

**SACRAMENTO REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS
BOARD MEETING
April 10, 2017**

ROLL CALL: Roll Call was taken at 5:32 p.m. PRESENT: Directors Hansen, Harris, Miller, and Chair Morin. Absent: Absent: Directors Budge, Hume, Jennings, Schenirer and Serna. Directors Kennedy and Nottoli arrived at 5:35 and 5:39, respectively.

PLEDGE OF ALLEGIANCE

PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA

Speakers:

Mike Barnbaum – Mr. Barnbaum noted that the City of Elk Grove’s Comprehensive Operational Analysis for Etran will be discussed, and is set for adoption, at the City Council meeting on April 12th.

Jeffery Tardaguila – Mr. Tardaguila wants a better identifier for patrons to pick up Etran going back to Elk Grove; is hopeful that RT is ready for bike month; noted an incident with internal communication during a Golden 1 Center event; he believes RT never tested the “quad core processor” for the Connect Card; hopes RT will include detailed information about bus shuttle services in their budget; wants to know how many tickets RT is giving away for the Amgen Tour, where is it recognized and how it is being costed.

CONSENT CALENDAR

1. Motion: Motion: Approval of the Action Summary of March 13, 2017
2. Resolution: Awarding a Contract to Provide Power to PG&E Anode Test Stations to Studebaker Brown Electric, Inc. (D. Abansado/N. Nance)
3. Resolution: Authorizing the General Manager/CEO to Execute Connect Card Corporate Account Sales Agreements and Connect Card Commercial Outlet Sales Agreements (C. Courtright/B. Bernegger)
4. Resolution: Approving Contract Change Order No. 7 to the Contract for Traffic Signal and Trail Lighting Modifications with Studebaker Brown Electric, Inc. (G. Gamble/N. Nance)
5. Resolution: Ratifying the Release of an Invitation to Bid and Conditionally

Delegating Authority to the General Manager/CEO to Award Contract for the 1225 R Street Interior Remodel to R B H Construction Inc. (D. Solomon/N. Nance)

6. Resolution: Approving Amendments to the FY 2017 Capital Budget (D. Goldman/B. Bernegger)
7. Resolution: Authorizing the General Manager/CEO to Submit Federal Transit Administration Grant Applications for Federal Fiscal Year 2017 Jobs Access Reverse Commute Funding Prior to Board Adoption of RT's FY 2018 Budget (D. Goldman/B. Bernegger)
8. Authorization for the Execution of the Low Carbon Transit Operations Program and Certifications and Assurance for Fiscal Year 2016/17 (B. Bernegger)
 - A. Resolution: Authorizing the Execution of the Low Carbon Transit Operations Program (LCTOP) Project(s) and Submittal of Project Nominations and Allocation Requests to Caltrans for Fiscal Year 2016/17; and
 - B. Resolution: Authorizing the Execution of the Certifications and Assurances and Authorized Agent Forms for Fiscal Year 2016/17 Low Carbon Transit Operations Program
9. Resolution: Amending Exhibit A of Resolution 17-03-0034, and Approving New Job Descriptions and the District's Authorized Classifications, Positions and Salary Grades (D. Bonnel/S. Chan)

ACTION: APPROVED - Director Nottoli moved; Director Miller seconded approval of the consent calendar as written. Motion was carried by voice vote. Absent: Directors Budge, Hume, Jennings, Schenirer and Serna.

GENERAL MANAGER'S REPORT

10. General Manager's Report
 - a. Government Affairs Update
 - b. Districtwide Performance Update
 - c. RT Meeting Calendar

General Manager Li reviewed the recently passed Senate Bill 1 which provides approximately \$5.2B funding annually for roads and transit, with approximately 85% funding for roads and 15% for transit. RT will use this new funding to build up RT's contingency reserve and reduce \$29M line of credit, as well as to replace permanently lost federal revenues – CMAQ funds for light rail blue line extension and lower than expected state cap and trade funds.

Mr. Li noted that RT received an upward change in RT's revenue bond rating from a negative outlook to a stable outlook with Moody's. Mr. Li commended Senior Accountant, Jamie Adelman, who has been the catalyst in ensuring that RT's Traffic Congestion Relief Program funds and other funding sources were used to maximize the debt service pay down for the revenue bonds, and working with Moody's to pull together all the required information to convey numerous positive steps that RT has taken to move RT towards its financial recovery. Mr. Li also congratulated Brent Bernegger, RT's new Vice President of Finance/Chief Financial Officer for his strong leadership and dedication.

RT's Strategic Vision and Route Optimization plans have begun with regional dialogues, including meeting with numerous regional stakeholders, and staff are continuing to schedule more presentations at community meetings, including neighborhood groups, business improvement districts, chambers, schools districts, elected official meetings and others. RT has launched a community survey to gather as much input as possible to help shape our service and understand community's priorities for a world-class public transit system. This work will lead us into the route optimization.

Mr. Li noted that in March 2017, the Amalgamated Transit Union, Local 256, signed a letter of Agreement with RT to create an additional demonstration project to provide for expanded use of the Transit Agent classification (to add 30-40 more TAs, in addition to existing 25 transit agents) while reducing the contracted security guard services. The new transit agents employed during the demonstration period will receive the same wages and benefits as current Transit Agents except they will be participating in a defined contribution retirement plan (a 3% employer contribution 457 plan), rather than the more costly traditional defined pension plan currently provided to existing employees (a 26% of employer contribution pension plan). These employees will assume duties previously performed by contracted Security Guards. This is a significant step because it will help to reduce labor cost in a positive way. Mr. Li commended Ralph Niz – ATU president and his team for their strong leadership and partnership.

