



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA MEETING MINUTES
FEBRUARY 24, 2017 – 8:30 AM
WATSONVILLE CITY COUNCIL CHAMBERS
275 MAIN STREET
WATSONVILLE, CA 95076**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, February 24, 2017 at the Watsonville City Council Chambers, 275 Main Street, Watsonville, 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 8:44 AM by Chair Rotkin.

2 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	City of Watsonville
Director Norm Hagen	County of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Cynthia Mathews	City of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Liber McKee	Cabrillo College

Director Rios and Ex-Officio Director Blitzer 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:

Antonio Castillo, SEIU VMU
Michael Donahue, Clutch Courier
Lowell Hurst, City of Watsonville

Joan Jeffries, SEIU SEA
Debbie Kinslow, METRO
Barry Scott, CoastalRail.org

3 ELECT NEW CHAIR AND VICE CHAIR OF THE BOARD OF DIRECTORS

4 ELECT DIRECTORS TO FILL VACANT POSITIONS ON VARIOUS BOARD STANDING COMMITTEES, ELECT DIRECTORS TO FILL VACANT POSITIONS ON THE SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) AND ELECT REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC)

Referencing Agenda Item 11-04A, Chair Rotkin read the proposed slates. Director Leopold withdrew his proposed slate.

The slates below were nominated and elected by unanimous vote:

Board Chair

Jimmy Dutra

Board Vice Chair

Bruce McPherson

Capital Projects Standing Committee Members:

Ed Bottorff

Cynthia Chase

Bruce McPherson

Finance, Budget and Audit Standing Committee Members:

John Leopold

Donna Lind

Cynthia Mathews

Oscar Rios

Personnel/Human Resources Standing Committee Members:

Jimmy Dutra, Current Board Chair

Bruce McPherson, Current Vice Chair

Mike Rotkin, Immediate Past Chair

Norm Hagen

John Leopold

SCCIC Representatives:

Cynthia Chase

Norm Hagen

John Leopold

Bruce McPherson

Oscar Rios

SCCRTC Representatives:

Ed Bottorff
Cynthia Chase
Norm Hagen

SCCRTC Alternates (in order)

1. Mike Rotkin
2. Donna Lind
3. TBD at a later date

5 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. Alex Saidi, on channel 26; and, today's City of Watsonville technician is Suryel Vasquez.

6 BOARD OF DIRECTORS COMMENTS

Director Rotkin thanked the Board for the opportunity to serve as Board Chair and commended his fellow Board members for their commitment and handling of the challenging circumstances within the past year. He also thanked former Board Member Dene Bustichi for his service to the Board, his commitment to transit and his technical expertise while serving on the Capital Projects Standing Committee.

Vice Chair McPherson thanked Director Rotkin for his leadership over the past year, citing his cooperative work with employees and the Board. He also thanked everyone who had a part in administering the changes required to accommodate weather-related challenges and how well the drivers and system has held up. He has received good responses and understanding from the public.

Director Hagen thanked the past and present Board and administration.

Chair Dutra thanked Director Rotkin for his contributions through the past year, saying the Board defines teamwork. He is looking forward to the next year and working on additional grants to obtain new buses to replace our aging fleet, bringing in more electric buses to move further into an environmentally friendly and power efficient mode, and working closely with Cabrillo and UCSC.

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

7 COMMUNICATIONS TO THE BOARD OF DIRECTORS

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

The Board recessed at 9:04AM to conduct the SCCIC Meeting.

The Board reconvened at 9:08AM to Open Session.

8 COMMUNICATIONS FROM MAC

Having none, Chair Dutra moved to the next item.

9 LABOR ORGANIZATION COMMUNICATIONS

Eduardo Montesino, representing the UTU, congratulated the incoming Board Chair and Vice Chair noting there is a lot of work to do this year.

Olivia Martinez, SEIU representative, spoke of a variety of issues she'd like to see addressed; some of which were clear communication, Customer Service Representative transitional meetings, training and support, and a new HR Manager.

Other comments to the board:

Mr. Lowell Hurst, City of Watsonville Mayor Pro Tempore, welcomed the new Board members to Watsonville and thanked the Board members for their service to the entire community.

9 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

The following documentation was distributed to the Board and available at the back of the room for public viewing:

- Item 11-04A: Board Nominated Slate(s) – in addition to the information within the board packet (Item 11-04A), duplicate packets were distributed to Board Members and are available at the back of the room.
- SCCIC: Meeting Agenda Packet: in addition to the information within the board packet, duplicate packets were distributed to Board Members and are available at the back of the room.
- Item 14: Correspondence related to the item was distributed to Board Members and is available at the back of the room.
- News clips of interest.

