

Approval: Contract for Services and Memorandum of Understanding

JOINT MTC PLANNING AND ABAG ADMINISTRATIVE COMMITTEE

MARCH 24, 2017

Contract for Service – Revisions to Address Input

- Revisions to section 13 Dispute Resolution to clarify that policy issues will not go to binding arbitration
- Addition to section 2 to acknowledge that importance of cities and counties as partners in regional planning and the need for coordination between regional and local land use planning
- Addition of social equity, open space, and energy efficiency to the list of key issue areas and identifying stakeholder engagement in section 2.2 as one of the key responsibilities and duties.
- Addition in section 4.1 to clarify the process for potential refinancing of transactions in the current Financing Authority for Non-Profits debt portfolio.
- Minor technical corrections

Contract for Service – Revisions to Address Input

- Addition in section 6.1 of language related to CalPERS to ensure that the final financial outcome of any Cal PERS determination shall reflect the financial assumptions made at the time the contract was executed

	ABAG Retiree	Active Former-ABAG Employee Member	Active ABAG	Transitioning Employee
Pre-Consolidation	ABAG	ABAG	ABAG	N/A
Post-Consolidation	ABAG	ABAG	N/A	MTC

Meeting with CalPERS CEO

- Two Principal Areas of Discussion

1. Confirm Employees under Direct Supervision of MTC Executive Director

- No direct control of staff by ABAG Board
- CalPERS recommends strengthening language in the CS on this point

2. Correspondence from ABAG Retirees

- Pension liability tied to future governance discussions
- Absent full merger, MTC and ABAG retain assets and liabilities

New Key Exhibits:

- Exhibit A – ABAG Statutory Responsibilities
- Exhibit B – Employee Transition Plan
- Exhibit C – Organization Chart

Exhibit A: ABAG Statutory Responsibilities

- Joint Exercise of Powers Act (Government Code (GC) Secs. 6500 – 6539)
- Metropolitan Transportation Commission Act (GC Secs. 66500 - 66536.2)
- San Francisco Bay Conservation And Development Commission Act (GC Secs. 66600 –66694)
- San Francisco Bay Area Water Trail Act (GC Secs. 66690 – 66694)
- SB 375 (GC Sec. 65080 (b)(2)(B)-(C)(i))
- Housing Elements [GC 65580 - 65589.8]
- Joint Policy Committee (BARC) [GC Sec. 66536 – 66536.2]

Exhibit A: ABAG Statutory Responsibilities (cont.)

- San Francisco Bay Area Water Emergency Transportation Response and Disaster Recovery Act [GC Secs 66540 - 66540.69]
- San Francisco Bay Restoration Authority Act [GC Secs. 66700 - 66706]
- State Coastal Conservancy [Public Resources Code (PRC) Secs. 31000 - 31410]
- San Francisco Bay Area Bikeway System [PRC Secs. 5850 - 5851]
- Hazardous Waste Control [Health & Safety Code (H&SC) Secs. 25100 - 25259]
- Bay Area Air Quality Management District [H&SC Secs. 40200 - 40276]

Exhibit B: Employee Transition Plan

- Outlines the salary and benefit package for the incoming ABAG employees.
- Includes 7% for the minimum salary increase to compensate for any definable differences in the ABAG and MTC benefit packages - most ABAG employees get bigger rates.
- For benefit differences that are difficult to monetize, proposed the following to address some concerns:
 - Legal requirement to pay employees for vacation balances / Provide 3 additional days of personal leave in the first six months and use ABAG tenure for vacation accrual
 - Transfer leave balances so these balances can be used if needed for sick leave once the employees transition to MTC

