



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
BOARD OF DIRECTORS MEETING MINUTES  
REGULAR MEETING  
JANUARY 22, 2016 – 8:30 AM  
809 CENTER STREET  
SANTA CRUZ, CA**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, January 22, 2016, at the Santa Cruz City Chambers, 809 Center Street, Santa Cruz, CA.

The Board Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com) and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California.

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**SECTION I: OPEN SESSION**

1 Due to her absence, Ex-Officio Director Donna Blitzer was not sworn in.

2 **CALL TO ORDER at 8:34AM** by Chair Bustichi.

3 **ROLL CALL:** The following Directors were **present**, representing quorum:

<b>Director Ed Bottorff</b>	<b>City of Capitola</b>
<b>Director Dene Bustichi, Chair</b>	<b>City of Scotts Valley</b>
<b>Director Karina Cervantez</b>	<b>City of Watsonville</b>
<b>Director Cynthia Chase</b>	<b>City of Santa Cruz</b>
<b>Director Jimmy Dutra</b>	<b>City of Watsonville</b>
<b>Director Zach Friend</b>	<b>County of Santa Cruz</b>
<b>Vacant</b>	<b>County of Santa Cruz</b>
<b>Director Don Lane</b>	<b>City of Santa Cruz</b>
<b>Director John Leopold</b>	<b>County of Santa Cruz</b>
<b>Director Bruce McPherson</b>	<b>County of Santa Cruz</b>

The following Directors were absent:

Director Mike Rotkin, Vice Chair	County of Santa Cruz
Ex-Officio Director Donna Blitzer	UC Santa

**STAFF PRESENT:**

Alex Clifford, CEO  
Leslyn Syren, District Counsel

**METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (IN ALPHABETICAL ORDER) WERE:**

Angela Aitken, METRO  
Lorraine Bayer, METRO  
Erich Friedrich, AMBAG  
Liseth Guizar, METRO  
Debbie Kinslow, METRO

Ernestina Saldana, COD  
Robyn Slater, METRO  
Suzanne Silva, METRO  
Daniel Zaragoza, METRO

**4 ANNOUNCEMENTS**

Chair Bustichi introduced Carlos Landaverry and noted his availability for Spanish interpretation as needed. Carlos introduced himself and his services in Spanish.

Chair Bustichi then announced Renee Sheets will be today's Community Television technician. Further, he announced the following items were distributed to Board Members and available at the back of the room for public viewing:

- Comprehensive Operational Analysis (COA) "White Paper" distributed.
  - 1 blank page entitled Board Nominated Slate(s)
  - 2015 Year in Review Accomplishments
  - 2015 Year in Review – Goals for 2016
  - January 19 and 20 correspondence to Taqueria El Dandy owner/operator(s)
- A correction to the next meeting location: The meeting will be held on Friday, February 26, 2016 at 8:30 AM at the Watsonville City Chambers, 275 Main Street, Watsonville

**5 BOARD OF DIRECTORS COMMENTS**

None

**6 COMMUNICATIONS TO THE BOARD OF DIRECTORS**

In response to Chair Bustichi's request for communications to the Board:

Mr. Norm Hagen voiced his appreciation to Liseth Guizar for her assistance in installing the Watsonville Police Department substation at the Watsonville Transit Center.

Veronica Elsea, re-elected Chair of the MAC, asked the Board to approve the revised MAC Bylaws as presented in today's packet. At the recent MAC Meeting, the 2016 quarterly meeting schedule was set as follows: March 16, April 20, August 17 and November 16. There may be special meetings called around the budget and other items as necessary. She asked that the Directors watch the website for postings related to calendar and meeting agendas. All are welcome to attend.

Director McPherson congratulated Ms. Elsea on her re-election as MAC Chair. As a member of the Ad Hoc Bylaw Committee he found her reasonable and straightforward.

Chair Bustichi added that if and when a special MAC meeting is needed around the budget etc., he felt certain the Board would allow that to occur.

Ciro Aguirre, COO, announced that the newest ParaTransit vehicle with new accessibility improvements was on site for viewing by any interested parties.

Kristine Bagnall, Corralitos resident, has been a member of Twin Lakes Church for 8-10 years. METRO provided transportation for the first year. Due to service changes, METRO no longer provides transportation to/from her home; she lives ¼ mile beyond the system range. She's been advised not to wheel down the rocky road as it has no bike lanes and is unsafe. The taxi would cost \$60 round trip and she cannot afford that. She has been to three board meetings and is now demanding METRO to "write this down and make this change". It's 'her freedom of religion"

Chair Bustichi thanked Ms. Bagnall for her comments.

Ernestina Saldana spoke of her support for Kristina and the family history/experience they share. She noted the rural areas of the County are the least expensive to live in however there is no infrastructure, no sidewalk and no lighting. She asked the Board to remember that housing, transportation and employment go together.

