

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

April 23, 2004

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, April 23, 2004 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA.

Chairperson Reilly called the meeting to order at 9:00 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz (arrived after roll call)
Michelle Hinkle
Mike Keogh
Emily Reilly
Mike Rotkin
Dale Skillicorn
Pat Spence
Mark Stone
Marcela Tavantzis
Ex-Officio Wes Scott (arrived after roll call)

DIRECTORS ABSENT

Sheryl Ainsworth
Dennis Norton

STAFF PRESENT

Bryant Baehr, Operations Manager
Frank Cheng, M/B Project Manager
Mark Dorfman, Assistant General Manager
Marilyn Fenn, Asst. Finance Manager
Margaret Gallagher, District Counsel

Steve Paulson, Paratransit Administrator
Elisabeth Ross, Finance Manager
Robyn Slater, Human Resource Manager
Tom Stickel, Fleet Maint. Manager
Les White, General Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT

Ron Dean, UTU
Gary Klemz, SEIU
Sandra Lipperd, UTU
Steve Marcus, UTU
Manny Martinez, PSA

Ian McFadden, SEA
Bonnie Morr, UTU
Will Regan, VMU
Amy Weiss, Spanish Interpreter
Bob Yount, MASTF

2. ORAL AND WRITTEN COMMUNICATION

Written:

- a. Jonathan Giffard
- b. Andrew Horne

RE: UCSC Service
RE: Union Pacific Right-of-Way

- DELETE ITEM #5-13** CONSIDERATION OF AWARD OF CONTRACT FOR JANITORIAL SERVICES FOR THE SCOTTS VALLEY TRANSIT CENTER
(Deferred to May Board Meeting pending further information)
- ADD TO ITEM #5-16** CONSIDERATION OF RECOMMENDATION TO APPROVE THE ELIMINATION OF ONE TRANSIT SURVEYOR POSITION AND CONVERT THE REMAINING TRANSIT SURVEYOR POSITION TO FULL TIME
(Insert Staff Report)
- ADD TO ITEM #5-19** ACCEPT AND FILE NOTIFICATION OF ACTIONS TAKEN IN CLOSED SESSION ON ANNA PADILLA, ELLEN ADAMS AND CARRIE ROSE
(Insert Staff Report)
- ADD TO ITEM #5-20** ACCEPT AND FILE DRAFT REPORT ON FY 2004 TRIENNIAL REVIEW
(Insert Staff Report)
- REGULAR AGENDA:**
- DELETE ITEM #8** PRESENTATION OF RALPH M. BROWN ACT (OPEN MEETING ACT)
(Deferred to the May 14, 2004 Board Meeting)
- ADD TO ITEM #9** CONSIDERATION OF APPROVAL OF FY 04-05 PRELIMINARY LINE ITEM BUDGET FOR REVIEW AND CLAIMS PURPOSES
(Insert Revised Staff Report, replace specific pages from Attachment A as designated, insert new Attachments B through I)
- ADD TO ITEM #10** CONSIDERATION OF MODIFICATIONS TO THE METRO BOARD'S BYLAWS INCLUDING HOW THE SANTA CRUZ METRO REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) ARE SELECTED, HOW DIRECTORS ARE APPOINTED TO THE SANTA CRUZ METRO BOARD, INCLUDING WHETHER UC SANTA CRUZ CAN APPOINT A DIRECTOR WHO HAS VOTING RIGHTS, AND ADDING RULES OF PROCEDURE FOR BOARD MEETINGS AND OTHER CHANGES
(New Title on Agenda)
(Insert Revised Staff Report and all Attachments)
- ADD TO ITEM #12** CONSIDERATION OF SERVICE REDUCTION FOR SUMMER 2004
(Insert Revised Staff Report)
Note: Amended Staff Report was distributed to those Board Members present at the April 9th Board Meeting.
- ADD TO ITEM #15** CONSIDERATION OF CALL STOP AUDIT REPORT
(Insert Staff Report)
- ADD TO ITEM #16** CONSIDERATION OF APPOINTING INDIVIDUALS TO REPRESENT METRO ON THE PARATRANSIT COORDINATOR TASK FORCE BEING FORMED BY THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
(Insert Staff Report)
- ADD TO ITEM #17** CONSIDERATION OF STATUS REPORT FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF A

