



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
JUNE 26, 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, June 26, 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 9:00 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 joined 9:03
Director Cynthia Mathews	City of Santa Cruz
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.

Ciro Aguirre	COO
Angela Aitken	CFO
Alex Clifford	CEO/General Manager
Veronica Elsea	MAC Chair
Rufus Francis	Safety, Security & Risk Management Director
Kristina Mihaylova	Finance Deputy Director
Gina Pye	Executive Assistant
Margo Ross	COO
Julie Sherman	General Counsel
John Urgo	Planning and Development Director

- 3 **ANNOUNCEMENTS**

Chair Rotkin announced that today’s meeting will be 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

John Bartholomew inquired as to when the bathrooms at Pacific Station would be open. CEO Clifford responded the date is undetermined at this time; we are working to keep everyone safe.

James Sandoval, General Chairperson of SMART, alerted the assembly as to what he foresees as ill timed, problematic METRO-management work environment changes that will pose safety issues; e.g., increase in bus capacity, discipline for calling in sick, etc. He asked the Board to support the operators and the passengers, many who do not have the means to find another transportation option. Peg Flechtner, a Bus Operator for 14 years, referred to her email on page 5.1 of the board packet. She thanked everyone for the current safety protocols, saying the move to increased capacity is not warranted; METRO has back-up buses to accommodate overflow passengers. She believes changing the capacity is extremely dangerous and will increase exposure risk to both operators and passengers.

Todd Pinsky read aloud the email he submitted (see page 5.7 of the board packet) and asked board members to honor the request and not change the status quo.

Joan Jeffries thanked METRO staff and the Facilities Department for the adjustments made to the office space. They are consolidating concerns from their members about returning full time to the office in August and will report to the CEO in their weekly meeting. They support the Operators, fellow union members, in their concerns.

Public comments

Elise Casby said she is glad to see the measures taken to protect the public and the drivers. She asked that the board respect the Operators' request to maintain physical distancing to prevent further spread of COVID. She also expressed concern about the cancellation of routes 4 and 91X.

Bonnie Morr said the obligation and responsibility for protecting the public and operators lies with the board and METRO management.

JLS63SS@ yahoo, Johnny Lopez, Bus Operator, appreciates the support to limit the capacity; it seems to be working well for the passengers and the Operators. He would like to maintain the current distancing standards, suggesting METRO wait until 2021 to change the distancing and discipline status quo. He also thanked the disinfecting crew.

Ezequiel, Bus Operator, reiterated others' comments regarding safety concerns. He asked the Board to put safety first and reconsider increasing the capacity.

Chair Rotkin asked CEO Clifford to respond to the expressed concerns, adding management is making the decisions they are legally entitled to make during this health crisis and has kept the Board informed as changes are implemented.

CEO Clifford began by noting this issue came up after the board agenda was posted; he had not planned to speak on this matter. The management team has been focused on the safety of the Operators and the public since the onset of the COVID crisis and has taken a number of measures to ensure their safety. When using executive emergency authority, he keeps the Board informed. As a federally identified critical infrastructure, METRO is obligated to provide service to our community.

In fact, we began preparing for the coming of the first case, over a month before the first case hit this area. After the first case hit, we went to an extraordinary measure for the Operators and created an A and B work schedule to limit their exposure; i.e., work 40 hours; receive pay for 80. We continue to be guided by the professionals: CDC, EPA, county and state health agencies, etc. Temporary employees have been hired as bus cleaners stationed at each bus transit center where they disinfect the buses as they come into the station, a fogging machine was purchased, clear curtains installed to protect the Operators on the bus, etc. The wearing of face coverings by Operators is mandatory; they are empowered to deny boarding to any passenger who refuses to wear a face covering. We are beginning to put more

service into place after reducing the schedules to weekend levels. Ridership and pass-by details are provided to the Board on a regular basis; ridership dropped by 95% over the past several months. As conditions change, METRO may change capacity, dependent upon County Health Officer orders.

Director Leopold agreed that we must follow the guidance of the officials as we work to protect our employees and the public. Dr. Newell and her staff have taken and continue to take the steps they believe correct to protect the county residents. He is confident that METRO's plan, with the approval of Dr. Newell, is appropriate.

Director Gonzalez suggested a wait and see approach until we know how the opening of the beaches and anticipated increase in public exposure affects our community; perhaps permitting the Operator flexibility to determine the capacity on his/her bus.

Director Lind supports METRO's measures implemented for the safety of the community and staff.

Director Bottorff and General Counsel Sherman reminded the assembly these brief responses are permitted under the Brown Act, but there is no specific bus capacity item requiring/requesting board action on today's agenda.

Given the recent return to work indications, Director Coffman-Gomez suggested close monitoring of a rider's ability to get to work.

Director Rothwell supports increasing capacity; but noted that COVID cases are increasing, which is an indicator of the pandemic worsening.

Regarding the policy on occurrences, CEO Clifford said we need our employees to come to work as we increase service, back-up and otherwise,. The employee has the right to use protected leaves. Never have we encouraged, demanded or otherwise that an employee come to work sick, even in a pre-COVID environment. If an employee does not feel well, they should not come to work. If they come to work sick and are identified as sick, we are going to send them home. We have implemented the MOU language. The employee is allowed 19 absences. Those who chose not to come to work for any reason were not charged with an "occurrence".

Mr. Sandoval said this issue was not raised in the weekly Union call; but communicated via email two days ago, leaving inadequate time to respond without coming directly to the Board.

6 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

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

CONSENT AGENDA

7-01 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF MAY 2020

7-02 ACCEPT AND FILE: MINUTES OF THE MAY 15, 2020 BOARD OF DIRECTORS MEETING, THE JUNE 12, 2020 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING AND THE JUNE 12, 2020 PERSONNEL/HR STANDING COMMITTEE MEETING

7-03 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF APRIL 30, 2020

7-04 ACCEPT AND FILE: SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

- 7-05 ACCEPT THE PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 2.65% FOR FEDERALLY FUNDED PROCUREMENTS FOR FFY21-FFY23 AND OPEN THE PUBLIC COMMENT PERIOD BEGINNING JUNE 26, 2020**
- 7-06 APPROVE CONSIDERATION OF RESOLUTION APPROVING THE FY20 REVISED CAPITAL BUDGET**
- 7-07 APPROVE: CONSIDERATION OF AWARD OF DECLARING VEHICLES AND/OR EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION**
- 7-08 APPROVE: ADOPTION OF A RESOLUTION AUTHORIZING THE EXAMINATION OF STATE BOARD OF EQUALIZATION AND CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION TRANSACTIONS (SALES) AND USE TAX RECORDS PERTAINING TO SANTA CRUZ METRO ORDINANCE 78-3-1**
- 7-09 APPROVE: RENEWAL OF LIABILITY AND VEHICLE PHYSICAL DAMAGE INSURANCE PROGRAM COVERAGE WITH CALTIP FOR FY21**
- 7-10 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS**
- 7-11 APPROVE: REQUEST FOR AUTHORIZATION OF A CUSTOMER SERVICE ASSISTANT POSITION IN THE CUSTOMER SERVICE DEPARTMENT**
- 7-12 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE AN 8TH AMENDMENT EXTENDING THE CONTRACT FOR ONE YEAR WITH ALLIANT INSURANCE SERVICES, INC. FOR EXCESS WORKERS' COMPENSATION INSURANCE, INCREASING THE CONTRACT TOTAL BY AN AMOUNT NOT TO EXCEED \$150,000**
- 7-13 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO McDONNELL ROOFING, INC. FOR ROOF REPLACEMENT AT METRO MAINTENANCE FACILITY NOT TO EXCEED \$329,670**
- 7-14 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO DON CHAPIN CO., INC. FOR FIRE EGRESS PROJECT NOT TO EXCEED \$237,050**
- 7-15 CONSIDERATION OF ADOPTION OF A CODIFIED TARIFF FOR THE SANTA CRUZ METROPOLITAN TRANSIT SYSTEM**
- 7-16 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A SIX MONTH EXTENSION AMENDMENT (FIFTH AMENDMENT) TO THE CONTRACT FOR TRANSIT SERVICES WITH THE UNIVERSITY OF CALIFORNIA, SANTA CRUZ (UCSC)**
- 7-17 ACCEPT AND FILE: QUARTERLY PROCUREMENT REPORT FOR 1ST QUARTER OF FY21**
- 7-18 APPROVE: A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE CITY OF SANTA CRUZ**

There was some brief discussion among the board members regarding agenda items 7-13 and 7-14. CEO Clifford advised METRO maintains a Transit Asset Management plan, mandated by the federal government, which establishes an asset life expectancy, forecasting replacement, rehabilitation, etc.

Public comment.

In response to Mr. Bartholomew's question regarding agenda item 7-16, both CEO Clifford and Chair Rotkin addressed the uncertainty of physical versus virtual UCSC classes in the near future.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR MEYERS

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

REGULAR AGENDA

8 ORAL METRO ADVISORY COMMITTEE (MAC) SEMI-ANNUAL REPORT

MAC Chair Elsea reported that all MAC members are very engaged; however, MAC member Jason Lopez has announced his resignation as he is relocating out of the county.

There was no public comment.

9 INTRODUCTION OF MARGO ROSS, NEW CHIEF OPERATIONS OFFICER

CEO Clifford introduced Ms. Ross and provided a brief bio. He also announced the retirement of current COO, Ciro Aguirre. Ms. Ross thanked the board for the opportunity and expressed excitement to be with METRO.

Chair Rotkin welcomed her and spoke well of his time spent working with COO Aguirre.

There was no public comment.

10 COVID-19 TRANSIT FISCAL CRISIS ORAL REPORT

CEO Clifford reported that a number of issues, such as planning for upcoming bids, sales tax revenue implications, and other economy based revenues impacting METRO, etc. were discussed at the recent Finance, Budget and Audit Standing Committee meeting. After reviewing the material presented at that meeting, it appears that any fiscal cliff period of uncertainty has moved to calendar year end. METRO is doing everything possible to utilize CARES Act funding and sustain employment and service. The longer we wait to reboot to pre-COVID ridership, the greater the opportunity of losing a majority of the riders. We want to limit any service impacts to our riders.

There was no public comment.

11 CEO ORAL REPORT

CEO Clifford announced the following new hires and promotions:

- Margo Ross – new hire as COO
- Sandi Woods – new hire as Project Manager
- Kristina Mihaylova – promotion to Finance Deputy Director
- Joan Jeffries – promotion to Purchasing Agent

CEO Clifford provided state and federal legislative updates stressing the current and future financial uncertainties.

CEO Clifford introduced the FTA video and thanked METRO's front line essential workers for their dedication and service.

There was no public comment.

12 APPROVE SANTA CRUZ METRO'S POLICY STATEMENT REGARDING FY20 CARRYOVER TO THE FY21 AND FY22 OPERATING BUDGET

CEO Clifford spoke to the "bucket" slide, page 12A.1 of the board agenda packet. We anticipate having pulled down all CARES Act qualified funds by the end of August 2020, which will allow METRO to bridge any gap between former revenue sources. This policy takes those residual funds and puts them in the COVID reserve to access as needed until such time as it is exhausted – which may be through May of 2021 as currently modeled. He cautioned that all of this remains dependent upon actions taken by the state and federal bodies.

CFO Aitken added that METRO has been working closely with SCCRTC and other agencies to reflect the most current/accurate funding available.

There were no public comments.

