

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**Minutes- Board of Directors**

**December 19, 2008**

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A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, December 19, 2008 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, California.

Chair Beautz called the meeting to order at 9:04 a.m.

## **SECTION 1: OPEN SESSION**

### **1. ROLL CALL:**

#### **DIRECTORS PRESENT**

Jan Beautz  
Dene Bustichi  
Donald Hagen  
Michelle Hinkle  
Ron Graves  
Lynn Robinson  
Mike Rotkin  
Dale Skillicorn  
Pat Spence  
Mark Stone  
Marcela Tavantzis  
Ex-Officio Donna Blitzer

#### **DIRECTORS ABSENT**

None

#### **STAFF PRESENT**

Ciro Aguirre, Operations Manager  
Angela Aitken, Finance Manager  
Frank Cheng, MetroBase Project Manager  
Mark Dorfman, Assistant General Manager  
Mary Ferrick, Fixed Route Superintendent  
Margaret Gallagher, District Counsel

Shona Harper, Asst Paratransit Superintendent  
Robyn Slater, Human Resources Manager  
Tom Stickel, Maintenance Manager  
April Warnock, Paratransit Superintendent  
Les White, General Manager

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

Brent Fouse, Transit Supervisor  
Tom Hiltner, Grants/Legislative Analyst  
Victor Hiltner

Bonnie Morr, UTU  
Amy Weiss, Spanish Interpreter  
Bob Yount, MAC

**2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS**

Written:

- a. A. Passenger Re: METRO Center

Oral:

None.

**3. LABOR ORGANIZATION COMMUNICATIONS**

Bonnie Morr, UTU, thanked Chair Beautz for her years of service on the Board and welcomed new Board member Lynn Robinson and returning Board Member Ron Graves.

**4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

None.

**CONSENT AGENDA**

- 5-1. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF NOVEMBER 2008**
- 5-2. **CONSIDERATION OF TORT CLAIMS:**
  - DENY THE CLAIM OF HECTOR AGREDANO, CLAIM #08-0030**
  - DENY THE CLAIM OF KIMBERLY HODGE, CLAIM #08-0032**
  - DENY THE CLAIM OF BERTHA SEPULVEDA, CLAIM #08-0033**
- 5-3. **ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR DECEMBER 17, 2008 AND MINUTES OF OCTOBER 15, 2008**
- 5-4. **ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF SEPTEMBER 2008**
- 5-5. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR JULY & AUGUST 2008**
- 5-6. **ACCEPT AND FILE OCTOBER 2008 RIDERSHIP REPORT**
- 5-7. **ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR THE MONTH OF OCTOBER 2008**
- 5-8. **CONSIDERATION OF OWNED AND LEASED PROPERTY INVENTORIES TO DETERMINE IF THERE IS ANY PROPERTY IN EXCESS OF SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S FORESEEABLE NEEDS**
- 5-9. **CONSIDERATION OF RECEIPT OF INFORMATION FROM THE GENERAL MANAGER REGARDING HIS ATTENDANCE AT THE CALIFORNIA TRANSIT ASSOCIATION 2008 FALL CONFERENCE ON NOVEMBER 4-7, 2008**
- 5-10. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH CAROLYN C. CHANEY FOR FEDERAL LEGISLATIVE SERVICES**
- 5-11. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH SHAW YODER, INC. FOR STATE LEGISLATIVE SERVICES**

- 5-12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH FRICKE-PARKS PRESS, INC. FOR PRINTING OF HEADWAYS
- 5-13. CONSIDERATION OF CONTINUING SPONSORSHIP OF LEADERSHIP SANTA CRUZ COUNTY, BY PROVIDING BUS SHUTTLE SERVICE, IN ORDER TO PROVIDE EDUCATION ON TRANSPORTATION ISSUES, SERVICES, AND FACILITIES AND TO PROVIDE THE OPPORTUNITY FOR METRO STAFF TO PARTICIPATE IN THE PROGRAM
- 5-14. REVIEW AND UPDATE OF METRO STAFF'S IMPLEMENTATION OF BOARD ADOPTED ADA/504 TRANSITION PLAN
- 5-15. ACCEPT AND FILE METROBASE PROJECT STATUS REPORT
- 5-16. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2008
- 5-17. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FOR APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE NOVEMBER 2008 MEETING(S)
- 5-18. ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS REPORT FOR THE YEAR ENDING JUNE 30, 2008
- 5-19. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH SEDGWICK CLAIMS MANAGEMENT SERVICES, INC. FOR WORKERS COMPENSATION CLAIMS ADMINISTRATION SERVICES
- 5-20. CONSIDERATION OF APPROVAL OF PROJECT REVISIONS IN THE CALIFORNIA TRANSIT SECURITY GRANT PROGRAM
- 5-21. APPROVE REGULAR BOARD MEETING MINUTES OF AUGUST 8 & 22, 2008