Mr. Li indicated that RT's preliminary Fiscal Year 18 operating budget is actually 1% less than last year's budget due to RT's relentless pursuit of operational efficiency and business process optimization. RT plans to achieve this milestone without any changes to service and fare structure. Furthermore, RT plans to use some extra fare revenues to provide free ride days for students, and seniors 62 years and older, as a thank you to the community. RT can achieve a budget reduction without affecting service and it is due to RT's partnership and productivity improvement initiatives that are being implemented with our vendors and contractors. One of these partners is Paratransit, Inc. (PI), which provides RT's complementary paratransit service. With innovative funding reallocation, better scheduling and service enhancement initiatives, PI will save RT approximately \$3.5M in operating costs while continuing to provide quality services to the community at the same or even higher service level. Mr. Li thanked PI's Chief Executive Officer, Tiffani Fink, for her great leadership, thanked all PI board members past and present for their guidance and leadership, thanked RT's Mobility Advisory Council (MAC) and all RT Board members and community leaders, as well as the community for their strong support. Mr. Li

acknowledged RT's dedicated team for working so effectively with PI's counterpart to make this happen so quickly and smoothly with extensive professional preparation and negotiation. Some of these RT team leaders are Laura Ham, Brent Bernegger, Doug Vanderkar, Janice Labrado, David Goldman and many others.

Director Hansen recognized Tiffani Fink and Paratransit. Director Hansen noted that Ms. Fink has wasted no time in making improvements at her organization and doing a lot of good work.

Devra Selenis mentioned how great ridership was during the NCAA Tournament weekend and St. Patrick's Day. During that time, RT had fantastic media coverage and Devra showed a video of such coverage. RT's marketing team delivered "How to Ride" information to all the local hotels. Devra Selenis invited Adam Wong to the podium. Mr. Wong created a designated driver map that aims to prevent drunk driving by showing all the Downtown locals that serve alcohol and their proximity to light rail stations. Mr. Wong noted that he has expanded his map since this publication to include the entire RT light rail system.

Brent Bernegger provided a review of the February financials.

Director Hansen suggested that staff revisit the Fiscal Sustainability Policy.

Speaker: Mike Barnbaum

INTRODUCTION OF SPECIAL GUESTS

UNFINISHED BUSINESS

PUBLIC HEARING

NEW BUSINESS

11. Resolution: Authorizing Staff to Release the Sacramento Regional Transit District Preliminary FY 2018 Operating and Capital Budgets and Set Notice of a Public Hearing for May 8, 2017 (D. Goldman/B. Bernegger)

David Goldman reviewed the highlights of the preliminary FY 18 budget. The FY 18 budget is proposed to be \$160.9 million which is down from \$162.5 million in FY 17. Twenty-five percent of RT's revenue comes from state sales tax; another 25% from local sales tax (Measure A); 20% from fares; another 20% comes from federal revenues which are decreasing; and the remaining revenues are about 10%. Mr. Goldman reviewed the preliminary capital budget and budget schedule.

Director Nottoli noted a correction on page 5 of 8 under Professional Services noting two things "anticipated cost reductions with our ADA paratransit contract by bringing..." should read "and by bringing". Director Nottoli questioned why RT is paying property taxes.

David Goldman clarified that it is assessments for PBISs, not property taxes.

Speaker: Jeffery Tardaguila

ACTION: APPROVED - Director Hansen moved; Director Harris seconded approval of the item calendar as written. Motion was carried by voice vote. Absent: Absent: Directors Budge, Hume, Jennings, Schenirer and Serna.

REPORTS, IDEAS AND QUESTIONS FROM DIRECTORS, AND COMMUNICATIONS

12. San Joaquin Joint Powers Authority Meeting – March 24, 2017 (Nottoli)

Director Nottoli noted that this was the first meeting of this JPA that he had attended in a long time. There was a very long and interesting discussion about single source contracting for advertising.

CONTINUATION OF PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA (If Necessary)

ANNOUNCEMENT OF CLOSED SESSION ITEMS

RECESS TO CLOSED SESSION – at 6:37

CLOSED SESSION

- A) Conference with Real Estate Negotiator
Pursuant to Gov. Code Section 54956.8
- 1) Property: 65th Street and Folsom Boulevard
Description: APN: 015-0010-021
Agency Negotiator: Neil Nance, VP, Strategic Planning & System Development, Brent Bernegger, VP, Finance/Chief Financial Officer and Ken Turton, Turton Commercial
Negotiating Parties: Symphony Development
Under Negotiation: Price and Terms
 - 2) Property: Power Inn Road
Description: APN: 079-0310-006
Agency Negotiator: Neil Nance, VP, Strategic Planning & System Development, Brent Bernegger, VP, Finance/Chief Financial Officer and Ken Turton, Turton Commercial
Negotiating Parties: Jonathan Sweet
Under Negotiation: Price and Terms

- 3) Property: Royal Oaks
Description: APN: 275-0240-074, 277-0134-003, 04, 05
Agency Negotiator: Neil Nance, VP, Strategic Planning & System
Development, Brent Bernegger, VP, Finance/Chief
Financial Officer and
Ken Turton, Turton Commercial
Negotiating Parties: CHW Community Housing Works
Under Negotiation: Price and Terms

RECONVENE IN OPEN SESSION at 7:55

CLOSED SESSION REPORT

Tim Spangler, Chief Counsel, reported that the Board, on all three items, has delegated authority to the General Manager/CEO to negotiate.

ADJOURN

As there was no further business to be conducted, the meeting was adjourned at 7:56 p.m.

ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary