



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA MEETING MINUTES
AUGUST 25, 2017 – 9:00 AM
METRO ADMIN OFFICES
110 VERNON 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, August 25, 2017 at the METRO Admin offices, 110 Vernon Street, 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 9:00 AM by Chair Dutra.

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, Board Chair	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, Board Vice Chair	County of Santa Cruz
Director Oscar Rios	City of Watsonville
Director Dan Rothwell	County of Santa Cruz
Director Mike Rotkin	County of Santa Cruz
Vacant Ex-Officio Director	UC Santa Cruz
Ex Officio Director Liber McKee	Cabrillo College

Ex-Officio Director McKee was absent as well as Directors Chase, Hagen, Lind and Mathews.

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:

Angela Aitken, METRO
Patti Davidoski, SEIU
Erich Friedrich, AMBAG
David W. Horvath, UTU
Joan Jeffries, SEIU
Debbie Kinslow, METRO
Gary Lindstrum, Citizen
Deanna D. Lopez, UTU
Dawn Martin, SEIU
Olivia Martinez, SEIU

Luis Mendez, SEIU
Clint D. Nabor, UTU
Veronica Rodriguez, SEIU
Mary Sells, UTU
Becky Steinbruner, Citizen
Josh Stephens, Citizen
Salvador Tolentino, SEIU
Stefan Woliczko, SEIU
3 illegible signatures, SEIU

3 ANNOUNCEMENTS

Chair Dutra announced the absences of Directors Chase, Hagen, Lind and Mathews.

Chair Dutra then introduced Carlos Landaverry, Spanish Language Interpreter. Carlos introduced himself and his services, noting he was available at the back of the room.

Chair Dutra announced the meeting is being televised by Community Television of Santa Cruz County and our technician today is Mr. Lynn Dunton.

4 FORMAL RECOGNITION OF DONNA BLITZER, EX-OFFICIO DIRECTOR

Vice Chair McPherson introduced and recognized Donna Blitzer's many accomplishments and contributions during her 10 years as UCSC's Ex-Officio Board Member.

Ms. Blitzer said she has valued her time with METRO and felt fortunate to represent UCSC and sit among the board members. The institutions depend on each other; it takes the dedication of the Board and the METRO staff to be successful.

5 BOARD OF DIRECTORS COMMENTS

Having none, Chair Dutra moved to the next item.

6 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, TrailNow, spoke of their public transit support (excluding the train) and their disappointment in the Grand Jury report findings. He suggested a change to the Board structure; a five member elected board.

Becky Steinbrenner, Aptos resident, expressed her concerns related to Route 71 through Aptos Village and referenced her prior communication with METRO. Chair Dutra referred Ms. Steinbruner to her comments on page 10.4.B.2 of the agenda packet from an earlier meeting. He assured her that METRO staff would provide a response when ready.

Josh Stephens, Santa Cruz resident, spoke of the need to improve county-wide service, which could encourage public support.

Jon Bartholomew, METRO employee, also expressed his disappointment with the Grand Jury report. He suggested possible uses of Measure D revenue: better transportation, fixing routes, etc. Noting that the SEIU contract is posted on the SCMTD website, he suggested that the CEO contract also be posted.

Ernestina Saldana spoke of the need to put public interest first.

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

7 WRITTEN COMMENTS FROM MAC (IF APPLICABLE)

None

8 LABOR ORGANIZATION COMMUNICATIONS

Olivia Martinez, representing PSA, VMU and SEA, urged the Board to rescind the CEO's "raise", which was approved at the June 23, 2017 Board meeting. She cited SEIU's support of Measure D and the now-balanced budget achievable in part due to their members' concessions.

Eduardo Montesino, representing Bus Operators and Paratransit, said the SEIU had submitted a public records request and expressed some concern as to the CEO contract process and employee "grumblings".

