



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA MEETING MINUTES
AUGUST 26, 2016 – 8:30 AM
SCOTTS VALLEY CITY CHAMBERS
ONE CIVIC CENTER DRIVE
SCOTTS VALLEY, CA 95066**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, August 26, 2016 at the Scotts Valley City Chambers, One Civic Center Drive, Scotts Valley, CA.

The Board Meeting Agenda Packet can be found online at 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 CALL TO ORDER at 8:35AM by Chair Rotkin.

2 ROLL CALL: The following Directors were present, representing quorum:

Director Ed Bottorff	City of Capitola
Director Dene Bustichi	City of Scotts Valley
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra, Vice Chair	City of Watsonville AR 8:40AM
Director Zach Friend	County of Santa Cruz
Director Norm Hagen	County of Santa Cruz
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin, Chair	County of Santa Cruz
Ex-Officio Director Donna Blitzer	UC Santa Cruz AR 9:00AM

All Directors were present.

STAFF PRESENT:

Alex Clifford
Leslyn K. Syren

METRO CEO/General Manager
METRO District Counsel

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

Heather Adamson, AMBAG
Angela Aitken, SCMTD
Robyn Slater, SCMTD

3 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

4 ADJOURN TO CLOSED SESSION 8:37A

Hearing no comments from the public or Board, Chair Rotkin recessed to the Closed Session at 8:37AM.

SECTION II: CLOSED SESSION AGENDA

5 CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9 (b) & (c) – one case

6 PUBLIC EMPLOYMENT (Government Code Section 54957)

District Counsel

SECTION III: RECONVENE TO OPEN SESSION

The Board Meeting reconvened at 9:29AM.

7 ANNOUNCEMENTS

Chair Rotkin introduced Carlos Landaverry and his Spanish Language Interpretation services. He then announced this meeting is being televised by Community Television of Santa Cruz County with technician, Scott Grey.

8 BOARD OF DIRECTORS COMMENTS

Don Lane provided commentary to the letter authored by he and Cynthia Chase and it's relevance to Agenda Items 25 and 26. (See attached copy.)

Hearing no other comments, Chair Rotkin moved to the next agenda item.

9 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Hearing none, Chair Rotkin moved to the next agenda item.

10 COMMUNICATIONS FROM MAC

Hearing none, Chair Rotkin moved to the next agenda item.

11 LABOR ORGANIZATION COMMUNICATIONS

Hearing none, Chair Rotkin moved to the next agenda item.

12 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Chair Rotkin announced the following items were distributed to Board Members and are available at the back of the room for public viewing:

- An AMENDED Agenda noting the 8:30AM has been distributed.
- Item 13-08.1: 2nd bullet under the Summary section has been corrected to read "...six CNG bus replacements." NOT four as originally stated.
- Item 19: Link to YouTube PSA video

- Item 19A: 6 page summary of Fall service changes
- Item 19B: 1 page Service Change Notice
- News clips of interest
- Preview of Headways September 8, 2016 issue pages 1 and 2

Director McPherson thanked Barrow Emerson, his team and METRO for accommodating the San Lorenzo Valley School District and providing service to the K-high school students. Job well done!

