



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
MAY 15, 2020 – 9:00AM
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, May 15, 2020, via teleconference.

The Board Meeting Agenda Packet can be found online at www.SCMTD.com. *Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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1 **CALL TO ORDER** at 9:01 AM by Board Chair Rotkin.

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

Director Ed Bottorff	City of Capitola	
Director Trina Coffman-Gomez	City of Watsonville	
Director Aurelio Gonzalez	City of Watsonville	
Director John Leopold	County of Santa Cruz	
Director Donna Lind	City of Scotts Valley	
Director Cynthia Mathews	City of Santa Cruz	Joined 9:10AM
Director Bruce McPherson	County of Santa Cruz	
Director Donna Meyers	City of Santa Cruz	
Director Larry Pageler	County of Santa Cruz	
Director Dan Rothwell	County of Santa Cruz	
Director Mike Rotkin	County of Santa Cruz	
Ex-Officio Director Dan Henderson	UC Santa Cruz	
Ex-Officio Director Alta Northcutt	Cabrillo College	

Additional METRO staff and presenters; presence confirmed via oral affirmative response.

Alex Clifford	CEO/General Manager
Julie Sherman	General Counsel
Angela Aitken	CFO
Kristina Mihaylova	Acting Finance Deputy Director
Gina Pye	Executive Assistant
John Urgo	Planning and Development Director
Pete Rasmussen	Transportation Planner II
Ginger Dykaar	SCCRTC, Sr. Transportation Planner

3 **ANNOUNCEMENTS**

Chair Rotkin announced that today’s meeting is being broadcast by Community Television of Santa Cruz County.

4 **BOARD OF DIRECTORS COMMENTS**

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

5 LABOR ORGANIZATION COMMUNICATIONS

James Sandoval hopes the Board appreciates what the Operators have been asked to do on a daily basis; they are unsung heroes and have sacrificed financially. .

6 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

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

7 WRITTEN COMMUNICATIONS FROM MAC

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

CONSENT AGENDA

8-01 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF APRIL 2020

8-02 ACCEPT AND FILE: MINUTES OF THE APRIL 24, 2020 BOARD OF DIRECTORS MEETING AND THE MAY 8, 2020 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING

8-03 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF MARCH 31, 2020

8-04 ACCEPT AND FILE: QUARTERLY STATUS REPORT OF GRANT APPLICATIONS, ACTIVE & PENDING GRANTS FOR THE THIRD QUARTER OF FY20

8-05 ACCEPT AND FILE: METRO PARACRUZ OPERATIONS STATUS REPORT FOR JANUARY, FEBRUARY AND MARCH 2020

8-06 ACCEPT AND FILE: METRO SYSTEM RIDERSHIP REPORTS FOR THE THIRD QUARTER OF FY20

8-07 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO FIRST ALARM SECURITY & PATROL, INC. FOR SECURITY GUARD SERVICES NOT TO EXCEED \$1,831,692

8-08 APPROVE: CONSIDERATION OF FORMAL RATIFICATION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS (SMART LOCAL 0023, FIXED ROUTE) AND SANTA CRUZ METRO

8-09 APPROVE: CONSIDERATION OF FORMAL RATIFICATION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU LOCAL 521) AND SANTA CRUZ METRO

8-10 APPROVE: CONSIDERATION OF FORMAL RATIFICATION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS (SMART LOCAL 0023, FIXED ROUTE) AND SANTA CRUZ METRO

8-11 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS

8-12 CONSIDERATION OF APPROVAL OF MUTUAL AID AGREEMENT WITH THE CALIFORNIA CENTRAL COAST AREA PUBLIC TRANSIT OPERATORS COMPRISED OF: MONTEREY SALINAS TRANSIT DISTRICT, SAN BENITO COUNTY TRANSPORTATION AUTHORITY, SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY AND THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

There was no public comment.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR MCPHERSON SECOND: DIRECTOR PAGELER

MOTION PASSED WITH 10 AYES (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, McPherson, Meyers, Pageler, Rothwell and Rotkin) Director Mathews was absent.

REGULAR AGENDA

9 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS FOR ERYLN OSORIO, MARIO TORRES SERRANO, MARIA SANCHEZ AND JOHN FUENTEZ

Chair Rotkin read staff bios, thanked and congratulated everyone in absentia.

There was no public comment.

10 RESOLUTIONS OF APPRECIATION: JOHN GOSE & BONNIE MORR

Chair Rotkin thanked and congratulated everyone in absentia.

There was no public comment.

ACTION: MOTION TO APPROVE THE RESOLUTIONS AS PRESENTED

MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR PAGELER

MOTION PASSED WITH 11 AYES (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, Mathews, McPherson, Meyers, Pageler, Rothwell and Rotkin)

11 CONSIDERATION OF ADOPTION OF RESOLUTION NO. 20-05-01 APPROVING A COMPENSATION ADJUSTMENT FOR THE CEO/GENERAL MANAGER EFFECTIVE MAY 7, 2020 AND CORRESPONDING FOURTH AMENDMENT TO THE CEO/GENERAL MANAGER'S EMPLOYMENT AGREEMENT

Chair Rotkin explained the process and interviews the CEO Ad Hoc Committee (Committee) undertook. The Committee recommends that CEO receive a two-step increase, as last year the CEO declined to have a review during union negotiations. The district has not refused any step increases for any of its employees. The Board concluded the CEO's overall performance has been excellent, noting the improved communication during this difficult time.

Director Lind added that CEO Clifford has not requested any retroactive pay.

General Counsel Julie Sherman, provided an oral summary of the modifications to Mr. Clifford's employment agreement being proposed for Board action. Public comment.

James Sandoval agreed that the CEO has done a good job communicating during this environment. He said the Operators have taken cuts; they lost their bids and personnel are being laid off all around us. They requested the Board consider freezing the CEO increase until we have a better understanding of METRO's financial standing.

Bill Henson, a frequent rider, agreed that the Operators contribute to the success of METRO. He has some unorthodox ideas to improve METRO as a whole. Chair Rotkin suggested he send an email with his thoughts for review.

ACTION: MOTION TO APPROVE THE COMMITTEE RECOMMENDATION THAT THE BOARD ADOPT RESOLUTION NO. 20-05-01 APPROVING AN INCREASE TO THE CEO/GENERAL MANAGER'S COMPENSATION TO \$21,029 PER MONTH AT STEP 4 OF THE CORRESPONDING FOURTH AMENDMENT TO THE CEO/GENERAL MANAGER'S EMPLOYMENT AGREEMENT WHICH REFLECTS A COLA INCREASE OF 2%, EFFECTIVE MAY 7, 2020 AS PRESENTED

MOTION: DIRECTOR LIND

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 11 AYES (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, Mathews, McPherson, Meyers, Pageler, Rothwell and Rotkin)

12 CEO ORAL REPORT

CEO Clifford thanked the Board for their vote of confidence and proceeded to announce the following new hires and promotions:

- Mariano Bernal – new hire as Provisional IT Support Analyst II
- Matt Marquez – promotion from Provisional Planning Aide to Provisional Transportation Planner I
- Ryan MacDonell – promotion from Parts & Materials Lead to Parts & Materials Supervisor

CEO Clifford provided commentary to the slide presentation and thanked METRO's front line essential workers for their dedication and service.

CEO Clifford provided state and federal legislative updates stressing the current and future financial uncertainties. Director Leopold expressed surprise with APTA and their exclusion of smaller agencies in their latest proposal. Several Directors volunteered to help with APTA outreach. CEO Clifford and Chris Giglio, METRO's federal lobbyist, said the small agencies are communicating with APTA to get the message out. Further actions are anticipated in the coming days. The CARES Act and the mechanics involved in the process will be presented to the Finance Committee and the Board in June.

Director Mathews suggested METRO share the photo presentation with the County Health Officer and City jurisdictions.

13 COVID-19 TRANSIT FISCAL CRISIS ORAL REPORT

CEO Clifford spoke to the slide. Discussion ensued among the assembly regarding the status of online, hybrid or in person classes at Cabrillo and UCSC. Class format decisions are anticipated after July 1, 2020. CEO Clifford asked the institutions to recognize that it is not as easy to scale back up if we scale down. METRO may be looking at a non-traditional contract in the next three to six months; a contract where the institutions continue to provide resources to METRO to provide a limited amount of service, but protect their ability to have that service in the future.

