

**SACRAMENTO REGIONAL TRANSIT DISTRICT
BOARD OF DIRECTORS
BOARD MEETING
December 12, 2011**

ROLL CALL: Roll Call was taken at 6:00 p.m. PRESENT: Directors Cohn, Fong, Hume, MacGlashan, Miller, Morin, Pannell, Sander, Serna, and Chair Nottoli. Absent: Director Ashby.

CONSENT CALENDAR

1. Action Summary: Board Meeting of November 14, 2011
2. Motion: Rejection of Claims: *Barrow, A. Olivares, M.*
3. Resolution: Delegating Authority to the General Manager/CEO to Adopt and Execute a Revised 457 Deferred Compensation Plan Document and all Agreements and Documents Necessary to Update and Implement the Revised Plan Documents (Bonnel)
4. Resolution: Delegating Authority to the General Manager/CEO to Execute a Service Agreement with Fairfield and Suisun Transit (Cain)
5. Resolution: Approving the Sacramento Municipal Utility District Commitment Letter for 420 Arden Way and Authorizing Conveyance of an Easement for Utility Purposes (Abansado)
6. Whether or Not to Approve Work Order No. 4 and Conditionally Approve Work Order No. 5 for Project Control Services for the South Sacramento Corridor Phase II Project (Scofield)
 - A. Resolution: Approving Work Order No. 4 to the Contract for Project Controls Consultant for the South Sacramento Corridor Phase II with URS Corporation; and
 - B. Resolution: Conditionally Approving Work Order No. 5 to the Contract for Project Controls Consultant for the South Sacramento Corridor Phase II Project with URS Corporation
7. Resolution: Approving a Lease Agreement with the City of Elk Grove for the Lease of 21 Buses (Lonergan)
8. Resolution: Approving an Agreement with Downtown Ford Sales for the

Purchase of Six Non-Revenue Vehicles (Barnhart)

9. Resolution: Delegating Authority to the General Manager/CEO to Approve an Agreement with the North Natomas Transportation Management Association to Operate the North Natomas "Flyer" Fixed-Route Bus Service (Vanderkar)
10. Whether or Not to Purchase Cut-Away by Award to the Lowest Responsive and Responsible Bidder, Approve Fourth Amendment to Contract; and Amend the FY 2008 and FY 2012 Capital Budgets (Vanderkar)
 - A. Resolution: Finding that the Purchase of Six 32' CNG Cut-Away Buses by Award to the Lowest Responsive and Responsible Bidder Does Not Constitute an Adequate Method of Procurement; and
 - B. Resolution: Approving a Fourth Amendment to the Contract with Creative Bus Sales, Inc for Purchase of Six 32' CNG Cut-Away Buses; and
 - C. Resolution: Approving Amendments to the FY2008 and FY2012 Capital Budgets.
11. Resolution: Approving Agreement for Facility Relocation Reimbursement (Aerial Communications Cable) with Surewest Communications (Abansado)
12. Approving Contracts with Delta Dental, and Delta Care USA and Employee Benefit Services (Bonnel)
 - A. Resolution: Authorizing the General Manager/CEO to Approve and Execute Amendments to the Contracts with Delta Dental and Delta Care USA; and
 - B. Resolution: Approving Contracts with Employee Benefit Specialists, Inc. for Cafeteria Plan, Flexible Spending Account and COBRA Services.
13. Resolution: Establishing Regular Meeting Schedule for 2012 (Brooks)
14. Resolution: Approving the Amended and Restated Lease Agreement with Paratransit, Inc. (Ham)

ACTION: APPROVED - Director Cohn moved; Director Pannell seconded approval of the consent calendar with the exception of items 10 and 13. Motion was carried by voice vote. Absent: Director Ashby.