Liseth Guizar, Safety, Security and Risk Manager, spoke about the lighting project at the Watsonville Transit Center (WTC). In response to public safety concerns, METRO worked with AMBAG, PG&E and their Energy Watch Program to be more energy efficient and retrofit the lighting at minimum expense. The WTC is brighter and has more features, such as motion sensors. METRO hopes to have the Watsonville Police Department substation open by March 1, 2016.

#### **7 WRITTEN COMMUNICATIONS FROM MAC**

Having none, the meeting proceeded to the next agenda item.

#### **8 LABOR ORGANIZATION COMMUNICATIONS**

Eduardo Montesino, UTU representative, has been informed of the new challenges by METRO's CEO. Even with the recent FASTACT passed by Congress, California's Governor Brown's support of transit funding, Cabrillo's student senate possibly assessing a transit fee and the income from a new sales tax initiative, he is hearing that service may be cut 30% or \$5.4M and that drivers will bear the brunt of the layoff. Last night he heard that our CEO is thinking about part time workers. METRO has never had this. Mr. Montesino suggested implementing furloughs for management and employees. We need to find solutions and work together. If the community sees us fighting, there will be no support for the solutions. Mr. Montesino will not support a 30% service cut; it will decimate the system; we will lose ridership and funding.

Joan Jeffries, SEA President, thanked METRO's HR department for their assistance in converting two provisional employees to permanent employees.

### **CONSENT AGENDA**

10-01 RECOMMENDED ACTION ON TORT CLAIMS

10-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF SEPTEMBER 2015

10-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETINGS OF DECEMBER 11, 2015 & DECEMBER 21, 2015

- 10-04 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF NOVEMBER 18, 2015
- 10-05 ACCEPT AND FILE QUARTERLY STATUS REPORT OF ACTIVE GRANTS AND APPLICATIONS AT JANUARY 2016
- 10-06 CONSIDERATION OF METROBASE MONTHLY CHANGE ORDER REPORT
- 10-07 PULLED FROM CONSENT AT REQUEST OF CHAIR BUSTICHI**  
REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN
- 10-08 PULLED FROM CONSENT AT REQUEST OF CHAIR BUSTICHI**  
CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH HILL INTERNATIONAL, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES, INCREASING THE CONTRACT TOTAL BY \$350,000
- 10-09 CONSIDERATION OF AWARD OF CONTRACT TO ALLIANT INSURANCE SERVICES REPRESENTING DELTA DENTAL FOR EMPLOYEE DENTAL INSURANCE COVERAGE NOT TO EXCEED \$940,000 FOR TWO YEARS
- 10-10 PULLED FROM CONSENT AT REQUEST OF EDUARDO MONTESINO, UTU REPRESENTATIVE**  
CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH DAY WIRELESS SYSTEMS FOR LAND MOBILE RADIO NETWORK UPGRADE THROUGH FEBRUARY 3, 2017
- 10-11 CONSIDERATION OF ISSUING A FORMAL INVITATION FOR BIDS FOR ROOF REPLACEMENT AT SANTA CRUZ METRO ADMINISTRATION BUILDING
- 10-12 CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE AUTHORIZED AGENT TO SUBMIT A GRANT APPLICATION FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM
- 10-13 CONSIDERATION OF AWARD OF CONTRACT TO CAPITALEDGE ADVOCACY, INC. FOR FEDERAL LEGISLATIVE REPRESENTATIVE SERVICES NOT TO EXCEED \$201,000
- 10-14 RELOCATION COSTS ASSOCIATED WITH THE PLANNING AND DEVELOPMENT MANAGER RECRUITMENT
- 10-15 CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S REVISED DRUG AND ALCOHOL TESTING POLICY
- 10-16 REVISED METRO ADVISORY COMMITTEE (MAC) BYLAWS
- 10-17 ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2015
- 10-18 METRO PARTICIPATION IN THE BUS COALITION

**ACTION: MOTION TO ACCEPT THE CONSENT AGENDA WITH ITEMS 10-07, 10-08 AND 10-10 PULLED FOR REGULAR AGENDA DISCUSSION**

**MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR DUTRA  
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**REGULAR AGENDA**

10-07, REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN and  
10-08, CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH HILL INTERNATIONAL, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES, INCREASING THE CONTRACT TOTAL BY \$350,000 were pulled from the Consent Agenda at the request of Chair Bustichi. CEO Clifford requested that these items be addressed simultaneously. Staff is requesting a revised Life of Project to carry through project completion/March of this year to provide funds to continue current services.

Hearing no Board or public comment, the Board moved to make the following motion.

