

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

January 24, 2003

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, January 24, 2003 at the City Hall Council Chambers, 809 Center Street, Santa Cruz, California.

Chairperson Ainsworth called the meeting to order at 9:10 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth
Jan Beautz (arrived after Roll Call)
Michelle Hinkle
Mike Keogh
Dennis Norton
Ana Ventura Phares
Emily Reilly
Mike Rotkin
Ex-Officio Wes Scott
Pat Spence
Marcela Tavantzis

DIRECTORS ABSENT

Jeff Almquist

STAFF PRESENT

Bryant Baehr, Operations Manager
John Daugherty, Access. Svcs. Coord.
Margaret Gallagher, District Counsel
Elisabeth Ross, Finance Manager

Robyn Slater, Interim H.R. Manager
Tom Stickel, Fleet Maint. Manager
Les White, General Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

April Axton, Community Bridges
Sharon Barbour, MASTF
Tom Hiltner, SEA
Jake Hurley, SEIU

Paul Marcelin, MUG
Manny Martinez, PSA
Bonnie Morr, UTU
Will Regan, VMU

2. ORAL AND WRITTEN COMMUNICATION

- | | | |
|----|----------------------------------|---------------------------------------------------------------|
| a. | Pam Greeninger, City of Capitola | RE: SCMTD Board Member |
| b. | Sharon Barbour, Chair, MASTF | RE: Fare Increase/Convenience Pass |
| c. | Scott Bugental, E/D TAC | RE: ADA/504 Grievance Procedure & Potential Fare Alternatives |

- d. **Tim Fitzmaurice, City Council** **RE: Letter of Resignation from Board**

3. LABOR ORGANIZATION COMMUNICATIONS

Bonnie Morr, Chair of UTU Local 23, introduced two newly appointed officers of UTU: Sandra Lipperd and Armond Levesque. She also stated that UTU would start focusing on PERS, Retirement Benefits, concerns about internal issues that have been on hold, such as health and safety, repairs needed, interpretations on contractual agreements. She added that she wants to ensure that UTU can count on the Board's support and wants to move forward on some of the labor issues that have been pending because of a need to put them on a back burner.

4. METRO USERS GROUP (MUG) COMMUNICATIONS

Michelle Hinkle reported that MUG's motion to the Board at its December meeting was to move forward with MetroBase as soon as possible to preserve bus service.

5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS

Sharon Barbour, Chair of MASTF, reported that the following two motions were made at their January meeting:

- 1) MASTF recommends that METRO adjust weekend routes in South County to provide Route 79 service once in the morning before 9:00 a.m. and once in the afternoon after 4:00 p.m.
- 2) MASTF supports a price increase for the discount fare monthly pass from \$14 to \$16, but not above that amount.

6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

SECTION I:

ADD TO ITEM #2 ORAL AND WRITTEN COMMUNICATION
(Add Letter as Item 2d.)

CONSENT AGENDA:

ADD TO ITEM #7-3 ACCEPT AND FILE NOVEMBER & DECEMBER RIDERSHIP
REPORT
(Insert December 2002 reports)

ADD TO ITEM #7-4 CONSIDERATON OF TORT CLAIMS: Deny the claims of: Mary V.
Walsh, #02-0035, Mary Bruggeman, #03-001, Christobal Fernandez
Rocha, #03-002
(Insert Claims)

ADD TO ITEM #7-6 ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING
OF DECEMBER 18, 2002
(Insert Minutes)

REGULAR AGENDA:

DELETE ITEM #10 UPDATE FROM CAROLYN CHANEY ON FEDERAL LEGISLATIVE
ISSUES
(Presentation was given at the January 10, 2003 Board Meeting)

DELETE ITEM #13 CONSIDERATION OF CHANGE ORDER TO ORION CONTRACT
FOR DIESEL HIGH-FLOOR BUSES FOR HIGHWAY 17 THAT CAN
BE CONVERTED TO COMPRESSED NATURAL GAS (CNG)
(Staff is waiting for further information)

ADD TO ITEM #17 CONSIDERATION OF APPROVAL OF LEASE FOR
WATSONVILLE TRANSIT CENTER KIOSK #6 FOR A NEW
BUSINESS
(Add Staff Report)