CONSENT AGENDA

11-01 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS

11-02 ACCEPT AND FILE: PRELIMINARY CHECK JOURNAL DETAIL FOR THE MONTH OF JANUARY 2017

11-03 ACCEPT AND FILE: YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF NOVEMBER 30, 2016

11-04 ACCEPT AND FILE: MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF JANUARY 27, 2017

11-05 ACCEPT AND FILE: MINUTES OF THE SANTA CRUZ METRO ADVISORY COMMITTEE MEETING OF NOVEMBER 2016

11-06 ACCEPT AND FILE: METRO PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER, NOVEMBER AND DECEMBER 2016

11-07 ACCEPT AND FILE: SANTA CRUZ METRO SYSTEM RIDERSHIP REPORTS FOR THE SECOND QUARTER OF FY17

- 11-08 ACCEPT AND FILE: QUARTERLY STATUS REPORT OF ACTIVE GRANTS, GRANT APPLICATIONS AND OPPORTUNITIES FOR OCTOBER TO DECEMBER 2016
- 11-09 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE AUTHORIZED AGENT TO SUBMIT A GRANT APPLICATION FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM
- 11-10 APPROVE: CONSIDERATION OF RESOLUTION APPROVING THE FY17 REVISED CAPITAL BUDGET
- 11-11 APPROVE: CONSIDERATION OF DECLARING THREE (3) 2003 FORD E350 CNG VANS AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION
- 11-12 ACCEPT: A SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSINESS ENTERPRISE PROGRAM
- 11-13 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO EARTHWORKS PAVING CONTRACTORS, INC. FOR EARTHWORK AND GRADING AT 135 DUBOIS STREET, SANTA CRUZ, CA 95060 NOT TO EXCEED \$33,600
- 11-14 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE AN 8TH AMENDMENT EXTENDING THE CONTRACT FOR 10 MONTHS WITH HILL INTERNATIONAL INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES
- 11-15 APPROVE: CONSIDER A REVISED POSITION DESCRIPTION FOR THE SYSTEMS ADMINISTRATOR/SENIOR SYSTEMS ADMINISTRATOR POSITION, WITH NO PROPOSED SALARY SCHEDULE ADJUSTMENT
- 11-16 APPROVE: REAUTHORIZE THE PURCHASING AGENT POSITION

There was no public comment.

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR LEOPOLD

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

REGULAR AGENDA

- 12 CONSIDER A RESOLUTION SUPPORTING STATE ASSEMBLY BILL 1 AND SENATE ASSEMBLY BILL 1 TO INCREASE PUBLIC TRANSIT FUNDING IN CALIFORNIA**

CEO Clifford reminded the Board that this agenda item had been requested at the January 27, 2017 Board meeting and provided an update on the two bills: SB1 has cleared the

Environmental Committee. Given Governor Brown's support this year, we anticipate the two bills will be merged into one. At this time, the financial implications are undetermined. Local city councils have sent or are planning to submit letters of support to our legislators.

Director Leopold added that the County of Santa Cruz had approved supporting these two bills in January of this year. The Governor has set a deadline of April 6th to bring his and the legislative visions together.

Vice Chair McPherson echoed Director Leopold, noting an anticipated completion date before the April recess.

There was no public comment.

ACTION: MOTION TO ACCEPT THE RESOLUTION SUPPORTING STATE ASSEMBLY BILL 1 AND SENATE ASSEMBLY BILL 1 TO INCREASE PUBLIC TRANSIT FUNDING IN CALIFORNIA AS PRESENTED.

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR McPherson

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

13 ACCEPT: RECOMMENDATION TO REFER PRELIMINARY BUDGET ASSUMPTIONS TO STANDING COMMITTEE

Angela Aitken, Finance Manager, elaborated on the recommendation noting that, if approved, the meeting would be scheduled as soon as possible with an anticipated report to the full board in April.

There was no public comment.

ACTION: MOTION TO ACCEPT THE RECOMMENDATION TO REFER PRELIMINARY BUDGET ASSUMPTIONS TO STANDING COMMITTEE AS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR MATHEWS

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

14 AUTHORIZE ACTIONS RELATIVE TO THE AWARD OF CONTRACT 17-03 FOR COURIER SERVICES

Julie Sherman, General Counsel, explained the two actions under consideration, the differences between a Request for Proposals (RFP) and an Invitation for Bids (IFB) process and the protest process. This project was procured pursuant to an RFP process, which is a subjective process and the recommendation for award is based on many factors, in addition to cost. As District Counsel, she has reviewed the procurement file and discussed the evaluation process with METRO staff. She has not seen anything that would lead her to believe this was not a fair decision and supports staff's recommendations. Both firms are qualified, but qualifications, experience and references (including Metro's own experience with both vendors) proved to be the determining factors in staff's recommendation of award to PedX.

- A. Consideration of proposal protest submitted by Clutch Courier relative to METRO's intent to award the contract 17-03.**
- B. Pending outcome of proposal protest, possible action relative to METRO's intent to award the contract 17-03. Resolution 11-14 REJECT PROTEST AND AWARD OF A CONTRACT TO PEDX FOR COURIER SERVICES NOT TO EXCEED \$81,950**

Mr. Mike Donahue, Clutch Couriers owner and representative, provided background of their involvement in the RFP process and the previous informal procurement process, which was cancelled without a contract being awarded to Clutch. He asked the Board to consider their information and make an informed decision.

Director Rotkin emphasized that this was an RFP, not an IFB process and asked Ms. Sherman to clarify the reference check and scoring procedure.

General Counsel Sherman explained the evaluation and selection procedure.

Chair Dutra asked if past practice had been to alternate vendors and what the relationship with Clutch had been historically.

General Counsel Sherman said she wasn't able to provide institutional knowledge as her tenure with METRO didn't go back that far; however, her understanding was that METRO alternated between the firms on an informal basis.

Purchasing Manager, Erron Alvey, clarified that METRO had used Clutch Courier from 2008 to 2010 and PedX since 2010. Contracting for such services had been pursuant to an informal process; this was the first time an RFP had been formally undertaken. There had been a few minor issues with Clutch in the past; however, both firms scored well.

Mr. Rick Graves, Clutch Courier founder, expressed his desire as a fellow business owner to see things done in a fair manner and would like everyone to succeed; however, he sees a lot of inconsistencies with how the services were procured previously.

Mr. Zachary Wolinsky, PedX Co-owner, thanked the Board for the opportunity to work with METRO and expressed their desire to continue the relationship.

Director Rotkin offered an apology to Clutch Courier for the confusion and miscommunication during the procurement process, particularly with regard to the previous informal procurement, stating that it could have been handled better.

ACTION: MOTION TO CLOSE THE HEARING, AUTHORIZE ACTIONS RELATIVE TO THE AWARD OF CONTRACT 17-03 FOR COURIER SERVICES AS PRESENTED, INCLUDING REJECTING CLUTCH COURIER'S PROTEST AND AWARDED THE CONTRACT TO PEDX.

MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR LEOPOLD

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

15 ACCEPT: CEO ORAL REPORT

Alex Clifford, CEO/General Manager, thanked METRO staff, Operators, Supervisors and Managers for their extensive efforts to ensure transportation for the public and the safety of our drivers during the recent storm events.

Mr. Barrow Emerson, Planning and Development Manager, provided some narration to the articulated buses slideshow, citing the demonstration project as an example of METRO and our partners addressing and working together to solve a problem.

Director Leopold personally experienced the parade-like atmosphere and asked how METRO would collect fares from those who boarded from the back of an articulated bus?

Mr. Emerson responded that passengers were only allowed to enter the front door during the demonstration.

CEO Clifford added that during his years with the Los Angeles Transit District, the riders had been trained to board through the front and exit through the rear. Another approach is to implement an offboard-type of payment using smart card access.

Director Rotkin asked if the maintenance facility could service an articulated bus.

Al Pierce, Maintenance Manager, answered that it would be possible to maintain such buses, as the facility has two pits. The bus does extend into the shop walkway when pulled through the bay. We would get wheel lifts to lift all 3 axles at same time. We would be limited to working on two buses at once.

Director Hagen inquired as to the wheelchair access/space.

Ciro Aguirre, COO, responded that our current buses are fitted with two securement stations. There is configuration ability in the articulated buses, which would almost double the option.

Director Chase asked about the timeline and if any of the City stops would require modification.

COO Aguirre said the timeframe is dependent upon the results of the full analysis. There would be some adjustments required to some of the stops. Today, throughout the county, even the 45' buses interfere with traffic as not all stops are configured to accommodate the entire bus.

CEO Clifford added the next potential step would be a demonstration project. We still need to determine financing, etc. The operating expenses would remain similar to the current bus costs. He will provide updates to the Board as plans develop.

Director Bottorff asked what type of buses can be leased; i.e., how are they powered?

CEO Clifford responded the bus in this test was a diesel. However, we are not certain CARB would allow us to lease a diesel bus. Staff will investigate options, including the potential to lease an electric articulated bus. He cited Antelope Valley as an example of a transit district converting its fleet completely to electric over the next couple of years.

There were no public comments.

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10-04A.8

16 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Julie Sherman, General Counsel, announced the items to be discussed in Closed Session:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code paragraph (4) of subdivision (d) of Section 54956.9 - one case.

CONFERENCE WITH LEGAL COUNSEL

Significant exposure to litigation pursuant to Government Code paragraph (2) of subdivision (d) of Section 54956.9 – one case

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

17 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.

THE BOARD RECESSED TO CLOSED SESSION AT 10:14AM.

THE BOARD RECONVENED TO OPEN SESSION AT 10:52AM.

18 REPORT OF CLOSED SESSION ITEMS

Julie Sherman, General Counsel, announced that the Board had provided direction to legal counsel to initiate litigation.

23 ADJOURNMENT 10:52A

Chair Dutra adjourned the meeting at 10:52AM.

Respectfully submitted,

Gina Pye
Executive Assistant

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10-04A.9