10. Whether or Not to Purchase Cut-Away by Award to the Lowest Responsive and Responsible Bidder, Approve Fourth Amendment to Contract; and Amend the FY 2008 and FY 2012 Capital Budgets (Vanderkar)
 - A. Resolution: Finding that the Purchase of Six 32' CNG Cut-Away Buses by

Award to the Lowest Responsive and Responsible Bidder Does Not Constitute an Adequate Method of Procurement; and

- B. Resolution: Approving a Fourth Amendment to the Contract with Creative Bus Sales, Inc for Purchase of Six 32' CNG Cut-Away Buses; and
- C. Resolution: Approving Amendments to the FY2008 and FY2012 Capital Budgets.

ACTION: APPROVED - Director MacGlashan moved; Director Pannell seconded approval of the item as written. Motion was carried by voice vote. Absent: Director Ashby.

- 13. Resolution: Establishing Regular Meeting Schedule for 2012 (Brooks)

Director MacGlashan noted that February 13, 2012 was a County holiday. Cindy Brooks will poll the Board to see if we will have a quorum.

ACTION: APPROVED - Director MacGlashan moved; Director Pannell seconded approval of the item as written. Motion was carried by voice vote. Absent: Director Ashby.

GENERAL MANAGER'S REPORT

- 15. General Manager's Report
 - a. Government Affairs Update
 - 1) State Legislative Update - Mark Watts, Smith, Watts & Martinez
 - 2) Federal Legislative Update - Rich Gold, Jeff Boothe and Michael Galano of Holland and Knight
 - b. Monthly Performance Report (October 2011)
 - c. RT Meeting Calendar

Mike Wiley introduced Mark Watts, Rich Gold, Jeff Boothe and Mike Galano. Mark Watts reviewed the bills that Smith, Watts & Martinez have assisted and represented RT in the State Legislature. Rich Gold, Mike Galano and Jeff Booth of Holland and Knight provided an update on Federal appropriations and reauthorization.

Mike Wiley reviewed RT's October monthly performance report.

Chair Nottoli requested that an asterisk with an explanation be provided when there are anomalies in the General Manager's Report in addition to listing the information in the management notes.

Chair Nottoli inquired as to the amount of monies RT receives on the collection of fare evasion fines.

Speakers: Jeffery Tardaguila - Mr. Tardaguila thanked Mike Wiley for attending the Mobility Advisory Council meeting; wanted to know the status of the lease of buses with Elk Grove; and noted that only one page of Item 17 was in the back of the room.

Mike Barnbaum - Mr. Barnbaum noted that the lobbyist gave a great report. Mr. Barnbaum also reviewed some of the acronyms mentioned by the lobbyists.

INTRODUCTION OF SPECIAL GUESTS

UNFINISHED BUSINESS

PUBLIC HEARING

NEW BUSINESS

16. Intent Motion: To Elect a Chair and Vice Chair for the RT Board of Directors for 2012 (Brooks)

Chair Nottoli requested that, in next year's issue paper, staff list the members of the Board who have served as Chair and Vice-Chair since the enabling legislation changed.

ACTION: APPROVED - Director Cohn moved; Director Miller seconded approval of the nomination of Bonnie Pannell for Chair and Pat Hume for Vice Chair. Motion was carried by voice vote. Absent: Director Ashby.

17. Motion: Receive and File the Fiscal Year 2010 Comprehensive Annual Financial Report, Reports on Compliance Control as Required by OMB A-133 and the Transportation Development Act, and the Report to the Board of Directors for Fiscal Year 2011 (Bernegger)

Brent Bernegger introduced the item and provided a summary of the operating results. Peggy Vande Vooren of Gilbert Associates reviewed the Board report, the status of the management letter and the single audit report with the Board members.

ACTION: APPROVED - Director Miller moved; Director Fong seconded approval of the item as written. Motion was carried by voice vote. Absent: Director Ashby.

18. Resolution: Authorizing the General Manager/CEO to Issue the Solicitation of Proposals for Procurement of Financial Advisory, Bond Counsel, Disclosure Counsel, and Underwriter Services (Brookshire)

ACTION: APPROVED - Director Cohn moved; Director Fong seconded approval of the item as written. Motion was carried by voice vote. Absent: Director Ashby.

