



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
REGULAR MEETING
MARCH 13, 2015 – 8:00 AM
METRO ADMIN OFFICES
110 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 13, 2015, at the METRO Admin Offices at 110 Vernon Street in 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 8:04A by Vice Chair Rotkin

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

Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Zach Friend	County of Santa Cruz
Director Deborah Lane	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 Departed after Closed Session
Director Mike Rotkin, Vice Chair	County of Santa Cruz

The following Directors were absent:

Director Jimmy Dutra	City of Watsonville
Ex-Officio Director Donna Blitzer	UC Santa Cruz

STAFF PRESENT:

Alex Clifford, CEO
Leslyn Syren, General Counsel

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

Heather Adamson, AMBAG
Angela Aitken, METRO
Erron Alvey, METRO
Carolyn Derwing, METRO

Debbie Kinslow, METRO
Bonnie Morr, UTU/SMART
Susan Sanford, ParaCruz
Rider

Suzanne Silva, METRO
Sharon Toline, METRO
Daniel Zaragoza, METRO

3 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Leslyn Syren, District Counsel announced the item to be discussed in closed session: Public Employee Performance Evaluation of the CEO/General Manager. Vice Chair Rotkin opened the floor to public comment on this subject.

Bonnie Morr, UTU/SMART representative and METRO employee, asked to speak as a Union rep who receives calls from the public, Union and METRO employees. She wanted to make the Board aware of the perception of the current employee structure. On the public side, the Headways statement by CEO Clifford regarding the public deficit issue was disruptive to the passengers; this was not the best way to present issues or concerns as it caused issues between the passengers and the drivers. She asked that the issues be explained using facts so that the drivers are not targeted in any way. There is no relationship or collaboration at this time with the employees.

Another issue is the perception surrounding the funding deficit. She stated public transportation always runs in the red. Some years ago system changes were implemented to address a similar deficit and we ended up with a \$3M surplus. Giving up on federal funding is a big mistake. The proposed cuts are hurting our community. She asked why METRO isn't pursuing available funding; e.g., STIC grant monies to support operations and cited comparisons to the 8% tax passed in Monterey County.

She cautioned raising fares; stating this is a fine line which could push passengers back to their cars.

4 ADJOURN TO CLOSED SESSION

The Board recessed to Closed Session at 8:15A.

SECTION II: CLOSED SESSION

SECTION I: OPEN SESSION RECONVENED @ 9:06A

Director McPherson departed after the Closed Session.

5 ANNOUNCEMENTS

There were no staff announcements

Vice Chair Rotkin announced the following items were distributed to Board members and are available for public review at the sign-in table:

- New Headways issue
- Corrected Board Meeting Calendar noting the Public Hearings scheduled for the April 10 meetings: 9:00A at Santa Cruz City Council Chambers and 6:30P at the Watsonville City Council Chambers

6 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Vice Chair Rotkin opened the floor to public comment.

Becky Taylor stated the 68 bus from Santa Cruz to Capitola arrived at least 5 minutes early the last time she rode it. She also said that the comments made by Chair Bustichi at the last METRO Board meeting were unacceptable, homophobic, racist and have no place in our community.

Susan Sanford said ParaCruz is a fantastic service which she has used for past two years; however, she had heard about the public meetings from one of the drivers; received a letter postmarked 2/23 but dated 2/6; and, received a pamphlet the day of the meeting which raises the point that these meetings were not inclusive of the public. She would be glad to assist METRO to keep the service going. ParaCruz riders are a fragile group on fixed income who need the service. Of the 3 proposals, the mileage based proposal would hurt the majority of riders. Personally, she does not support it and

suggested looking at implementing an 8% tax; she believes the public would support a tax increase if given the correct information and advance education.

Director Leopold reported on his recent visit to Sacramento where he met with a number of legislators. He is encouraged that Sacramento is talking about transportation this year and believes cap and trade will be better than predicted. He anticipates more news by the end of this month. Jim Frasier has introduced legislation to lower the voter threshold for transportation initiatives.