TRANSIT ORIENTED CHILD CARE AND APARTMENT COMPLEX
CENTER FOR PROPERTY APN'S 017-011-51 AND 52 IN
WATSONVILLE, PURSUANT TO A LEASE AGREEMENT
BETWEEN THE CITY OF WATSONVILLE AND THE SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT

(Insert Staff Report)

ADD TO ITEM #18 CONSIDERATION OF OPERATION OF BEACH SHUTTLE FOR
CITY OF SANTA CRUZ

(Insert Staff Report)

ADD TO ITEM #19 CONSIDERATION OF AMENDMENT OF CONTRACT WITH
VEHICLE MAINTENANCE PROGRAM, INC. FOR BUS FILTERS

(Insert Staff Report)

Also distributed: Attachment G for Item #12, a written communication from Jennifer Stern regarding Highway 17 service, a memo from Michael Edwards, Chair of MAC, outlining actions taken at their April 21st meeting. All of these additional handouts will be attached to the minutes.

CONSENT AGENDA

- 5-1. APPROVE REGULAR BOARD MEETING MINUTES OF MARCH 12 AND MARCH 26, 2004
- 5-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
- 5-3. ACCEPT AND FILE MARCH 2004 RIDERSHIP REPORT
- 5-4. CONSIDERATION OF TORT CLAIMS: None
- 5-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF APRIL 15, 2004 AND THE MINUTES OF THE MARCH 18, 2004 MEETING
- 5-6. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR FEBRUARY 2004 AND APPROVAL OF BUDGET TRANSFERS
- 5-7. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR JANUARY 2004
- 5-8. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR FEBRUARY 2004
- 5-9. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 5-10. ACCEPT AND FILE METROBASE STATUS REPORT
- 5-11. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE MARCH MEETINGS
- 5-12. CONSIDERATION OF CONTRACT RENEWAL FOR NATIONWIDE AUCTION SYSTEMS
- 5-13. DELETED
- 5-14. CONSIDERATION OF AWARD OF CONTRACT FOR HEAVY DUTY BRAKE DRUMS
- 5-15. CONSIDERATION OF AWARD OF CONTRACT FOR HEAVY DUTY BATTERIES
- 5-16. CONSIDERATION OF RECOMMENDATION TO APPROVE THE ELIMINATION OF ONE TRANSIT SURVEYOR POSITION AND CONVERT THE REMAINING TRANSIT SURVEYOR POSITION TO FULL TIME
- 5-17. CONSIDERATION OF RECOMMENDATION TO APPROVE ASSESSMENT FOR COOPERATIVE RETAIL MANAGEMENT DISTRICT
- 5-18. CONSIDERATION OF STATUS REPORT REGARDING ORION HIGHWAY 17 FLEET MODIFICATIONS

(Moved to Consent Agenda at the April 9, 2004 Board Meeting. Staff report retained original numbering as Item #7)

5-19. ACCEPT AND FILE NOTIFICATION OF ACTIONS TAKEN IN CLOSED SESSION ON ANNA PADILLA, ELLEN ADAMS AND CARRIE ROSE

5-20. ACCEPT AND FILE DRAFT REPORT ON FY 2004 TRIENNIAL REVIEW

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Move approval of the Consent Agenda.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

The following employees were acknowledged with longevity certificates for their years of service:

FIFTEEN YEARS

Linda J. Clayton, Payroll Specialist

TWENTY-FIVE YEARS

William E. Anderson, Bus Operator

7. MOVED TO CONSENT AGENDA AS ITEM #5-18.

ITEM #12 WAS TAKEN OUT OF ORDER AT THIS TIME.

12. CONSIDERATION OF SERVICE REDUCTION FOR SUMMER 2004

Summary:

Based on the preliminary budget, METRO staff projected a \$1.33 million deficit, not including a one-time funding of \$1.4 million in this year's budget. Balancing actions include service reductions.

Ian McFadden, Transit Planner, gave a Power Point presentation outlining the trip modifications and deletions, which equate to a little under 2% of the current total operating hours. Mr. McFadden specifically discussed Route 36 which UTU suggested cutting. He expressed staff's concerns about continuing to cut express service and informed the Board that staff would not recommend cutting the Route 36 at this time. System-wide ridership per weekday is currently 21.6 passengers.

