

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

November 16, 2007

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, November 16, 2007 at the Watsonville City Council Chambers, 250 Main Street, Watsonville, CA.

Chair Tavantzis called the meeting to order at 9:05 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz
Donald Hagen
Michelle Hinkle
Kirby Nicol
Emily Reilly (arrived after roll call)
Mike Rotkin
Dale Skillicorn
Pat Spence
Marcela Tavantzis
Ex-Officio Donna Blitzer

DIRECTORS ABSENT

Dene Bustichi
Mark Stone

STAFF PRESENT

Ciro Aguirre, Operations Manager
Angela Aitken, Finance Manager
Frank Cheng, Metrobase Project Manager
Mark Dorfman, Assistant General Manager
Mary Ferrick, Base Superintendent
Terry Gale, IT Manager

Margaret Gallagher, District Counsel
Debbie Kinslow, Asst Finance Manager
Robyn Slater, Human Resources Manager
Tom Stickel, Maintenance Manager
April Warnock, Acting Paratransit Superintendent
Les White, General Manager

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

Sandra Lipperd, UTU
Eduardo Montesino, UTU
Manny Martinez, PSA
Peter Prince, UTU

Will Regan, VMU
Domingo Tovar, Bus Operator
Amy Weiss, Spanish Interpreter
Bob Yount, MAC

2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

a. Dawn Shoquist

Re: Winter Service Revisions

Oral:

MAC Chair Robert Yount reported that the METRO Advisory Committee (MAC) currently has four (4) vacancies in its membership. Director Rotkin requested a MAC membership roster indicating vacancies and appointing Directors. Director Hagen stated that he had an applicant for MAC and would forward the application to METRO. Les White stated that METRO staff would provide the MAC membership roster and reported that promotional materials were going to be displayed on the buses and brochures would be available on the buses and at the METRO stations.

Director Spence thanked the Board Members, METRO Staff, and members of the community that had attended meetings of the Transportation Funding Task Force (TFTF). Les White reported that an acknowledgement of TFTF attendees would be included on a future agenda of the METRO Board of Directors meeting.

3. LABOR ORGANIZATION COMMUNICATIONS

None.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

None.

CONSENT AGENDA

- 5-1. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF OCTOBER 2007**
- 5-2. **CONSIDERATION OF TORT CLAIMS:**
 - DENY THE CLAIM OF MARY BELL, CLAIM #07-0036(A);**
 - DENY THE CLAIM OF JOSEPH BELL, CLAIM #07-0036(B);**
 - DENY THE CLAIM OF MATTHEW SMITH, CLAIM #07-0034;**
 - DENY THE CLAIM OF WAWANESA INSURANCE (ESCOBAR), CLAIM #07-0039**
- 5-3. **ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR NOVEMBER 28, 2007 AND MINUTES OF SEPTEMBER 19, 2007**
- 5-4. **ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF AUGUST 2007**
- 5-5. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR JULY 2007**
- 5-6. **CONSIDERATION OF RESPONSE TO REQUEST FOR RIDERSHIP DATA ON ROUTES #54 & #55**
- 5-7. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH VALLEY POWER SYSTEMS FOR FACTORY REMANUFACTURED SERIES 50 DETROIT DIESEL ENGINES**
- 5-8. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH CAROLYN CHANEY & ASSOCIATES FOR FEDERAL LEGISLATIVE SERVICES**

- 5-9. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH ALLIANT INSURANCE SERVICES TO EXTEND THE CONTRACT FOR LONG TERM DISABILITY INSURANCE FOR ONE ADDITIONAL YEAR
- 5-10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT AMENDMENT WITH ALLIANT INSURANCE SERVICES TO EXTEND THE CONTRACT FOR EMPLOYEE DENTAL INSURANCE FOR ONE ADDITIONAL YEAR
- 5-11. ACCEPT AND FILE CALL STOP AUDIT REPORT FOR THE PERIOD OF JULY, AUGUST & SEPTEMBER 2007; REVIEW OF AUDIT PERCENTAGE DISTRIBUTION BY AREA AND REVIEW OF BUS OPERATORS' REQUIRED CALL STOP LIST
- 5-12. ACCEPT AND FILE METROBASE STATUS REPORT
- 5-13. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE OCTOBER 2007 MEETING(S)
- 5-14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH SHAW/YODER FOR STATE LEGISLATIVE SERVICES
- 5-15. CONSIDERATION OF CONFIRMING A CONSTRUCTION CHANGE ORDER FOR WEST BAY BUILDERS IN THE AMOUNT OF \$45,000 FOR PRIMARY ELECTRICAL SERVICE AND TELECOM PROVISIONS FOR THE MAINTENANCE BUILDING COMPONENT OF THE METROBASE PROJECT

