

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

July 11, 2008

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, July 11, 2008 at the District's Administrative Office located at 370 Encinal Street in Santa Cruz, California.

Vice Chair Bustichi called the meeting to order at 9:01 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

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

DIRECTORS ABSENT

Michelle Hinkle
Mark Stone

STAFF PRESENT

Ciro Aguirre, Operations Manager
Mark Dorfman, Assistant General Manager
Mary Ferrick, Fixed Route Superintendent
Margaret Gallagher, District Counsel
Shona Harper, Asst Paratransit Superintendent

Debbie Kinslow, Asst Finance Manager
Robyn Slater, Human Resources Manager
Tom Stickel, Maintenance Manger
April Warnock, Paratransit Superintendent
Les White, General Manager

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

Marlene Connor, Wilbur Smith Associates
Jim McLaughlin, WSA
Ian McFadden, Transit Planner
Bonnie Morr, UTU
Micah Posner, People Power

Karena Pushnik, SCCRTC
Will Regan, VMU
Robert Yount, MAC
Peter Wu, Bus Operator (Claimant)

2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

- | | | | |
|----|-----------------|-----|--------------------------------------|
| a. | Richard Masoner | Re: | Bicycles Inside Hwy 17 Express Buses |
| b. | Natasha Castro | Re: | Bicycles Inside Hwy 17 Express Buses |

c. Darcy Horton

Re: UTU, Local 23 Fixed Route Labor Agreement

DIRECTOR ROTKIN ARRIVED

Oral:

Ciro Aguirre introduced Shona Harper as METRO's new Paratransit Assistant Superintendent.

3. LABOR ORGANIZATION COMMUNICATIONS

None.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

A revised MAC Agenda, page #5-4.1, was distributed and is attached to the file copy of these minutes.

CONSENT AGENDA

5-1. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF JUNE 2008

No questions or comments.

5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR MAY 2008

No questions or comments.

5-3. CONSIDERATION OF TORT CLAIMS: DENY THE CLAIM OF CHAD PEEVYHOUSE, CLAIM #08-0019; DENY THE CLAIM OF GARY HAROLD, CLAIM #08-0020

No questions or comments.

5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR JULY 16, 2008 AND MINUTES OF MAY 21, 2008

Regarding the fourth paragraph on page #5-4.5, Director Spence suggested that the RTC's Cost of Driving brochures be made available by METRO. Mark Dorfman replied that a Commute Calculator had just been posted on METRO's website. Karen Pushnik added that the RTC's Cost of Driving calculator had been updated and is available on their website.

5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF APRIL 2008

No questions or comments.

5-6. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR MARCH 2008

No questions or comments.

5-7. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH SUE CLARKE FOR AUDITING OF THE TALKING BUSES EXTERNAL ANNOUNCEMENTS AT THE BART CAVALLARO TRANSIT CENTER

Bonnie Morr, United Transportation Union, Local 23 Chair, stated that the auditors' findings of failures may be inaccurate and there is no real accountability. Ms. Morr suggested that if the auditors reported 100% compliance then their contracts would be terminated by METRO.

DIRECTOR REILLY ARRIVED

Ms. Morr complained that bus operators have no recourse when being accused of failing to make required call stop announcements as reported by the auditors who may not be trained properly. Ms. Morr indicated that operators who had been METRO employees with good records were being accused of failing to make the calls and that such actions were bad for morale.

Margaret Gallagher responded that the security guards and the independent auditors all receive training and that the next Board Packet will include the most recent audit results which are in the very high 90's for both the internal and external announcements.

Director Rotkin responded to Ms. Morr's suggestion that the auditors were motivated to lie about the audit results in order to keep their contracts. Director Rotkin clarified that even if every audit reported 100% compliance, METRO would not cancel the contracts because they provide documentation that METRO is in compliance which protects METRO from future lawsuits.

Director Reilly requested that information on how METRO addresses missed call stops be included in the Ms. Gallagher's July 25th Staff Report.

5-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR THE MONTH OF APRIL 2008

No questions or comments.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS:

This presentation will take place at the July 25, 2008 Board Meeting.

7. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF BONNIE J. WILSON AS ADMINISTRATIVE ASSISTANT/SUPERVISOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

This presentation will take place at the July 25, 2008 Board Meeting.

8. CONSIDERATION OF MAC RECOMMENDATION TO PROHIBIT FULL SIZE BICYCLES INSIDE OF HIGHWAY 17 BUSES

Summary:

Ciro Aguirre reported that the Highway 17 Express service has experienced significant ridership growth including the increased presence of bicycles and he distributed a summary of the “Bikes on Buses” issue from previous Board Agenda Packets which is attached to the file copy of these minutes.

Mr. Aguirre outlined the history of METRO allowing bikes in buses and reported that the issue has come up again because a Customer Service Report was presented to MAC at its April 16th meeting that referenced a complaint submitted by a Highway 17 passenger expressing concern that he and several other passengers were required to stand up the entire trip from Santa Cruz to San Jose due to bicycles inside the bus.

MAC is recommending that the Board consider revising METRO’s current policy to prohibit full-sized bicycles inside Highway 17 buses after September 2008, and that the Board hold a Public Hearing on the proposed policy change.

Les White explained that staff recommends holding discussions with Bus Operators and bicycle riders and going back to MAC to talk about how the nature, use and configuration of the Highway 17 route has changed over the past eight years since full-sized bikes have been allowed inside of the buses.

Discussion:

There was a discussion about bicycles inside buses displacing three passengers because three seats are rendered unusable. Suggestions included posting signage in the securement area stating that bicycles are last priority and cannot displace passengers, resurrecting the yellow bike program and providing community bike lockup areas.

Bonnie Morr, UTU, expressed that she would not want bikes to be prohibited inside Highway 17 buses and that she would like to see language included in the policy and posted inside the buses stating that if a bicycle was already inside the bus and a passenger wished to board and needed the seat, the bicycle would have to be removed.

Bob Yount, MAC, explained that MAC’s intent was that the process to get the full-sized bicycles out of the inside of buses would be long-term with a six-month to one-year notice while promoting and encouraging folding bikes in the meantime.

Micah Posner, People Power, stated that he firmly believes that bikes should be the last priority and that signage in the securement area would be very helpful. Mr. Posner also said that People Power would love to work with METRO on the yellow bike program. Les White reported that there were vacancies on the MAC and suggested that people from the bike community apply.

9. CONSIDERATION OF ADOPTING AN ANNUAL DBE PARTICIPATION RATE OF 1.32% FOR FEDERALLY FUNDED PROCUREMENTS IN FY 2009

Mark Dorfman reported that this is an annual requirement of the Department of Transportation.

10. RECEIVE A PRESENTATION ON THE DRAFT SHORT RANGE TRANSIT PLAN AND CONSIDER CIRCULATING THE DRAFT FOR PUBLIC REVIEW

Summary:

Mark Dorfman reported that Wilbur Smith Associates (WSA) would give a presentation today on the Draft Short Range Transit Plan (SRTP) and that the Board would consider authorizing public circulation of the Draft SRTP to enable stakeholders and interested parties to review and comment on it. During the public review period, WSA will conduct two public presentations, one each proposed for the north and south county areas with at least one being an evening meeting. WSA and/or METRO staff will present the plan contents to the SCCRTC Interagency Technical Advisory Committee (ITAC), the SCCRTC Elderly/Disabled Technical Advisory Committee (E/D TAC) and to the METRO Advisory Committee (MAC). WSA will consider comments from these outreach meetings and incorporate appropriate revisions into the final SRTP.

A Public Hearing will then be held on the final SRTP prior to adoption. Initiating the Draft circulation now would enable a six-week public review period to be concluded with a Public Hearing and adoption of the final SRTP at the Board meeting of August 22, 2008.

Marlene Connor, WSA, distributed a hard-copy of the slide presentation which is attached to the file copy of these minutes. Jim McLaughlin and Ms. Connor provided detailed information on each of the slides, focusing mainly on the recommendations which includes a “Trunk and Feeder” service proposal.

Discussion:

Director Reilly asked what percentage of incorporated and unincorporated areas were included in the public outreach-data collection process. Ms. Connor replied that community meetings were held with non-transit users in incorporated Watsonville and Capitola, and that transit passengers, drivers, and Cabrillo students were also interviewed and surveyed.

Chair Beautz stated she was very concerned as a County Supervisor and has a real problem with entire report because 56% of the population lives in the unincorporated areas of the county and that she had not been contacted at all for input and that there were 30,000 people in her district of Live Oak alone that were completely excluded from the process, as were the Mountain community.

The Trunk & Feeder concept was discussed and explained as high-frequency service on the three main trunks: Watsonville to Downtown Santa Cruz, Downtown Santa Cruz to UCSC, and San Lorenzo Valley to Downtown Santa Cruz, and dedicated local service on the feeder routes. Director Rotkin commented that Express Service seemed to be missing from this concept and that people are not going to be interested in transferring two times to get to work.

Marlene Connor briefly described the Organizational Structure recommendations which would establish an internal program for planning and implementing agency goals and objectives which would be measured through a Performance Measurement Program to ensure consistency and sustainability in the service METRO provides.

Ms. Connor explained that a fairly conservative approach was taken regarding the anticipated operating revenue estimates, funding uncertainties, and budget growth rate assumptions included in the Financial Analysis. If the Trunk & Feeder concept were implemented, new CNG vehicles would need to be purchased at a total cost of between \$2.9 million and \$3.7 million per fiscal year through FY 11-12.

The presentation concluded with Ms. Connor outlining the Next Steps which include circulating the draft SRTP for comment, holding a public hearing, adopting the final SRTP, and finally, implementing the Goals and Objectives, initiating the Performance Measurement Process, and implementing the Service Plan and Organizational Structure recommendations.

Chair Beautz commented that she was under the impression all along that the SRTP would address how to set up a process for the Board to allocate a limited amount of available funding each year towards service requests, but instead, this report is looking at a whole new way to run METRO's service which seems like a long-range plan and a huge change with no consideration towards service requests.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR ROTKIN

Extend the meeting 30 minutes

Motion passed unanimously with Directors Hinkle and Stone being absent.

Discussion:

Les White replied that the expectation is that the body of the report will include a framework of service standards, performance measures, and policy directions in order for the Board to make informed decisions regarding service reliability versus service expansion so limited transit resources are focused appropriately during the five-year planning period from FY 2008 through FY 2012.

Mr. White explained that the Trunk & Feeder plan separates the trunks and feeder routes thereby eliminating the problematic interlining that is in place now. This concept puts priority on service reliability when the economy improves rather than service expansion that may not be sustainable. However, additional service hours are necessary to implement this plan, which is why METRO is still interlining. The public needs to be informed about and have input on this approach that fixes the interlining and reliability problem first and then prioritizes how to address coverage problems utilizing the tools contained in the report.

Chair Beautz stated that this is a huge issue and the outreach process needs to be complete, not just a few people in two cities. Director Reilly agreed and stated that the public outreach process needs to be discussed. Director Spence stated that she feels the report is incredibly detailed and

should be distilled down so the public can readily understand it. Director Rotkin stated that this process should not be driven by public comments; rather, it should focus on service reliability before any service expansion.

DIRECTOR NICOL LEFT THE MEETING

Les White suggested that the Board consider authorizing the public circulation of the draft SRTP contingent upon staff presenting a proposed public outreach plan to the Board at the July 25, 2008 meeting.

Director Skillicorn stated that the location of the outreach meetings is important in order to get more stakeholder and general public participation.

Director Tavantzis stated that although she has seen great work done by Wilbur Smith Associates, she was very disappointed with the unprofessional quality of this report and the length of time it took to develop it because it no longer reflects accurate data two years after the contract was awarded. Director Tavantzis also said that she was surprised that the stakeholders did not include all of the METRO Board Members or the County Board of Supervisors and also added that if the Trunk & Feeder concept is implemented then transfers should be revived because otherwise people will be paying twice to take two buses when they cannot afford a monthly pass.

Chair Beautz agreed with Director Tavantzis and stated that she was not willing to vote on this today because there were too many problems, the change is too drastic and not what she was expecting for a short-range plan, and she feels it is a poor report that is not ready to be presented to the public.

Vice Chair Bustichi stated that he would like to get some real input on this report and the recommendations it contains.

Director Rotkin expressed concern that riders will have to take more than one bus to make the same trip one bus makes today.

The Board asked for clarification on several of the terms and specifics of the Trunk & Feeder concept contained in the report. Les White stated that he agrees that if it cannot be presented to the Board in an understandable way, then key decisions need to be made so the report can be re-presented to the Board and then to the public.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR BEAUTZ

Extend the meeting to 12:30 p.m.

Motion passed unanimously with Directors Hinkle, Nicol, and Stone being absent.

Discussion:

Director Skillicorn agreed that the report is not ready to be presented to the public.

Chair Beautz expressed concern that she feels the entire report is irrelevant and contains biased input because no public works or county political figures or officials were involved as stakeholders.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR TAVANTZIS

Direct Staff to give a presentation to the Board at its next meeting on the proposed Public Outreach Plan and to give another presentation at the August televised Board meeting on what information will be presented to the public.

Director Tavantzis suggested the following friendly amendment which was accepted by the maker of the motion:

Staff to also provide the Board with a list of additional items that staff believes should be included in the SRTP prior to it being circulated to the public.

Discussion:

Chair Beautz requested more time for the Board to receive staff input and understand the material rather than planning to adopt the final SRTP in August as proposed by WSA. Mark Dorfman replied that staff could contact AMBAG to extend the grant period and he clarified that staff would present a proposed Public Outreach Plan to the Board in two weeks and then if the Board concurred with the proposal, staff would present another presentation the following month on what information would be presented to the public.

Chair Beautz stated that she was going to vote “No” today on circulating this report because it needs to be redone, or at least parts of it because changing the fare structure and how the system is operated is not a five-year plan.

Vice Chair Bustichi and Director Rotkin stated that these ideas should to be looked at, no matter what the plan is called. Mark Dorfman added that a Trunk & Feeder system would require a fare structure change. Chair Beautz reiterated that these types of major changes are a long-term plan, not a five-year plan.

Marlene Connor stated that change can be difficult, especially a restructure like this one.

Karena Pushnik suggested that some level of analysis of how the Trunk & Feeder service proposal would affect the categories of Performance Standards listed on page #10.a35 including travel time, safety and security, ridership, etc. be included in the report so the public can see the benefits. Ms. Pushnik also suggested adding language to Goal #1 on page #10.a34 regarding the balance of METRO’s family of services.

Bonnie Morr, UTU, commented that the data in the report is outdated and does not address today’s fuel costs, the economy, and increased ridership due to these factors.

Ian McFadden, Transit Planner, suggested including an analysis with route maps so that the Board and staff can see what this plan would actually look like. Mr. McFadden reported that VTA

went to a Trunk & Feeder system in January and the feeder routes are still being adjusted but the trunks are working well.

Motion passed with Directors Bustichi, Reilly, Rotkin, Skillicorn, Spence and Tavantzis voting yes, Directors Beautz and Hagen voting no, and Directors Hinkle, Nicol, and Stone being absent.

Vice Chair Bustichi announced that Item #11 would be taken after Closed Session

ITEM #12 WAS TAKEN OUT OF ORDER

12. CONSIDERATION OF RENEWAL OF LIABILITY AND PHYSICAL DAMAGE INSURANCE PROGRAM WITH CALTIP FOR FY 2009

Summary:

Debbie Kinslow reported that the FY 2009 premium for liability coverage reflects an increase of 21.6% from FY 2008 and the FY 2009 premium for vehicle physical damage coverage reflects a decrease of 2.75% from FY 2008.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR ROTKIN

Authorize payment to the California Transit Insurance Pool (CaTIP) in the amount of \$486,313 for participation in the FY09 Liability and Vehicle Physical Damage Insurance Coverage Program

Motion passed unanimously with Directors Hinkle and Stone being absent.

13. CONSIDERATION OF APPROVAL OF CALPERS RESOLUTION TO REVISE METRO'S MEDICAL PREMIUM CONTRIBUTION RATES FOR THE UNITED TRANSPORTATION UNION, LOCAL 23, FIXED ROUTE

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Adopt Resolution to revise the contribution toward medical premium rates for the United Transportation Union, Local 23 Fixed Route (UTU) under the California Public Employees' Retirement System (CalPERS) medical insurance program

Motion passed unanimously with Directors Hinkle and Stone being absent.

14. ORAL ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR JULY 25, 2008 – SCOTTS VALLEY CITY COUNCIL CHAMBERS, ONE CIVIC CENTER DRIVE, SCOTTS VALLEY

Vice Chair Bustichi announced that the July 25, 2008 Board Meeting would be held at the Scotts Valley City Council Chambers, One Civic Center Drive, Scotts Valley, CA.

15. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION:

Margaret Gallagher reported that the Board would have a conference with its Legal Counsel regarding the Workers Compensation Claim of Steven Davidson and the Existing Litigation case of Peter Wu and Elizabeth Butler; have a conference with its Real Property Negotiators regarding property at 246 Kings Village Rd, Scotts Valley, CA and conduct a Public Employee Performance Evaluation of the General Manager.

16. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Peter Wu, Bus Operator and Claimant in Item #1b on today's Closed Session Agenda, distributed a document explaining his claim to the Board which is attached to the file copy of these minutes. Mr. Wu presented his version of the events regarding the damage to his partner's personal vehicle and how METRO staff has handled the claim. Mr. Wu stated that he feels that the process to be reimbursed by METRO for out-of-pocket expenses is convoluted and he just wants a fair investigation.

SECTION II: CLOSED SESSION

Vice Chair Bustichi adjourned to Closed Session at 12:19 p.m. and reconvened to Open Session at 1:04 p.m.

SECTION III: RECONVENE TO OPEN SESSION

17. REPORT OF CLOSED SESSION

Margaret Gallagher reported that the Board took no reportable action in Closed Session and that Item #11 had been deleted from today's Agenda.

ADJOURN

There being no further business, Vice Chair Bustichi adjourned the meeting at 1:04 p.m.

Respectfully submitted,

CINDI THOMAS
Administrative Services Coordinator