CONSENT AGENDA

- 13-01 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS
- 13-02 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTHS OF JUNE – JULY 2016
- 13-03 ACCEPT AND FILE: YEAR TO DATE MONTHLY FINANCIAL REPORTS AS OF APRIL AND MAY 2016
- 13-04 ACCEPT AND FILE: MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF JUNE 26, 2016
- 13-05 ACCEPT AND FILE: MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) SPECIAL MEETING OF MAY 18, 2016
- 13-06 ACCEPT AND FILE: METRO PARACRUZ OPERATIONS STATUS REPORT FOR APRIL, MAY AND JUNE 2016
- 13-07 ACCEPT AND FILE: SANTA CRUZ METRO SYSTEM RIDERSHIP REPORTS FOR THE FOURTH QUARTER OF FY16
- 13-08 ACCEPT AND FILE: QUARTERLY STATUS REPORT OF ACTIVE GRANTS, GRANT APPLICATIONS AND OPPORTUNITIES FOR APRIL - JUNE 2016
- 13-09 APPROVE: CONSIDERATION OF ISSUING A FORMAL INVITATION FOR BIDS FOR SECURITY UPGRADE TO THE MECHANICAL PLATFORM AT THE JUDY K. SOUZA OPERATIONS FACILITY
- 13-10 APPROVE: CONSIDERATION OF ISSUING A FORMAL INVITATION FOR BIDS FOR EARTHWORK AND GRADING AT 135 DUBOIS STREET, SANTA CRUZ
- 13-11 APPROVE: CONSIDERATION OF ISSUING A FORMAL REQUEST FOR PROPOSALS FOR COURIER SERVICES
- 13-12 APPROVE: CONSIDERATION OF ISSUING A FORMAL REQUEST FOR PROPOSALS FOR SECURITY SURVEILLANCE CONSULTANT SERVICES FOR THE JUDY K. SOUZA OPERATIONS FACILITY AND FUEL & WASH FACILITY
- 13-13 APPROVE: CONSIDER ADOPTING A RESOLUTION AUTHORIZING THE CEO TO SUBMIT APPLICATIONS AND EXECUTE AGREEMENTS FOR GRANTS FROM THE

FEDERAL TRANSIT ADMINISTRATION AND FROM THE CALIFORNIA DEPARTMENT OF TRANSPORTATION

- 13-14 APPROVE: CONSIDER ADOPTING A RESOLUTION AUTHORIZING THE CEO TO SUBMIT AN APPLICATION AND SIGN NECESSARY AGREEMENTS TO OBTAIN PROPOSITION 1B FUNDING FROM THE FY16 CALIFORNIA TRANSIT SECURITY GRANT PROGRAM
- 13-15 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A ONE-YEAR EXTENSION AMENDMENT TO THE CONTRACT FOR TRANSIT SERVICES WITH THE UNIVERSITY OF CALIFORNIA, SANTA CRUZ (UCSC) BEGINNING SEPTEMBER 1, 2016
- 13-16 APPROVE: CONSIDER OF APPROVAL OF AUDIT ENGAGEMENT LETTER WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR THE FISCAL YEAR ENDED JUNE 30, 2016
- 13-17 APPROVE: CONSIDERATION OF RESOLUTION APPROVING THE FY17 CAPITAL BUDGET
- 13-18 APPROVE: CONSIDERATION OF DECLARING FIVE (5) NEW FLYER BUSES, ONE (1) 2001 CHEVROLET VENTURE ACTIVAN, AND AN UNDERGROUND TANK AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION
- 13-19 APPROVE: CONSIDER RATIFICATION OF A 5-YEAR LEASE AGREEMENT WITH AHMED SABA, DBA METRO MARKET
- 13-20 APPROVE: RENEWAL OF PROPERTY INSURANCE COVERAGE FOR FY17 WITH ZURICH AMERICAN INSURANCE COMPANY
- 13-21 APPROVE: CONSIDERATION OF A PROPOSAL TO AMEND THE MANAGEMENT COMPENSATION PLAN AND ADOPT HOURLY RATE SCHEDULE
- 13-22 APPROVE: AUTHORIZE THE CEO TO EXECUTE A MEMORANDUM OF UNDERSTANDING WITH THE ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS (AMBAG)
- 13-23 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A THIRD AMENDMENT TO THE LEASE AGREEMENT FOR THE PROPERTY LOCATED AT 2880 RESEARCH PARK DRIVE IN SOQUEL
- 13-24 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO RK & ASSOCIATES, INC. FOR RECONSTRUCTING ADA ACCESSIBLE CONCRETE AREAS AND RELATED SITE WORK NOT TO EXCEED \$252,000

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR LANE

SECOND: DIRECTOR DUTRA

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

REGULAR AGENDA

14 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS FOR LES BECK, PEDRO GUTIERREZ, OSCAR HERRERA, ESTEVAN RUIZ, SALVADOR TOLENTINO, AND SHARON TOLINE

