



A regular meeting of the Board of Directors of the Santa Cruz METROpolitan Transit District (METRO) was convened on Friday, December 12, 2014 at the Santa Cruz City Council Chambers, located at 809 Center Street, in Santa Cruz, California.

**SECTION I: OPEN SESSION**

**1. CALL TO ORDER**

Chair Bustichi called the meeting to order at 9:01am. Quorum was present.

**2. ROLL CALL**

The following Directors were present:

- Director Hilary Bryant
- Director Dene Bustichi (Chair)
- Director Karina Cervantez
- Director Daniel Dodge
- Director Zach Friend
- Director Ron Graves
- Director Michelle Hinkle
- Director Deborah Lane
- Director John Leopold
- Director Bruce McPherson
- Director Lynn Robinson (Vice-Chair)
- Ex-Officio Director Donna Blitzer

**STAFF PRESENT**

Alex Clifford, CEO  
Leslyn K. Syren, District Counsel

**SANTA CRUZ METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (in alphabetical order)**

Angela Aitken, Santa Cruz METRO	Daniel Zaragoza, ParaCruz
Debbie Kinslow, Santa Cruz METRO	Will Regan, VMU SEIU 521
Suzanne Silva, Santa Cruz METRO	

**3. ANNOUNCEMENTS**

Chair Bustichi announced that the meeting would be broadcast by Community Television of Santa Cruz County. Today's technician was Mairin Cooley. Ms. Amy Weiss was available for Spanish language interpretation. Ms. Weiss came to the podium, introduced herself and offered her translation services to the assembly.

**4. COMMUNICATIONS TO THE BOARD OF DIRECTORS**

Chair Bustichi opened the microphone to attendees for announcements.

Liseth Guizar, Security and Risk Administrator, acknowledged Dispatch, Facilities and Maintenance staff for their help in the recent “storm of the decade”.

Chair Bustichi thanked Pacific Gas and Electric (PG&E) for setting up the Command Center at Sky Park in Scotts Valley. Their presence and assistance was appreciated by the community.

Director McPherson echoed the sentiments expressed regarding PG&E, noting their personnel were terrific to work with and Crown Catering did an excellent job providing the food and coffee onsite.

**5. LABOR ORGANIZATION COMMUNICATIONS**

Chair Bustichi opened the microphone to labor organization attendees for announcements.

As he approached the podium, Mr. Eduardo Montesino provided the Clerk with a document for Board review as well as additional copies for distribution. (See attached document for reference.)

Grant Wilson approached the podium and, recognizing he had arrived late, asked to speak to the assembly. Chair Bustichi granted his request. Mr. Wilson expressed his desire for a Santa Cruz to Los Gatos/Saratoga bus route as there are no other viable transportation options available for a number of our community, particularly senior citizens. He suggested a pilot program that would perhaps allow the Route 17 Express to stop in Los Gatos. Mr. Wilson provided his email ([grrrant@cruzio.com](mailto:grrrant@cruzio.com)) to the Clerk for further comment.

Director Leopold thanked Mr. Wilson for his comments and suggestions noting that he, the METRO CEO and a number of Board members are interested in pursuing this idea. Chair Bustichi noted that there are complications to revising routes and added that several requests have been submitted for service to the San Jose Airport.

**6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

Last minute additions/ revisions distributed at the meeting included:

- Chair Bustichi announced revisions which contain minor revisions to the December 12, 2014 Board packet distributed earlier this week.

The specific corrections/revisions are as follows:

- Agenda, page 4, Item # 12 Title Correction to the NTE amount (correction underlined)
- Agenda Item #7-08.2, Financial Considerations/Impact paragraph Revised (correction underlined)
- Agenda Item #17, pertinent documents now attached

Agenda Modifications:

Agenda Items 8 and 11 were combined as one item later in the meeting.

Agenda Items 12 and 13 were combined as one item later in the meeting.

