

## **STAFF REPORT**

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**DATE:** July 24, 2023  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Tabetha Smith, Clerk to the Board  
**SUBJ:** APPROVAL OF THE ACTION SUMMARY OF JUNE 12, 2023

### RECOMMENDATION

Motion to Approve.

**SACRAMENTO REGIONAL TRANSIT DISTRICT  
BOARD OF DIRECTORS  
BOARD MEETING  
June 12, 2023**

**ROLL CALL:** Roll Call was taken at 5:30 p.m. PRESENT: Directors Budge, Daniels, Kozlowski, Maple, Serna, Singh-Allen, Valenzuela and Vice Chair Jennings. Absent: Directors Hume, Loloee and Chair Kennedy.

**1. PLEDGE OF ALLEGIANCE**

**2. CONSENT CALENDAR**

- 2.1 Motion: Approval of the Action Summary of May 22, 2023
- 2.2 Ordinance: Adopt Ordinance 2023-06-001, Amending and Restating Title V, "Providing a Special Claims Procedure" of Sacramento Regional Transit's Administrative Code (J. Adelman)
- 2.3 Resolution 2023-06-060: Approve Project List for Funding under the Roadway Repair and Accountability Act (SB1) State of Good Repair for Fiscal Year 2024 (L. Ham)
- 2.4 Resolution 2023-06-061: Approve Contract for Trane Chiller and Water Treatment Equipment Preventive Maintenance and On-Call Repair Services with ACCO Engineered Systems, Inc. (L. Ham)
- 2.5 Resolution: 2023-06-062: Approving (1) a Sole Source Procurement and (2) the Eighth Amendment to Contract for Mobile and Online Fare Application with Bytemark, Inc. (J. Johnson)
- 2.6 Resolution 2023-06-063: Adopting a Categorical Exemption for the Revised Watt Avenue/Interstate 80 Transit Center Improvements Project (L. Ham)
- 2.7 Resolution 2023-06-064: Approving the Fourth Amendment to the Contract for SacRT GO Vehicle Cleaning, Fueling, and Maintenance Services with Paratransit, Incorporated to Exercise Contract Option Year 4 (C. Alba)
- 2.8 Resolution 2023-06-065: Declaring Midtown Administrative Complex Properties Excess to Transit Operations as Surplus (J. Adelman)
- 2.9 Conditionally Approving the Third Amendment to the Contract for General Engineering Support Services – 2020 and Conditionally Approving Work Order No. 18 with Mark Thomas & Company, Inc. (L. Ham)

- A) Resolution 2023-06-067: Conditionally Approving the Third Amendment to the Contract for General Engineering Support Services – 2020 with Mark Thomas & Company, Inc.; and
- B) Resolution 2023-06-068: Conditionally Approving Work Order No. 18 to the Contract for General Engineering Support Services – 2020 with Mark Thomas & Company, Inc. to Provide Design Support During Bid and Construction of the Watt/I-80 Transit Center Improvement Project

2.10 Resolution 2023-06-069: FY 23-24 Insurance Renewals (J. Adelman)

Director Valenzuela requested that item 2.8 be pulled for a future meeting.

Speakers:

Roman Hernandez commented on Item 2.5. Mr. Hernandez stated fare should be free for all and suggested that the money used for these contracts be applied towards free fares for the unhoused.

Roman Hernandez commented on Item 2.8. Mr. Hernandez stated that the funds from the sale of properties should be used to offer free fare for all.

Director Daniels asked Mr. Hernandez for clarification of his statement that public service should not be treated as a business.

Mr. Hernandez confirmed that was his statement and added that taxes should cover the cost of ambulance, fire, police services and public transit.

Public comment was taken by phone from Nick Bryant and Rick Hodgkins.

Mr. Bryant stated that the Connect Card machines should be on light rail vehicles to prevent damage.

Mr. Hodgkins supports the contract with ACCO Engineering and rebuilding the Watt/I-80 light rail station. He stated that the restrooms at Watt/I-80 are not available to the public because they are not ADA compliant. He agreed that Connect Card machines should be onboard the trains.

Director Kozlowski asked if there are restrooms that are not available to the public because they are not ADA compliant.

Melissa Noble, Senior Attorney, responded that the restrooms at stations are for operator use during breaks and layovers and not designed for use as a public accommodation under the ADA.

In response to Director Kozlowski's further question about availability of ADA accessible restrooms for operators, Mr. Li stated that staff would look into it and report back.

**ACTION: APPROVED - Director Serna moved; Director Kozlowski seconded approval of the consent calendar with the exception of item 2.8. Motion was carried by roll call vote. Ayes: Directors Budge, Daniels, Kozlowski, Maple, Serna, Singh-Allen, Valenzuela and Vice Chair Jennings. Noes: None; Abstain: None; Absent: Director Hume, Loloee and Chair Kennedy.**

**3. INTRODUCTION OF SPECIAL GUESTS**

**4. UNFINISHED BUSINESS**

**5. PUBLIC HEARING**

5.1 Public Hearing and Adoption of the Fiscal Year (FY) 2024 Operating and Capital Budgets (J. Johnson)

A. Accept Public Comments; and

B. Resolution 2023-06-070: Adopt the FY 2024 Operating and Capital Budgets

Jason Johnson gave a brief presentation and stated there have not been any changes to the bottom line of the budget since the May 8<sup>th</sup> draft, however, in consideration of recently concluded negotiations with several union groups, SacRT agreed to an additional 1% salary increase on top of the previously negotiated 3% annual merit increase for both FY23 and FY24 for all OE3 members and MCEG (non-represented) employees.

Mr. Johnson acknowledged the Board for their policy guidance, Mr. Li for his direction, and the entire leadership and management team for making it a collaborative and participatory budget process.

Speakers:

Roman Hernandez recommended eliminating staff checking tickets and instead have them check on rider well-being.

Jeffery Tardaguila recommended larger fonts and line items for significant changes that impact the budget.

Public comment was taken by phone from Rick Hodgkins.

Mr. Hodgkins supports the sale of unused buildings and property.

Director Serna responded to comments regarding free fare for all stating D.C. is a municipal service vs. an independent district and they are now rectifying a \$32M deficit. He asked Mr. Li to speak on this.

Mr. Li stated that the D.C. City Council allocated money from their budget to pay for free rides and added that making transit free has been SacRT's wish and was hoping to do this had Measure A passed. SacRT was the first agency in the nation to make free transit for youth and is able to do this with the help and support of the City, County, and school districts who pay the fare. Also, SacRT does give passes to organizations who help the unhoused so they can also ride free.

Director Serna acknowledged former Board member Jay Schenirer's idea of free fare for youth and stated without the financial commitment from cities and counties to provide free fare, services would need to be cut.

Mr. Li would like to look at potential funding sources to make public transit free.

Public comment was taken by phone from Nick Bryant.

Mr. Bryant is in support of passing the budget.

***ACTION B: APPROVED - Director Kolowski moved to close the public comment and adopt Resolution 2023-06-070; Director Budge seconded. Motion was carried by roll call vote. Ayes: Directors Budge, Daniels, Kozlowski, Maple, Serna, Singh-Allen, Valenzuela and Vice Chair Jennings. Noes: None; Abstain: None; Absent: Director Hume, Loloee and Chair Kennedy.***

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

Speakers:

Robert Coplin attended an ACE meeting, and they discussed issues which included restrooms at the light rail stations, safety, longer transit hours and free fares.

Jeffery Tardaguila commented about communication regarding the elevators at the Watt/I-80 light rail station.

Roman Hernandez stated riders should be able to give their ticket to another rider and exceptions to policies should be made.

Public comment was taken by phone from Rick Hodgkins and Nick Bryant.

Mr. Hodgkins stated that a television campaign should be used to help pass SB1 and Measure A. He also wanted paratransit service drivers to be informed that riders should be dropped off at patient drop off or at the new bus pick up/drop off location.

Mr. Bryant requested for trash along the bushes and the graffiti at the Watt/I-80 light rail station be cleaned up.

## **7. NEW BUSINESS**

### **7.1 Resolution 2023-06-066: Approval of the FY 2023 Annual Performance Evaluation for the General Manager/CEO, Henry Li (S. Valenton)**

Shelly Valenton presented the item. She shared the Board met in closed session on May 22, 2023 and was given a comprehensive report which is included in the Annual Performance Evaluation for the General Manager/CEO, Henry Li staff report. The FY 23 objectives and accomplishments and FY 24 performance objectives and goals presented to the Board are in line with SacRT's FY 2021-2025 Strategic Plan, guided by the four pillars that drive SacRT's strategic priorities: Operational Excellence, Customer Satisfaction, Employee Community Value, and Employee Engagement. Embedded in SacRT's strategic plan is a performance scorecard, which tracks quarterly metrics, tactics, and milestones for achieving SacRT's goals. She referred to SacRT's year to date performance scorecard with an overall score of 95.54, indicating that SacRT is making tremendous progress and consistently delivering results in all performance areas. She reported that the Board determined that the GM/CEO has met, and in most cases, exceeded, the key performance goals set for FY 2023. In recognition of this, it was proposed that the GM/CEO receive a 4% performance-based salary increase, similar to what MCEG and OE3 employees are receiving this year.

Speakers:

Roman Hernandez does not support the 4% increase in salary.

Jeffery Tardaguila stated more communication is needed from Mr. Li.

Director Serna respectfully disagrees with some of the speakers. As a Board member for 13 years and knowing where SacRT was and the fundamental and fiscal challenges that were faced, and knowing where SacRT is now, Mr. Li's leadership has helped to turn things around. Director Serna moved the item.

Director Budge seconded.

Director Singh-Allen shares the same sentiments as Director Serna. She stated that running an organization this size comes with challenges but, she is 110% confident in Mr. Li. Mr. Li's commitment to continuous improvement is evident everyday in the work that he does. She believes also in honoring contracts. There are benchmarks for success that he has met and exceeded in many areas. She thanked Mr. Li.

Director Daniels stated that he already had respect for Mr. Li before joining the Board and now has even more respect for Mr. Li since joining the Board. Director Daniels recognized several components to running a large organization and complimented Mr. Li on the job he is doing. To run things perfectly would be unrealistic. It is an extremely complex operation and Mr. Li does an incredible juggling act to make everything happen. Mr. Li is extremely well respected by the Board, the organization, in this region and beyond.

This town is lucky to have him.

Director Valenzuela echoed her prior colleague's comments. She complimented Mr. Li on his transparency of putting his evaluation on agenda. Mr. Li knows what every transit agency is doing, what is cutting edge and he would like to do it. What he needs more than anything is partnership and support. She commended Mr. Li and the SacRT team for willing to go as far as the public will support them to go.

Director Maple left the meeting at 6:41 PM.

Vice Chair Jennings also respectfully disagrees with the speaker and stated Mr. Li is a passionate leader, a great teammate, committed and wants to be here and do better every day. Vice Chair Jennings is very much in favor of giving Mr. Li the raise of 4% as he has earned it and deserves it.

***ACTION: APPROVED - Director Serna moved; Director Budge seconded approval of Item 7.1. Motion was carried by roll call vote. Ayes: Directors Budge, Daniels, Kozlowski, Serna, Singh-Allen, Valenzuela and Vice Chair Jennings. Noes: None; Abstain: None; Absent: Director Hume, Loloee, Maple and Chair Kennedy.***

7.2 Information: Sacramento Area Council of Governments Presentation on Green Means Go and Transit Oriented Development (J. Adelman)

Jamie Adelman provided an update on SacRT's Transit Oriented Development (TOD) efforts. SacRT over the past 5 years has sold 8 properties of which 5 are identified as contributing to TOD and more will be coming to the market. She highlighted some of the properties and developments that are in the process of or have been completed.

Ms. Adelman stated future development that SacRT would like to support is TOD at the Meadowview Light Rail station. SacRT partnered with the City of Sacramento to apply for a Planning Green Means Go grant to fund a community driven master plan to encourage joint development of the neighborhood. Ms. Adelman announced that the City and SacRT were successful in the grant process and were awarded \$300,000 by SACOG to further efforts. She then introduced guest James Corless, Executive Director of SACOG, to provide a presentation and updates on the Green Means Go program.

Mr. Corless talked about the importance of the Green Means Go program and getting more houses developed around transit stations and along transit corridors. There currently is a state mandate to reduce greenhouse gas emissions from the transportation plan. To succeed, infrastructure money was needed from the state to build more housing along transit corridors. Much of the region advocated for \$400 million as a pilot program in state funding but, instead, \$600 million was received which translated into \$34 million of Green Means Go funding to fund water, sewer, utility, and infrastructure upgrades.

Mr. Corless used Stockton Blvd. Civic Lab Commercial Corridor as an example of how the City, County, SACOG and SacRT can work together to develop an area. He provided

some locations along the Gold Line with underutilized land and great potential and opportunity for infill development. When developed, the areas would have built-in riders. He shared details regarding the Sunrise Mall project, one of the first major mall re-envisioning, redevelopment projects in the region. Mr. Corless stated under Green Means Go, technical assistance was provided on the North Watt Avenue Corridor which could see as many as 10,000 new housing units.

Mr. Corless closed by stating there is tremendous opportunity around transit corridors and this program is critical to achieving regional greenhouse gas reduction targets, to get long-term ridership for SacRT, and to make a healthy, vibrant, equitable region. He announced a regional workshop on the future of the region will take place on Friday at the Folsom Community Center. Mr. Corless thanked the Board and SacRT for their partnership.

Director Kozlowski left the meeting at 6:58 PM.

Director Singh-Allen asked if there would be additional workshops.

Mr. Corless stated they will be coming out to every county in the fall or spring and the plan will not be adopted until 2025.

Director Singh-Allen said Elk Grove would love to host one of the workshops.

Director Budge congratulated Mr. Corless on the recent article in the Sacramento Bee and offered to host an event.

Mr. Corless stated we are in a housing shortage, a crisis and there is work to be done to convince the region that more housing and affordable housing is needed.

Director Jennings complimented the work being done at SACOG to move the region forward.

Mr. Corless stated the program will only succeed due to the partnerships with SacRT staff, cities, and counties.

Vice Chair Jennings stated Transit Oriented Development is a huge strategy.

Speakers:

Robert Coplin agrees with the program and stated a lot more low-income housing is needed.

Vice Chair Jennings asked if the workshop on Friday is open to the public.

Mr. Corless directed the public to their website [sacog.org](http://sacog.org) and mentioned there will be many other opportunities to weigh in.



Public comment was taken by phone from Rick Hodgkins.

Mr. Hodgkins supports Transit Oriented Development. The more housing that is developed the easier the chances to repeal the Costa-Hawkins Rental Housing Act.

Vice Chair Jennings stated the workshop details and thanked Mr. Coreless.

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

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

Mr. Li acknowledged several Board member birthdays that fall over the next few weeks.

Mr. Li thanked the Board members for their kind words and support for him and all staff with regards to the General Manager performance evaluation. He stated that this will further motivate SacRT to move the agency to the next level.

Mr. Li recognized National Automotive Service Professionals Day and SacRT mechanics are celebrated for keeping the system operating efficiently and safely for customers.

Mr. Li thanked the Board for their direction and successfully adopting a balanced budget which is often the most difficult process for an agency. He thanked the entire SacRT budget team and the new CFO, Jason Johnson for their hard work to make sure the budget process was smooth and effective.

Mr. Li stated that June is LGBTQ Pride Month, and the 2023 Sacramento Pride Festival was held this past weekend. SacRT partnered with the Sacramento LGBT Community Center to provide free rides to festival attendees.

Mr. Li reminded all that at the end of February, SacRT presented an update to the Board on the 4 Agency Partnership (SacRT, SACOG, SMUD and the Air Quality District). As collaboration and support for shared projects and a zero-carbon future continues, the agencies are coordinating a 4 Agency Joint Board meeting on November 9<sup>th</sup>. More details and a calendar appointment will be forthcoming.

Mr. Li announced last week the California Transportation Commission (CTC) released its 2023 grant funding recommendations which includes two grants to SacRT. If adopted at the June 28 meeting CTC Board meeting, SacRT would be awarded \$35 million to support the relocation of the train station and tracks at the Sacramento Valley Station and the Gold Line station platform modifications. SacRT is grateful for the support of the CTC.

Mr. Li extended an invitation to everyone to attend the “plug-in” ceremony of SacRT’s highly innovative public private partnership among GiddyUp, State Treasury Department, SMUD and SacRT, the electric charging hub at the Power Inn Light Rail Station. The opening of 10 Level 3 High Speed charges in an underutilized section of Power Inn Light Rail Station will be celebrated. The site will also offer two charging stations designed to accommodate large fleet vehicles. The event is linked to the 36<sup>th</sup> Electric Vehicle Symposium and Expo. The state estimates needing about 1.2 million chargers by 2030 and currently only about 80,000 public chargers have been installed statewide. The agreement with GiddyUp Inc. means that SacRT will receive monthly property and administrative fees as well as 10% share in all net revenues generated from the chargers. Mr. Li hopes the Board can join State Treasurer Fiona Ma, state energy department heads and political officials at the ceremony.

Mr. Li announced SacRT is excited to celebrate the opening of Salvatore Apartments. In 2018, SacRT sold property for nearly \$1 million, and Community Housing Works has completed construction of a sustainable, transit-oriented community project featuring 120 new apartment homes. Mr. Li invited all to an opening celebration on June 22<sup>nd</sup>.

Mr. Li noted that there will be a comprehensive Board update on the Watt I-80 elevators.

Mr. Li shared how proud he is of entering year five of the RydeFreeRT fare-free rides for youth program. The program allows all 265,000 students to ride all buses and light rail trains for free, all day, any day of the year. Students account for nearly 25% of all SacRT riders over the last year. Ridership is on pace to carry nearly 3.5 million youth in FY 2023, double what it was in 2019, pre-pandemic.

In closing, Mr. Li announced with a heavy heart the passing of Elk Grove bus operator, Dean Lucas on May 28<sup>th</sup>. He asked to join him in a moment of silence in remembrance of SacRT valued team member.

Speakers:

Robert Coplin requested for SacRT to apply for more grants for buses and bus operators.

Jeffery Tardaguila requested a revised timetable and progress update on the Los Rios and Folsom projects and a report on free rides and how it translates into increased ridership.

Public comment was taken by phone from Rick Hodgkins and Nick Bryant.

Mr. Hodgkins complimented Mr. Li on the job he has done and recommended auditory announcements onboard the light rail trains to inform riders when elevators are down.

Mr. Bryant congratulated Mr. Li on a great job and asked for the elevators and garbage in the bushes at the Watt I-80 light rail station be addressed.

**9. REPORTS, IDEAS AND QUESTIONS FROM DIRECTORS, AND COMMUNICATIONS**

9.1 San Joaquin Joint Powers Authority Meeting Summary - May 19, 2023

**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**

The Board recessed to Closed Session at 7:22 p.m.

PRESENT: Directors Budge, Daniels, Serna, Singh-Allen, Valenzuela and Vice Chair Jennings. Absent: Director Hume, Kozlowski, Loloee, Maple and Chair Kennedy.

**13. CLOSED SESSION**

13.1 Conference with Legal Counsel  
Pursuant to Gov. Code Section 54956.9(d)(2)  
Anticipated Litigation

a. One Case

13.2 Conference with Legal Counsel  
Pursuant to Gov. Code Section 54956.9  
Existing Litigation

a. Anderson v. SacRT  
Case Number 34-2020-00279573

**14. RECONVENE IN OPEN SESSION**

**15. CLOSED SESSION REPORT**

There was no Closed Session Report.

**16. ADJOURN**

As there was no further business to be conducted, the meeting was adjourned at 7:42 p.m.

\_\_\_\_\_  
PATRICK KENNEDY, Chair

A T T E S T:  
HENRY LI, Secretary

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