ACTION: MOTION: DIRECTOR NICOL SECOND: DIRECTOR SKILLICORN

Approve the Consent Agenda

Motion passed unanimously with Directors Bustichi, Reilly, and Stone being absent.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

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

TEN YEARS

Beverly A. Edwards, Bus Operator

TWENTY YEARS

Domingo L. Tovar, Bus Operator

TWENTY-FIVE YEARS

Glenn A. Lynch, Bus Operator

DIRECTOR REILLY ARRIVED

7. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR JUNE 2007; DESIGNATION OF NET EXCESS REVENUE IN THE AMOUNT OF: \$261,411 FOR CARRYOVER INTO THE FY 07-08 BUDGET; \$178,440 FOR CARRYOVER BUS OPERATOR WAGE ADJUSTMENT; (\$197,229) FOR LIABILITY INSURANCE RESERVES; \$66,364 FOR WORKERS' COMPENSATION RESERVES; \$2,625,000 FOR CASH FLOW RESERVES; AND THE REMAINDER, IF ANY, FOR ALLOCATION TO CAPITAL RESERVES; AND ADOPTION OF SCHEDULE OF RESERVE ACCOUNTS**

Summary:

Angela Aitken read from the staff report and the supporting attachments highlighting specific items that created the need for the carryover to the FY08 Budget.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ROTKIN

Accept and file Monthly Budget Status Report for June 2007; designation of net excess revenue in the amount of: \$261,411 for carryover into the FY 07-08 budget; \$178,440 for carryover bus operator wage adjustment; (\$197,229) for liability insurance reserves; \$66,364 for workers' compensation reserves; \$2,625,000 for cash flow reserves; and the remainder, if any, for allocation to Capital Reserves; and adoption of schedule of Reserve Accounts

Motion passed unanimously with Directors Bustichi and Stone being absent.

8. **CONSIDERATION OF UPDATED FRAMEWORK PLAN FOR METRO'S CAPITAL AND OPERATING BUDGETS FOR FY 2007 – 2012**

Summary:

Les White referred to Attachment page 8.a2, "Five Year Budget Framework Assumptions, FY 07-12," and reported that a 5 year budget projection is only as valid as adherence to the assumptions used in preparing the document. Mr. White stated that some items are under the control of METRO and therefore can be managed by METRO to where other items are not under the control of METRO and cannot be managed by METRO. Mr. White stated that this situation requires that critical evaluation points need to be established to monitor changes in the economy, policy changes from external agencies, and other factors beyond METRO's control and how they may impact the budget. Mr. White suggested to the Board that evaluation points be established on a yearly basis in order to closely monitor any possible changes in the assumptions.

Les White read through the bulleted list on Attachment page 8.a2 and gave more detailed explanations of each item and it's affect on METRO's budget.

Les White recommended that the Board of Directors include in today's action the acceptance of the attached document as METRO's 5-year projection plan until the final Short Range Transit Plan (SRTP) is received from Wilbur Smith Associates in order to meet the deadline of December 14, 2007 to apply for Proposition 1-B PTMISEA funding.

Discussion:

Director Reilly asked for clarification on the previously named High Intensity Transit Tier (HITT) committee and the conversion to the Small Transit Intensive Cities (STIP). Director Reilly referred to bullet #6 on the Five Year Budget Framework Assumptions document and inquired as to METRO's confidence on whether the funding will be available. Les White gave brief history of STIC and described the formula the FTA uses to evaluate transit districts for funding. Mr. White stated that he felt the funding would be available.