ACTION: MOTION TO APPROVE SANTA CRUZ METRO'S POLICY STATEMENT REGARDING FY20 CARRYOVER TO THE FY21 AND FY22 OPERATING BUDGET AS PRESENTED

MOTION: DIRECTOR COFFMAN-GOMEZ

SECOND: DIRECTOR LEOPOLD

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

13 PUBLIC HEARING REGARDING THE FINAL ADOPTION OF SANTA CRUZ METRO'S FY21 AND FY22 OPERATING BUDGET AND FY21 CAPITAL BUDGET

PUBLIC HEARING OPENED AT 11:33AM

Angela Aitken, CFO, spoke to various slides in the presentation, referring to the budget as a "pre-COVID budget" and highlighted the changes to reflect known impacts.

There was no public comment.

PUBLIC HEARING CLOSED AT 11:37 AM

ACTION: MOTION TO ADOPT SANTA CRUZ METRO'S FY21 AND FY22 OPERATING BUDGET AND FY21 CAPITAL BUDGET AS PRESENTED RECOGNIZING THAT THIS BUDGET REFLECTS PRE-COVID STATUS AND IS A FLUID SITUATION; FUTURE CHANGES ARE ANTICIPATED.

MOTION: DIRECTOR

SECOND: DIRECTOR

MOTION PASSED WITH 10 ORAL AYES AND ONE 'RAISED HAND' AYE VOTE (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, Mathews, McPherson (verbal recognition of his raised hand, indicating an "aye" vote), Meyers, Pageler, Rothwell and Rotkin)

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

Julie Sherman, General Counsel, spoke to the agenda item, noting METRO has a requirement to update and make any changes every two years to the Code. Each new position is examined for inclusion. This year, a new position and a new title have been added. Once approved by the Board, the updated Code will be provided to the County and the additional employee(s) notified of their compliance requirement.

There was no public comment.

ACTION: MOTION TO ADOPT SANTA CRUZ METRO'S AMENDED CONFLICT OF INTEREST CODE AND APPROVE THE RESOLUTION CONFIRMING THIS ACTION AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR MEYERS

MOTION PASSED WITH 10 ORAL AYES AND ONE 'RAISED HAND' AYE VOTE (Directors Bottorff, Coffman-Gomez, Gonzalez, Leopold, Lind, Mathews, McPherson (verbal recognition of his raised hand, indicating an "aye" vote), Meyers, Pageler, Rothwell and Rotkin)

15 ORAL REPORT: RIDER SURVEY RESULTS

John Urgo, Planning and Development Director, provided a brief explanation of the process and a few examples of the survey questions. A full report will be presented to the Board in August. Mr. Urgo will provide the board members with a link to the survey. He noted ridership is up slightly in the past few days.

Public comments:

In response to James Sandoval's question, Mr. Urgo noted that there is an online link, which has been provided to the govdelivery subscribers as well as through our community partners.

16 CONSIDERATION OF APPROVAL OF PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP)

Rufus Francis, Safety, Security and Risk Management Director, spoke to the presented Plan.

There were no public comments

ACTION: MOTION TO APPROVE THE PUBLIC TRANSPORTATION AGENCY SAFETY PLAN (PTASP) AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR McPHERSON

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

17 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

General Counsel Sherman announced the closed session item as:

Conference with legal counsel – existing litigation (Government Code section 45956.9(d)(1). Marie Sang, attorney, would be presenting to the Board. Ms. Sherman did not anticipate a report out after the closed session.

18 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, AUGUST 28, 2020 AT 9:00AM

When announcing the next meeting above, Chair Rotkin reminded the assembly to check the SCMTD website for venue updates, as we remain dependent upon the public health orders in place at this time.

Board recessed to closed session at 12:03PM. Director McPherson departed at 12:03PM.

Board reconvened at 12:15PM

General Counsel Sherman announced there were not reportable actions taken during the closed session.

19 ADJOURNMENT

Chair Rotkin adjourned the meeting at 12:17PM

Respectfully submitted,

Gina Pye
Executive Assistant