ADD TO ITEM #18 CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER
TO EXECUTE AN AMENDMENT TO LEASE FOR THE
WATSONVILLE TRANSIT CENTER KIOSK #5 TO LETICIA
LEDESMA AND TOMAS SANCHEZ TO EXTEND THE TERM
(Add Staff Report)

ADD TO ITEM #19 A. CONSIDERATION OF APPROVING THE TRANSFER OF
THE LEASE AGREEMENT WITH KAROL AND MIROSLAVA
MORELUND, DBA STORTI'S PIZZERIA, TO ANDREW AND ALICIA
FRANASZEK, FOR THE KIOSK SPACE AT THE SANTA CRUZ
METRO CENTER, EFFECTIVE JANUARY 24, 2003

B. CONSIDERATION OF REQUEST OF ANDREW AND ALICIA
FRANASZEK TO REDUCE RENT
(Add Staff Report)

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR ROTKIN

**Pull Item #7-13 from the Consent Agenda and place on the Regular Agenda for
discussion.**

Motion passed unanimously with Directors Almquist and Beautz being absent.

DIRECTOR BEAUTZ ARRIVED

CONSENT AGENDA

- 7-1. APPROVE REGULAR BOARD MEETING MINUTES OF DECEMBER 13, 2002
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
- 7-3. ACCEPT AND FILE NOVEMBER & DECEMBER RIDERSHIP REPORT
- 7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claims of: Henry Gamble, #02-0036 & Carolyn Gamble, #02-0037 (attached), Mary V. Walsh, #02-0035, Mary Bruggeman, #03-001, Christobal Fernandez Rocha, #03-002 (included in the Add-On Packet)
- 7-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF JANUARY 16, 2003 AND MINUTES OF THE DECEMBER 19, 2002 MEETING
- 7-6. ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF DECEMBER 18, 2002
- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2002, APPROVAL OF BUDGET TRANSFERS
- 7-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR OCTOBER 2002
- 7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR NOVEMBER 2002
- 7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 7-11. ACCEPT AND FILE METROBASE STATUS REPORT
- 7-12. CONSIDERATION OF NAME CHANGE FOR TENANT'S BUSINESS AT THE WATSONVILLE TRANSIT CENTER
- 7-13. MOVED TO REGULAR AGENDA FOR DISCUSSION PURPOSES.
- 7-14. CONSIDERATION OF AMERICAN PUBLIC TRANSPORTATION ASSOCIATION REAUTHORIZATION PROPOSAL
(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #11)
- 7-15. CONSIDERATION OF APPROVAL OF A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CALPERS CONTRACT TO PROVIDE SECTION 21023.5 (PUBLIC SERVICE CREDIT FOR PEACE CORPS OR AMERICORPS: VISTA SERVICE)
(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #14)
- 7-16. CONSIDERATION OF REJECTION OF BUS ADVERTISING COUNTER PROPOSAL FROM PRINCETON MEDIA, INC.
(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #15)
- 7-17. CONSIDERATION OF APPOINTMENT OF STUART ROSENSTEIN TO THE METRO USERS GROUP UNDER THE MEMBERSHIP CATEGORY OF "TRANSIT USERS"
(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #16)

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BEAUTZ

Approve the Consent Agenda with the exception of Item #7-13 and with a unanimous roll call vote for Item #7-15.

Motion passed unanimously with Director Almquist being absent and with Directors Norton, Phares, Tavantzis and Rotkin abstaining from voting on Item #7-1 since they were absent from the December 13, 2002 Board meeting.

REGULAR AGENDA

8. CONSIDERATION OF ELECTION OF DIRECTORS TO SERVE AS BOARD MEMBERS FOR THE YEAR 2003, TRANSPORTATION COMMISSION AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS

Summary:

Chairperson Ainsworth reviewed the list of nominations as follows:

Emily Reilly, Chair

Mike Keogh, Vice Chair

Michelle Hinkle, MUG Chair

SCCRTC Representatives: Directors Keogh, Reilly and Spence

SCCRTC Alternates: Directors Phares, Hinkle and Tavantzis, respectively

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR SPENCE

Elect all Directors in their nominated positions as outlined in the staff report.

Motion passed unanimously with Director Almquist being absent.

