



## STAFF REPORT

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**DATE:** February 14, 2022  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Tabetha Smith, Clerk to the Board  
**SUBJ:** APPROVAL OF THE ACTION SUMMARY OF JANUARY 10, 2022

### RECOMMENDATION

Motion to Approve.

**SACRAMENTO REGIONAL TRANSIT DISTRICT  
BOARD OF DIRECTORS  
BOARD MEETING  
January 10, 2022**

**ROLL CALL:** Roll Call was taken at 5:33 p.m. via Zoom. PRESENT: Directors Budge, Harris, Howell, Hume, Jennings, Kennedy, Schenirer, Serna, Valenzuela, and Chair Miller. Director Nottoli joined the meeting at 5:37 p.m.

**1. PLEDGE OF ALLEGIANCE**

**2. CONSENT CALENDAR**

2.1 Motion: Approval of the Action Summary of December 13, 2021

2.2 Resolution 22-01-0001: Award Contract for Construction Management Services for Rail Modernization 15-Minute Service to Folsom to 4LEAF, Inc. (L. Ham)

Director Harris commented that he worked with 4LEAF on the McKinley water vault project, and he was very pleased with their performance.

Director Howell asked what the estimated construction cost on the project is.

Director Budge wanted to know the start date for construction.

Laura Ham responded that the second sidetrack is estimated at \$35.2 million, the low floor station conversion is estimated at \$73.9 million, and the projected start date is March.

Public Comment was taken by phone from Jeff Tardaguila.

Jeff Tardaguila wanted to know what the third element of the project is.

Ms. Ham answered that the third element is the the purchase of replacement LRVs and it is estimated to cost \$19 million.

***Director Harris moved; Director Budge seconded approval of the Consent Calendar as written. Motion was carried by roll call vote. Ayes: Directors Budge, Harris, Howell, Hume, Jennings, Kennedy, Nottoli, Schenirer, Serna, Valenzuela, and Chair Miller. Noes: None; Abstain: None; Absent: None.***

**3. INTRODUCTION OF SPECIAL GUESTS**

**4. UNFINISHED BUSINESS**

**5. PUBLIC HEARING**

## **6. PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA**

The Clerk read into the record two written public comments and one response from staff.

Betty Matsui, President Soroptimist International of Elk Grove and Linda Lucena, Stop Trafficking Coordinator Sierra Nevada Region made reference that January is National Human Trafficking Awareness month, congratulated SacRT and the Training Department for continuing best practices and thanked Devra Selenis and her staff for coordinating the placement of posters and interior car cards on all buses and for January Next Stop NEWS. They thanked Director Hume for the assistance of EGPD Sgt. Jason Jimenez and the Elk Grove AutoMall for placing the sign on the HWY99 AutoMall electronic billboard for the month of January and thanked SacRT for providing the region with an award-winning transit system.

Staff Lisa Hinz responded that SacRT has a long history working with local and regional law enforcement to assist in identifying, reporting, and combating human trafficking. SacRT understands that the safety and security of ridership is a major concern and SacRT is proud to continue to educate employees to report human trafficking cases. SacRT remains vigilant in the pursuit of justice for victims of human trafficking through education and enforcement.

Barbara Stanton expressed concern of canceled trips on specific bus routes due to staffing issues and reminded staff and the Board that not everyone has a computer or smartphone to get announcements. She requested that SacRT continue to announce when problems arise.

Public Comment was taken by phone from Jeff Tardaguila, Michael Harris, and Barbara Stanton.

Jeff Tardaguila mentioned that the electronic bulletin boards seem to be extremely inactive in most locations. He then encouraged that for the two weekends in February, with regards to the bus bridge on the Blue Line, having sandwich boards to make pick up and drop off locations clear. Mr. Tardaguila expressed concern with regards to the reports of buses that have many students on them and recommended having a transit administrator or advisor observe the situation.

Michael Harris referenced the 22<sup>nd</sup> anniversary of Rosa Parks Day on February 4<sup>th</sup>. He thanked SacRT for the bus display and for acknowledging the Patron Saint of the Women's Political Council of Montgomery.

Barbara Stanton thanked Devra Selenis for responding to her written comment and requested a meeting to answer additional questions she has. Ms. Stanton announced that the Top Banana Award is coming up again, that the particulars are on the RiderShip for the Masses website, and she encouraged nominations to be submitted by the middle of February.

## 7. NEW BUSINESS

- 7.1 Motion: Extending the Term of the Current Chair (Steve Miller) and Vice Chair (Patrick Kennedy) for One More Year as Chair and Vice Chair for the Sacramento Regional Transit Board of Directors for 2022 (T. Smith/S. Valenton)

**ACTION: APPROVED - Director Schenirer moved; Director Harris seconded approval to Extend the Term of the Current Chair (Steve Miller) and Vice Chair (Patrick Kennedy) for One More Year as Chair and Vice Chair for the Sacramento Regional Transit Board of Directors for 2022. Motion was carried by roll call vote. Ayes: Directors Budge, Harris, Howell, Hume, Jennings, Kennedy, Nottoli, Schenirer, Serna, Valenzuela, and Chair Miller. Noes: None; Abstain: None; Absent: None.**

- 7.2 SacRT Board and Commission Appointments (T. Smith/S. Valenton)

- A. Motion: Appointing One Board Member and One Alternate Board Member to the Capitol Corridor Joint Powers Authority; and

**Action 7.2 A: The Board decided to go with Staff recommendation to have Director Harris become a member and Director Howell be appointed as an alternate of the CCJPA.**

**Director Kennedy moved; Director Howell seconded approval of Item 7.2 A. Motion was carried by roll call vote. Ayes: Directors Budge, Harris, Howell, Hume, Jennings, Kennedy, Nottoli, Schenirer, Serna, Valenzuela, and Chair Miller. Noes: None; Abstain: None; Absent: None.**

- B. Chair Appointment: Appointing One Board or Management Staff Member to Retirement Board; and

1. ATU, IBEW, OE3, MCEG and AFSCME

**Action 7.2 B: Chair Miller reappointed Director Kennedy to another term on the Retirement Boards (new term expiring on 12/2025) and appointed Shelly Valenton as Alternate Member to the SacRT Retirement Board for ATU, IBEW, OE3, MCEG and AFSCME.**

- C. Chair Appointment: Form an Ad Hoc Committee to Discuss Voting Structure and Board Composition

Director Howell and Director Budge volunteered to serve on the committee.

Chair Miller asked what the makeup of the committee in 2005 was.

Olga Sanchez-Ochoa stated that the makeup of the committee in 2005 consisted of one County member, one City of Sacramento member and then one member from each of the

other jurisdictions.

Director Valenzuela volunteered to serve on the committee.

Director Serna nominated Director Nottoli to serve on the committee.

Director Nottoli agreed to serve on the committee.

***Action 7.2 C: Chair Miller appointed himself, Directors Budge, Howell, Hume, Nottoli and Valenzuela to the Ad Hoc Board Composition and Voting Structure Subcommittee.***

## **8. GENERAL MANAGER'S REPORT**

- 8.1 General Manager's Report
  - a. Major Project Updates
  - b. SacRT Safe Parking Update
  - c. SacRT GO Update
  - d. Semi-Annual Report: EEO Officer
  - e. Semi-Annual Report: General Counsel
  - f. Semi-Annual Report: Internal Auditor
  - g. SacRT Meeting Calendar

Mr. Li welcomed everyone to the first Board meeting of 2022 and wished everyone a Happy New Year. He began his remarks stating he would provide a few updates and then there would be a Roseville Road and Franklin Station Safe Parking Update followed by a comprehensive update on SacRT GO Paratransit Services.

Mr. Li mentioned the region is experiencing a surge in COVID 19 cases and the Sacramento County Public Health Department is encouraging all meetings to be conducted remotely. The national workforce shortage is having a tremendous impact on the transit industry with many transit agencies having to reduce service levels by 10 to 30%. SacRT recognizes the impact that cancellations have on customers and is actively working to maintain all services, every day, with available resources. SacRT continues to aggressively recruit for additional staff. SacRT hosted two successful hiring events in December and received over 280 applications. To date, there are about 70 applicants who are either in the process of being hired or are going through the screening and interview process.

Mr. Li then shared information on two upcoming events. SacRT's historical 1958 Blue Bus will be participating in the Martin Luther King celebration vehicle caravan on Monday, January 17<sup>th</sup> hosted by the NAACP. The route is the same as last year and a safe way to continue to honor the legacy of the great Doctor King. Later this month, SacRT, in partnership with Asian Resources Inc. and the Vietnamese American Community of Sacramento will host the 2022 Sacramento Tet Festival in the parking lot of the Florin Light Rail Station. About 10,000 people are expected to attend this free community festival promoting the Vietnamese culture. SacRT is proud to provide free rides that will drop off attendees at the event doorstep.

Mr. Li then provided an update on improvements to the Watt/I-80 Light Rail and bus transfer station. The installation of the new west side elevator is scheduled for this week followed by the station inspection. The new east side elevator was installed a couple months ago. SacRT's Information Technology Department will be installing the camera in the west elevator and the Facilities Department will be making additional improvements. Special shuttle buses will be available during construction. Contractors will need to close the station elevator and the stairs to complete these changes. SacRT anticipates an early completion date of February 28<sup>th</sup>. An update will be provided at the next Board meeting on February 14<sup>th</sup>.

Mr. Li then referenced the detailed reports included in the Board packet from three compliance-oriented areas :General Counsel, Internal Auditor and the Equal Employment Officer. He acknowledged the outstanding work of Olga Sanchez-Ochoa and her strong legal team, Coye Carter and Greg Walters and announced they are in attendance if there were any specific questions for them. Mr. Li recognized their diligence and efficiency in showing SacRT's compliance with laws and regulations and stated they have been a critical and integral part of this highly performing organization as the best transit system in North America in 2021.

Chris Flores updated the Board on the Roseville Road Light Rail Station. The Roseville Road property is owned by Caltrans and SacRT operates the site via an encroachment permit. The Board has delegated authority to SacRT General Manager to negotiate a three-party lease agreement that will allow for safe parking operations. Just before the new year, Caltrans sent back a second draft of the lease agreement between the City, SacRT and Caltrans. Currently the City and SacRT are reviewing the document and submitting comments with the hopes of scheduling a meeting to finalize it later this month. Caltrans requires the City to perform an environmental site assessment before a shelter can begin operations which could take a few months to complete. When the lease agreement is finalized, Caltrans will seek Federal Highway Administration approval and SacRT will seek Federal Transit Administration approval. Mr. Flores added that at the end of December, SacRT met with Mayor Steinberg and Council Members Loloee and Schenirer to update the City on the timeline for implementation of the Roseville Road safe parking program understanding that complexities may delay the launch of Roseville Road. The Mayor requested two things: that the SacRT Board provide approvals to move forward with the second pilot at the Franklin Light Rail Station and the Board explore additional spaces for the program at Roseville Road. The Board had previously expressed the desire to launch one program at a time but with delays impacting Roseville Site, staff would appreciate the Board feedback on the Mayor's request before the update is concluded.

Lisa Hinz then provided information regarding the encampments and the surrounding area at the Roseville Road Safe Parking site. In late December, Caltrans was able to assess the site and the damage to the bridge from the fire. The fire did not cause significant damage, but it underscores a potential risk to SacRT operations. A similar encampment currently resides under the Grand Avenue Light Rail Bridge with SacRT's track on top. If a similar accident occurred, SacRT light rail operations would have to be halted. SacRT intends to work with Caltrans and the City to find a solution that will not jeopardize SacRT railroad tracks.

Director Schenirer stated that the two encampments Ms. Hinz referred to have no supervision, no fencing, and no connection to services. Bringing people into a much safer zone with

supervision and services should make the area safer and cleaner. Director Schenirer would like to move this item and recommended moving ahead at a deliberate speed with Franklin to get some data to report back to the Board given that the time frame for Roseville Road could take up to a year to get all the approvals needed. The Board can then use what they learn from Franklin at Roseville Road.

Director Kennedy supports Director Schenirer and then added that Franklin is in his district and initially he was not supportive of the idea but two years later, the problem continues to exacerbate. Director Kennedy stated that the relationship between the City and County and the coordination on homeless issues has never been better and continues to strengthen.

Director Harris mentioned he has long been a supporter of organized safe encampments and that he was successful in securing a lot of sanitation trailers for these sites and would like to move forward with the project as soon as possible. Director Harris agrees with Director Schenirer that the difficulties with Roseville Road are going to take some time and is supportive of the idea of operating at Franklin sooner.

Director Howell appreciates the comments from Directors Harris and Schenirer. She recalled a conversation from two years ago when there seemed to be a big division between some of the members of the Sacramento City Council and questioned if they are on the same page now.

Director Schenirer believes they are on the same page.

Director Howell offered her support.

Director Schenirer requested as many parking spaces as possible.

Chair Miller thanked Mr. Walters, Ms. Sanchez-Ochoa and Mr. Carter for their excellent annual reports.

Laura Ham provided an update on SacRT GO Paratransit Services and mentioned the presentation will focus on the fiscal health of the program and moving forward, SacRT GO performance will be reported on with other key performance indicators in the SacRT budget process. Ms. Ham gave a brief review of the background relevant to the transition to an in-house operation. SacRT made the transition to an in-house operation in June of 2020. Some of the benefits were better pay and benefits for SacRT GO employees. An additional benefit was a Consolidated Transportation Service Agency (CTSA) designation for SacRT that has provided not only increased revenue but the ability to continue to coordinate ADA service and non-ADA expanded demand response service. SacRT also offered the eventual transition of a region-wide service for Elk Grove services and coordination with SacRT's other service lines.

Brent Bernegger continued the SacRT Go update with regards to financial performance. Total revenues came up to \$18.8 million. Direct costs were \$12.3 million and indirect costs were \$3.8 million arriving at initial surplus of \$2.5 million. After adding the eligibility cost of \$800,000 the net SacRT financial operating surplus came in around \$1.8 million. For comparison purposes financial information was gathered for Fiscal Year 2020.

This service in Fiscal Year 2020 was provided by contractor Paratransit Inc. Their information is combined so it required going to multiple sources which were listed in the presentation. The total operating revenues were \$18.1 million which consisted of fares, Measure A revenues, LTF operating revenues from the extended contract and PI's request for about \$3 million of Cares funds that SacRT agreed to release to PI in exchange for not having to pay the remaining four months of contractual payments during fiscal year 2020. The total operating costs were about \$19 million. The results showed a deficit of about \$1 million which does not include SacRT's cost of about \$800,000 for eligibility and administrative support. If those costs were included, it would make that cost about \$19.9 million. Mr. Bernegger then showed a cost per trip comparison for the month of June for both 2020 and 2021. Mr. Bernegger picked a comparable month and SacRT's cost per trip in 2021 was \$97.46 and PI's cost per trip in 2020 was \$122.52.

SacRT has added employee improvements implementing in 2020 step increases ranging from \$.50 to \$5.49 per hour depending on seniority. During October of 2021 SacRT removed the two lowest step wages which resulted in an increase in wages of about 13.5%. In addition, out-of-pocket medical costs were lowered, and 401k contributions were made effective immediately as opposed to waiting. Operators were also eligible for a \$2,000 hiring incentive, reimbursement of DMV fees and opportunities for promotions.

Director Kennedy commented that \$98 per trip is high.

Mr. Bernegger stated direct costs per trip should be as low as possible and indirect costs then need to be considered. The best thing that SacRT can do is raise the number of people that are taking paratransit rides and collect more fare revenue. Right now, there are rising costs that include gas, CNG prices and the labor shortage is causing labor costs to go up.

Director Kennedy recommended forming a subcommittee to come up with ways to provide services in a safe and reliable manner that is not \$98 per trip.

Mr. Bernegger added that SacRT has been working on finding ways to bring other service providers that can do some of the services which should help with some of the costs.

Director Kennedy thanked Mr. Bernegger and mentioned that is the direction he was going in.

Chair Miller questioned if SacRT does ride sharing or carpooling.

Mr. Bernegger added that ride sharing could be another way to help costs.

Director Howell asked if part of the ride sharing is COVID related.

Mr. Bernegger shared that when COVID hit, ridership dropped, and costs started going up. In 2020 trips were about 10,400 and now trips are about 17,000.

Director Howell recognized that the number of trips almost doubled. She then noted that it should be kept in mind that most of the folks that are using the paratransit service are handicapped and considered to be high risk. She stated it is a good thing if SacRT can provide the service for significantly less than Paratransit Inc. was costing. Director Howell then



requested comparative data from other agencies in California that are operating similar services to see how SacRT's cost per ride compares.

Mr. Bernegger responded that he could pull that data and complimented Director Howell for the great question.

Director Howell agreed with Director Kennedy that \$98 per ride seems high but if by comparison, it is on the low end of the average compared to other agencies, she would be a little bit more accepting of it.

Director Hume stated that providing mobility to those who rely on it as their only lifeline is the most noble endeavor that can be undertaken and that this demographic of rider expects single purpose, door-to-door service which is exceedingly expensive with far from any chance at cost recovery.

Ms. Ham referenced slide seven which shows a significant increase in the operating cost with the COVID pandemic. Paratransit Inc. experienced these impacts as did SacRT. Cost increases were most dramatic in April and SacRT continues to experience those impacts. Ms. Ham explained there are basic operating costs that remain constant and do not change based on the level of service. The cost will remain high while continuing to experience impacts, but it is anticipated to come down.

Ms. Ham explained that since the transition, SacRT has remained committed to customer communication through virtual open houses and many other methods. SacRT has also made other improvements to service delivery such as eliminating the mandatory 90-minute wait between trips, implementing a mobile app for ride sharing, and one-seat rides for residents of Elk Grove. Ms. Ham acknowledged that SacRT has had some challenges in recent months however, as reported in May, SacRT completed a customer satisfaction survey with high satisfaction ratings in all categories with 9 out of 10 categories receiving a 94 or better satisfaction rating. One area received an 85 satisfaction rating which was vehicles arriving on time. This is the area that has been most impacted by recent pandemic related staffing shortages. COVID-19 cases reaching record highs and the national workforce shortage is having a tremendous impact on SacRT GO operations and staffing overall. SacRT is delivering scheduled trips but acknowledges that passengers are waiting longer and recognizes the impact this has on customers. In addition to aggressively recruiting for additional staff, SacRT has also recently issued a notice of intent to award to a vendor for supplemental services. ATU is also collaborating with SacRT on creative solutions such as expanding use of operators across service lines which is another benefit of having the service in-house. Ridership trends over the past two and a half years show SacRT provided close to 35,000 trips a month pre-pandemic with SacRT's contracted provider and then there was a sharp drop in March of 2020 before the transition to in-house operation. SacRT is seeing a gradual return of ridership. At the end of 2021 SacRT was at 63% of post pre-pandemic ridership. Ms. Ham then noted there has been a sharp drop in ridership over the last few days.

Director Kennedy agreed with Director Hume that paratransit service is invaluable and something a public entity should be providing but questioned if he thought \$98 per ride seemed reasonable.

Director Hume responded that it is far from reasonable and that it used to hover in the \$50 to \$60 range per ride and the dramatic increase is partly due to COVID inefficiencies.

Director Kennedy gave direction to staff to find ways to provide this necessary service while bringing the cost down.

Chair Miller thanked Ms. Ham and Mr. Bernegger for the report.

9. **REPORTS, IDEAS AND QUESTIONS FROM DIRECTORS, AND COMMUNICATIONS**
10. **CONTINUATION OF PUBLIC ADDRESSES BOARD ON MATTERS NOT ON THE AGENDA (If Necessary)**
11. **ANNOUNCEMENT OF CLOSED SESSION ITEMS**
12. **RECESS TO CLOSED SESSION**
13. **CLOSED SESSION**
14. **RECONVENE IN OPEN SESSION**
15. **CLOSED SESSION REPORT**
16. **ADJOURN**

As there was no further business to be conducted, the meeting was adjourned at 6:44 p.m.

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STEVE MILLER, Chair

A T T E S T:

HENRY LI, Secretary

By: \_\_\_\_\_  
Tabetha Smith, Assistant Secretary