Chair Mike Rotkin recognized the following retirees in their absence, noting all employees are important:

- Les Beck, Bus Operator, 20 years of service with METRO
- Pedro Gutierrez, Bus Operator, 10 years of service with METRO
- Oscar Herrera, Bus Operator, 10 years of service with METRO
- Salvador Tolentino, Custodial Service Worker I, 15 years of service with METRO

- Estevan Ruiz, Bus Operator, 10 years of service with METRO, was present. Vice Chair Dutra presented Mr. Ruiz with his plaque and thanked him for his service. Mr. Ruiz addressed the assembly and said he owes it all to the public/passengers. He will continue doing a good job and get them to their destination safely and on time.

- Sharon D. Toline, Safety & Training Coordinator, 20 years of service with METRO, was also present. Vice Chair Dutra thanked her for her service and presented the plaque. Ms. Toline said when she started with METRO in 1996 she expected to be here for a “few years”. Today, she’s receiving her 20-year longevity award. She hopes this inspires others to find their own path.

15 ORAL PRESENTATION OF SUPERVISORY CLASS GRADUATES: ERRON ALVEY, RHIANNON AXTON, BARROW EMERSON, HARLAN GLATT, ANNA MARIE GOUVEIA, ISAAC HOLLY, GILLIAN McGLAZE, SHAWN O’DONNELL, PETER PENA, MATHEW PYKA, WILL “MICHAEL” REGAN, BRUCE RHODES, FREDDY ROCHA, SUZANNE SILVA, SHARON TOLINE AND ELMER TORRES (see attached photo)

Chair Rotkin announced the graduates and asked those in attendance to stand to be recognized.

CEO Clifford congratulated the graduates, noting METRO’s initiative in coordinating a class of this type at METRO; government agencies don’t typically provide programs well which move employees into supervisory positions. This was made possible through a partnership Ms. Slater developed with Cabrillo College.

Robyn D. Slater, Human Resources Manager, added that training is an important element of succession planning. This provided an opportunity for cross department communication as it included all levels and all departments learning new skills and institutional knowledge.

16 RESOLUTION OF APPRECIATION, RETIREES: OLIVIA DIAZ, JOSEPH HYMAN, DARRYL S. JUAN, GUSTAVO MUNGUIA, MANUEL (MANNY) MARTINEZ

Chair Mike Rotkin recognized the following retirees in their absence

- Olivia Diaz, Ticket & Pass Specialist, 34 years of service with METRO
- Joseph Hyman, Facilities Maintenance Worker II, 28 years of service with METRO
- Darryl S. Juan, Bus Operator, 31 years of service with METRO
- Peter Milburn, Bus Operator, 31 years of service with METRO
- Manuel Martinez, Transit Supervisor, 31 years of service with METRO
- Gustavo Munguia, Upholsterer II, 12 years of service with METRO

ACTION: MOTION TO ACCEPT THE RESOLUTIONS OF APPRECIATION AS PRESENTED

MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR LANE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

17 ORAL RECOGNITION OF LEADERSHIP SANTA CRUZ CLASS #31 (see attached photo)

Alex Clifford, CEO/General Manager, recognized METRO's Class 31 participants: Vice Chair Jimmy Dutra, Suzanne Silva, and Eileen Wagley. He spoke of the annual program's advantages in which METRO is offered 3 positions.

Suzanne Silva, Assistant Human Resources Manager thanked METRO for the opportunity. She appreciated learning more about the entire county and getting to know her fellow participants.

Eileen Wagley, ADA Eligibility Coordinator, echoed Ms. Silva's comments regarding learning about Santa Cruz County's many cultures. She was also able to be a METRO 'conduit' to other local agencies. She thanked METRO for providing the buses and Operators for their "field trips".

Vice Chair Dutra also thanked METRO. He hadn't been cognizant of the depth of Santa Cruz County; its various facets, organizations, and the ability to meet people from all areas. He supports METRO's continued participation in the program.

