

## **STAFF REPORT**

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**DATE:** January 10, 2022  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Henry Li, General Manager/CEO  
**SUBJ:** GENERAL MANAGERS REPORT

### RECOMMENDATION

No Recommendation - For Information Only.

### **Major Project Updates**

Oral Presentation

### **SacRT Safe Parking Update**

Oral Presentation

### **SacRT GO Update**

Staff Presentation

### **Semi-Annual Report: EEO Officer**

Written Report Attached

### **Semi-Annual Report: General Counsel**

Written Report Attached

### **Semi-Annual Report: Internal Auditor**

Written Report Attached

### **SacRT Meeting Calendar**

### **Regional Transit Board Meeting**

February 14, 2022  
SacRT Auditorium / Webconference  
5:30 P.M

## **Quarterly Retirement Board Meeting**

March 9, 2022  
SacRT Auditorium / Webconference  
9:00 A.M.

## **Mobility Advisory Council Meeting**

February 3, 2022  
SacRT Auditorium / Webconference  
2:30 P.M

## **STAFF REPORT**

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**DATE:** January 10, 2022  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Greg Walters, EEO Officer  
**SUBJ:** EQUAL EMPLOYMENT OPPORTUNITY UPDATE

### RECOMMENDATION

No Recommendation - For Information Only.

The past year was Greg Walters' first as Interim and then regular EEO Officer. Our focus in this last year, in addition to responding to employee complaints, was to complete as many items in the FTA Circular 4704.1A checklist in anticipation of the FTA triennial audit.

Specific accomplishments include:

- Updated complaint procedures for harassment, discrimination, and retaliation complaints.
- Developed and implemented the Americans with Disabilities Act Request for Accommodation SOP and the Religious Accommodation Request SOP.
- Conducted multiple internal employment practices audits as required by the FTA including advertising/outreach, screening applications, performance evaluations, and the interviewing and selection process. We are currently working through the recommendations.
- Facilitated ongoing EEO training for all employees on sexual harassment and discrimination prevention.
- Focus on meeting FTA's audit checklist of EEO requirements and completing more than half in anticipation of the next audit.
- Completed audit of ParaTransit, our one subrecipient who met the threshold for EEO oversight.
- Developed and published an EEO frequently asked questions document.

By the Numbers (As of December 15, 2021)

**9/30/2020**

Total Employees	1265	% of Total Employees
Persons of Color	876	70%
Veterans	53	4.20%
Disabled	50	3.90%

**12/15/2021**

Total Employees	1253	% of Total Employees
Persons of Color	868	69%
Veterans	52	4.20%
Disabled	58	4.60%

SacRT hired 148 employees in the last twelve months; 71% were persons of color

Promotions	91	% of Total Promotions
Persons of Color Promoted	60	66%
Females Promoted	32	35%

**Complaints**

Interestingly, all but one complaint was internal and almost all of those were not EEO-related. They were usually interpersonal conflict issues. We received only one DFEH complaint this year which should go in our favor. DFEH decided three DFEH complaints from prior years – all with no findings of discrimination, harassment, or retaliation.

**EEO Program and Affirmative Action Plan Renewals**

SacRT's EEO Program expired December 31, 2021. We will have it updated by the FTA deadline of March 31, 2022. With the fresh narrative, we update the workforce, job group, and availability analysis using the updated Office of Federal Contract Compliance Programs (OFCCP) formulas and data. From this we will identify race and gender underutilization by job group. This allows us to set short- and long-range goals and communicate with supervisors and hiring managers about underutilization for each of their supervised positions.

## **Training in 2022**

With the hiring and help of the new Training Manager and armed with our new data, we will conduct EEO training for hiring and interviewing panels and all supervisors to help them understand their roles and responsibilities and further expand our success with diversity hiring, equity, and inclusion. Also planned are training sessions or workshops on topics related to our emphasis on diversity, equity, and inclusion.

We are required to train all employees again (every two years) on sexual harassment, discrimination, and harassment prevention by December 2022 as required to California law SB1343.

## **Next**

Next year's focus will be on the EEO Program renewal, training, and implementing recommendations from our internal audits and anything suggested by the FTA with respect to our EEO compliance responsibilities. SacRT and the EEO Office continually strive to make our work environment conducive to safe, effective, and productive work consistent with SacRT's values and goals.



## STAFF REPORT

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**DATE:** January 10, 2022  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Olga Sanchez-Ochoa, General Counsel  
**SUBJ:** 2021 LEGAL DEPARTMENT ANNUAL REPORT

### RECOMMENDATION

No Recommendation - For Information Only.

### RESULT OF RECOMMENDED ACTION

N/A

### FISCAL IMPACT

N/A

### DISCUSSION

#### **Overview:**

The Legal Department grew in 2021 when we added one new attorney to our team, which allowed the department to take on additional responsibilities to help the District reduce its reliance on outside legal support. As I review our accomplishments for 2021, I am impressed with the volume of work my team accomplished in 2021 despite being a small team of three attorneys and one paralegal. This year the department took full responsibility for the employment litigation practice area and processing of California Public Records Act (CPRA) requests. Our department has been very busy this year helping progress the Board's agenda. Below please find a synopsis of some of our most significant accomplishments.

#### **Covid-19 Support:**

Throughout the year, SacRT Legal has worked closely with Management to try and understand the ever-changing landscape of covid regulations, government recommendations and laws. Legal participates in Management's regular Covid-19 meetings and provides Management with advice and counsel on CalOSHA's Emergency Temporary Standards (ETS), the Federal OSHA ETS, California Department of Public Health Covid-19 guidance, Sacramento County Covid-19 guidance, to help SacRT ensure that it is providing the public and its employees with a legally compliant, healthy and safe work environment during these very difficult times.

## **Employment Litigation:**

In 2021, responsibility for management and oversight of employment related litigation was shifted from the Risk Department to the Legal Department. With the addition of one new attorney with experience in employment related litigation, SacRT's Legal Department has been able to seamlessly take over the oversight of all employment related claims and lawsuits. Absorbing the responsibility has allowed SacRT to experience cost savings in this area because SacRT's inhouse attorneys are able to second chair each case. Staff in SacRT's Legal Department handles all document gathering and review throughout the litigation process, which significantly reduces litigation costs. In addition, close oversight of these cases by inhouse counsel has resulted in the quick, cost-effective resolution of some cases. In 2022, SacRT Legal will continue to work with outside counsel to effectively and efficiently litigate our employment cases.

## **Unhoused Crises and Safe Parking**

As every other public agency in the region has had to grapple with how best to address the unhoused crises, SacRT has navigated many challenges over the past year related to the unhoused crises. Management has had to balance the need to protect its critical infrastructure and provide a reliable, clean and safe transit system to the riding public against a desire to find compassionate solutions to the unhoused crises. SacRT's Legal Department has been a partner to other departments at SacRT in finding that balance. Throughout the year we have provided legal counsel and advice to Management regarding whether *Martin v. Boise* governs SacRT's management of the unhouse crises within its system and how best to legally address the many challenges SacRT faces in this area.

Additionally, SacRT has worked closely with the City of Sacramento (City) over the past year as the City implements its Safe Parking program. SacRT's Legal Department has worked closely with Management by providing advice and counsel regarding the legal limitations to SacRT's ability to offer the use of Federal Transit Administration (FTA) funded assets for use in the Safe Parking program, SacRT's obligations under various land use arrangements to provide access to its facilities for use in the Safe Parking program, as well as its legal liability risk exposure. Currently, Legal Department staff is working with Caltrans on a complex three-party lease agreement that will allow the City to use SacRT's parking lot at its Roseville Road Light Rail Station as a Safe Parking site. The Legal Department is also working with SacRT Management on providing the City access to other of SacRT's Light Rail stations for use as Safe Parking sites.

## **SacRT's Administrative Code Revisions**

SacRT's Administrative Code has 15 titles that govern the various aspects of SacRT's operations. Several of the titles are outdated and in need of revision. This year, SacRT's Legal Department worked with several departments to update and revise 3 titles of the Administrative Code to address necessary changes and modernize the terms.

Title I – Procurement Ordinance. SacRT's Legal team worked with the Procurement Department to make some necessary changes to the Procurement Ordinance modifying

the manner unauthorized procurements are handled. The changes have granted the General Manager/CEO more flexibility to ratify unauthorized procurements.

**Title V – Claims Procedure.** How SacRT processes claims has historically been set out in Title V of the Administrative Code. However, over the years, changes in the process have been adopted by the Board through Resolutions, creating confusion and inconsistency in the claims and settlement process. SacRT Legal worked with the Risk Department to revise Title V to incorporate changes the Board made through resolution, to ensure that the complete claims and settlement procedures are set out in Title V, rather than in various resolutions. The entirety of the Claims Procedure is now set out in Article V.

**Title XIII – Providing Meals & Refreshments to Employees and Board Directors.** Title XIII was last updated in 1998. The code sets out the dollar limits for reimbursement for meals and refreshments provided to employees and Board Directors who are required to work through their meal periods, who are participating in an employee recognition event or for morale-building work events. The limits were significantly outdated and inconsistent with the current IRS allowable reimbursement rates. For instance, under the 1998 version of Title XIII, SacRT was authorized to pay \$8.00 for an employee's lunch, an amount that we would be hard pressed to find with today's take-our prices. The amounts included in the revised Title XIII are consistent with today's IRS rules. To ensure that the amounts listed in the code grow with inflation, the revised Title XIII authorizes SacRT to increase the authorized reimbursement amounts consistent with increases in the Consumer Price Index for take-away meals.

In 2022, the Legal Department anticipates continuing its working on revising outdated titles in the Administrative Code to ensure that the Administrative Code is consistent and compliant with current law.

### **California Public Records Act**

SacRT's Legal Department historically handled responding to California Public Records Act (CPRA) requests. In 2018 when the legal function at SacRT was restructured, the responsibility for responding to CPRA requests was moved to the Risk Department. SacRT receives a not-insignificant number of CPRA requests and the volume became too demanding for the Risk Attorney to handle, given all the other requirements placed on that position. In April 2021, the responsibility to respond to all CPRA requests returned to SacRT's Legal Department. Since April, the Legal Department has processed approximately 40 requests of varying degrees of complexity. The Legal Department works closely with the General Manager/CEO's office to timely process each request.

### **Board Structure**

A project the Legal Department was asked to work on late in 2021 was to research how SacRT's Board structure is established and how it can be changed. Working closely with Management, SacRT's Legal Department researched the issue and provided the Board with an overview of the relevant governing statute and options to change the Board structure. SacRT Legal anticipates working closely with the Board in 2022 on developing



options for modifying the current Board structure to ensure voting equity among its members as the Board Ad Hoc Subcommittee studies the issue.

## **Real Estate Support**

Throughout 2021 the Legal Department worked closely with the Real Estate Department on a number of key projects including SacRT granting a water line easement to the City of Folsom for a new development in Folsom, providing legal support for the Dos Rios Light Rail Station project, providing legal support for the close out of several remaining real estate transactions related to the SSCP2 project, providing legal support for the acquisition of a new administrative campus and maintenance facilities, providing legal support for the disposition of SacRT's existing facilities, and providing legal support for numerous easements, licenses, rights of entry and other real estate related transactions. There are a number of real estate related transactions that are in progress that SacRT's Legal Department will dedicate significant resources in 2022 to progress those transactions.

## **Pension Support**

The Legal Department continues to serve the role of counsel to SacRT's pension staff as that staff performs their role of pension administrator. While the Retirement System has its own counsel, SacRT, as the pension administrator that executes the directives of the Retirement Boards, relies on SacRT's Legal Department to provide advice and counsel on pension related issues from the perspective of the pension administrator. In that role, SacRT's Legal Department continues to review all pension applications and approvals before their final approval by the General Manager/CEO. SacRT's Legal Department has also been working with outside counsel on revising SacRT's plan documents to incorporate PEPRA requirements. The revision of all three pension plans is an on-going project that will continue through 2022.

## **Leave Administration**

SacRT established a Leave Administration Committee approximately 10 years ago to manage complex leave requests submitted by employees. The Committee is a cross-departmental body made up of representatives from Human Resources, Labor Relations, EEO, Risk and Legal. SacRT's Legal Department has been actively engaged with the Committee throughout 2021 providing legal advice and counsel to the Committee on SacRT's legal obligations related to FMLA, ADA, CFRA, PDL and the various other leave laws that provide leave entitlement to employees in California.

## **Procurement Support**

SacRT's Legal Department has historically played a significant role in the Procurement process. This past year was no different. The Legal Department participated in all procurements from stem to stern, including assisting in the drafting and review of all bid documents, providing advice and counsel during the selection process, drafting the contracts and providing assistance with contract interpretation after contract execution.

This year the Legal Department worked on a number of significant procurements including:

1. BMF2 CNG compressor replacement design-build contract
2. New CNG bus contract with Gillig
3. Clean up and continuation of IT Contracts for Verizon, AT&T and Microsoft
4. Siemens contract amendments for vehicle configuration and additional 8 vehicles
5. Agreement for Year 3 of RydeFreeRT
6. Revised Transfer Agreement with YCTD
7. Fare Structure resolutions for complementary fare and discount fare programs
8. Title VI review and Fare Structure resolutions for Elk Grove and contactless fare pilot program
9. GiddyUp EV License Agreement and Right of Entry
10. 15-Minute Service to Folsom Construction Management and Construction solicitations (contracts to be awarded in January/February)
11. Elk Grove annexation contracts for radios, radio installation
12. Cost Sharing Agreement for Operation of Smart Ride Service within the County of Sacramento, County Service Area No. 10, Benefit Zone 3
13. Insurance broker services contract
14. Security Guard Services contract
15. Amendment to Rancho Cordova operations agreement to enhance Route 177 service and make other service improvements
16. Contracts for Pre-Employment Medical Examinations and DMV Certification
17. Extension of LRV advertising contract with Lamar
18. Interim Low-Floor Vehicle Station Platform modification IFB (slated to be released this week)
19. Dos Rios construction management and construction contracts (in progress to be released in January/February)

In addition to the procurements listed above, SacRT Legal worked on numerous other smaller procurements. SacRT Legal anticipates that it will continue to serve a key role in the procurement process in 2022.

## **General Legal Support**

Throughout 2021 SacRT's Legal Department provided advice and counsel to SacRT Management on the many projects the district is progressing. We provided advice and counsel on labor and employment issues, real property, CEQA, NEPA, PEPR, First Amendment issues, procurement, Brown Act, FPPC and conflicts issues, leave administration, and the many legal issues that arise on a daily basis at a high performing public transit agency. We have faced many challenges during this year and anticipate that 2022 will be no different. We look forward to continuing to assist SacRT Management progress the Board's many initiatives and priorities.

## **STAFF REPORT**

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**DATE:** January 10, 2022  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Coye Carter, Internal Account and Compliance Auditor  
**SUBJ:** INTERNAL AUDIT UPDATE

### RECOMMENDATION

No Recommendation - For Information Only.

### **Internal Audit Year-End Report to the Board of Directors**

The Sacramento Regional Transit District's (SacRT) Internal Audit (IA) Unit plans, coordinates and oversees organizational internal audit and risk assessment activities. IA reviews the integrity and efficiency of SacRT's critical activities, projects, and programs in order to determine if internal controls are adequate and effective in mitigating business risks and complying with applicable laws and regulations. Additionally, IA works collaboratively with management and staff at all levels to implement necessary changes and corrective actions to assist SacRT with accomplishing its organizational goals and missions.

Mr. Coye Carter, SacRT's current Internal Accountability Auditor, was hired in January 2020. He reports to Shelly Valenton, VP Integrated Services and Strategic Initiatives/Chief of Staff. In March 2021, IA created an Internal Audit Plan for fiscal years 2021 through 2023. The Internal Audit Plan was developed through interviews with SacRT leadership, managers, and staff and review of financial reports, audit reports, and governing regulations for transportation agencies. Several engagements noted on the Internal Audit Plan were completed or are on-going:

- Disadvantaged Business Enterprise (DBE) Program Compliance Follow-up Review – (Completed)
- Procurement (P-Card) and Fuel Card Internal Control Review – (Completed)
- Equal Employment Opportunity (EEO) Program Compliance Review – (Completed)
- Petty Cash Internal Control Review – (Completed)
- Capital Assets Review – (On-going)
- Inventory Control Review – (On-going)
- Timesheet Internal Control Review – (On-going)

IA has the following engagements scheduled in 2022:

- Non-Revenue Vehicle Use Program Review
- Elk Grove Annexation Review
- Subrecipient Monitoring Review
- Grant Activities Tracking Internal Control Review

The Internal Audit Plan is periodically reevaluated and adjusted to suit organizational priorities and accommodate special project requests from SacRT leadership.

In November 2021, SacRT was notified by the Federal Transportation Administration (FTA) about its upcoming 2022 Triennial Review. The purpose of the FTA's Triennial Review is to confirm if grantees receiving Urbanized Area Formula Program funding are adhering to the FTA's requirements and policies. IA is participating with coordination and liaison efforts between FTA reviewers and SacRT staff. IA is also participating in the California Department of Transportation's (Caltrans) 2022 Transportation Development Act (TDA) Triennial. The purpose of Caltrans' TDA Triennial is to verify that transportation agencies used provided funding efficiently and effectively for improving public transportation services and regional transportation plans.