**CONSENT AGENDA**

- 7-01 ACCEPT AND FILE PRELIMINARY APPROVED CHECKS JOURNAL DETAIL FOR THE MONTH OF AUGUST 2014
- 7-02 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF NOVEMBER 14, 2014
- 7-03 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF SEPTEMBER 2014
- 7-04 ACCEPT AND FILE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION MEETING MINUTES FROM OCTOBER 2, 2014 AND NOVEMBER 6, 2014 REFLECTING VOTING RESULTS FROM SANTA CRUZ METRO APPOINTEES
- 7-05 ACCEPT AND FILE STATUS REPORT OF ACTIVE GRANTS AND SUBMITTED GRANT PROPOSALS FOR DECEMBER 2014
- 7-06 CONSIDERATION OF RESOLUTION APPROVING THE FY15 REVISED CAPITAL BUDGET
- 7-07 CONSIDERATION OF OWNED AND LEASED PROPERTY INVENTORIES TO DETERMINE IF THERE IS ANY PROPERTY IN EXCESS OF SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S FORESEEABLE NEEDS
- 7-08 CONSIDERATION OF AUTHORIZATION TO USE THE CALACT/MBTA PURCHASING COOPERATIVE CONTRACT FOR THE PURCHASE OF TWO (2) VEHICLES FOR THE PARACRUZ DEPARTMENT IN A TOTAL AMOUNT NOT TO EXCEED \$334,787
- 7-09 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH ENVIRONMENTAL LOGISTICS, INC. FOR INDUSTRIAL WASTE REMOVAL AND EMERGENCY RESPONSE SERVICES TO INCORPORATE CONTRACTOR'S REVISED RATE SHEETS
- 7-10 CONSIDERATION OF THE REORGANIZATION OF THE LEGAL DEPARTMENT – ADDITION OF ONE ADMINISTRATIVE ASSISTANT TO THE LEGAL DEPARTMENT
- 7-11 CONSIDER APPROVAL OF A CLASS SPECIFICATION CHANGE OF THE ASSISTANT GENERAL MANAGER TO A NEW CLASSIFICATION TITLED CHIEF OPERATIONS OFFICER USING THE ASSISTANT GENERAL MANAGER WAGE SCALE

**ACTION: MOTION TO APPROVE THE CONSENT AGENDA.**

**MOTION: DIRECTOR LEOPOLD                      SECONDED: DIRECTOR GRAVES**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**REGULAR AGENDA**

**8 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS**

Chair Bustichi asked Jeffrey North to approach the podium so that he could be recognized simultaneously for items 8 and 11 on the agenda. Chair Bustichi then congratulated and thanked Mr. North for his years of service and contributions to METRO. Mr. North, in turn, thanked the Board for the opportunity to live and work at a great job in Santa Cruz for 30 years.

**9 CONSIDERATION OF RESOLUTION OF APPRECIATION FOR MARGARITO P. HERNANDEZ**

Chair Bustichi offered the referenced resolution for approval by the Board in Mr. Hernandez' absence.

**ACTION: MOTION TO APPROVE THE RESOLUTION OF APPRECIATION FOR MARGARITO P. HERNANDEZ.**

**MOTION: DIRECTOR LEOPOLD                      SECONDED: DIRECTOR HINKLE**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**10 CONSIDERATION OF RESOLUTION OF APPRECIATION FOR MARK MARTINEZ**

Chair Bustichi offered the referenced resolution for approval by the Board in Mr. Martinez' absence.

**ACTION: MOTION TO APPROVE THE RESOLUTION OF APPRECIATION FOR MARK MARTINEZ.**

**MOTION: DIRECTOR LEOPOLD                      SECONDED: DIRECTOR McPHERSON**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**11 CONSIDERATION OF RESOLUTION OF APPRECIATION FOR JEFFREY A. NORTH**

Items 8 and 11 were combined under Item 8 above as requested by Chair Bustichi.

