



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA MEETING MINUTES
MARCH 24, 2017 – 8:30 AM
SANTA CRUZ CITY COUNCIL CHAMBERS
809 CENTER STREET
SANTA CRUZ, CA 95060**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, March 24, 2017 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, 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 8:33 AM by Chair Dutra.

2 SWEAR IN DIRECTORS

Director Rothwell expressed his appreciation for METRO and the services provided. He also provided a brief bio.

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

Director Ed Bottorff	City of Capitola
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra, Board Chair	City of Watsonville
Director Dan Rothwell	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Cynthia Mathews	City of Santa Cruz
Director Bruce McPherson, Board Vice Chair	County of Santa Cruz
Director Oscar Rios	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Donna Blitzer	UC Santa Cruz

Directors Hagen and Leopold and Ex-Officio Director McKee were absent.

STAFF PRESENT:

Alex Clifford
Julie Sherman

METRO CEO/General Manager
METRO General Counsel

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

Angela Aitken, METRO
Erich Friedrich, AMBAG
Debbie Kinslow, METRO

Jared Semano, UCSC
Daniel Zaragoza, METRO

4 ANNOUNCEMENTS

Chair Dutra introduced Carlos Landaverry and his Spanish Language Interpretation services. He then announced that the meeting is being televised by Community Television of Santa Cruz County with technician, Mr. Lynn Dunton. Extra copies of the news clips and latest edition of Headways, Spring Service Issue: March 9 – June 14, 2017 is available at each Director seat and at the back of the room.

5 BOARD OF DIRECTORS COMMENTS

Director Rotkin informed the assembly that he spoke to UCSC representatives who have expressed an interest on providing student representation on the METRO Board. Ex-Officio Director Blitzer said she has been in contact with them.

Vice Chair McPherson expressed his appreciation to the Operators who went the extra mile in providing service and everyone in the METRO system for their patience during the stormy weather.

Hearing no further comments, Chair Dutra moved to the next agenda item.

6 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Having none, Chair Dutra moved to the next agenda item.

7 COMMUNICATIONS FROM MAC

Having none, Chair Dutra moved to the next item.

8 LABOR ORGANIZATION COMMUNICATIONS

Mr. Michael Rios, SEIU representative for the Transit Supervisors and Mr. Antonio Castillo, representing the VMUs requested Agenda Item 10.9 be pulled from the Consent Agenda.

Mr. Eduardo Montesino, representing the Fixed Route and Paratransit operators, welcomed new Director Rothwell and thanked management and the Board members for the breakfast provided in recognition of Transit Driver Appreciation Day.

9 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

See Agenda Item 4 above.

CONSENT AGENDA

- 10-01 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS
- 10-02 ACCEPT AND FILE: PRELIMINARY CHECK JOURNAL DETAIL FOR THE MONTH OF FEBRUARY 2017
- 10-03 ACCEPT AND FILE: YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF DECEMBER 31, 2016
- 10-04 ACCEPT AND FILE: MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF FEBRUARY 24, 2017
- 10-05 CONSIDERATION OF AWARD OF CONTRACT TO CAL INC. FOR PAINT REMOVAL AND REPAINTING OF EXISTING STAIRS NOT TO EXCEED \$67,711
- 10-06 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 2ND AMENDMENT EXTENDING THE CONTRACT WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES, INCREASING THE CONTRAT TOTAL BY \$42,750
- 10-07 APPROVE: CONSIDERATION OF RESOLUTION APPROVING THE FY17 REVISED CAPITAL BUDGET
- 10-08 APPROVAL OF FY18 AND FY19 PRELIMINARY OPERATING BUDGETS & FY18 CAPITAL BUDGET FOR REVIEW AND TDA/STA CLAIMS PURPOSES
- 10-09 PULLED FROM CONSENT AGENDA AND ADDRESSED AS THE FIRST ITEM UNDER THE REGULAR AGENDA.** APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO CPS HR CONSULTING FOR A CLASSIFICATION AND COMPENSATION STUDY NOT TO EXCEED \$41,900
- 10-10 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO MANSFIELD OIL COMPANY FOR CARB ULTRA-LOW SULFUR DIESEL FUEL NOT TO EXCEED \$782,145
- 10-11 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 2ND AMENDMENT EXTENDING THE CONTRACT WITH NORTH BAY FORD FOR VEHICLE REPAIR AND MAINTENANCE SERVICES, INCREASING THE CONTRACT TOTAL BY \$35,000
- 10-12 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 3RD AMENDMENT EXTENDING THE CONTRACT WITH ENVIRONMENTAL LOGISTICS INC. FOR INDUSTRIAL WASTE REMOVAL AND EMERGENCY RESPONSE SERVICES, INCREASING THE CONTRACT TOTAL BY \$10,000
- 10-13 APPROVE: CONSIDERATION OF METROBASE MONTHLY CHANGE ORDER REPORT