Chair Dutra thanked everyone for their support in the success of Measure D and SB1. He advised caution with violating the Brown Act in discussing the CEO contract, as the item is not on today's agenda. He noted the CEO contract process was undertaken properly, was on the agenda for the last two regular Board meetings, and the amendments to the employment agreement were a result of a unanimous Board vote based on the Board's satisfactory rating of the CEO's performance. He asked that **the community discussion accurately reflect the Board's action taken in compliance with the CEO's contract requirements.** ~~false information not spread through the community.~~

Director Rotkin noted the CEO serves at the pleasure of the Board, unlike the Union members. It is important to understand that, during the recent structural deficit, no union employee was denied a step increase. The CEO voluntarily gave up his contractually guaranteed step increase last year. He did not receive a "raise", but a step increase, which is guaranteed by his contract provided his performance is satisfactory.

Speaking as a former union member, Director Rothwell expressed sympathy for the union members, adding the Board is constrained with a contract that stipulates step increases upon a satisfactory rating. He agreed that the Grand Jury report is loaded with misinformation and is not a good basis for anyone's arguments.

Director Rios thanked the union reps for attending and asking the questions.

As the Board allowed all interested members of the public to provide public comment when this item was introduced, Chair Dutra declined further public comments and closed discussion on the item. ~~Hearing no further comments, Chair Dutra moved to the next item.~~

9 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

None

CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions, which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

10-01 RECOMMENDED ACTION ON TORT CLAIMS

10-02 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTHS OF JUNE AND JULY 2017

10-03 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF MAY 31, 2017

- 10-04 ACCEPT AND FILE: MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETINGS OF JUNE 23, 2017 AND AUGUST 4, 2017
- 10-05 ACCEPT AND FILE: MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF MAY 17, 2017
- 10-06 ACCEPT AND FILE: QUARTERLY PROCUREMENT REPORT FOR 1st QUARTER OF FY18
- 10-07 ACCEPT AND FILE: METRO PARACRUZ OPERATIONS STATUS REPORT FOR APRIL, MAY AND JUNE 2017
- 10-08 ACCEPT AND FILE: METRO SYSTEM RIDERSHIP REPORTS FOR THE FOURTH QUARTER OF FY17
- 10-09 ACCEPT AND FILE: QUARTERLY STATUS REPORT OF GRANT APPLICATIONS, ACTIVE GRANTS AND FUTURE OPPORTUNITIES FOR APRIL – JUNE 2017
- 10-10 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A TEN-MONTH EXTENSION AMENDMENT TO THE CONTRACT FOR TRANSIT SERVICES WITH THE UNIVERSITY OF CALIFORNIA SANTA CRUZ (UCSC) BEGINNING SEPTEMBER 1, 2017
- 10-11 APPROVE: CONSIDERATION OF APPROVAL OF AUDIT ENGAGEMENT LETTER WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR THE FISCAL YEAR ENDED JUNE 30, 2017
- 10-12 APPROVE: RENEWAL OF PROPERTY INSURANCE COVERAGE FOR FY18 WITH ZURICH AMERICAN INSURANCE COMPANY
- 10-13 APPROVE: CONSIDERATION OF DECLARING OBSOLETE EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION
- 10-14 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 3rd AMENDMENT EXTENDING THE CONTRACT WITH BOWMAN & WILLIAMS, INC. FOR GENERAL ON-CALL ENGINEERING SERVICES, INCREASING THE CONTRACT TOTAL BY \$155,000
- 10-15 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 3rd CONTRACT AMENDMENT WITH CLASSIC GRAPHICS TO INCREASE THE CONTRACT TOTAL BY \$135,000 FOR VEHICLE BODY REPAIR AND PAINTING SERVICES
- 10-16 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO GOLDEN BAY FENCE PLUS IRON WORKS, INC. FOR CONSTRUCTION OF A SECURITY ENCLOSURE ON MECHANICAL PLATFORM NOT TO EXCEED \$111,947

- 10-17 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO CATTO'S GRAPHICS, INC. FOR PRINTING OF BUS STOP STICKERS NOT TO EXCEED \$106,895
- 10-18 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO GARDA- WORLD CASH SERVICES FOR SECURE MOBILE VAULT SERVICING AND CURRENCY PROCESSING
- 10-19 APPROVE: APPROVAL OF SEIU RECLASSIFICATION AND WAGE SURVEY RESULTS FOR PERSONNEL TECHNICIAN AND PARALEGAL WITH HR DUTIES
- 10-20 APPROVE: CONSIDERATION OF ADOPTING A RESOLUTION IN SUPPORT OF THE CONTINUED USE OF CRIMINAL BACKGROUND CHECK INFORMATION IN HIRING DECISIONS
- 10-21 REVISED AUTHORIZATION TO LEASE 64 PARKING SPACES AT THE SOQUEL PARK & RIDE LOT TO DOMINICAN HOSPITAL OR ITS DESIGNATED LEGAL ENTITY

Public comment:

Referencing item 10-16, Mr. Bartholomew inquired as to the location of the platform. CEO Clifford responded it is located in the back left corner of the Judy K Souza Operations facility.

Referencing item 10-14, Ms. Steinbruner asked how the public and operators benefit from this particular agenda item. CEO Clifford referred Ms. Steinbruner to the staff report for a listing of projects the firm has assisted with. Erron Alvey, Purchasing Manager, added this is a task order based contract and the vendor is not paid until a task order is entered for a specific job, for which a cost proposal is received, reviewed and approved in advance. Ms. Alvey also confirmed the contract was competitively solicited.

Director Leopold expressed his appreciation for everyone's efforts on the Soquel Park and Ride lease.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED WITH DIRECTOR RIOS ABSTAINING FROM AGENDA ITEM 10-04.

MOTION: DIRECTOR McPHERSON

SECOND: DIRECTOR LEOPOLD

MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rothwell & Rotkin). Director Rios abstained from Agenda Item 10-04 due to his absence on June 23, 2017. Directors Chase, Hagen, Lind and Mathews were absent.

REGULAR AGENDA

- 11 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS TO EDUARDO BIDDLECOME, ANNA-MARIE GOUVEIA, RICKIE-ANN KEGLEY, KRISTINA MIHAYLOVA, CLINT NABOR, MARY SELLS, SERGIO TABAG, AND BYRON WATSON**

Bruce McPherson, Board Vice Chair, presented the Employee Longevity Awards to the employees present and thanked them for their contributions to METRO.

Anna Marie Gouveia, Fixed Route Superintendent, 30 year METRO employee, spoke of her first interview with Judy K. Souza and the role play involved. She continues to care about the public, the Operators and the Supervisors who will eventually run Operations.

Clint Nabor, Bus Operator, 10 year METRO employee, thanked Ms. Warnock and Mr. Zaragoza for their support and Mr. Aguirre for his availability to answer any questions.

Mary Sells, Bus Operator, 10 year METRO employee, also thanked everyone and said it's been a pleasure.

12 RETIREE RESOLUTIONS OF APPRECIATION: EX-OFFICIO DIRECTOR, DONNA BLITZER AND EMPLOYEE RETIREE, SHAWN O'DONNELL

Vice Chair McPherson presented Shawn O'Donnell, Fleet Maintenance Supervisor retiree, with his plaque and thanked him for his service.

Mr. O'Donnell thanked everyone at METRO and expressed his pride as part of the team. He provided a bit of his job history with METRO and noted how the job itself has changed and is now very technical.

13 IN ABSENTIA PRESENTATION OF A PROCLAMATION HONORING DEBBIE MERRILL, REPRESENTATIVE FROM CONGRESSMAN FARR'S OFFICE

Alex Clifford, CEO/General Manager, spoke of the unlimited access and transportation knowledge Ms. Merrill provided in her years with Congressman Farr's office. Unfortunately, she has already retired so this proclamation is presented in absentia.

Director Rotkin spoke of Ms. Merrill's key role and her knowledge of local issues.

14 PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON SANTA CRUZ METRO'S PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 1.93% FOR FEDERAL FISCAL YEARS 2018-2020 (FFY18-FFY20) AT THE METRO ADMIN OFFICES 110 VERNON STREET SANTA CRUZ AT 9:00AM OR AS SOON THEREAFTER THE MATTER CAN BE HEARD

Angela Aitken, DBE Liaison Officer and Finance Manager, opened the public hearing at 10:04AM noting the purpose was to receive feedback at this and other recent public forums. She then provided commentary to the staff report.