Director Deborah Lane noted that she also received mail too late to attend the public meetings. She referenced correspondence from DREDF which states mileage based fees are not legal. General Counsel Syren will investigate this further.

Chair Bustichi requested METRO increase the advertising of the upcoming public hearings on April 10; e.g., utilize the weekly papers, the Santa Cruz Sentinel, etc. Vice Chair Rotkin suggested buying advertising space.

Chair Bustichi noted that METRO and RTC are investigating a possible collaborative sales tax initiative.

CEO Clifford will provide a list of public meeting notices for the April 10 meetings.

7 LABOR ORGANIZATION COMMUNICATIONS

Vice Chair Rotkin opened the floor to public comment. Hearing none, he announced the following items were distributed to Board members and available for public review at the sign-in table:

- List of new Chair, Vice Chair and other Committee Appointees

CONSENT AGENDA

9-01 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF DECEMBER 2014

At the request of Director Deborah Lane and consent of the Board, this item was pulled from Consent and discussed in the Regular Agenda.

Director Deborah Lane noted that some, not all, Board members receive a stipend for Board attendance. Finance Manager Aitken responded that Board members are entitled to \$50/per meeting. At Director Deborah Lane's request, Finance Manager Aitken will provide the total amount paid in FY14 for Board stipends to the Board Members via email.

ACTION: MOTION TO ACCEPT THE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF DECEMBER 2014.

MOTION: DIRECTOR DEBORAH LANE SECONDED: DIRECTOR LEOPOLD
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Friend, Deborah Lane, Don Lane, Leopold and Rotkin). Directors Blitzer, Dutra and McPherson were absent.

9-02 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF FEBRUARY 27, 2015

Director requested that a correction be made to Item 3 of the February 27, 2015 Board Minutes. He did not vote against the slate he proposed; he voted for it.

ACTION: MOTION TO ACCEPT THE MINUTES OF THE FEBRUARY 27, 2015 BOARD OF DIRECTORS MEETING WITH THE CORRECTION REQUESTED.

MOTION: DIRECTOR DEBORAH LANE SECONDED: DIRECTOR LEOPOLD

MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Friend, Deborah Lane, Don Lane, Leopold and Rotkin). Directors Blitzer, Dutra and McPherson were absent.

9-03 CONSIDERATION OF LA POSADA TRANSPORTATION ALTERNATIVES

At the request of Director Deborah Lane and consent of the Board, this item was pulled from Consent and discussed in the Regular Agenda.

Director Deborah Lane stated that she found the alternatives rather thin; this is an inadequate report. Referencing the Senior Network Services, they do not have the means to provide alternatives; non-profits cannot provide alternatives. She asked if feeder buses could provide this service.

Director Friend would like to see greater City responsibility for these programs. He requested that the Chair send a letter to the Santa Cruz City Council to request an exploration of services that could serve that specific location.

ACTION: MOTION TO ACCEPT THE LA POSADA ALTERNATIVES PROVIDED WITH A REQUEST THAT THE CHAIR SEND A LETTER TO THE MAYOR/CITY COUNCIL OF SANTA CRUZ TO EXPAND THE CITY'S PROGRAMS TO INCLUDE SERVICE TO THE LA POSADA AREA.

MOTION: DIRECTOR FRIEND

SECONDED: DIRECTOR BOTTORFF

MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Friend, Deborah Lane, Don Lane, Leopold and Rotkin). Directors Blitzer, Dutra and McPherson were absent.

Vice Chair Rotkin added that the District will be investigating all routes; but, it would be a major change to attempt at this time.

Director Chase stated she had looked into this when it was originally discussed. She will provide a brief report of her findings at the next meeting.

General Counsel Syren added that METRO staff also investigated, and there were several Frederick Street improvements that would be helpful to report.

9-04 CONSIDERATION OF RESOLUTION APPROVING THE FY15 REVISED CAPITAL BUDGET

Per General Counsel Syren, a resolution was not required for this item.

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION: DIRECTOR LEOPOLD

SECONDED: DIRECTOR DON LANE

MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Friend, Deborah Lane, Don Lane, Leopold and Rotkin). Directors Blitzer, Dutra and McPherson were absent.

REGULAR AGENDA

10 ORAL PRESENTATION OF INTRODUCTION OF NEW CLASS

Superintendent Gouveia welcomed the six members of the first Operator training class of 2015 and introduced one of the trainers, Sharon Toline, to present the new Operators.

- Sophia Chavez
- Gustavo Magana
- David Medina
- Clint Nabor
- Peter Pena
- Heriberto Torres

Each operator thanked METRO for the opportunity and looked forward to being part of the team and serving the community.

11 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF DECEMBER 31, 2014

Finance Manager Aitken provided further detail to the presentation.

Vice Chair Rotkin thanked staff for keeping expenses under budget and recognized their efforts.

CEO Clifford Alex noted METRO is revisiting passenger fare methodology; projecting 6/% year over year sales tax revenue growth had proven to be too aggressive. Vice Chair Rotkin suggested checking with the County for their expertise.

Director Leopold asked if overtime is being incurred as a result of the 14 open positions. Finance Manager Aitken responded that there is some Bus Operator overtime. The 14 open positions, 3 of which are admin positions with some in fleet and facilities, are being analyzed. CEO Clifford added that these 14 open positions have fluctuated over the past couple of months.

Noting the big bump in labor costs, Director Deborah Lane wondered if there would be a decrease in longevity expense. Finance Manager Aitken noted that longevity is a fluctuating category and she didn't have the analysis with her.

Recognizing the new class of Operators, Vice Chair Rotkin asked how many vacant Bus Operator positions still exist? COO Aguirre answered that we are attempting to stabilize at 164 Operators: 1/3 new, 1/3 with longevity and a potential 6 retirees this fiscal year. He added that we cannot exceed the 8/80 rule due to safety issues; Operators are not mandated to work overtime. We try to piece together shifts to accommodate routes.

Director Deborah Lane acknowledged kudos to COO Aguirre for accompanying her and others to the recent meeting in Watsonville.

12 CONSIDERATION OF AWARD OF CONTRACT WITH ATHENS ADMINISTRATORS FOR THIRD PARTY ADMINISTRATION OF WORKERS' COMPENSATION CLAIMS IN AN AMOUNT NOT TO EXCEED \$275,000

Vice Chair Rotkin announced that Suzanne Silva, Assistant HR Manager, would be presenting this agenda item in HR Manager Slater's absence. Ms. Silva explained the process of this contract and requested approval for the contract as presented. The claims have been well managed and the process is working.

Vice Chair Rotkin asked if the Unions had been consulted. As Ms. Silva was unsure if this had happened in this instance, Purchasing Manager Alvey answered that the Unions have been consulted when a contract applies to an employee benefit. Vice Chair Rotkin suggested the Unions be consulted in the future.

Many Martinez, SEIU representative, said Vice Chair Rotkin is correct. The Unions have been involved historically and should be consulted in this process; the users should not be excluded. He was not aware this was happening until he read the Board packet.

13 CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S AMENDED CONFLICT-OF-INTEREST CODE AND APPROVAL OF THE RESOLUTION CONFIRMING THIS ACTION

Leslyn Syren, District Counsel, noted that the amendments to the Conflict of Interest (COI) code were the addition of new positions which were created since the last public comment period. She requested Board approval to implement the COI code as presented.

Hearing no public comments, the following action took place.

17 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, MARCH 27, 2015 AT 9:00 AM, SANTA CRUZ CITY COUNCIL CHAMBERS, 809 CENTER STREET, SANTA CRUZ
Rotkin

18 ADJOURNMENT
Vice Chair Rotkin adjourned the meeting at 10:00A

Respectfully submitted,

Gina Pye, Executive Assistant

Pursuant to Section 54954.2(a)(1) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day. The agenda packet and materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Santa Cruz METRO Administrative Office (110 Vernon Street, Santa Cruz) during normal business hours. Such documents are also available on the Santa Cruz METRO website at www.scmted.com subject to staff's ability to post the document before the meeting.