



August 27, 2017

Regional Transit Board of Directors  
Henry Li, General Manager/CEO  
1400 29th Street  
Sacramento, CA 95816

**Re: Board Item 5 – OPPOSE Fifth Amendment to Douglas Carter Contract**

Dear Board of Directors and Mr. Li:

The Sacramento Transit Riders Union (SacTRU) is writing to oppose the Fifth Amendment to the Contract for Operational Assessment and Implementation of Recommendations for Cost Reduction and Revenue Growth Services with Douglas Carter and MBO Partners, Inc.

In 2 years RT has spent \$394,874 on Mr. Carter’s contract, most recently \$95 thousand last December, and are now proposing another \$125,000 for continued service. The services described in the amendment are vague, “Implementing Strategy and Plans, Executive Coaching, and Cultural Change.” They do not provide any information on timeline, workload, hours needed, or project specifics. Also, many of these goals seem to be work that the General Manager/CEO Henry Li is already accomplishing.

With the new scope of his work, we believe that the board should direct staff the open this up to a competitive RFP and take competitive bids with more specific outlines of the work entailed before approving additional funding for this consultant service contract. Failure to open the contracts for this work up to public bidding undermines the transparency of the work being done and the bidding process of this agency.

The amendment mentions 50 items that Mr. Carter has worked on but does not list them or their cost savings estimates. We demand that a performance analysis be done to evaluate the work product, cost reduction, and revenue growth contributed by Mr. Carter. There should be proof of performance before we award him another contract extension, bringing his total compensation in 2 years up to \$519,874.

**We, therefore, oppose the approval of the Fifth Amendment to this contract and ask the board to vote no until a performance analysis and additional information on the scope of work has been provided.** We ask that this item be removed from the consent calendar and discussed. Please include this letter in the public record.

Sincerely,

SacTRU