Public comments.

Bill Henson commended everyone for his or her efforts to provide education, emphasizing the transportation connection between METRO and students.

14 APPROVAL OF SANTA CRUZ METRO'S FY21 AND FY22 DRAFT OPERATING BUDGET, FY21 CAPITAL BUDGET AND A RESOLUTION SETTING A PUBLIC HEARING ON JUNE 26, 2020

Angela Aitken, CFO, spoke to various slides in the presentation, referring to the budget as a "pre-COVID budget"; i.e., one that would have been valid if COVID-19 had not occurred. As information continues to be received, revisions will be made for final budget adoption at the June board meeting; e.g., the reserve fund will be revised to reflect a target of 7.5M.

In response to Directors' questions, CFO Aitken replied the three legislative bills proposing free fares earlier in the year, have been delayed until next year. In addition, while she hopes to have realistic sales tax receipts in time for the June board meeting, there are no certainties. Financial updates will be provided to the Board as requested. CEO Clifford added, in light of the fiscal uncertainty, METRO is analyzing current vacancies across the agency; vacated positions are not being refilled. There are no plans for a new Operator class at this time. Chair Rotkin emphasized we are doing our best to avoid layoffs.

Public comment.

James Sandoval asked if METRO would share the final amount saved through the Operators' restructuring their bid. CFO Aitken responded that information is not yet available. Chair Rotkin added monies were saved through the restructuring of Operator overtime.

ACTION: MOTION TO APPROVE THE SANTA CRUZ METRO'S FY21 AND FY22 DRAFT OPERATING BUDGET, FY21 CAPITAL BUDGET AND A RESOLUTION SETTING A PUBLIC HEARING ON JUNE 26, 2020 AS PRESENTED

MOTION: DIRECTOR MEYERS

SECOND: DIRECTOR GONZALEZ

MOTION PASSED WITH 11 AYES (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, Mathews, McPherson, Meyers, Pageler, Rothwell and Rotkin)

15 DEMONSTRATION OF NEW MOBILE TICKETING APP FOR HIGHWAY 17

John Urgo, Planning and Development Director, introduced Pete Rasmussen, Transportation Planner, who spoke to the presentation. Several aspects of the program were highlighted; e.g., best fares types to assist financially strapped individuals, auto pay for regular customers, possible program acceleration, etc. In addition, he will be working with the disabled community to ensure accessibility.

Public comment:

James Sandoval said this program has the Operators' support as it represents a great opportunity for METRO and the customers.

16 TRANSIT CORRIDOR ALTERNATIVES ANALYSIS – SCREENING RESULTS AND DRAFT SHORT LIST OF ALTERNATIVES

Chair Rotkin introduced the agenda item and highlighted the countywide partnership and available options. John Urgo, Planning and Development Director, introduced Ginger Dykaar, Santa Cruz County Regional Transportation Commission (SCCRTC) Sr. Transportation Planner, who spoke to the presentation and noted any recommendations will be presented to the SCCRTC board on June 4.

Public comments:

Guy Preston, SCCRTC Executive Director, added a few comments about the PRT and tram/trolley options, stressing they are concentrating on the structure, rather than selecting an actual vehicle at this time.

Brett Garrett's comments received via email on May 14 are attached.

17 ORAL PACIFIC STATION UPDATE

CEO Clifford continues to work with the City of Santa Cruz (City) on a Memorandum of Understanding (MOU) with the hopes of presenting it to the Board at the June 2020 meeting.

There were no public comments

18 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Chair Rotkin announced there would be no closed session today.

19 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, MAY 15, 2020 AT 9:00AM AT SANTA CRUZ CITY CHAMBERS, 809 CENTER STREET, SANTA CRUZ, CA

When announcing the next meeting above, Chair Rotkin reminded the assembly that the meeting might be teleconference only, dependent upon the public health orders in place at the time, and asked everyone to please check METRO's website for updates.

20 ADJOURNMENT

Chair Rotkin adjourned the meeting at 11:45AM

Respectfully submitted,

Gina Pye
Executive Assistant