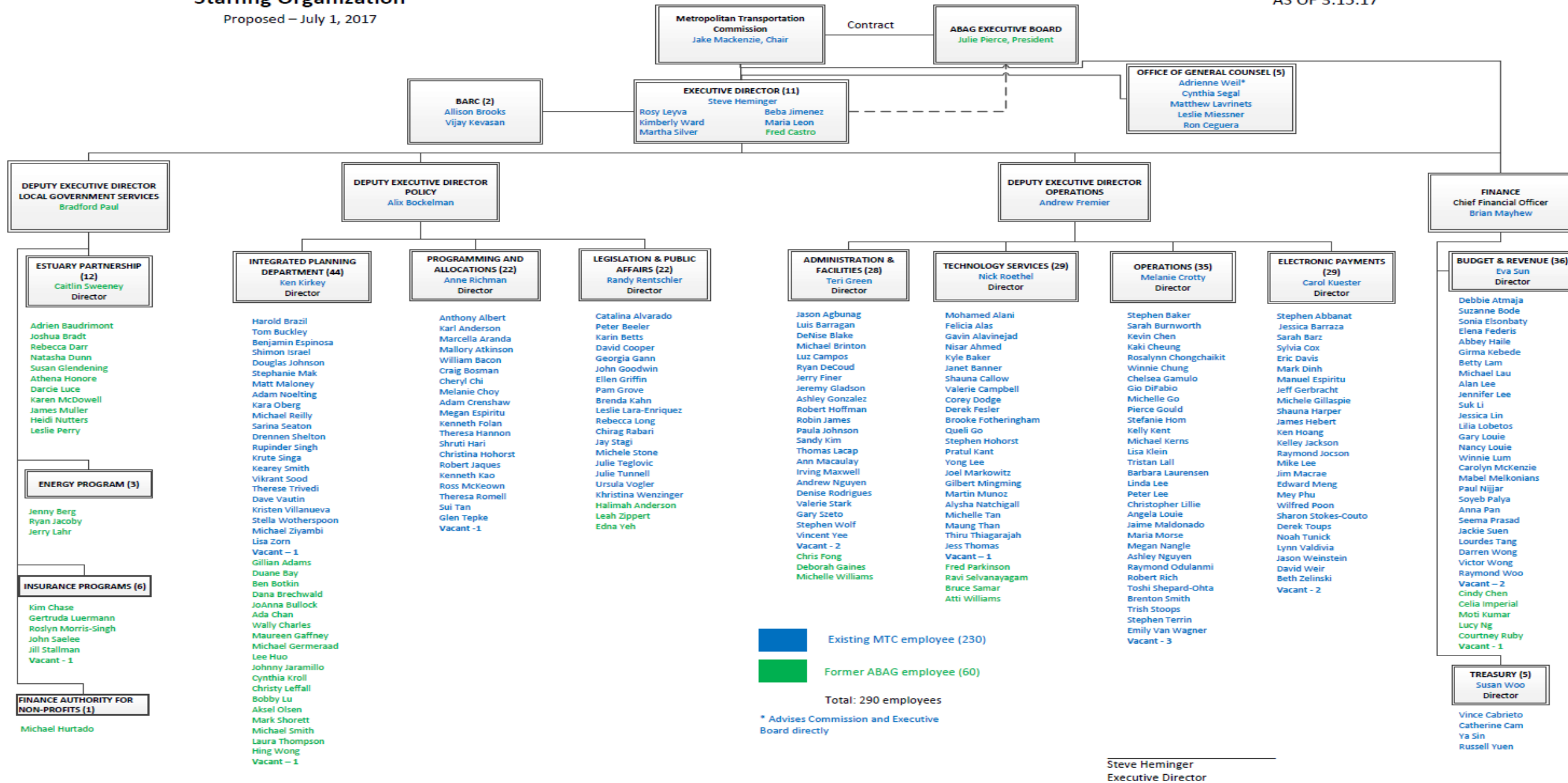
Metropolitan Transportation Commission

EXHIBIT C: MTC ORGANIZATION CHART

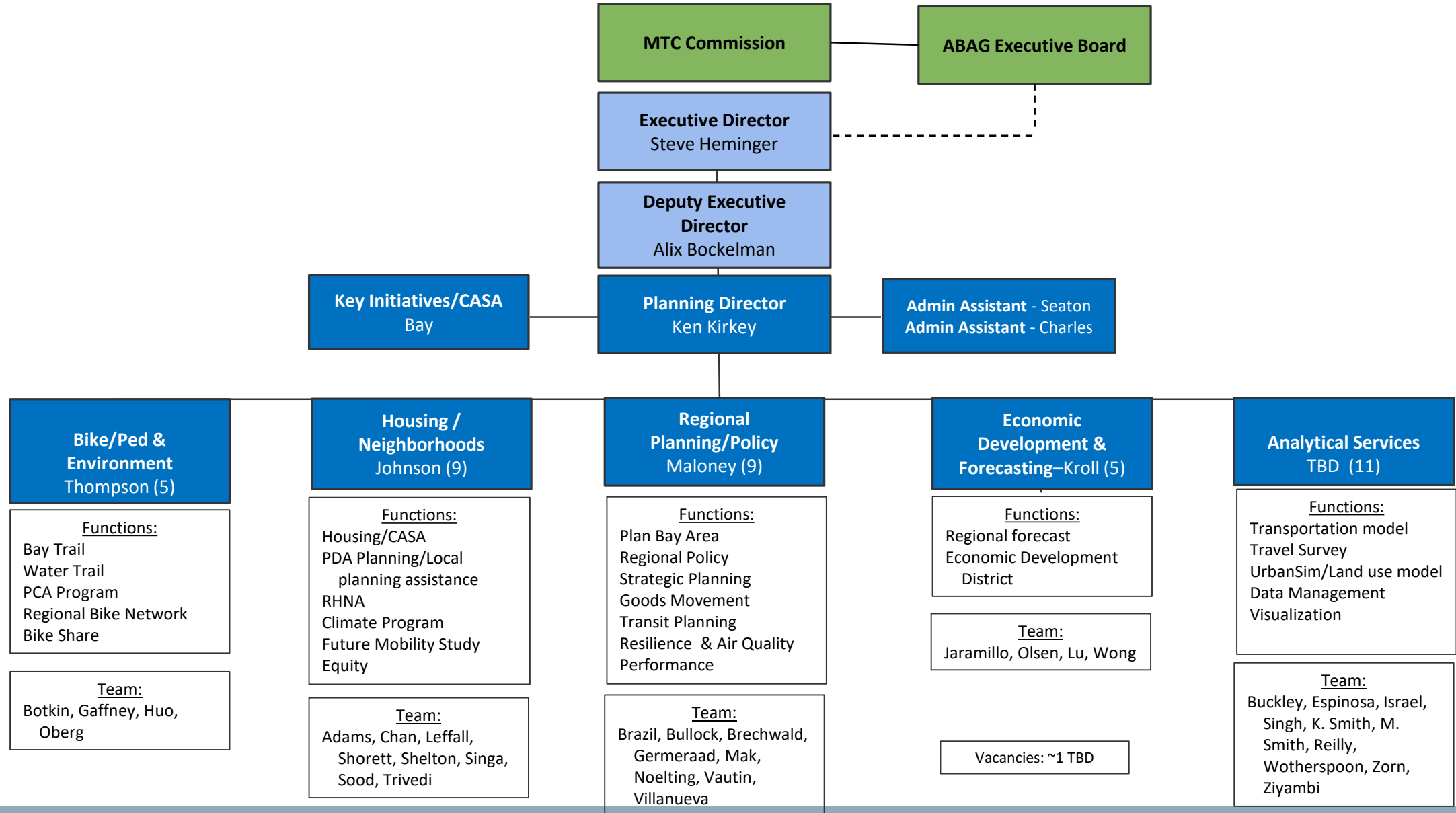
Staffing Organization

Proposed – July 1, 2017

AS OF 3.15.17



Integrated Regional Planning Department Organization Chart



Note: this preliminary organization chart assumes all represented ABAG staff accept MTC offers of employment in the consolidated agency.

Memorandum of Understanding on Future Governance

- Deadline to Initiate Discussions on Governance: ABAG Executive Board and Commission begin discussion of future governance options no later than July 1, 2019.
- Commencement of Information Gathering and Staff Support for Discussion on Governance: Staff to begin gathering information to support the governance discussion no later than July 1, 2018.
- Termination of Employment of the Incumbent Executive Director: If the current executive director terminates his employment before July 1, 2018, the information gathering and staff support related to it is triggered immediately.

Recommendation and Next Steps

- Refer the Contract for Services for the MTC/ABAG staff consolidation and Memorandum of Understanding related to future governance for approval.
- April 20: ABAG Executive Board approval of the CS and MOU
- April 26: MTC Commission approval of the CS and MOU
- May-June: Offers and acceptances of employment
- July 1: Transition of employees