DIRECTOR AINSWORTH TURNED OVER THE MEETING TO NEWLY ELECTED CHAIRPERSON REILLY AT THIS POINT.

Director Beautz thanked Director Ainsworth for fulfilling her duties as Chairperson for the last two years.

CHAIRPERSON REILLY MOVED ITEM #19A. AND B. UP ON THE AGENDA TO BE TAKEN AFTER ITEM #9. ITEM #7-13 WAS MOVED FROM THE CONSENT AGENDA TO THE END OF THE AGENDA AS ITEM #20.

9. CONSIDERATION OF PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

Summary:

The following employee was acknowledged with a longevity certificate for his years of service:

TWENTY-FIVE YEARS

Floyd Crawford, Transit Supervisor

19. **A. CONSIDERATION OF APPROVING THE TRANSFER OF THE LEASE AGREEMENT WITH KAROL AND MIROSLAVA MORELUND, DBA STORTI'S PIZZERIA, TO ANDREW AND ALICIA FRANASZEK, FOR THE KIOSK SPACE AT THE SANTA CRUZ METRO CENTER, EFFECTIVE JANUARY 24, 2003**

B. CONSIDERATION OF REQUEST OF ANDREW AND ALICIA FRANASZEK TO REDUCE RENT

Summary:

Margaret Gallagher reported that the Morelands have sold their business, Storti's Pizza, to Andrew and Alicia Franaszek. After reviewing the Franaszek's documentation, staff recommends that the transfer of the lease take place. The Franaszeks are, however, requesting reduced rent to assist them in starting their business. Staff is recommending that no rent reduction be given at this time but that the Franaszeks can again request a reduction in six months if the business is not successful. The current lease will expire in 2004.

Discussion:

Mr. Franaszek spoke to the Board and requested a rent reduction due to the poor economy and stated that according to the listing broker, the rent is higher than another business he just sold in the area. Several Directors support maintaining the current rent but allowing the tenant to return in six months with this request to reduce the rent. It was pointed out that a business in the transit center has the benefit of much transient traffic. Margaret Gallagher stated that the Board should direct staff to review the lease situations at all the transit centers in regards to rent and terms and conditions overall rather than on an individual basis.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BEAUTZ

Approve the lease transfer of the kiosk space from Karol and Miroslava Morelund to Andrew and Alicia Franaszek; deny the request for reduced rent, and direct staff to review the rent structure overall on METRO properties and return to the Board in six months to review the structure of all rents.

Motion passed unanimously with Director Almquist being absent.

10. **DELETED**

11. **MOVED TO CONSENT AGENDA AS ITEM #7-14**

12. **FARE ALTERNATIVES FOR BOARD CONSIDERATION**

Summary:

Elisabeth Ross, Finance Manager, and Paul Marcelin-Sampson of MUG made a presentation to the Board on fare alternatives. The presentation included information on the following:

- Previous fare increases
- METRO's budget gap
- Goals of a fare increase
- Requested information from Board members
- Costs per ride vs. subsidies
- Current fares for adults, youths, senior/disabled, paratransit
- Proposed 25% increase, 35% increase, 50% increase, 50% increase & monthly discount
- ADA paratransit & paratransit premium options
- Revenue Gain vs. Ridership Loss
- Mitigation of cost impacts
- What other agencies charge

Discussion:

It was determined that either fares need to be increased or service needs to be cut to bridge the budget deficit. Mr. White stated that the anticipated loss of ridership would be between 24-36 months before ridership generally comes back up. Ms. Ross added that the goal of \$750,000 in increased revenue would be achievable without too much impact on the riders; however, Mr. White stated that a 5% cut in service would still be needed. Rather than cutting routes, frequency and shortened routes would take place.

DIRECTOR AINSWORTH LEFT THE MEETING.

Staff is asking for direction on which option(s) to pursue and which should be discarded. Public Hearings will be scheduled and staff will return to the Board in April. The schedule of events is as follows: 1) public meetings would be held in February and March, 2) information would be brought back to the Board in April, 3) a final public hearing would be held in May, 4) adoption of the new fare ordinance with implementation of the new fare structure effective July 1, 2003.