**ACTION: MOTION TO APPROVE THE RESOLUTION OF APPRECIATION FOR JEFFREY A NORTH.**

**MOTION: DIRECTOR FRIEND                      SECONDED: DIRECTOR CERVANTEZ**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**12/13 AGENDA ITEMS 12 AND 13 WERE COMBINED AS ONE AT THE REQUEST OF CEO/GENERAL MANAGER, ALEX CLIFFORD, AND APPROVED BY CHAIR BUSTICHI.**

**CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH RNL DESIGN, INC. FOR ARCHITECT AND ENGINEERING SERVICES TO INCORPORATE APPROVED ADD SERVICE REQUESTS AND TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$100,243**

**CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH HILL INTERNATIONAL, INC. TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$1,092,382 FOR PROJECT MANAGEMENT CONSULTANT SERVICES**

CEO Clifford provided background on the referenced contracts, emphasizing that the not to exceed amount had not changed.

Director Leopold verified that no extra monies had been expended.

**ACTION: MOTION TO APPROVE AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH HILL INTERNATIONAL, INC. TO INCREASE THE CONTRACT NOT-TO-EXCEED AMOUNT BY \$1,092,382 FOR PROJECT MANAGEMENT CONSULTANT SERVICES**

**MOTION: DIRECTOR FRIEND                      SECONDED: DIRECTOR LEOPOLD**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**14 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A LEASE AMENDMENT WITH ALI GHARAHGOZLOO AND JESSICA HSU, DBA JESSICA'S GROCERY, WHO CURRENTLY LEASE SPACE AT THE WATSONVILLE TRANSIT CENTER**

District Counsel, Leslyn Syren, provided background and an explanation of the present and amended lease term expectations, noting that this is a first step in improving the services offered at Watsonville Transit Center. The current lease prices will expire in September and METRO is working with Mr. Gharahgozloo to relocate his business as we expand our customer services.

Questions were asked and answered regarding the nature of Mr. Gharahgozloo's business with several suggestions noted, including the implementation of a small kiosk.

**ACTION: MOTION TO APPROVE AUTHORIZING THE CEO TO EXECUTE A LEASE AMENDMENT WITH ALI GHARAHGOZLOO AND JESSICA HSU, DBA JESSICA'S GROCERY, WHO CURRENTLY LEASE SPACE AT THE WATSONVILLE TRANSIT CENTER**

**MOTION: DIRECTOR LEOPOLD                      SECONDED: DIRECTOR GRAVES**

**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**15 CONSIDERATION OF ISSUING A FORMAL REQUEST FOR PROPOSALS FOR A CLASSIFICATION AND COMPENSATION STUDY**

CEO Clifford referenced the staff report included in the Board packet, noting that this study is part of his ongoing agency review.

Director Leopold questioned the timing of the study. CEO Clifford responded a study of this type typically takes 90-120 days to complete; however, the gating factor is often the number of job classifications which require adjustment. He anticipates returning to the Board mid-year with the first round of recommended actions for their review and approval.

Chair Bustichi requested that any out of class situations be addressed in the more immediate future. CEO Clifford responded that every effort would be made to address in 30 days.

Chair Bustichi opened the item for public comment.

Carolyn Derwing, as an SEIU Union Rep, approached the podium and expressed her appreciation for the inclusion of this particular agenda item. She noted that she is aware of a number of classifications which require adjustment and looks forward to the results. She urged Board approval.

**ACTION: MOTION TO APPROVE ISSUING A FORMAL REQUEST FOR PROPOSALS FOR A CLASSIFICATION AND COMPENSATION STUDY**  
**MOTION: DIRECTOR LEOPOLD SECONDED: DIRECTOR McPHERSON**  
**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**16 PRESENTATION OF THE YEAR-TO-DATE MONTHLY FINANCIAL REPORT AS OF AUGUST 31, 2014**

After Finance Manager, Angela Aitkin's, presentation of the above referenced agenda item, Director McPherson asked if the number of vacant positions (11) was average. Robyn Slater, HR Manager, approached the podium and answered that the vacancies do ebb and flow which accounts for some attrition and that the majority are Bus Operator positions. She anticipates the vacancies to continue due to upcoming retirements and that many will be hired in January 2015. She noted it takes approximately 12 weeks to train a new Bus Operator and be safely in place.