There were no public comments.

Board Comments:

Director Rotkin spoke of the difference a DBE goal can make in larger cities.

The public hearing was closed at 10:08AM

ACTION: MOTION TO ACCEPT THE PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 1.93% FOR FEDERAL FISCAL YEARS 2018-2020 (FFY18-FFY20) AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR McPHERSON

MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rios, Rothwell & Rotkin). Directors Chase, Hagen, Lind and Mathews were absent.

15 ORAL REPORT: APTA BOARD MEMBER/BOARD SUPPORT CONFERENCE

Jimmy Dutra, Board Chair, spoke of his recent participation in the APTA Conference held in Chicago in July where he met with similar sized board representatives. One of the topics

discussed was paperless board agendas. He asked METRO staff to explore the options and return with a recommendation. The City of Watsonville provides iPads to their Councilmembers and uses an 'legislation' software.

16 APPROVE: UP TO \$3,000 LOCAL MATCH FOR THE WATSONVILLE TRANSIT CENTER MURAL

Chair Dutra provided an update to the project. He has contacted the original muralist and other artists in the community who are excited about the project. A grant source has been located if METRO provides a local match of \$3K. He thanked the Watsonville Police Activities League (PAL) for working with METRO on this project.

Public comment:

In response to Mr. Bartholomew's questions, Chair Dutra explained the public process to be undertaken and the need to raise additional funds to meet the anticipated \$10,000 cost.

Director Rios pledged a donation of \$300 from the Cinco de Mayo organization.

ACTION: MOTION TO APPROVE UP TO \$3,000 LOCAL MATCH FOR THE WATSONVILLE TRANSIT CENTER MURAL AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR RIOS

MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rios, Rothwell & Rotkin). Directors Chase, Hagen, Lind and Mathews were absent.

17 APPROVE: CREATION OF A LIFE OF PROJECT BUDGET AND RESOURCE ALLOCATION PLAN FOR THE ELECTRIC VEHICLE INFRASTRUCTURE PROJECT

Erron Alvey, Purchasing Manager, provided commentary to the agenda item noting this life of project budget and allocation plan is for the infrastructure; i.e., everything but the buses. METRO has received grants to purchase four electric buses and charging equipment. We plan to be a 100% electric fleet by 2040. Ms. Alvey will return in September with an overall bus strategy.

Director Leopold suggested a good model may be the County's series of batteries they have in place to capture and store energy.

Director McPherson suggested there may be future opportunities with the newly formed Monterey Bay Community Power. He also asked if there are any indications that the budget may change.

Ms. Alvey responded that this is the first iteration/baseline of the budget. It will most likely increase; however, we will maximize our funding and grants.

Public comment:

Mr. Bartholomew asked what was necessitating the change from CNG to electric.

Director Rotkin responded State and Federal requirements are mandating the change. CEO Clifford added that other agencies across the nation are moving to electric. In California, CNG is no longer considered environmentally friendly.

Mr. Stephens thanked the Board for leading METRO down the electric avenue. He asked what the range currently is.

CEO Clifford responded the current range is approximately 240 miles.

ACTION: MOTION TO APPROVE CREATION OF A LIFE OF PROJECT BUDGET AND RESOURCE ALLOCATION PLAN FOR THE ELECTRIC VEHICLE INFRASTRUCTURE PROJECT AS PRESENTED

MOTION: DIRECTOR LEOPOLD **SECOND: DIRECTOR ROTKIN**
MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rios, Rothwell & Rotkin). Directors Chase, Hagen, Lind and Mathews were absent.

18 ACCEPT AND FILE: METRO SERVICE PLANNING STATUS REPORT – COMPREHENSIVE OPERATIONAL ANALYSIS ONE YEAR LATER

Barrow Emerson, Planning and Development Manager, focused his presentation on the following:

- The results of the September 2016 service reduction;
- Overview of the Planning Department's future priorities for service improvements, if recurring funding were to become available;
- Geographic areas to be analyzed over the next year; and,
- Other significant initiatives over the next year

He also mentioned the APTA University conference to be hosted by METRO in June 2018, adding that additional information will be forthcoming.

Director Rios inquired as to the amount/types of contributions we should anticipate from APTA towards this event. CEO Clifford responded that the answer is unknown at the current time as the dates are not yet finalized; the hotel accommodations are pending. A typical conference sees 100 – 150 participants. Given the popularity of Santa Cruz, we anticipate more than the average attendance. We have received buy-in from Larry Pageler on behalf of UCSC.

Director Rotkin thanked Mr. Emerson and his team for the work done on behalf of the district. The results were outstanding.

Vice Chair McPherson echoed Director Rotkin's appreciation adding his thanks to the community for their support of Measure D and the support of transportation issues throughout the County.

There were no public comments.

ACTION: MOTION TO ACCEPT METRO SERVICE PLANNING STATUS REPORT – COMPREHENSIVE OPERATIONAL ANALYSIS ONE YEAR LATER AS PRESENTED

MOTION: DIRECTOR LEOPOLD **SECOND: DIRECTOR ROTKIN**
MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rios, Rothwell & Rotkin). Directors Chase, Hagen, Lind and Mathews were absent.

19 APPROVE: CONSIDERATION OF ISSUING TWO FORMAL REQUESTS FOR PROPOSALS FOR A DOWNTOWN SANTA CRUZ TRANSIT OPERATIONS ANALYSIS AND PACIFIC STATION RECONFIGURATION LAYOUT CONCEPTS

Barrow Emerson, Planning and Development Manager, noted this agenda item is being recommended to the full board as a result of the August 15th Capital Projects Standing Committee Meeting.

Board comments:

As a member of the Capital Projects Standing Committee, Director Bottorff voiced his support of the agenda item with the inclusion of the City of Santa Cruz partnership. He recommended

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limiting METRO's contribution to \$25,000. As a third party analysis has not been done in approximately 15 years; he believes this is a good use of funds. He'd like someone to identify the technology available today and in the near future which would best benefit METRO and our customers.

Director Rotkin stressed the importance of partnership with the local cities and county. METRO is a major player in downtown Santa Cruz and the City is moving forward with their plans for this area. In his mind, \$25,000 is a modest fee to develop a refurbish/relocation plan.

Director Leopold expressed his non-support. He would like to see the City of Santa Cruz contribute more than \$25,000; particularly, if it's their needs driving this issue. Regardless of the location, METRO should investigate AVL. Is now an appropriate time to look for an AVL provider? He believes METRO should pay for the technology using grants where possible to the benefit of METRO and our customers. Acknowledging the capital need for 61 new buses, he'd prefer METRO spend any eligible dollars on METRO priorities, not fulfilling another entity's wish list.

Mr. Emerson noted that analysis of AVL value in terms of operational efficiency is a part of the strategic look, but not fundable by the Pacific Station grant. CEO Clifford added an AVL proposal will be presented to the Board within the near future. We need expert opinion on these matters.

In the interest of County equity, Chair Dutra could not support throwing more money into this at the current time.

Director Rios inquired as to the security and cleanliness issues as well as how METRO benefits from the current location.

CEO Clifford responded METRO doesn't bring the problem to the area. Our customers are positive contributors. There is security present. Is it METRO's responsibility to add further security or is it the City's issue to deal with the drug problems that we didn't generate? METRO's current service operates along narrow corridors and utilizes interlining as an efficiency mechanism which makes the Pacific Avenue location important as a "hub". He added progressive transit/communities are thinking and saying, let's build and improve the downtown around transportation. They welcome public transportation and include it as a vital part of the strategic plan. He believes the City is missing the enthusiasm of transit.

Director McPherson said WTC and METRO Center are the hearts of our operation and METRO Center does need upgrading. He suggested the City of Santa Cruz not be limited to half the cost.