Director Spence expressed concern about families with more than one child riding the bus and inquired about a youth pass discount for multiple riders; she was informed that this would be very difficult for the bus operators to administer. Director Norton inquired about ways of increasing ridership rather than raising the fares. Mr. Marcelin has some calculations, particularly with the cash fares, and will share these with Director Norton. Director Phares was assured that public input would be considered and possibly rolled into the analysis brought back to the Board.

Mr. White also addressed the Board about regular fare increases on a 24-month basis in order to keep each increase lower but with more frequency. There was discussion regarding a fare increase that would be in usable increments (i.e. the least amount of coins). Director Beautz would like this information available to the public during the public hearings. She added that the cost of inflation should be automatically included in the fare increase. Les White thanked Mark Dorfman, Elisabeth Ross and Paul Marcelin-Sampson for their many hours of work on the fare increase proposal.

Sharon Barbour spoke regarding the increase to the senior/disabled community and asked the Board to consider not raising base fares and senior/disabled passes at the same time. She also suggested doing a “scale” increase to low-income families for youth fares. Mr. White added that this would require a third-party administrator to verify their low-income status. He further added that there should be a “sunset provision” which would require the low-income status to be refreshed periodically, however, the cost of doing this paperwork might counter balance any benefit. Bonnie Morr pointed out that Santa Cruz is out of sync with the entire Bay Area: MST charges \$6.50 for a day fare for their entire system while Santa Cruz only charges \$3.00.

There was discussion regarding extra paratransit fees and whether METRO should absorb extra costs when the fault lies with the rider. Director Spence is in favor of “will call” rides being for medical appointments only. Ex-Officio Director Scott pointed out that UCSC students have already voted for a \$10 per quarter transportation fee and they have limited ability to take on a rate increase.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR PHARES

Direct staff to bring back proposals for necessary rate increases on the schedules presented, but eliminate the 25% increase by itself. The 25% would be part of a “ramping-up” with additional increases; the lowest increase would be 35% if a one-time increase. Do not mention specific cutbacks by location but show “order of magnitude”. Take into account comments made by Directors. The long-term ideas about ways to increase ridership should be presented to the public but made clear that these are long-term and would not fix the problems the District is currently experiencing.

Motion passed unanimously with Directors Ainsworth and Almquist being absent.

13. **DELETED**

14. **MOVED TO CONSENT AGENDA AS ITEM #7-15**

15. **MOVED TO CONSENT AGENDA AS ITEM #7-16**

16. **MOVED TO CONSENT AGENDA AS ITEM #7-17**

17. **CONSIDERATION OF APPROVAL OF LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR A NEW BUSINESS**

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR ROTKIN

In one Motion, there was approval of staff recommendations for Items 17 and 18.

Authorize the General Manager to execute a one-year lease for the Watsonville Transit Center Kiosk #6 with Romualdo Palacios dba Santa Martha with options to extend the lease for four one-year lease terms.

18. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AMENDMENT TO LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK #5 TO LETICIA LEDESMA AND TOMAS SANCHEZ TO EXTEND THE TERM**

Authorize the General Manager to execute an amendment to lease for the Watsonville Transit Center Kiosk space #5 to Leticia Ledesma and Tomas Sanchez to extend the term.

Motion passed unanimously with Directors Ainsworth and Almquist being absent.

20. **CONSIDERATION OF REVISIONS OF ADA/504 POLICY AND PROCEDURE**

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR ROTKIN

Revise the ADA/504 Policy and Procedure, which includes a Grievance Procedure. Change the evaluation period of the services, program and activities from 12 months to 36 months.

Motion passed unanimously with Directors Ainsworth and Almquist being absent.

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

Margaret Gallagher reported that the litigation matter of Esengil v. Meral Jensen, et al would be discussed as well as a potential litigation case of Richard Castro vs. METRO.

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

None

SECTION II: CLOSED SESSION

Chairperson Reilly adjourned to Closed Session at 11:19 a.m. and reconvened to Open Session at 11:32 a.m.

SECTION III: RECONVENE TO OPEN SESSION

23. **REPORT OF CLOSED SESSION**

There was nothing to report at this time.

ADJOURN

There being no further business, Chairperson Reilly adjourned the meeting at 11:32 a.m.

Respectfully submitted.

DALE CARR

Administrative Services Coordinator

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