18 APPROVE: LIABILITY AND PHYSICAL DAMAGE CLAIMS SERVICE

Alex Clifford, CEO/General Manager, stressed the importance of this request as METRO doesn't have the in-house ability to perform this function and has been unable to locate a qualified temporary candidate with the required expertise. The key to adopting this service is that it helps to mitigate any risk to the agency. If we miss our mark, we could risk having claims that are not covered under CalTIP.

Director Leopold asked if the contract would be monitored and if there is an estimation of time required. CEO Clifford answered that we don't have any estimates to refer to as claims experiences differ between agencies. METRO will carefully monitor and report back when costs are incurred.

District Counsel Syren added METRO's incidents and claim rate is extremely low given the size and number of hours we have; fewer than 30 in a typical year. She doesn't think the number of hours will be excessive.

Director Leopold asked: Will METRO hire a Safety and Security Manager; Can the former position be divided into two positions; and, has a timeframe been established? CEO Clifford said he is still determining this. At this time Tom Szeszowicki is performing a dual function, Safety and Risk, for METRO. Regarding dividing the prior position into two: Since Ms. Guizar departed, we have identified different persons for the various aspects of her duties. No timeframe has been established.

There were no public comments.

ACTION: MOTION TO APPROVE ENTERING INTO A THREE-YEAR SERVICE AGREEMENT WITH THE CALIFORNIA TRANSIT SYSTEMS JOINT POWERS AUTHORITY (CaITIP) AND YORK RISK SERVICES GROUP AS PRESENTED

MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

19 ACCEPT AND FILE: COMPREHENSIVE OPERATIONAL ANALYSIS (COA) AND FALL SERVICE CHANGE UPDATE

Barrow Emerson, Planning and Development Manager, acknowledged his team and Mr. Eduardo Montesino, an 'unofficial member of the team', noting he always shares the Board's comments with them.

Chair Rotkin thanked everyone for their efforts; he doesn't take for granted the number of positions and routes we were able to save.

Mr. Emerson continued providing commentary to the staff report highlighting that the anticipated 9/8/16 service reduction will be 10-12% versus the original 25-30% anticipated in June. Service change information is noted in attachments 19A and 19B. Additionally, staff will be on site at Cabrillo to help students with the service changes after the school term begins.

In response to numerous questions from Mr. Jon Bartholomew, Chair Rotkin suggested he meet with Mr. Emerson to obtain specific information. CEO Clifford also offered to send a copy of the June board report with specifics.

Director Leopold added that we are counting on the passing of Measure D in November to provide additional funding.

20 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT FOR TRANSIT SERVICES WITH THE CABRILLO COLLEGE BEGINNING SEPTEMBER 8, 2016

Mr. Emerson noted that through a student vote, Cabrillo established a fee which has identified approximately \$900K over a 12 month period. He thanked the Cabrillo student senate, student body, UTU representatives, and METRO Board members for their assistance in the success of this venture. He added that we will monitor student use for future planning. Chair Rotkin echoed his thanks to Cabrillo and their students for the approximate \$900K funding to METRO.

There were no public comments.

Director Hagen asked if the student bus pass would include Easter and Christmas breaks. Mr. Emerson said yes; we followed UCSC's example.

ACTION: MOTION TO APPROVE AUTHORIZING THE CEO TO EXECUTE A CONTRACT FOR TRANSIT SERVICES WITH THE CABRILLO COLLEGE BEGINNING SEPTEMBER 8, 2016 AS PRESENTED

MOTION: DIRECTOR DUTRA SECOND: DIRECTOR LEOPOLD

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

21 APPROVE: CONSIDERATION OF A REQUEST FROM CABRILLO COLLEGE TO BE ESTABLISHED AS AN EX-OFFICIO DIRECTOR ON THE METRO BOARD

Chair Rotkin would like to include the encouragement of student representative in the motion; this would not be a requirement. He would also ask UCSC to consider the same possibility.

Mr. Emerson noted that the request for an ex-officio position came from Cabrillo's Student Senate. The key point is the amendment to the Administrative Code.

Public comments:

Jon Bartholomew asked what the ex-officio could do if they hold a non-voting position on the Board.

Chair Rotkin answered that they can speak at the meetings, be involved in the committees, and become engaged in how the system runs.

Mr. Emerson added this reinforces the student involvement.

Donna Blitzer, current Ex-Officio Board Member, said she believes it is important to be here and be part of the discussion. She supports having students involved in the process.

ACTION: MOTION TO APPROVE THE REQUEST FROM CABRILLO COLLEGE TO BE ESTABLISHED AS AN EX-OFFICIO DIRECTOR ON THE METRO BOARD AS PRESENTED, INCLUDING THE ENCOURAGEMENT OF STUDENT REPRESENTATIVES FROM BOTH CABRILLO COLLEGE AND UCSC

MOTION: DIRECTOR DUTRA

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

22 ACCEPT AND FILE: REPORT ON FY16 TRIENNIAL REVIEW

Angela Aitken, Finance Manager, provided information regarding the triennial process, noting all managers and departments were involved in the process. Of the 17 review areas, 7 had a few findings (see page 22A for specifics). The final responses will be submitted between now and November. She will return when the findings have been responded to and accepted.

There were no public comments.

Director Leopold asked if we had a date we anticipate receiving the findings.

Ms. Aitken answered; final responses are due in November. We anticipate January/February for complete final responses and FTA answers.

ACTION: MOTION TO ACCEPT THE REPORT ON THE FY16 TRIENNIAL REVIEW AS PRESENTED

MOTION: DIRECTOR LANE

SECOND: DIRECTOR McPHERSON

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

23 APPROVE: ESTABLISHMENT OF THREE BOARD STANDING COMMITTEES

After considering various nominations and slates, the following board members were appointed to the respective Standing Committees:

Personnel/HR Committee: To be comprised of Current Board Chair, Current Vice Chair, Immediate Past Chair and Two Board Members

Current Board Chair (Mike Rotkin)

Current Vice Chair (Jimmy Dutra)

Immediate Past Board Chair (Dene Bustichi)

2 Board Members (D. Norm Hagen and John Leopold)

Capital Projects Committee: To be comprised of 3 Board Members

Dene Bustichi, Cynthia Chase and Bruce McPherson

Finance, Budget & Audit Committee: To be comprised of 4-5 Board Members

Ed Bottorff, Karina Cervantez, Zach Friend and Don Lane

ACTION: MOTION TO ACCEPT AND APPROVE THE FOLLOWING BOARD MEMBERS TO THE STANDING COMMITTEES WITH THE PROPOSED STRUCTURE NOTED. THE COMMITTEES WILL ATTEMPT TO BALANCE CITY AND COUNTY REPRESENTATION. EACH COMMITTEE WILL ESTABLISH BYLAWS AND RETURN TO THE BOARD FOR RATIFICATION.

MOTION: DIRECTOR BOTTORFF

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

24 APPROVE: BOARD SUPPORT FOR THE TRANSPORTATION SALES TAX MEASURE

Alex Clifford, CEO/General Manager, reminded the assembly that this item has been placed on the agenda at the Board's request.

Public comment:

Eduardo Montesino, representing UTU, said this is an opportunity to provide a lot of funding for many transportation services in the county and needs everyone's full support to provide better services.

Will Regan, representing VMU, said their members voted last night to support Measure D and recommends board support.

Director McPherson noted that the process has been ongoing for two years to address the overall transportation needs of the county. This will be a half cent sales tax over 30 years, requires 2/3 vote and consists of 5 categories: local roads, Highway 1, elderly and disabled services, METRO and options for rail/trail program (which will not provide passenger rail service). The largest share will go to local roads, then Highway 1 auxiliary lanes and a couple of overpasses to Park Avenue, then to maintain pedestrian and bicyclists services. Santa Cruz County is not currently considered a self-help county which places us near the bottom of the list for financial aid. We must become a self-help county so that the State will look at us as helping ourselves before they will assist.

Director Lane added if this measure does not pass, we will have new trouble; additional reductions will be needed. The community needs to know this. In addition to direct funding, METRO's buses travel on Highway 1; we need to facilitate improved local roads & highways. This would save wear and tear on buses if the roads are in good shape.

Director Leopold appreciates the strong support from the labor and business community, the social services agencies, environmental and bicycle organizations. This measure provides the best chance to help METRO in terms of a long term funding source.

Chair Rotkin reminded the public that the service changes were made with optimism that the tax measure would pass. If the measure doesn't pass, more service changes will be need to be made.

ACTION: MOTION TO APPROVE THE RESOLUTION REGARDING BOARD SUPPORT FOR THE TRANSPORTATION SALES TAX MEASURE AS PRESENTED

MOTION: DIRECTOR LANE SECOND: DIRECTOR LEOPOLD

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

25 APPROVE: CONSIDER A RESOLUTION TO REALLOCATE ALL PACIFIC STATION PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACT FUNDS (PTMISEA) TO METROBASE AND TO THE REQUIRED LOCAL SHARE FOR NEW GRANTS; and,

26 APPROVE: CONSIDER COMMITTING ADDITIONAL LOCAL FUNDS FOR GRANTS TO THE FEDERAL TRANSIT ADMINISTRATION BUS AND BUS FACILITIES PROGRAM AND TO THE MONTEREY BAY AIR RESOURCES DISTRICT EMISSION REDUCTION PROGRAM FOR CAPITAL IMPROVEMENT PROJECTS

At the request of Chair Rotkin, and with Board concurrence, Items 25 and 26 were merged and discussed as one item.

Chair Rotkin told the assembly that this item was added to the agenda to address concerns raised previously regarding grant funding.

Barrow Emerson, referring to page 13-08.1, noted the recently awarded 2 grants totaling \$4.8M. Additionally, METRO was awarded 3 electric buses by the Federal government for Highway 17.

Vice Chair Dutra asked when the buses will be delivered.

Mr. Emerson answered it is unknown at this time; we have a team working on requirements, etc.

CEO Clifford added that the bus manufacturers are estimating 9 months to 2 years from order placement.

CEO Clifford said Item 26 is seeking approval to revise the capital plan. We need monies to go after grants to replace 70 buses. We plan to utilize recent award history research to better apply for grants.

Public comment:

Jon Bartholomew asked what type of buses are needed; what is the status of Pacific Station; where will temporary buses be housed if a new Pacific Station is built, what will the proceeds of the sales tax (if successful) fund? .

Chair Rotkin responded that many of the questions have not been fully answered; e.g., Pacific Station decisions. The City of Santa Cruz wants to revitalize the downtown area and has asked that METRO be involved. If successful, the sales tax revenues will be spent for Operations expenses. The average age of METRO buses is 12 years, which means they are expensive to maintain. We are currently looking at electric and traditional fuel buses.

Director Leopold clarified of the 20% targeted for senior and disabled services, 16% will go to METRO and 4% to Lifeline for those areas not served by ParaCruz.

Director Chase noted that the letter authored by her and Director Lane outlines what they are advocating for and suggests their clear intention to allocate funds. Director Lane added that a new Pacific Station is not a guarantee; the Santa Cruz City Council has not lost interest in the project and there are non-profit/medical organizations interested in the project as well. They are asking to make a conscious decision as a Board on this project; they are not requesting a specific action.

Director Leopold requested clarity on METRO's intentions regarding Pacific Station as he has seen many visions over the years.

Chair Rotkin noted that the economy was booming when the process began. The environment has changed.

Director Bustichi recognized that funds had been specifically earmarked for Pacific Station over the past years. He also recognizes that METRO is in need of buses. He cautioned how the funds are utilized.

CEO Clifford noted two points for clarification: 1) Page 26.2 includes a line item referring to MetroBase; and, 2) the assumption is that the current Pacific Station Ad Hoc Committee will be folded into the new Capital Project Standing Committee. Chair Rotkin concurred.

Director Friend felt it important to advise the assembly that he serves on the Monterey Bay Air Resources District Advisory Committee and, in that capacity, recommended that the Assembly Bill funding be directed to the City of Watsonville's application for significant signalization along the Freedom corridor. As a member of the METRO board, he would vote to approve the fund allocation to METRO and its projects. He views this as an opportunity for the Cities and METRO to work together with the Air Resources District.

Director Dutra, appreciating Director Friend's candor, said, he will support this concept but hopes that future projects would take into consideration traffic, congestion and the City of Watsonville while moving forward.

Chair Rotkin thanked everyone for their varying opinions and appreciates that everyone works together in a civil manner.

ACTION: MOTION TO APPROVE THE RESOLUTION TO REALLOCATE ALL PACIFIC STATION PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACT FUNDS (PTMISEA) TO METROBASE AND TO THE

REQUIRED LOCAL SHARE FOR NEW GRANTS AND APPROVE COMMITTING ADDITIONAL LOCAL FUNDS FOR GRANTS TO THE FEDERAL TRANSIT ADMINISTRATION BUS AND BUS FACILITIES PROGRAM AND TO THE MONTEREY BAY AIR RESOURCES DISTRICT EMISSION REDUCTION PROGRAM FOR CAPITAL IMPROVEMENT PROJECTS AS PRESENTED

MOTION: DIRECTOR LANE

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) All Directors were present.

27 APPROVE: CONSIDERATION OF APPROVAL OF THE HUMAN RESOURCES MANAGER RETENTION AND RECRUITMENT STRATEGY

Alex Clifford, CEO/General Manager, provided a brief history of the multi-faceted staff report; retirement incentive and good news that no layoffs were needed. He believes that this will be a difficult position to recruit for and to fill.

Public comment:

Jon Bartholomew questioned the pay level. CEO Clifford, referring to the staff report, said it includes an increase of approximately \$10K/year.

Director Bustichi voiced his support for the strategy to provide consistency moving forward. He noted that significant changes in management (District Counsel and CEO) have happened in the last 3 years. He had the privilege of working with the HR Manager during these recruitment processes and appreciated the work accomplished. He reminded the assembly that some Operators had announced their retirement before the incentive date was in place. At that time, the Board allowed the Operators to receive the incentive because we thought it was the right thing to do. He appreciates fiscal responsibility; but we also have the responsibility to do the right thing.

Vice Chair Dutra asked if only retirees qualify for the \$17K incentive. He went on to say he would not support the idea unless it is offered to everyone; which he doesn't see. Any exceptions should have been taken into account earlier.

District Counsel Syren answered that the incentive was two-fold: Intended for Bus Operators and specific position classifications. For the remainder of employees, it was retirement. She will email Vice Chair Dutra the specifics.

Chair Rotkin said this position is needed for METRO consistency. It is not an inappropriate bonus.

Director Bottorff was happy that we could offer the incentive with a goal to preserve jobs. We were successful; no one was laid off. This is a by-product wherein we have a valuable employee who serves a specific need.

Director Leopold thanked Ms. Slater for her service.

Director Cervantez also thanked Ms. Slater for her services. She also expressed concern with the increase in pay and the expense of an outside recruiting agency; both seem like a lot during these challenging times given that we just went through extensive cuts.

Chair Rotkin anticipates a failed recruitment without an increased salary.

ACTION: MOTION TO APPROVE THE HUMAN RESOURCES MANAGER RETENTION AND RECRUITMENT STRATEGY AS PRESENTED

MOTION: DIRECTOR BUSTICHI

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin.) Directors Cervantez and Dutra voted No. All Directors were present.

Director Friend departed at 11:29AM

28 CEO TO GIVE ORAL REPORT

Alex Clifford, CEO/General Manager, updated the assembly on various bills: The STA Trailer Bill is now sitting on the Governor's desk. The Beale/Frazier transportation bills are similar; they have agreed to reconcile them into one. The SBX-1 and ABX-26 are identical. They are both in process and, if successful, would help us to triple the diesel sales tax. Transportation bills remain a challenge. The LCTOP legislation, through Alejo, was just sent to Appropriations where it was put on suspense in the Appropriations Committee. We will re-evaluate this next year. CEO Clifford will continue to keep the Board apprised as things develop.

29 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, SEPTEMBER 23, 2016 AT 8:30AM, SANTA CRUZ CITY COUNCIL, 809 CENTER STREET, SANTA CRUZ, CA

Chair Rotkin announced the next meeting.

30 ADJOURNMENT

Chair Rotkin adjourned the meeting at 11:44AM

Respectfully submitted,

Gina Pye
Executive Assistant

Attachment

August 25, 2016

Board of Directors
Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060

Dear Metro Board Colleagues:

We're writing today to request that our SCMTD Board and Staff continue to work closely with the City of Santa Cruz to advance the Pacific Station project. We understand why, with so many challenges facing Metro, this project has taken a back seat to these more pressing issues. However, our Santa Cruz City Council has recently expressed strong renewed interest in advancing the Pacific Station project and we are concerned that the prospects for this project are fading as capital funds that had been earmarked for Pacific Station are being programmed for various other needs.

It's also worth noting that a new Pacific Station can deliver benefits well beyond the city of Santa Cruz. We believe a new station will enhance public perception of Metro and give us a new opportunity to increase overall ridership. This will benefit entire Metro system and residents throughout the county.

As you know, the City has been working closely with METRO staff since the first Memorandum of Understanding was executed in 2001 to facilitate the acquisition, design and construction of Pacific Station. Over the last fifteen years, the City has been working diligently as a partner with METRO to realize our collective goals to revitalize the current METRO site. Specifically, our most recent MOU states:

"The City and METRO share the same vision and goals to make Metro Center more effective and efficient; to work in collaboration towards the concept of a transit oriented and pedestrian friendly development; and to create Pacific Station, a mixed-use, multi-modal transit facility for the entire region".

During the first MOU period, the City acted in the capacity of Project Manager overseeing the initial designs for a revitalized METRO project with Roma Design Group. Over the last years, the City has managed the acquisition of the adjacent Greyhound property as well as managed the consultants for preparation of the work plan and cleanup of the contamination on the former Greyhound site. The City has been an active partner over the last several years in the recent design efforts undertaken with Group 4 Architecture. These efforts have been undertaken on behalf of METRO by the City in order to revitalize lower Pacific Avenue and create a positive rider experience for transit riders.

Our request is two-fold. First, we ask that the Metro Board affirm its commitment to the partnership between Metro and the City of Santa Cruz that has existed for over a decade. Second, we ask that the Board re-convene its Pacific Station ad-hoc committee so the Board can re-engage with discussions about the proposed project.

Thank you very much for your consideration.

Sincerely,



Don Lane
City Councilmember
City of Santa Cruz



Cynthia Chase
City Councilmember
City of Santa Cruz

RECEIVED AT 8/26/16 BOARD MEETING

Attachment



2016 Supervisory Class Graduates

Pictured (left to right): Bruce Rhodes, Sharon Toline, Barrow Emerson, Elmer Torres, Suzanne Silva, Anna Marie Gouveia, Isaac Holly, Erron Alvey, Michael "Will" Regan, Shawn O'Donnell (Robyn Slater, presenter)

Graduates (not pictured): Rhiannon Axton, Harlan Glatt, Gillian McGlaze, Peter Pena, Matthew Pyka, Freddy Rocha

Photo taken 8/26/16 at METRO Board of Directors Meeting

Attachment



Leadership Santa Cruz Class 31

Suzanne Silva, Eileen Wagley and Jimmy Dutra
(Pictured left to right)

Photo taken at 8/26/16 METRO Board of Directors Meeting