**ACTION: MOTION TO APPROVE AGENDA ITEMS 10-07, CONSIDERATION OF REVISED METROBASE LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN, AND ITEM 10-08, CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH HILL INTERNATIONAL, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES, INCREASING THE CONTRACT TOTAL BY \$350,000 AS PRESENTED**

**MOTION: DIRECTOR LANE SECOND: DIRECTOR FRIEND  
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

10-10, CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH DAY WIRELESS SYSTEMS FOR LAND MOBILE RADIO NETWORK UPGRADE THROUGH FEBRUARY 3, 2017 was pulled from the Consent Agenda at the request of Mr. Eduardo Montesino, UTU Representative. Without placing blame, Mr. Montesino expressed safety concerns for the Operators who continue using their personal cell phone(s) which contradicts METRO rules. Is it possible to reimburse the Operators for the cell phone costs? He suggested METRO engage a third party to examine the project.

Director Leopold asked if METRO would consider alternate vendors for this service.

CEO Clifford answered not at this time. As we continue to identify issues, Ms. Guizar is working through the challenges. We have not yet reached the point where we are willing to go a different direction. The current radios and repeaters belong to the current vendor. New data indicates a need for two more antennae sites. We are evaluating the cost options. We will consider another vendor when we stop making progress and/or when the current vendor is not cooperating.

**ACTION: MOTION TO AUTHORIZE THE CEO TO EXECUTE A CONTRACT EXTENSION WITH DAY WIRELESS SYSTEMS FOR LAND MOBILE RADIO NETWORK UPGRADE THROUGH FEBRUARY 3, 2017 AS PRESENTED**

**MOTION: DIRECTOR LANE SECOND: DIRECTOR BOTTORFF  
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

11 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

This agenda item was continued to the February Board meeting.

12 RESOLUTIONS OF APPRECIATION FOR GERARD ANDRADE, DANIEL GARCIA, JUAN HERNANDEZ, LARRY MUNGIOLI, SHELDON NJAA, LUCERE WHITNEY AND PETER WU, RETIREES

Chair Bustichi read the names, positions and longevity of METRO employees who were unable to attend:

- Gerard Andrade, Bus Operator, 8 years
- Daniel Garcia, Bus Operator, 11 years
- Juan Hernandez, Vehicle Service Technician, 15 years
- Larry Mungoli, Bus Operator, 35 years
- Sheldon Njaa, Facilities Maintenance Supervisor, 8 years
- Lucere Whitney, Bus Operator, 37 years
- Peter W, Bus Operator, 9 years

**ACTION: MOTION TO APPROVE THE RESOLUTIONS OF APPRECIATION FOR GERARD ANDRADE, DANIEL GARCIA, JUAN HERNANDEZ, LARRY MUNGIOLI, SHELDON NJAA, LUCERE WHITNEY AND PETER WU, RETIREES AS PRESENTED**

**MOTION: DIRECTOR DUTRA**

**SECOND: DIRECTOR CHASE**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

13 ACCEPT AND FILE THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF September 30, 2015

Angela Aitken, Finance Manager, explained a new slide, #13, which depicts the 12 month unemployment rate, gas price per gallon and monthly ridership (without UCSC) data.

Director Dutra asked if the structural deficit would be offset by any savings at the end of the year. Ms. Aitken cautioned against counting on it at this time. We may apply any savings to recurring expenses, such as vacant positions, when we develop the FY17 and FY18 budgets.

CEO Clifford added that the individual departments are working to manage to or below their budgets. We are constantly evaluating the vacant positions. If the current vacant positions remain permanent, it may provide some relief to the structural deficit. The sales tax is difficult to project and to budget.

Director Dutra acknowledged the slow holiday spending rate and resultant low sales tax. He volunteered his and the Board's assistance if needed.

Public comments:

Mr. Montesino suggested not hiring as another approach to addressing the structural deficit.

Chair Bustichi added that the Board understands the consequences of freezing and consolidating positions. A variety of local agencies and cities are in the same situation. It is possible to "not hire" too much which then creates a burden for staff such that things do not

get done. Over the last decade, METRO has successfully consolidated a number of positions.

**ACTION: MOTION TO ACCEPT THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF AUGUST 31, 2015 AS PRESENTED**

**MOTION: DIRECTOR LEOPOLD**

**SECOND: DIRECTOR DUTRA**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**14 PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON SANTA CRUZ METRO'S PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 1.73% FOR FEDERAL FISCAL YEARS 2015-2017 (FFY15-FFY17) AND APPROVAL OF THE REVISED DBE PROGRAM WILL COMMENCE AT THE SANTA CRUZ CITY CHAMBERS AT 9:00AM, OR AS SOON THEREAFTER THE MATTER CAN BE HEARD**

Chair Bustichi opened the public hearing at 9:20A.

Angela Aitken, Finance Manager/DBE Liaison Officer, explained the purpose of the public hearing. As no public comments had been received to date, the public hearing will move forward.

Hearing no Board or public comment, the public hearing was closed at 9:21A.

**ACTION: MOTION TO APPROVE THE REVISED DBE PROGRAM AS PRESENTED**

**MOTION: DIRECTOR LEOPOLD**

**SECOND: DIRECTOR LANE**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**15 CONSIDERATION OF SEVERAL ISSUES RELATED TO PEPRA AND FEDERAL FUNDING INCLUDING: 1) AUTHORIZE THE CEO/GENERAL MANAGER TO SIGN A LETTER TO THE DEPARTMENT OF LABOR (DOL) TO EXPEDITE THE RECEIPT OF FEDERAL FUNDS; 2) RECEIVE A REPORT REGARDING THE STATUS OF LITIGATION BETWEEN THE STATE OF CALIFORNIA AND THE DOL; AND, 3) RECEIVE INFORMATION REGARDING NEW PROPOSED LEGISLATION TO CLARIFY THE RETROACTIVITY OF PEPRA**

Leslyn Syren, General Counsel, provided potential solutions to ensure Federal funds continue to flow to METRO. A number of agencies have entered into agreement with the DOL. METRO would like to echo their strategy and send a letter to the DOL and enter into an agreement so that when our grant application is submitted, we will be able to receive the funds earlier than we would if the letter has not been submitted. (Ref: letter in agenda packet.). Note: This is a calculated risk as we believe the DOL will not shut down the majority of CA transit agencies and their funding. METRO will be required to comply with state law even if we have an agreement with the DOL.

Assemblyman Mark Stone has proposed legislation which would allow us to apply the exemption for employees during this gap period; basically, any employee hired during this period would be considered a classic employee.

We are asking today for approval allowing METRO's CEO to send a letter to the DOL and authorize METRO to lobby on behalf of Assemblyman Stone's legislation.

Director Leopold asked what timeframe we anticipate and if other agencies have pursued this with the DOL. General Counsel Syren responded that the DOL's answer is not due until next month, and then has to be put before the court (again). If then appealed (again), this would add an additional 1-2 years. If the Supreme Court accepts the case, it would be further extended. The majority of transit agencies who are seeking funding or have applications before the FTA have entered into these agreements with the DOL including, but not limited to, Los Angeles, VTA, SacRT, OCTA, OmniTrans.

Director Leopold thanked General Counsel Syren for her information and voiced his support of the action.

Public comment:

Mr. Montesino thanked Ms. Syren for the information adding that we need to support and work on this situation as it affects a number of METRO employees. He cautioned that the Unions may challenge this; however, we have previously worked together successfully.

**ACTION: MOTION TO: 1) AUTHORIZE THE CEO/GENERAL MANAGER TO SIGN A LETTER TO THE DEPARTMENT OF LABOR (DOL) TO EXPEDITE THE RECEIPT OF FEDERAL FUNDS; 2) RECEIVE A REPORT REGARDING THE STATUS OF LITIGATION BETWEEN THE STATE OF CALIFORNIA AND THE DOL; 3) RECEIVE INFORMATION REGARDING NEW PROPOSED LEGISLATION TO CLARIFY THE RETROACTIVITY OF PEPR; AND, AUTHORIZE METRO TO LOBBY ON BEHALF OF ASSEMBLYMAN MARK STONE'S LEGISLATION AS PRESENTED**  
**MOTION: DIRECTOR LANE SECOND: DIRECTOR McPHERSON**  
**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**16 CONSIDERATION OF ACCEPTING METRO'S MODIFIED TITLE VI PROGRAM REGULATION AND SYSTEM-WIDE SERVICE STANDARDS AND OPEN THE PUBLIC COMMENT PERIOD BEGINNING JANUARY 22, 2016**

Leslyn Syren, General Counsel, noted that METRO's Title VI Program has been well received and we have made strides in our LEP program to reach members of our community. She is very proud of the Program and staff who spearhead it. In the past three years, we have had one single complaint which was dismissed by the courts.

METRO was compelled by the FTA to open the public comment period with the current service standards. The policies have been updated with a caveat that elements may change as the service changes evolve, etc. Public outreach for Title VI and the LEP policy will be done in conjunction with the public meetings scheduled for the Comprehensive Operational Analysis. This item will be brought back to the Board in March 2016 for public hearing and final adoption.

Director Dutra expressed his appreciation for the Title VI Program in Watsonville.

Public comments:

Mr. Montesino is working with METRO staff regarding service changes to ensure we stay in compliance with Title VI.



Director Leopold looks forward to presentations to E&D TAC and the community. He thanked Ms. Syren for the modifications and expressed his appreciation for a well run program.

**ACTION: MOTION TO ACCEPT METRO'S MODIFIED TITLE VI PROGRAM REGULATION AND SYSTEM-WIDE SERVICE STANDARDS AND OPEN THE PUBLIC COMMENT PERIOD BEGINNING JANUARY 22, 2016**

**MOTION: DIRECTOR LEOPOLD**

**SECOND: DIRECTOR DUTRA**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**17 CONSIDERATION OF SANTA CRUZ METRO PROVIDING TRANSPORTATION SERVICE TO THE WARMING CENTER AT THE SANTA CRUZ COUNTY FAIRGROUNDS IN WATSONVILLE UNDER PROCLAMATION OF A LOCAL EMERGENCY**

Ciro Aguirre, COO, provided a brief history of the request and explained the conditions required to declare a local emergency. METRO is asking for approval to allow the CEO to enter into an agreement with the County of Santa Cruz to provide transportation as outlined in the staff report.

In response to Director McPherson's request to explain the cost structure, COO Aguirre explained that the cost is \$178 per revenue hour plus the cost of security. METRO will track the time and resources spent then bill the County. The total cost will be dependent upon how often and for how long the service is in place. This is similar to the times METRO has been pulled into service under previous declared emergencies; e.g., Summit, Trabing and Lockheed fires, police actions, etc.

Director Leopold thanked COO Aguirre for his assistance in finding a way to make this work.

Hearing no Board or public comment, the Board moved to make the following motion.

**ACTION: MOTION TO APPROVE SANTA CRUZ METRO PROVIDING TRANSPORTATION SERVICE TO THE WARMING CENTER AT THE SANTA CRUZ COUNTY FAIRGROUNDS IN WATSONVILLE UNDER PROCLAMATION OF A LOCAL EMERGENCY AS PRESENTED**

**MOTION: DIRECTOR LANE**

**SECOND: DIRECTOR CHASE**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**18 TECH BUSES AND THE SCOTTS VALLEY BART CAVALLARO TRANSIT CENTER PARKING CHALLENGES**

Alex Clifford, CEO/General Manager, noted that the use of the parking lot has grown over time to an average of 77 riders per day (out of the 200+ parking spaces). Our concern is the possible hindrance to future METRO customers as we grow our Highway 17 ridership. This problem is not unique to Santa Cruz County; it is being felt throughout Northern California. Tech buses have not typically gone through "the process" to secure parking for their employees.

We are requesting the Board's agreement that there is a challenge to resolve and approve the CEO's request to meet with representatives of CalTrans, the local cities and various tech companies to achieve a successful outcome.

Director Leopold asked if other Bay Area agencies are experiencing the same type of problems; he has heard of San Francisco's issue with transit stops, but not about the use of parking.

CEO Clifford answered that he has been communicating with the North Bay Regional Council to facilitate meetings with various tech companies and will explore this further.

Director Leopold asked for clarification of the number of spaces and the history with the local church.

CEO Clifford responded the church had envisioned building a larger church at the time of the original negotiations. In that scenario, METRO would have been granted the use of 50% of their space on weekdays and they would use the space on Sundays. However, when condos were constructed in place of the planned church the shared parking opportunity vanished.

Chair Bustichi added that the City of Scotts Valley has no paid parking meters and, as a result, has experienced problems with the tech buses and their employees; parking on the streets, in business parking lots, etc. A park and ride arrangement with a few tech buses has been worked out to use the Enterprise/Borland building. He understands that the Highway 17 buses are filled to occupancy and overfilled and suggested considering a Scotts Valley Town Center project partnership and the addition of a second story parking structure.

Public comment:

Veronica Elsea, representing herself, has heard rumors that UCSC may move some of its employees to the Enterprise building which may affect the available parking. As a tax payer, it seems odd that private companies can use a facility that is funded by State or Federal monies without negotiating.

Manny Martinez, PSA representatives, remembers problems from day one in that area. It has been a secondary parking lot for condos, park-and-rides, etc. He suggested charging the tech workers and tech companies to use the lot and/or to park there.

**ACTION: MOTION REQUESTING THE BOARD'S AGREEMENT THAT THERE IS A CHALLENGE TO RESOLVE AND APPROVE THE CEO'S REQUEST TO MEET WITH REPRESENTATIVES OF CALTRANS, THE LOCAL CITIES AND VARIOUS TECH COMPANIES TO ACHIEVE A SUCCESSFUL OUTCOME AS PRESENTED**

**MOTION: DIRECTOR LANE**

**SECOND: DIRECTOR BOTTORFF**

**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

**19 SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) TRANSPORTATION SALES TAX MEASURE**

Alex Clifford, CEO/General Manager, wants to work collaboratively to meet everyone's needs and is requesting authority to meet with SCCRTC's Director to reach an agreement on how to use the funds. The intent is to ensure it is clear how METRO will use the 15%.

Public comment:

Veronica Elsea, E&D TAC Chair, reminded the Board that perception is everything and notifying the public of the service changes and fund allocations can be confusing. She

suggested grandfathering back in some of the services. She invited the assembly to the E&D TAC meetings to engage their assistance.

Rick Longinotti, Campaign for Sensible Transportation representative, provided some handouts for distribution (see attached) and noted that the sales tax initiative is an opportunity to prioritize transit. METRO's receipt of \$2M per year, 15%, is hardly enough to affect the \$8M deficit.

Ernestina Saldana, COD, encouraged the Board to direct the 15% to Paratransit.

Grace Blakeslee, SCCRTC representative, noted that Santa Cruz County is experiencing a funding crisis and a new, locally controlled funding source would help. RTC will discuss specific policies to obtain support from voters to protect the senior and disabled communities.

Director Leopold noted that many Directors who also sit on the RTC feel strongly and want to ensure 15% for METRO. There is also support for other mobility opportunities.

Director Lane added that we should not forget we have a long standing voter commitment to fund transit.

**ACTION: MOTION TO APPROVE THE SANTA CRUZ REGIONAL TRANSPORTATION COMMISSION (SCCRTC) TRANSPORTATION SALES TAX MEASURE INCLUDING THE EXPENDITURE PLAN WHICH WAS APPROVED BY THE SCCRTC ON 12/3**  
**MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR LANE**  
**MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

## **20 COMMUNICATIONS AND MARKETING SERVICES**

Alex Clifford, CEO/General Manager, spoke about the continuing funding challenges at both the state and federal levels. It's time to focus on what we can control: growing revenue through ridership, increasing advertising, etc. to that end, he would like to pursue a contract with a communications and marketing firm to develop marketing campaigns to increase revenue; and, is looking for local recommendations from the Board. METRO cannot advocate, but we can educate the public such that they are aware of our services and the economic, positive air quality and mobility benefits of service.

Director Cervantez voiced her concern regarding the lack of a customer service function at the Watsonville Transit Center. Many of the Watsonville riders do not use the online tool for ride planning; the drivers are often answering their questions. Has METRO looked at using CSRs as a means to increase ridership? She would like to better understand the targeted efforts.

CEO Clifford agreed that direct customer interface is needed to increase revenue and ridership. He has requested the re-establishment of a Watsonville CSR be included in the first draft of the FY17 budget.

Director Lane expressed his concerns about a two year commitment, asking if the agreement can be structured such that it includes an exit clause and that the chosen firm report to the Board at the end of the first year on their accomplishments so that the board may evaluate their effectiveness.

CEO Clifford noted that the two year time period was rounded up from 18 months: 6 months in the current fiscal year at \$50K and a full fiscal year at \$50K. The intent was to have the Board review the results at the end of that term.

Director Dutra asked if the election would have any impact.

CEO Clifford responded that focus is educating the public. As the need(s) change, energies would be redirected. The chosen firm will be required to demonstrate a full understanding of the program's ROI.

Director Leopold is concerned about the perception given the pending service changes and the possible low yield against a high need. He noted that the RTC is interviewing an outreach firm to begin their campaign.

Director Friend shared the same concerns. The concept makes sense and he encourages a more robust outreach program. Given his history in the industry, he believes \$50K is on the "high side". He is not comfortable supporting this today.

Director Chase, speaking as Chair of the Ad Hoc Committee, would like more information on where we are and where we are heading. She is not certain this is the correct time.

Director Bottorff suggested re-examining this in next year's budget.

Chair Bustichi suggested that this be undertaken in two stages: Issue an RFQ to gauge a response then return to the Board with that information such that an informed decision can be made. This would provide additional information while moving us toward our goal.

Public comment:

Manny Martinez, is not opposed to the idea, but does question the timing. He shared a comment from his neighbor, "This may make perfect corporate sense, but to the average person it makes no sense."

Chair Bustichi noted that the focus of the staff report is to bring more revenue and ridership to the district and we do need someone to do those things we don't have the in-house staff to do at the current time. Additionally, we may be able to use any monies we gain from the tech companies/tech buses to preserve routes.

Veronica Elsea questioned the timing as well given that the public is being asked to support a potential tax initiative. She suggested adding transportation options to the Board agendas to alert the public. We think transit is so good and so important that we will tell you which bus gets you to the meeting(s).

Eduardo Montesino likes the concept, but struggles with the timing. He agreed that METRO needs marketing to accurately portray our contributions to the community. Regarding the CSRs, we are working on merging these positions to provide better service and anticipates a report to the Board in the near future.

Director Lane agrees METRO doesn't have the in-house staff to do this successfully at the current time; we will continue to struggle and need a coherent message to strategically talk about what is happening in a way that the community can understand our actions and the

reasons behind them. This is why we should approve this communications and marketing strategy.

Director Friend would like to see a targeted component on the education and outreach aspect. We can discuss a lower scope of work and have the RFP come back to the Board.