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED, EXCEPTING ITEM 10-09 WHICH WAS PULLED FROM CONSENT.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 9 AYES (Directors Bottorff, Chase, Dutra, Lind, Mathews, McPherson, Rios, Rothwell & Rotkin). Directors Hagen and Leopold were absent.

REGULAR AGENDA

10-09 PULLED FROM CONSENT AGENDA AND ADDRESSED AS THE FIRST ITEM UNDER THE REGULAR AGENDA. APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO CPS HR CONSULTING FOR A CLASSIFICATION AND COMPENSATION STUDY NOT TO EXCEED \$41,900

Mr. Castillo, asked the Board to reaffirm their commitment to conduct the class and comp study for SEIU members prior to contract negotiations. He also asked for a project timeline from the contractor conducting the study.

CEO Clifford responded that the Board report is very clear about the process undertaken by Metro to date. The CEO has the discretion to initiate the SEIU Class and Comp study when appropriate and useful to everyone, which approach has been shared with the Board throughout this process.

ACTION: MOTION TO APPROVE THE AWARD OF CONTRACT TO CPS HR CONSULTING FOR A CLASSIFICATION AND COPENSATION STUDY NOT TO EXCEED \$41,900 AS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 9 AYES (Directors Bottorff, Chase, Dutra, Lind, Mathews, McPherson, Rios, Rothwell & Rotkin). Directors Hagen and Leopold were absent.

11 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS TO CRISTOBAL NAREZ

Chair Dutra thanked Christobal Narez for his 10 years with METRO.

There was no public comment.

12 APPROVE: REQUEST TO REPAINT THE WATSONVILLE TRANSIT CENTER MURAL

Chair Dutra introduced the topic, noting that the current mural has been in place for a long time and, given the recent building repainting, the installation of a new CSR area and the potential for a Watsonville Police Substation onsite, a new mural may be warranted. The City of Watsonville has recently installed other murals celebrating new artists and he is proposing the same at the Watsonville Transit Center. Chair Dutra is requesting Board approval to begin the process, which would include public comment, community and artist involvement, etc. Chair Dutra and General Counsel Sherman have begun the process of researching the history of the mural, intellectual property rights that may be associated with the mural and other pertinent issues. CEO Clifford added that METRO knows who the artist is, but hasn't been able to locate any further information to date.

Board discussions ensued regarding restoring/repainting options, community involvement, artist involvement, historic importance, caution as to setting precedent if METRO incurs the entire cost of the project, and total proposed project cost, etc. Chair Dutra will follow up with involving the local Watsonville Art Council and pursuing grant funding. As the project evolves, Chair Dutra will bring back information to the Board.

ACTION: MOTION TO APPROVE METRO'S MOVING FORWARD WITH METRO STAFF SUPPORT TIME TO INVESTIGATE THE PROJECT'S HISTORY AND SUPPORT OF CHAIR DUTRA'S LEADERSHIP IN RESEARCHING ALTERNATIVES FOR THE REPLACEMENT OR RENEWAL OF THE CURRENT MURAL AND COMMUNITY OUTREACH PERTAINING TO THAT PROCESS. NO BUDGET APPROVAL WAS GRANTED.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR McPHERSON

MOTION PASSED WITH 9 AYES (Directors Bottorff, Chase, Dutra, Lind, Mathews, McPherson, Rios, Rothwell & Rotkin). Directors Hagen and Leopold were absent.

13 and 14 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 3RD AMENDMENT WITH HANSON BRIDGETT LLP TO INCREASE THE CONTRACT TOTAL BY \$385,000 FOR AS-NEEDED LEGAL SERVICES and APPROVE THE REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AS PRESENTED.

Chair Dutra granted CEO Clifford's request to jointly address Agenda Items 13 and 14, CEO Clifford provided a definition for Life of Project and a brief history of the project.

Mr. Eduardo Montesino asked what the involved costs are and how does this interplay with former District Counsel Syren's involvement?

CEO Clifford answered that all of the expenditures are noted in the report. And, the Board had previously approved Ms. Syren's assistance through the claims resolution process.

ACTION: AGENDA ITEM #13: MOTION TO APPROVE AUTHORIZING THE CEO TO EXECUTE A 3RD AMENDMENT WITH HANSON BRIDGETT LLP TO INCREASE THE CONTRACT TOTAL BY \$385,000 FOR AS-NEEDED LEGAL SERVICES AS PRESENTED. And AGENDA ITEM #14: APPROVE THE REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGETAS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 9 AYES (Directors Bottorff, Chase, Dutra, Lind, Mathews, McPherson, Rios, Rothwell & Rotkin). Directors Hagen and Leopold were absent.

15 APPROVE: AUTHORIZATION TO LEASE PARKING SPACES AT THE SOQUEL PARK & RIDE LOT TO DOMINICAN HOSPITAL OR ITS DESIGNATED LEGAL ENTITY

CEO Clifford elaborated on the staff report; i.e., the history, proposal and potential future use.

Director McPherson recognized the potential to provide better service to the community.

Director Mathews asked several questions relating to the number of present and future parking spaces, maintenance costs, new ParaCruz structure timeline and leasing options being considered.

CEO Clifford responded there are currently over 100 parking spaces. We anticipate allocating approximately 64 to Dominican employees with the remainder allocated to METRO Park and Ride, which is more than sufficient for park and ride purposes. Dominican is aware of the termination for convenience contract clause.

In response to Director Rios' improvement questions, CEO Clifford noted that the pavement will continue to function for the anticipated 3-5 years' relationship with Dominican. If the funds can be located to build a new ParaCruz facility, the pavement will be done when required.

Chair Dutra inquired as to the project timeline for the new ParaCruz structure.

CEO Clifford responded that this is the future challenge. We must locate funds, which are not eligible for buses. Then, if the project is deemed a feasible building site, it will take 1-2 years to identify funds to get us shelf-ready after the feasibility study; then, we must locate funding similar to a TIGER grant. He will regularly communicate with the Board through the process.

Mr. Jon Bartholomew asked how the \$75K figure was established and what keeps anyone from parking there currently at no cost.

CEO Clifford answered that this amount was determined in part by surveying Santa Cruz City and other community charges. Through initial negotiations with Dominican representatives, they estimated \$4 - \$5 per day per space. He added that even if approved by the Board today, this is not a done deal as negotiations are not complete. As the plan progresses, METRO will ensure that the public is aware of the parking restrictions and we will enforce our rights to tow, etc.

ACTION: MOTION TO REFER TO THE CAPITAL PROJECTS STANDING COMMITTEE TO REVIEW RECOMMENDATION TO LEASE PARKING SPACES AT THE SOQUEL PARK & RIDE LOT TO DOMINICAN HOSPITAL OR ITS DESIGNATED LEGAL ENTITY AT A RANGE BETWEEN \$70-\$75K. THE CAPITAL PROJECT COMMITTEE WILL RETURN TO THE FULL BOARD WITH RECOMMENDATION.

MOTION: DIRECTOR MATHEWS

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 9 AYES (Directors Bottorff, Chase, Dutra, Lind, Mathews, McPherson, Rios, Rothwell & Rotkin). Directors Hagen and Leopold were absent.

16 ACCEPT: CEO ORAL REPORT

CEO Clifford thanked Directors McPherson, Rotkin, Mathews and Hagen for their participation in the recent breakfast on Transit Driver Appreciation Day.

He then provided an update on State legislative bills; e.g., AB1/SB1, AB673 which METRO continues to closely monitor. The general consensus is that a version of AB1/SB1 will be approved by the April 6, 2017 deadline.

CEO Clifford will work with our State and Federal lobbyists to provide the Board members with a list of items/talking points to be presented to the League of Cities at its April 19th meeting in Sacramento.

There are some functional concerns surrounding AB673 (Chu) and the re-fortification of buses mandates involved. Director Rotkin requested that METRO return in April with a motion to oppose this bill if it is still around next month.

In terms of Federal legislation, concern exists regarding the proposed \$2.4B reduction to the Department of Transportation budget, which would eliminate the TIGER program, etc. We anticipate the introduction of a \$1T infrastructure bill; although there are no indications at this time as to how it will be funded. The future funding of the FTA is also in question.

CEO Clifford gave a brief history of last year's successful visit to DC legislators and their staff. He also provided an overview summary of the upcoming meetings later this month to be

attended by himself and Directors Dutra, Leopold, McPherson and Rotkin. CEO Clifford will provide a copy of the bullet point packet to the Board members. He hopes to gain better insight into the future of the DOT and the Trump administration; but, believes it will continue to be uncertain.

There were no public comments.

17 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Julie Sherman, General Counsel, announced the items to be discussed in Closed Session: there were no reportable actions.

18 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Government Code Section 54956.9 (d) – Parties: Lewis C. Nelson and Sons, Inc. and RNL Design, Inc.

19 CONFERENCE WITH LABOR NEGOTIATORS (GOVERNMENT CODE SECTION 54957.6)

Agency Negotiators: Alex Clifford, CEO/General Manager
Julie Sherman, General Counsel

Employee Organization: SEIU, Local 521

20 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, MARCH 24, 2017 AT 8:30AM, SANTA CRUZ CITY COUNCIL CHAMBERS, 809 CENTER STREET, SANTA CRUZ, CA

Chair Dutra announced the next meeting as above.

21 ADJOURNMENT

Chair Dutra adjourned the meeting at 9:59AM.

Respectfully submitted,

Gina Pye
Executive Assistant



**BEFORE THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

**A RESOLUTION OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AUTHORIZING A REVISION TO THE
FY17 CAPITAL BUDGET**

WHEREAS, the Board of Directors approved the FY17 Capital Budget on June 24, 2016 with a total budget of \$5,195,832; and

WHEREAS, the Board of Directors previously amended the FY17 Capital Budget by ~~\$10,483,010~~ \$10,498,010 for a total budget of ~~\$10,693,842~~ \$15,693,842; and

WHEREAS, it is necessary to revise the adopted FY17 Capital Budget by \$11,585 to provide for increased funding to the ParaCruz Van Replacement project and a reduction in the number of vehicles.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Cruz Metropolitan Transit District hereby amends the FY17 Capital Budget per Attachment B to this resolution for a total FY17 Capital Budget of \$15,705,427.

PASSED AND ADOPTED this 24th day of March 2017, by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:
Jimmy Dutra, Chair

Attachment A

Resolution No. _____
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Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Julie A. Sherman, General Counsel