Public Hearing opened at 9:31 a.m.

Bonnie Morr of UTU, Local 23 stated that UTU is in agreement with the service reductions described by Mr. McFadden.

Paul Marcelin-Sampson stated that Route 4 serves the social service facilities. He added that buses are deadheading between Pacific Station/Metro Center and 1200 River Street throughout the day. He suggested that METRO inform the public that these deadhead trips would carry passengers if they require absolute service.

Marilyn Garrett expressed concern that so many of the social services are being cut and blamed the war in Iraq for the country not having the necessary funds. She called for an effort from all elected officials to insist that federal funds be redirected to make viable communities. Ms. Garrett asked that a letter be distributed to the Board. This letter will be included under Written Communications for the May Board packets.

The Public Hearing closed at 9:36 a.m.

ITEM #11 WAS TAKEN AT THIS TIME PRIOR TO A MOTION BEING MADE ON ITEM #12.

11. CONSIDERATION OF ISSUING A DECLARATION OF FISCAL EMERGENCY

Summary:

Staff is requesting that the Board issue a declaration of fiscal emergency based on the current financial status of METRO. Once this declaration is issued, the Board can authorize the service reductions without having to file certain environmental documentation. The determination of fiscal emergency is based on the audited financial statements and projections for next year showing the necessity for service reductions.

Discussion:

Director Rotkin stated that the staff report attachment reflects a shortfall of \$2,800,000 for FY 04/05. This deficit can only be dealt with by cutting service.

Paul Marcelin-Sampson stated that he believes an alternate reason for the financial problem METRO is experiencing stems from bus operators' discretionary increases over the last few years. He suggested that the Board use the financial projections prior to approving labor contracts.

Will Regan of the Vehicle Service Workers (VMU) union said that due to the great delay in the MetroBase project, it cost METRO millions in revenue and funds that could be used for service to help stave off reductions. He added that the lack of MetroBase and the lack of support for MetroBase in the community has brought METRO to this point.

It was pointed out by both Director Rotkin and Les White that the \$2.2 million it cost METRO to maintain numerous locations each year could have been used for service. Mr. White added that the community denied itself approximately \$20 million in service, which is what METRO would have saved had the MetroBase facility been built after the earthquake.

Bonnie Morr of UTU clarified that the UTU wage increases were deferred from several years' past and that this deferral gave METRO a financial savings at that time. She added that the bus

operators are paying more for their medical benefits as well as paying higher amounts for pension plans.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR KEOGH

Declare a state of fiscal emergency based on findings presented by staff.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

MOTION FOR ITEM #12.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Approve service cuts as suggested by staff, direct staff to look into feasibility of using deadhead routes to get people to the Harvey West area. Report to the Board as quickly as possible with the possibilities.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

8. DEFERRED TO THE MAY 14, 2004 BOARD MEETING

9. CONSIDERATION OF APPROVAL OF FY 04-05 PRELIMINARY LINE ITEM BUDGET FOR REVIEW AND CLAIMS PURPOSES

Summary:

Staff is asking for Board approval of the FY 04-05 preliminary budget for review and TDA/STA claims purposes. The preliminary budget for next year is \$33.177 million, which will be changed to reflect a reduction of \$84,605 in the TDA allocation. The revised TDA allocation is \$5,413,251. The expense side will increase to \$1,397,525, which will give METRO a balanced budget of \$33,923,950. Mr. White acknowledged the RTC staff for working hard to increase the TDA allocation, which added \$75,000 to the amount previously allocated to METRO.

Discussion:

Directors Rotkin and Keogh also expressed their appreciation to the committee, RTC Staff and Metro Staff for their hard work. Director Beautz added that the committee was willing to recommend that if the TDA does increase, the first \$85,00 would come back to METRO.

Paul Marcelin-Sampson referred to the bus operator salary increase in the budget and stated that service was taken away to pay for this increase. Mr. Marcelin-Sampson will provide the Board with the CPI and what it includes.

Bonnie Morr disputed Mr. Marcelin-Sampson's statements and reiterated that this wage increase was deferred from two years ago.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Move approval of the preliminary line item budget for review and claims purposes. Thanks to the staff of the RTC committee who were able to increase the amount of money coming to METRO.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

10. **CONSIDERATION OF MODIFICATIONS TO THE METRO BOARD'S BYLAWS INCLUDING HOW THE SANTA CRUZ METRO REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCRTC) ARE SELECTED, HOW DIRECTORS ARE APPOINTED TO THE SANTA CRUZ METRO BOARD, INCLUDING WHETHER UC SANTA CRUZ CAN APPOINT A DIRECTOR WHO HAS VOTING RIGHTS, AND ADDING RULES OF PROCEDURE FOR BOARD MEETINGS AND OTHER CHANGES**

Summary:

After reviewing the Bylaws at past Board meetings, the Board expressed interest in how its representatives and alternates are appointed by the Board to the RTC. Ms. Gallagher provided various language scenarios for the Board to peruse. The issue of the UCSC ex-officio Board member becoming a voting Board member was raised. Ms. Gallagher stated that the enabling statute does not allow for this but one of the appointing authorities could appoint a UCSC representative to represent their group. Language was also added on the special meeting section and emergency meeting section to bring it into compliance with the Brown Act.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Direct District Counsel to bring back language whereby the Chair makes nominations but nominations can then be added from the floor and thereafter the Board would make the actual appointments for its representatives and alternates. Divide Section 5.06 into sub-sections for easy reading.

FRIENDLY AMENDMENT:

The new language should be the revision of Option 2.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

13. **CONSIDERATION OF RESOLUTIONS AUTHORIZING SUBMITTAL OF FY 2005 STA AND TDA CLAIMS**

Summary:

Mark Dorfman cited one revision to be made to the TDA Claim, which is to insert the new allocation amount of \$5,413.251 into the claim being submitted to the Regional Transportation Commission.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Adopt resolutions authorizing staff to submit claims to the Santa Cruz County Regional Transportation Commission for FY 2005 State Transit Assistance (STA) and Transportation Development Act (TDA) funds.

Motion passed by a unanimous voice vote in lieu of a roll call.

14. CONSIDERATION OF APPOINTING ALTERNATE MEMBERS TO THE METRO ADVISORY COMMITTEE

Summary:

Les White reported that at its initial meeting on April 21st, the MAC committee made a motion to request that the METRO Board of Directors defer action on the addition of alternate members until MAC has had an opportunity to more fully discuss the potential implications of such a change. This memo is attached to the minutes. MAC will discuss this issue at their May 19th meeting. Mr. White included verbiage for alternate members with his staff report.

Discussion:

There was discussion regarding a “one to one” appointment process vs. a pool process. Suggestions included making the primary member responsible for notifying alternate of his/her absence and forwarding packet to alternate, and whether the alternate members would meet the criteria of a set number of members with a disability.

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR BEAUTZ

Consider all issues discussed and weigh recommendation of MAC regarding their own alternate selection process and return to the Board.

Other suggestions included having 3-4 alternates who would attend every MAC meeting, which would make them available if a member has to leave the meeting early, and making the primary member responsible for finding his/her own alternate out of a pool.

Bonnie Morr submitted a letter to the Board asking about a code of behavior for committee members and how a member would be removed from MAC if he/she were acting inappropriately.

Robert Yount spoke in support of MAC members finding their own alternate and ensuring the packet is available to the alternate.

Paul Marcelin-Sampson reported that one MAC member asked that the committee wait to see how attendance is before deciding on alternates.

Direction to Staff: *Agendize the following for a future Board meeting after a response is received from MAC: the removal process of a committee member, voting process for alternates.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

15. CONSIDERATION OF CALL STOP AUDIT REPORT

Summary:

Bryant Baehr reported the results of the call stop audit, which took place from January to March 2004. The percentage of call stops completed was 99.7%.

16. CONSIDERATION OF APPOINTING INDIVIDUALS TO REPRESENT METRO ON THE PARATRANSIT COORDINATOR TASK FORCE BEING FORMED BY THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

Summary:

The RTC requested that the Board of Directors select five individuals who would serve on the Paratransit Task Force representing METRO. Mr. White conveyed that MAC recommended two of its members to be appointed to this Task Force. Staff recommends that the Board appoint two Board members, one person with a disability who uses the fixed route, and ~~two~~ one individual with a disability who uses paratransit.

Discussion:

Director Beautz wants the Board appointments to the Task Force to be an open enrollment and not chosen only from the MAC membership. Les White reported that he and the Paratransit Administrator would attend the Task Force meetings. Staff is asking that the commission utilize the work METRO had done two years ago in crafting the paratransit service and that they look at that information and those options prior to requesting additional information. Director Reilly stated that it is imperative that the first meeting involve the legal issues pertaining to METRO.

EX OFFICIO DIRECTOR WES SCOTT LEFT THE MEETING.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BEAUTZ

Appoint Directors Reilly and Spence as Board Members to the Task Force; appoint Norm Hagen as the representative from MAC. Leave the other two positions open until the May Board meeting. Advertise broadly that these two openings are available. Notify the MAC applicants who were not appointed to MAC that these two openings on the Task Force are available. Direct District Counsel to attend the Task Force meeting to discuss the ParaCruz legal requirements.

Mr. White thought that the Task Force would be well served to participate in an abbreviated version of "Living the Paratransit Experience". Director Reilly added that if this happens, METRO should secure at least part of the cost from other agencies to conduct this training.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

17. CONSIDERATION OF STATUS REPORT FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF A TRANSIT ORIENTED CHILD CARE AND APARTMENT COMPLEX CENTER FOR PROPERTY APN'S 17-011-51 AND 52 IN WATSONVILLE, PURSUANT TO A LEASE AGREEMENT BETWEEN THE CITY OF WATSONVILLE AND THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Summary:

This is an update only and requires no action.

Discussion:

Director Keogh pointed out that the Board had requested that architectural renderings be obtained of the backside of the apartment house as well as the trash area. By viewing these renderings, METRO could determine if they would be precluded from future alterations to the transit center. To date, the renderings have not been obtained.

18. CONSIDERATION OF OPERATION OF BEACH SHUTTLE FOR CITY OF SANTA CRUZ

Summary:

Mark Dorfman reported that the City of Santa Cruz is providing full funding for the Beach Shuttle. District staff will work with the County to obtain the use of the parking lot as it has in past years.

Discussion:

Director Tavantzis asked that it be made very clear what the hourly rate will be to avoid any confusion.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Authorize staff to operate the Beach Shuttle for the summer.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

19. CONSIDERATION OF AMENDMENT OF CONTRACT WITH VEHICLE MAINTENANCE PROGRAM, INC. FOR BUS FILTERS

Summary:

Tom Stickel reported that the Board approved the contract for bus filters in February. However, since that approval METRO received a request from the vendor for a 4% increase due to the main supplier's costs for steel and fuel increasing. Even with the increase, the cost of the filters still remain price competitive.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ROTKIN

Authorize the General Manager to execute an amendment to the contract with Vehicle Maintenance Program, Inc. for bus filters to allow for a price increase of 4% on certain filters.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

ADDED TO THE AGENDA AS AN EMERGENCY ITEM:

19a. CONSIDERATION OF AUTHORIZING AN INDEMNIFICATION AGREEMENT FOR THE CONSOLIDATED HIGHWAY 17/AMTRAK SERVICE

Summary:

Les White reported that the lack of an indemnification agreement is about to impact the direct operation of the consolidated service of the Highway 17 Express and Amtrak. Amtrak will also supply an indemnification agreement with language stating that they are responsible for the passengers once METRO relinquishes them.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Approve an indemnification agreement with the purchase order to Amtrak subject to the District Counsel's review of the language as to form.

Motion passed unanimously with Directors Ainsworth and Norton being absent.

20. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION: District Counsel

Margaret Gallagher reported that the Board would discuss one case of anticipated litigation. The General Manager's performance review will be moved to the May 14th Board Meeting. There will also be a Special Board meeting to discuss with METRO's labor negotiators the SEIU labor negotiations and UTU negotiations in closed session.

21. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None

SECTION II: CLOSED SESSION

Chairperson Reilly adjourned to Closed Session at 11:32 a.m. and reconvened to Open Session at 1:10 p.m.

SECTION III: RECONVENE TO OPEN SESSION

22. REPORT OF CLOSED SESSION

Margaret Gallagher had nothing to report at this time.

ADJOURN

There being no further business, Chairperson Reilly adjourned the meeting at 1:10 p.m.

Respectfully submitted.

Dale Carr
Administrative Services Coordinator