Director Hagen noted that an aspect of the outreach efforts would be to convey the reasoning behind any service cuts.

CEO Clifford noted that we need to increase revenues. The focus of this campaign/marketing program would be successful growth in ridership and revenues to help bring down the structural deficit.

Director Dutra asked how the bus advertising is done today. Finance Manager Aitken responded that we don't have anyone actively soliciting; we wait for the vendor to contact us.

**ACTION: MOTION AUTHORIZING THE CEO TO WORK WITH DIRECTOR FRIEND TO REVISE THE COMMUNICATIONS & MARKETING SCOPE OF WORK IN THE RFP & AFTER SOLICITATION OF PROPOSALS, RETURN TO THE BOARD FOR AWARD WITH EACH TASK PRICED SEPARATELY**  
**MOTION: DIRECTOR FRIEND SECOND: DIRECTOR LANE MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

20 CEO TO GIVE ORAL REPORT

Alex Clifford, CEO/General Manager, informed the Board that METRO recently received notification that, due to recalculations by the State, the STA allocations are being reassigned among more recipients which means where METRO had received \$2.8M/year historically, going forward it will be nearer \$1.5M/year. The structural deficit has increased by an additional \$1.3M. We will be fine this year due to our sales tax revenue being over budget.

Director Lane asked CEO Clifford to explain Governor Brown's statements regarding transit versus transportation assistance.

CEO Clifford explained that the Governor appears to think he's helping through the Cap and Trade Program. The reality is that METRO must use Cap and Trade funds for capital expenses; this doesn't help with operating expenses.

22 DISTRICT COUNSEL EMPLOYMENT AGREEMENT

Chair Bustichi provided a brief history of Ms. Syren's employment with METRO and thanked her for her service. Directors Leopold and McPherson expressed their appreciation as well.

Public comment:

Liseth Guizar, Safety, Security and Risk Manager, spoke as an employee who used to work for Ms. Syren and said we are lucky to have her on our team.

**ACTION: MOTION AUTHORIZING THE CHAIR TO SIGN THE DISTRICT COUNSEL EMPLOYMENT AGREEMENT AS PRESENTED**  
**MOTION: DIRECTOR DUTRA SECOND: DIRECTOR McPHERSON MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Lane, Leopold, and McPherson. Director Rotkin was absent).**

23 CONSIDERATION OF NOMINATING DIRECTORS TO SERVE AS BOARD OFFICERS, NOMINATING REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) AND NOMINATING A DIRECTOR TO THE SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) BOARD

Dene Bustichi, Board Chair, presented the following slate:

<u>Current Board Chair</u> Dene Bustichi Dene Bustichi	<u>Nominated by</u> Dene Bustichi John Leopold	<u>Nominee</u> Mike Rotkin Mike Rotkin
<u>Current Vice Chair</u> Mike Rotkin Mike Rotkin	<u>Nominated by</u> Dene Bustichi John Leopold	<u>Nominee</u> Bruce McPherson Jimmy Dutra
<u>Current SCCRTC Representatives</u> Karina Cervantez Cynthia Chase Ed Bottorff	<u>Nominated by</u> <u>Dene Bustichi</u> Dene Bustichi Cynthia Chase Ed Bottorff	<u>Nominated by</u> <u>John Leopold</u> Karina Cervantez Cynthia Chase Ed Bottorff
<u>Current SCCRTC Alternates</u> Mike Rotkin Norm Hagen Dene Bustichi	<u>Nominated by</u> <u>Dene Bustichi</u> Mike Rotkin Norm Hagen Karina Cervantez	<u>Nominated by</u> <u>John Leopold</u> Mike Rotkin Norm Hagen Dene Bustichi
<u>Current SCCIC Director</u> Vacant	<u>Nominated by</u> <u>Dene Bustichi</u> Norm Hagen	<u>Nominated by</u> <u>John Leopold</u> Norm Hagen

24 ANNOUNCEMENT OF NEXT MEETING:  
Chair Bustichi announced the next meeting on Friday, February 26, 2016 at the Watsonville City Chambers, 275 Main Street, Watsonville, CA

25 ADJOURNMENT

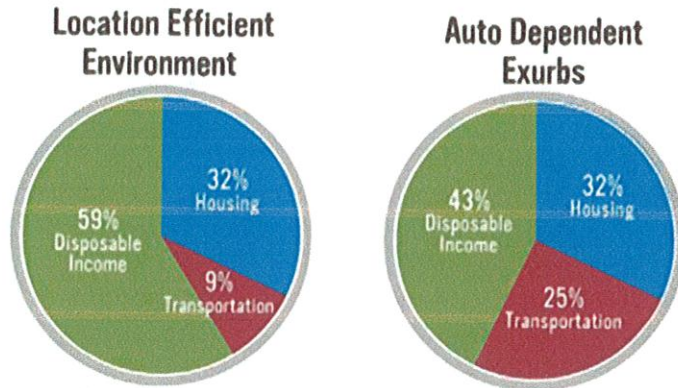
Chair Bustichi adjourned the meeting at 11:02AM

Respectfully submitted,

Gina Pye  
Executive Assistant



# Transportation Sales Tax: An Economic Justice Issue



Source - Federal Highway Administration

“Transportation is the second largest expense for most households, after housing.”  
- Federal Highway Administration

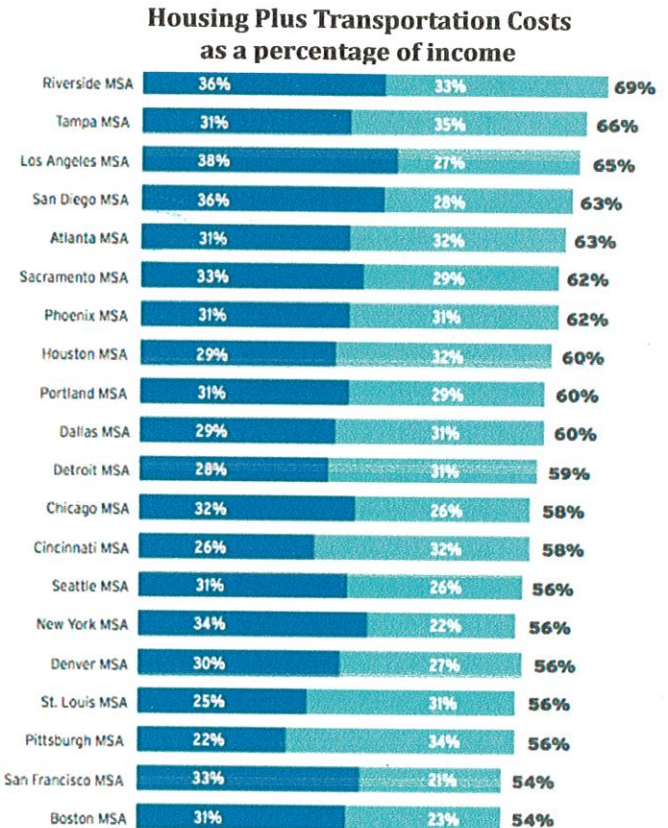
## Housing Plus Transportation Costs

### The bad news

A [Harvard study](#) found Santa Cruz County has the [fourth most burdensome rent](#) of 381 metro areas, with 62% of renters paying more than 30 percent of their income for rent and utilities. -Jondi Gumz, SC Sentinel, 12-26-15

### The hopeful news

Communities can lower their cost of living by investing in public transportation. “Metro areas such as San Francisco, Boston, and New York are some of the least affordable regions for local moderate-income households when just housing is considered, but are among the most affordable when housing and transportation costs are considered together.”  
-Center for Housing Policy



## The Opportunity for Santa Cruz County to Invest in Public Transportation

The SC County Regional Transportation Commission is drafting a sales tax measure for the 2016 ballot that could prioritize transit and active transportation (walking & bicycling).

### The bad news

- The draft of the sales tax measure includes \$102 million to widen Highway 1 for auxiliary lanes. The 2015 Draft Environmental Impact Report projects that after widening the highway will fill up with even more traffic, resulting in a state of “severe breakdown by year 2035”. Greenhouse gas emissions are projected to rise by 25%
- Metro is facing cuts in bus service of up to 25% in the next year due to a structural deficit of \$11 million/yr. The current sales tax draft would add \$2 million/yr to Metro. -Alex Clifford, Metro General Manager

### The hopeful news

The draft sales tax measure can be fixed before the July 2016 deadline. We need a tax measure that offers adequate funding for Metro, safe routes for pedestrians and bicycles, completion of the Watsonville to Davenport Rail Trail, fixes local roads, and studies transit on the rail corridor.

**Sign the online petition: Yes to Sustainable Transportation! No to Highway Widening.**  
[SensibleTransportation.org](http://SensibleTransportation.org)

# Attachment A



The Campaign for Sensible Transportation

[SensibleTransportation.org](http://SensibleTransportation.org)

Co-sponsors: SC Climate Action Network; 350 Santa Cruz

## YES to Sustainable Solutions

in a transportation sales tax ballot measure

**NO** to Highway Widening

**Thurs, Feb 4th**

6:20pm potluck 7pm program

Live Oak Grange, 1900 17th Ave.

**Wed, Feb 24th, 7pm**

YWCA Watsonville, 340 E. Beach St

Bruce Van Allen & Rick Longinotti will discuss reports on congestion relief, greenhouse gas emissions, social consequences of widening Highway 1 versus solutions such as rail transit, express buses on highway shoulder, safe routes for bikes & pedestrians.