Director Nicol suggested that METRO staff actively search for alternative funding from government grants especially those that have environmental merit.

Director Spence pointed out that in the third sentence on page 8.5 of the staff report the number of buses should be forty (40) instead of thirty (30).

Director Spence asked why page 8.a2 did not include information for the price of liquefied natural gas (LNG) or compressed natural gas (CNG). Les White stated that the last bullet on the page should read "cost of propulsion" instead of "cost of diesel fuel" because the figures take into consideration the cost of all types of fuels and that METRO staff would change the wording on the document.

Director Rotkin inquired as to what the impact to the METRO budget would be if reassigned state funding could be recovered. Les White reported that based on the original proposed distribution METRO would receive 16 million dollars in funding and that it would have a major impact on the 5-year budget.

Director Skillicorn inquired as to the feasibility of leasing buses verses purchasing buses. Les White reported that it would actually be more expensive over time but would be a consideration in the event of being faced with service reduction.

Director Hagen inquired as to how METRO calculates the increase of Health Care costs for the budget and if the percentages included in the report are dependable. Les White stated that METRO works closely with the CalPERS Board and that he feels positive that the percentages are realistic.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR NICOL

Approve updated framework plan for METRO's Capital and Operating Budgets for FY 2007 – 2012 and acceptance of the attached document as METRO's 5-year Projection Plan until the final Short Range Transit Plan (SRTP) is received from Wilbur Smith Associates in order to meet the deadline of December 14, 2007 to apply for Proposition 1-B PTMISEA funding.

Motion passed unanimously with Directors Bustichi and Stone being absent.

9. **CONSIDERATION OF APPROVAL OF RESOLUTION AUTHORIZING AN AMENDED CLAIM TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR FY 2008 TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS**

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Adopt resolution authorizing an amended claim to the Santa Cruz County Regional Transportation Commission for FY 2008 Transportation Development Act (TDA) funds

Motion passed unanimously with Directors Bustichi and Stone being absent.

10. **CONSIDERATION OF UTILIZATION OF A FACILITATOR FOR PREPARATION FOR FY 2008 UTU, LOCAL 23, FIXED ROUTE LABOR NEGOTIATIONS**

Summary:

Les White reported that it is METRO's goal that the collective bargaining process with the United Transportation Union (UTU) Local 23 be conducted in an atmosphere of open communication and mutual respect and in order to assist the negotiation teams, METRO recommends the utilization of a facilitator. Mr. White stated that METRO is recommending Jim Greiner's "Hands-On Drumming", a facilitator suggested by UTU Local 23.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Authorize the General Manager to utilize Jim Greiner's "Hands-On Drumming" as a facilitator in preparation for FY 2008, UTU Local 23, Fixed Route Labor Negotiations to assist in creating a positive atmosphere.

Motion passed unanimously with Directors Bustichi and Stone being absent.

11. **CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF CYNTHIA A. CUMMINGS AS A BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ROTKIN

Adopt Resolution of Appreciation for the services of Cynthia A. Cummings as a Bus Operator for the Santa Cruz Metropolitan Transit District.

Motion passed unanimously with Directors Bustichi and Stone being absent.

12. **CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF CAROL MOORE AS A BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ROTKIN

Adopt Resolution of Appreciation for the services of Carol Moore as a Bus Operator for the Santa Cruz Metropolitan Transit District.

Motion passed unanimously with Directors Bustichi and Stone being absent.

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

Margaret Gallagher reported that the Board would have a conference with its Labor Negotiators regarding UTU, Local 23, Fixed Route.

14. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None.

SECTION II: CLOSED SESSION

Chair Tavantzis adjourned to Closed Session at 10:09 a.m. and reconvened to Open Session at 10:39 a.m.

SECTION III: RECONVENE TO OPEN SESSION

15. REPORT OF CLOSED SESSION

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

ADJOURN

There being no further business, Chair Tavantzis adjourned the meeting at 10:42 p.m.

Respectfully submitted,

DALE HAMILTON
Administrative Assistant