Public comment:

Mr. Montesino agreed that METRO is in need of new technology, Pacific Station is the heart of the system and that the City of Santa Cruz has not been a good partner to date. This is a METRO service decision. He suggested partnering with local school districts, many of whom no longer offer bus service to their students.

Mr. Stephens asked what happened to the Pacific Station concepts presented at a meeting he attended years ago.

Ms. Dana Bagshaw, bus rider, believes Pacific Station could attract ridership and make people feel good about going to the bus station.

Mr. Bartholomew mentioned the need for larger bays when/if METRO uses articulated buses. He agreed an updated paint job would improve the facility.

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Brandon Freeman, Bus Operator, believes Pacific Station is the correct size but a refurbished environment and tightened security would make it more attractive to the public. The correct improvements could be cost effective.

ACTION: MOTION TO APPROVE STAFF'S RECOMMENDATION TO ISSUE TWO FORMAL REQUESTS FOR PROPOSALS FOR A DOWNTOWN SANTA CRUZ TRANSIT OPERATIONS ANALYSIS AND PACIFIC STATION RECONFIGURATION LAYOUT CONCEPTS, REQUIRING THE CITY OF SANTA CRUZ TO PARTICIPATE AS A 50% OR GREATER PARTNER, EXCLUDING ANY GRANT AMOUNT(S)

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR BOTTORFF

MOTION PASSED WITH 4 AYES (Directors Bottorff, McPherson, Rios & Rotkin). Voting No were Directors Dutra, Leopold and Rothwell. Directors Chase, Hagen, Lind and Mathews were absent.

20 ACCEPT: BOARD AND CEO RESPONSES TO THE 2016-2017 GRAND JURY REPORT

Alex Clifford, CEO/General Manager, noted the CEO and Board responses being presented today are mandated by the Grand Jury. He thanked General Counsel Sherman for her assistance with the responses as well as the staff who ensured the accuracy.

Vice Chair McPherson supports the responses. While he appreciated the Grand Jury's efforts, he was disappointed with the report and felt they didn't do their homework.

Director Rotkin expressed his appreciation for the professional and fact-focused tone of the responses. He also expressed his deep displeasure with this report.

Public comments:

Mr. Stephens suggested discounted/youth fares might encourage ridership by allowing more families to take their kids on the bus at a reduced rate.

Mr. Bartholomew acknowledged his frustration with CEO Clifford may be misplaced due to misinformation in Grand Jury report.

ACTION: MOTION TO ACCEPT THE BOARD AND CEO RESPONSES TO THE 2016-2017 GRAND JURY REPORT AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR LEOPOLD

MOTION PASSED WITH 6 AYES (Directors Bottorff, Dutra, Leopold, McPherson, Rios, Rothwell & Rotkin). Directors Chase, Hagen, Lind and Mathews were absent.

21 CEO ORAL REPORT

Alex Clifford, CEO/General Manager, announced METRO's family picnic will be held Saturday, September 30, from 11AM – 3PM at Harvey West Park, Evergreen Picnic Area. He asked Gina Pye to forward the invitation to the Board members.

Director Leopold expressed his regrets; September 30th is Yom Kippur.

22 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Julie Sherman, General Counsel, announced the closed items listed below, adding she did not anticipate a report out, but the board will reconvene after the closed session.

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CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9 (d)(1) Claimant: Bonnie Morr

Agency: Santa Cruz Metropolitan Transit District

Marie Sang, Attorney

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9 (d)(1) – Parties: Lewis C. Nelson and Sons, Inc. and RNL Design, Inc.

RECESS TO CLOSED SESSION at 11:53AM

SECTION II: CLOSED SESSION

RECONVENE TO OPEN SESSION AT 11:55AM

23 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, SEPTEMBER 22, 2017 AT 9:00 AM, SANTA CRUZ CITY COUNCIL CHAMBERS, 809 CENTER STREET, SANTA CRUZ, CA

Chair Dutra announced the next meeting as above.

MEETING ADJOURNED AT 11:57AM

Respectfully submitted,

Gina Pye

Executive Assistant