**17 CONSIDERATION OF A RESOLUTION DELEGATING AUTHORITY TO CEO/GENERAL MANAGER TO ACT AS THE DULY AUTHORIZED OFFICER TO CONSENT TO SUBSTITUTIONS PURSUANT TO PUBLIC CONTRACT CODE SECTION 4107**

District Counsel, Leslyn Syren, provided background and answered questions from the Board.

**ACTION: MOTION TO APPROVE A RESOLUTION DELEGATING AUTHORITY TO CEO/GENERAL MANAGER TO ACT AS THE DULY AUTHORIZED OFFICER TO CONSENT TO SUBSTITUTIONS PURSUANT TO PUBLIC CONTRACT CODE SECTION 4107**  
**MOTION: DIRECTOR LEOPOLD SECONDED: DIRECTOR McPHERSON**  
**MOTION PASSED UNANIMOUSLY WITH 7 AYES (CHAIR BUSTICHI AND DIRECTORS CERVANTEZ, FRIEND, GRAVES, HINKLE, LEOPOLD AND McPHERSON). DIRECTORS BRYANT, DODGE, LANE AND ROBINSON WERE ABSENT.**

**18 QUARTERLY ORAL REPORT OF FEDERAL/STATE LEGISLATIVE PROGRAM**

Alex Clifford, CEO, is working with lobbyists to finalize a report which will be submitted at January's second meeting which will include a recommended agenda for next year.

**19 CEO TO GIVE ORAL REPORT**

Alex Clifford, CEO, asked Mr. Mike Stange and Mr. Al Pierce to approach the podium.

He acknowledged that it is uncommon to recognize a consultant for his/her services but Mr. Stange's contributions through his assignment as temporary Maintenance Manager had resulted in major improvements to the budget, receiving a 'satisfactory' rating in the recent CHP inspection, improvement in the bus 'deadlist' and overall morale such that recognition was pertinent. CEO Clifford thanked Mr. Stange for a phenomenal job. Chair Bustichi expressed his thanks and appreciation to Mr. Stange. Mr. Stange thanked the Board and the agency for the opportunity, noting it had been a privilege to assist.

CEO Clifford then introduced Mr. Pierce and provided a brief professional history. Mr. Pierce thanked the Board for the opportunity and looks forward to the challenges ahead.

Chair Bustichi opened the floor for public comment.

Will Regan, VMU Chapter President, approached the podium and welcomed Mr. Pierce to METRO. He also acknowledged the accomplishments of Mr. Stange.

**20 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION**

District Counsel, Leslyn Syren, announced that pursuant to Government Code 54957, the Board would be discussing public employment discipline during their closed session. An announcement is anticipated after today's closed session.

**21 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, JANUARY 9, 2015 AT 8:30 AM, SANTA CRUZ METRO ADMINISTRATIVE OFFICES, 110 VERNON STREET, SANTA CRUZ**

Chair Dene Bustichi announced the next Board meeting date and location.

The Board left the room for the Closed Session at 9:30am.

The Board returned to the Chambers after the Closed Session at 9:55am.

Director Leopold departed at 9:56am.

Upon the Board's return to Chambers, General Counsel Syren announced that, pursuant to METRO personnel rules and procedures, the Board had authorized her to appoint an outside official to hear the disciplinary matter before the Board.

**22 ADJOURNMENT**

Director Leopold moved to adjourn the meeting at 10:05am.

**SECTION II: CLOSED SESSION**

**23 CLOSED SESSION ITEMS:  
PUBLIC EMPLOYMENT DISCIPLINE/DISMISSAL/RELEASE**

Leslyn Syren, District Counsel