETHING THAT'S NOT JUST GOVERNMENT BUT ALL INSTITUTIONS ARE GOING TO HAVE TO BE THINKING MORE ABOUT, HOW WE NEGOTIATE. ONE OF THE CHALLENGES WITH THE PROCUREMENT IN SOME RESPECTS IS IT'S GOING TO BE CUSTOMIZED TO THE ORGANIZATION WE CAN'T DO THE WAY WE DO FOR TRUCKS OR TRAINS OR OTHER THINGS WITH TOO MUCH CUSTOMIZATION, I THINK IT'S GOING TO BE IMPORTANT FOR OUR ABILITY TO DO THE WORK WE WANT TO DO IN THE FUTURE IT'S NOT JUST SOFTWARE CONTRACTS. IN OUR COUNTY I WAS SHARING WITH LIBBY, FOR THOSE OF US WHO OWN HEALTH CARE INSTITUTIONS WE'RE DEALING WITH UNBELIEVABLE COSTS RELATIVE TO THE SOFTWARE AND HARDWARE PRODUCTS THAT WE'RE USING AND THEN TO PROTECT THEM IT'S REALLY REMARKABLE AND THEN BOTH -- WE HIRED STAFF AND DID THE INTEGRATION PROCESS THAT YOU'RE SPEAKING OF AND THEN NEEDED TO BOTH TRAIN OUR STAFF AND THEN EXPAND OUR STAFF, PRETTY DRAMATICALLY TO MAINTAIN THE SOFTWARE. AND I KNOW, AGAIN,

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THESE ARE REALLY IMPORTANT PRODUCTS SO I DON'T WANT TO DISMISS HOW IMPORTANT THEY ARE TO THE BUSINESS SIDE TO DOING OUR WORK BUT THE LIABILITY AND RISK LONG-TERM IS SIGNIFICANT. AND SOMETHING THAT I THINK WOULD BE IMPORTANT FOR THE BOARD TO UNDERSTAND. AND AT SOME POINT IT MIGHT BE APPROPRIATE IN A CLOSED SESSION DISCUSSION BOTH IN TERMS OF CYBER SECURITY AND ALSO IF TERMS OF HOW NEGOTIATIONS WORK WITH INSTITUTIONS LIKE THIS. THANK YOU. AND WELL DONE.

SPEAKER: THANK YOU.

CHAIR, GINA PAPAN: THANK YOU, COMMISSIONER CHAVEZ. ANY OTHER COMMISSIONERS? THIS IS AN INFORMATION ITEM ONLY. DO WE HAVE ANY COMMENTS ONLINE OR DO WE HAVE CORRESPONDENCE RELATED TO THIS MATTER?

CLERK, CARSIE BONNER: NO WRITTEN CORRESPONDENCE RECEIVED. I SEE NO MEMBER IN THE BOARDROOM WHO WOULD LIKE TO SPEAK AND THERE IS REMOTE PUBLIC COMMENT EITHER.

CHAIR, GINA PAPAN: MOVING TO ITEM FOUR, PUBLIC COMMENT AND OTHER BUSINESS. I'LL ASK THE CLERK IF WE HAVE RECEIVED ANY PUBLIC COMMENTS ASSOCIATED WITH THE ITEMS HERE YESTERDAY BEFORE 5:00 P.M.?

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CLERK, CARSIE BONNER: NO WRITTEN CORRESPOND RECEIVED, BUT WE DO HAVE A REMOTE PUBLIC COMMENTER.

CHAIR, GINA PAPAN: THANK YOU.

CLERK, CARSIE BONNER: HOW MUCH TIME WOULD YOU LIKE TO PROVIDE?

CHAIR, GINA PAPAN: TWO MINUTES.

CLERK, CARSIE BONNER: ALETA DUPREE PLEASE UNMUTE YOURSELF. YOU HAVE TWO MINUTES.

SPEAKER: THANK YOU CHAIR GINA PAPAN, AND MEMBERS. ALETA DUPREE FOR THE RECORD SHE AND HER WITH TEAM FOLD. I'M NOT ABLE TO BE WITH YOU TODAY AND I DO NOT HAVE ANYONE ELSE IN THE ROOM WITH ME A PERSON WHO IS 45 YEARS OLD. ADMINISTRATION IS ESSENTIAL. HOW DID WE KEEP ADMINISTRATION IN MIND? AND WE DID SOME OF THAT -- [INDISCERNIBLE] AS WELL. BECAUSE, TO ME, MTC IS ABOUT ADMINISTERING PROGRAMS THAT ARE VERY REAL AND TANGIBLE. NAMELY, BATA, THE BRIDGE TOLL ADMINISTRATION FASTRAK, AND WITH CLIPPER, WHICH, AS A MATTER OF FACT, I USED IT YESTERDAY EVEN ON MAY WAY TO THE AIRPORT. AND THIS IS AT THE HEART OF ALL OF THIS, IS ADMINISTRATION. SO, I ASK OF YOU, AS A PANEL OF OFFICIALS, TO TAKE BACK TO YOUR COMMUNITIES THE IDEA OF ADMINISTRATION AND THAT MTC CAN AND DOES PERFORM EFFECTIVE

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ADMINISTRATION IN YOUR COMMUNITY, THROUGH THE MANY OTHER PROGRAMS THAT I HAVE JUST MENTIONED. I KNOW ADMINISTRATIVE -- ADMINISTRATION DOESN'T GET MANY SPEAKERS, BUT ADMINISTRATION IS THE HEART OF WHAT WE DO. I THINK IT'S IMPORTANT. I THINK ANYBODY CAN STAND UP AND TAKE PRIDE IN BEING AN ADMINISTRATOR, AND WE HAVE LOTS OF GOOD ADMINISTRATORS AT MTC THAT I HAVE BEEN FORTUNATE TO MEET, EVEN THOUGH THEIR TITLES DON'T HAVE THAT WORD IN THEM. SO, I LOOK FORWARD TO CONTINUE TO PROMOTE THE IDEA OF ADMINISTRATION IN OUR REGION. THANK YOU.

CHAIR, GINA PAPAN: THANK YOU, MISS DUPREE. ANYMORE COMMENTS?

CLERK, CARSIE BONNER: I SEE NO FURTHER REMOTE PUBLIC COMMENTS.

CHAIR, GINA PAPAN: THANK YOU. WE WILL NOW ADJOURN THIS MEETING. THE NEXT MEETING OF THE MTC ADMINISTRATIVE COMMITTEE IS SCHEDULED TO BE HELD AT THE BAY AREA METRO CENTER, 375 BEALE STREET, SAN FRANCISCO, ON WEDNESDAY APRIL 10TH, 2024. THANK YOU, EVERYONE, FOR YOUR ASSISTANCE AND PARTICIPATION. THIS MEETING IS ADJOURNED. [ADJOURNED]

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