Director Hagen requested that the Board Meeting minutes get caught up to date so that each month the Board receives minutes from the previous month, which is normal procedure until recently.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN**

**Approve the Consent Agenda**

**Motion passed unanimously with Directors Graves and Robinson abstaining on Item #5-21 and all Directors present.**

### REGULAR AGENDA

#### **6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS:**

The following employees were presented with longevity awards for their years of service:

#### TEN YEARS

Brent Fouse, Transit Supervisor  
Thomas M. Hiltner, Grants/Legislative Analyst

**TWENTY YEARS**

Craig L. Craig, Fleet Maintenance Mechanic II

**7. CONSIDERATION OF RESOLUTION REVISING FY09 & FY10 OPERATING AND CAPITAL BUDGET**

**Summary:**

Angela Aitken reported that there would be a \$5.4 million deficit at the end of FY10, which is approximately \$2.9 million more than anticipated when the Board adopted the budget in June 2008. Ms. Aitken explained the significant changes since the budget was adopted and said that she would come back to the Board in January with a staff report detailing how this deficit will be handled to bring it back down to the original \$2.5 million with no service cuts or fare increases.

Ms. Aitken noted that “Attachment E” was inadvertently left out of the Resolution.

**ACTION: MOTION: DIRECTOR SKILLICORN SECOND: DIRECTOR ROTKIN**

**Adopt Resolution approving FY 09 and FY 10 Revised Budget as presented**

**Motion passed unanimously with all Directors present.**

**8. CONSIDERATION OF APPROVAL OF 2009 STATE LEGISLATIVE ADVOCACY PROGRAM**

**Summary:**

Mr. White reported on the state budget crisis and its affect on METRO’s current and future anticipated funding. In 2007 and 2008 the California Legislature defaulted on it’s financial responsibilities and diverted \$1.259 billion and \$1.667 billion, respectively, in Public Transportation Account funds to the State General Fund.

In addition to vetoing the recently passed state budget, the Governor is proposing to eliminate the remaining \$306 million in State Transit Assistance (STA) funds and to discontinue the program permanently. The impact of the diversion on METRO has been a loss of approximately \$6 million in capital funds over the past two years and will be a loss of approximately \$45 million in funds over the next five years.

Mr. White briefly described each of the 2009 State legislative goals that staff is recommending that the Board approve with the main goal to protect existing funding sources and levels for transit operating and capital assistance. Also critical this year is implementing a county-wide public awareness program about lowered or cancelled state funding and it’s impact on METRO.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Adopt proposed METRO 2009 State Legislative Advocacy Program as presented**

After discussing the State Budget crisis, the following friendly amendment was added to the motion:

**ACTION: AMENDMENT: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Direct staff to return to the Board with a proposal to turn the State debt to METRO over to collection process for defaulting on its financial obligations in the amount of \$6.2 million that is currently owed to METRO**

**Motion passed unanimously with all Directors present.**

**9. CONSIDERATION OF APPROVAL OF 2009 FEDERAL LEGISLATIVE ADVOCACY PROGRAM**

**Summary:**

Mr. White explained each of the 2009 Federal legislative goals that staff is recommending that the Board approve including supporting appropriation of federal transit funds at the full authorized amount. Mr. White reported that the main goal is to urge members of Congress to enact a FY 2010 Transportation Appropriations Bill prior to September 30, 2009, the end of the current fiscal year, and also a new Authorization Bill that embodies the recommendations developed by the APTA Authorization Task Force.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR TAVANTZIS**

**Adopt proposed METRO 2009 Federal Legislative Advocacy Program as presented**

**Motion passed unanimously with all Directors present.**

**10. CONSIDERATION OF APPROVAL OF PROPOSED CHANGES TO SANTA CRUZ METRO'S CONFLICT OF INTEREST CODE**

**Summary:**

Margaret Gallagher reported that all local government agencies are required to review its Conflict of Interest Code every two year and that an amendment is necessary to METRO's now due to new positions, including consultants that must be designated, and new titles of existing positions.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR TAVANTZIS**

**Adopt changes to METRO's Conflict of Interest Code, pursuant to Government Code §87300 as set forth in Attachment A**

**Motion passed unanimously with all Directors present.**

**11. CONSIDERATION OF REAPPOINTMENT OF MEMBERS OF THE METRO ADVISORY COMMITTEE (MAC)**

**Summary:**

Les White reported that there are two MAC members, Mara Murphy and Dave Williams, whose terms expire at the end of this month. Both have expressed interest in continuing on MAC and are eligible to be reappointed to another two-year term.

**ACTION: MOTION: DIRECTOR TAVANTZIS SECOND: DIRECTOR SKILLICORN**

**Reappoint Mara Murphy and Dave Williams, members of the MATRO Advisory Committee (MAC) whose terms expire on December 31, 2008, to two-year terms commencing January 1, 2009**

**Motion passed unanimously with all Directors present.**

**12. CONSIDERATION OF REVISION TO DRAFT SHORT RANGE TRANSIT PLAN SERVICE OPTION**

**Summary:**

Mark Dorfman reported that METRO received federal funding to develop a Short Range Transit Plan (SRTP). Wilbur Smith Associates (WSA) developed the plan which includes a recommendation for Trunk and Feeder Service Option when the economy was much better and it was anticipated that METRO would have an additional \$1 million per year in additional service to deploy.

The economy has since taken a severe downturn and as a result, Staff has determined that it is not financially feasible for METRO to proceed with the Trunk and Feeder Service Option within the 5-year planning horizon of the SRTP because it would require an increase in service hours of approximately 17%, modification of the fare structure and fareboxes, special buses clearly designated for this service, HOV Lanes, an Automatic Vehicle Location (AVL) system, and Contingency Funds for any issues that would arise after implementation.

Staff recommends no public outreach program at this time and that the SRTP Draft be revised to include the information contained in this Staff Report and reflect that the Trunk and Feeder Service Option not be pursued within the 5-year planning horizon of this plan and that no revision be made to the service delivery model currently in use by METRO. The service delivery issue can be revisited in future updates to the SRTP.

The SRTP will be finalized and printed at no additional cost to METRO by WSA and presented to the Board for final adoption next month.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HINKLE**

**Revise SRTP to include the information contained in this Staff Report and reflect that the Trunk and Feeder Service Option not be pursued within the 5-year planning horizon of this plan and that no revision be made to the service delivery model currently in use by METRO. The SRTP will be finalized and printed at no additional cost to METRO by WSA and presented to the Board for final adoption next month.**

**Motion passed unanimously with all Directors present.**

**ITEM #17 WAS TAKEN OUT OF ORDER**

**17. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING AN APPLICATION FOR FY09 PROPOSITION 1B TRANSIT SECURITY FUNDS**

**Summary:**

Angela Aitken reported that METRO proposes to submit an application for California Transit Security Grant Program (CTSCGP) funds for transit safety and security enhancements including facilities surveillance cameras, radio system upgrade, repeater replacement, and a Transit Center Emergency Alert System.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR STONE**

**Adopt Resolution authorizing staff to submit an application through the SCCRTC to the California Office of Homeland Security and to execute agreements to obligate California Transit Security Program Funds for METRO security projects**

**Motion passed unanimously with all Directors present.**

**18. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT AMENDMENT FOR A CHANGE ORDER IN THE AMOUNT OF NOT-TO-EXCEED \$74,980 FROM HARRIS & ASSOCIATES TO PROVIDE ADDITIONAL FUNDS TO THE CONSTRUCTION MANAGEMENT CONTRACT TO ACCOMMODATE COSTS RELATING TO VERNON ADMINISTRATION BUILDING SERVICES DURING CONSTRUCTION, AND SPECIALTY INSPECTION SERVICES FOR THE METROBASE PROJECT**

**Summary:**

Frank Cheng reported that Wald, Runhke & Dost Architects are currently finishing the architect and engineering services for the Vernon Administration Building. The construction of this portion of the MetroBase Project will go out to bid in January and construction administration services will be needed once the contract is awarded.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN**

**Authorizing the General Manager to execute a contract amendment for a change order in the amount of not-to-exceed \$74,980 from Harris & Associates to provide additional funds to the construction management contract to accommodate costs relating to Vernon Administration building services during construction, and specialty inspection services for the MetroBase Project**

**Motion passed unanimously with all Directors present.**

**19. CONSIDERATION OF APPROVAL OF AN EMPLOYMENT AGREEMENT WITH MARGARET GALLAGHER TO SERVE AS DISTRICT COUNSEL FOR THE PERIOD OF DECEMBER 19, 2008 TO DECEMBER 31, 2012**

**ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR BUSTICHI**

**Approve Employment Agreement with Margaret Gallagher to serve as District Counsel for the Santa Cruz Metropolitan Transit District for the period of December 19, 2008 to December 31, 2012**

**Motion passed unanimously with all Directors present.**

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

Margaret Gallagher reported that the Board would have a conference with its Legal Counsel regarding one case of Anticipated Litigation and a conference with its Real Property Negotiators regarding Felton Faire.

**21. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION**

None.

**ITEM #14 WAS TAKEN OUT OF ORDER**

**14. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF EMILY REILLY AS A MEMBER OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Les White reported that former Director Reilly had been invited to attend today's meeting, but her attendance had not been confirmed.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SPENCE**

**Continue to January 2009**

**Motion passed unanimously with all Directors present.**



**15. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF MARK DORFMAN AS ASSISTANT GENERAL MANAGER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Several Directors wished Mr. Dorfman a happy retirement and thanked him for his many years of service at METRO and his dedication, extensive knowledge and overall expertise in the public transit industry. Director Rotkin noted that METRO choosing to not replace Mr. Dorfman with a new Assistant General Manager might turn out to be more problematic than anticipated. Mark Dorfman thanked the Board and staff for making METRO and enjoyable place to work for the last 17 years.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SPENCE**

**Adopt Resolution of Appreciation for the services of Mark Dorfman as Assistant General Manager for the Santa Cruz Metropolitan Transit District**

**Motion passed unanimously with all Directors present.**

**16. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF TOM STICKEL AS MAINTENANCE MANAGER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Several Directors wished Mr. Stickel a happy Retirement and thanked him for his many years of service at METRO and his extensive knowledge and ability to keep METRO's buses on the road serving the public for so long. Mr. Stickel said he has been with METRO for 28 years and replaced approximately 70% of the fleet. He thanked his staff for always making sure that the buses and facilities were clean and safe for customers and thanked the Board and staff for the opportunity to maintain his career at METRO.

**ACTION: MOTION: DIRECTOR TAVANTZIS SECOND: DIRECTOR HINKLE**

**Adopt Resolution of Appreciation for the services of Tom Stickel as Maintenance Manager for the Santa Cruz Metropolitan Transit District**

**Motion passed unanimously with all Directors present.**

**ITEM #13 WAS TAKEN OUT OF ORDER**

**13. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF JAN BEAUTZ AS A MEMBER OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Les White and the Board wished Chair Beautz a happy retirement and thanked her for her years of service and her dedication, tremendous amount of wisdom, leadership, experience, and credibility on the METRO Board and throughout the community. Chair Beautz said she had been on the METRO Board since 1990 and she thanked the Board members and staff and wished them all the best of luck.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR TAVANTZIS**

**Adopt Resolution of Appreciation for the services of Jan Beautz as a member of the Board of Directors of the Santa Cruz Metropolitan Transit District**

**Motion passed unanimously with all Directors present.**

**SECTION II: CLOSED SESSION**

Chair Beautz adjourned to Closed Session at 11:50 a.m. and reconvened to Open Session at 12:36 p.m.

**SECTION III: RECONVENE TO OPEN SESSION**

**22. REPORT OF CLOSED SESSION**

Margaret Gallagher reported that the Board took no reportable action in Closed Session.

**23. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A TWO-YEAR IRREVOCABLE LICENSE AGREEMENT IN FAVOR OF SANTA CRUZ METRO WITH ROBERT MARIN AND CELESTE DE SCHULTHESS, TRUSTEES, FOR BUS STOP ACCESS ON THE FELTON FAIRE SHOPPING CENTER PROPERTY**

**Summary:**

Margaret Gallagher distributed the proposed License and Indemnity Agreement, which is attached to the file copy of these minutes. Ms. Gallagher reported that Mr. Marin had insisted on the Addendum on page 7 which states that METRO will not file any objection to a county permit request made by the property owners to enhance the property unless it would directly interfere with METRO's bus service. Ms. Gallagher said the attachments following page 7 have not been agreed on yet and that Mr. Marin has agreed to allow a small temporary shelter to be installed immediately while waiting for the larger permanent shelter to be delivered.

**ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BUSTICHI**

**Authorize the General Manager to execute a Two-Year Irrevocable License Agreement in favor of Santa Cruz METRO with Robert Marin and Celeste De Shulthess, Trustees, for placement of a Bus Stop Shelter and Usage by METRO passengers on the Felton Faire Shopping Center property**

**Motion passed unanimously with all Directors present.**

**ADJOURN**

There being no further business, Chair Beautz adjourned the meeting at 12:40 p.m.

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Respectfully submitted,

CINDI THOMAS  
Administrative Services Coordinator