19. Resolution: Conditionally Awarding a Contract for South Sacramento Corridor Phase 2 Aerial Structures to MCM Construction (Scofield)

ACTION: APPROVED - Director Pannell moved; Director Cohn seconded approval of the item as written. Motion was carried by voice vote. Absent: Director Ashby.

20. Information: Fiscal Year 2012 Financial Status Update (Brookshire)

Dee Brookshire explained that based on four months of operating history (July - October 2011), that total operating revenues are \$448,000 under budget, or 1% below what was projected. Fares are trending slightly under budget by 2.2%, state and local subsidies, which includes Measure A and LTF sales tax based revenues are growing at a growth rate of 4.4% over the prior year. This is 3.4% over RT's current budget. The State Transit Assistance (STA) revenues are expected to be significantly less than projected when the budget was being prepared for two reasons. After the budget was adopted, RT learned that RT's state-wide percentage of qualifying revenue had declined because of RT's service reductions in 2010. The STA revenues were reduced from 2.4% to 1.9% of total state-wide revenue. RT estimated the reduction at \$600,000. RT just learned, this week that the STA receipts are far lower than the State's original projection. RT is now planning to receive \$2.8 million less than early projections. However, RT has the sales tax revenue increase to offset this some what. There is a high level of uncertainty regarding the future of the Federal revenues beyond the current year. Federal funding is authorized through March 2012 and an additional 6 month extension is expected, but is not a certainty. With the uncertainty at the Federal level, staff is unable to effectively plan long term for service restoration or enhancements.

After all of the year end adjustments were taken into consideration (closing adjustments), the carry over turned into a \$378,567 loss. Staff will be adjusting this in the budget revision at mid-year. After four months experience, operating expenditures are under budget by 1.4% or \$562,000.

Revenues are projected to come in a bit under \$1.9 million under budget. The largest areas of reduction are in fare revenues and the net increase in sales tax and the reduction of STA. On the expenditure side, all categories, except labor, are expected to come in on budget. As far as labor is concerned, this \$400,000 variance is a combination of the cost of the positions that were added last month, in November, and the capital recovery, that is time charged to projects trending below budget due to project delays.

Mike Wiley noted that the Board will receive a more detailed report in February when mid-year numbers have been collected and analyzed.

Speaker: Mike Barnbaum - Mr. Barnbaum wanted to know if service changes would be done on June 17th or September 2nd, since it is not possible in April and suggested the changes should be phased in at each driver sign up.

ACTION: NONE - Oral Report by Dee Brookshire.

REPORTS, IDEAS AND QUESTIONS FROM DIRECTORS, AND COMMUNICATIONS

21. Sacramento-Placerville Joint Powers Authority - Meeting of November 14, 2011
(Sander)

No additional comments were provided.

22. Capitol Corridor Joint Powers Authority - Meeting of November 16, 2011
(Cohn/Serna)

Director Cohn noted an error on page 2 of the report: the number should be 200,000 instead of 20,000 for the funding on the standby power generators (last paragraph). Director Cohn also noted that the February 2012 CCJPA meeting will cover the CCJPA's updated vision plan which includes a plan to reduce travel time from the Bay Area to Sacramento to one hour.

Speaker: Mike Barnbaum - Mr. Barnbaum noted that ridership on the Capitol Corridor was 10% higher on Thanksgiving.

PUBLIC ADDRESSES THE BOARD ON MATTERS NOT ON THE AGENDA

Speakers:

Jeffery Tardaguila - Mr. Tardaguila noted that he missed two connections at the 16th Street light rail station because there is not enough time between train connections. He suggested that staff look at the timing when the alignment to the Green Line is opened. Mr. Tardaguila noted that the time on the clock at the 16th street station is an hour off. Mr. Tardaguila does not believe that the public understands what a temporary bus stop sign means.

ANNOUNCEMENT OF CLOSED SESSION ITEMS

RECESS TO CLOSED SESSION

CLOSED SESSION

RECONVENE IN OPEN SESSION

CLOSED SESSION REPORT

ADJOURN

As there was no further business to be conducted, the meeting was adjourned at 8:03 p.m.

DON NOTTOLI, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary