



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
REGULAR MEETING
APRIL 10, 2015 – 8:30AM
SANTA CRUZ CITY COUNCIL CHAMBERS
809 CENTER STREET
SANTA CRUZ, CA 95060
AND, CONTINUED TO
6:30PM
WATSONVILLE CITY COUNCIL CHAMBERS
275 MAIN STREET
WATSONVILLE, CA 95076**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, April 10, 2015, at the Santa Cruz City Council Chambers at 809 Center Street in Santa Cruz, CA.

The Board Meeting Agenda Packet can be found online at www.SCMTD.com and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California.

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SECTION I: OPEN SESSION

- 1 CALL TO ORDER at 8:34A** by Chair Bustichi

- 2 ROLL CALL:** The following Directors were **present**, representing quorum:

Ex-Officio Director Donna Blitzer	UC Santa Cruz
Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Cynthia Chase	City of Santa Cruz
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin	County of Santa Cruz

The following Directors were absent:

Director Karina Cervantez	City of Watsonville
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz

STAFF PRESENT:

Alex Clifford, CEO
Leslyn Syren, General Counsel

METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (IN ALPHABETICAL ORDER) WERE:

Heather Adamson, AMBAG	Rosemary Orlandi, Riders
Ciro Aguirre, METRO	Javier Pererz, SC County Students
Angela Aitken, METRO	Attending SJSU
Kristin Quiroz Bayona, Citizen	Peter Pethoe, Beach Hill Area
Elise Casby, Public Interest	Rex Resa, Cabrillo College Stroke
Carol Childers, Meals On Wheels	Center, Student Senator
Jeanette Cosentino, COD, 5 th Dist	Gloria Rovay, Riders
Andrew Dyer, Hwy 17 Express Riders	Ernestina Saldana,
Dennis Ether, Project Pollinate	Ernestina_Saldana@hotmail.com
Daryl Gerwin, La Posada	Susan Sanford, Self & Public
Dru Glover, Project Pollinate	Frank D. Sant, Valley Churches
Norm Hagen, Self	Sarah Schaffer, La Posada
Samantha Hamilton, City on a Hill Press	Emily Watson, Satellite Dialysis
Thomas Hoffmann, ParaCruz	Susan Weber, Self
Cyndi Javis, Meals on Wheels	Daniel Zaragoza, METRO

3 ANNOUNCEMENTS

Chair Bustichi announced that sign-in sheets are available at both the front and back of the Chambers. Attendees are not required to sign-in; however, if they do, they need sign-in only once.

Chair Bustichi introduced Liseth Guizar and noted her availability for Spanish Language Interpretation as needed. Liseth introduced herself and offered her interpretation services. Carlos Landaverri, translator, arrived at 8:40A and took over for Liseth.

This meeting is being televised by Community Television of Santa Cruz County, Channel 26. This morning's technician will be Peter McGettigan. Note: CTV was available at 8:40A.

Today's Court Reporter is Lisa McMillan.

Chair Bustichi announced that additional public comments were distributed to Board members and available for public review at the sign-in table.

Chair Bustichi cautioned the Board Members and assembly that no decisions regarding today's discussions will be made until the Public Hearing continues this evening in Watsonville at 6:30P.

4 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Chair Bustichi opened the floor to public comment. Hearing none, the meeting continued to the next agenda item.

5 COMMUNICATION FROM THE MAC TO THE BOARD OF DIRECTORS

Chair Bustichi opened the floor to public comment. Hearing none, Vice Chair Rotkin noted the MAC documentation contained within today's Board packet.

Vice Chair Rotkin also noted the current open Board At-Large position. He suggested any interested parties apply to the Santa Cruz County Board of Supervisors.

6 LABOR ORGANIZATION COMMUNICATIONS

Chair Bustichi opened the floor to public comment. Hearing none, the meeting continued to the next agenda item.

7 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

CONSENT AGENDA

8-01 CONSIDERATION OF TORT CLAIMS

8-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF FEBRUARY 2015

8-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF MARCH 27, 2015

8-04 CONSIDERATION OF CONTRACT AWARDS FOR VEHICLE REPAIR AND MAINTENANCE SERVICES NOT TO EXCEED \$152,000

8-05 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH MANSFIELD OIL COMPANY FOR PURCHASE OF DIESEL FUEL, INCREASING THE CONTRACT TOTAL BY \$600,000

8-06 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH BRIDGESTONE AMERICAS TIRE OPERATIONS, LLC FOR PURCHASE OF REVENUE AND NON-REVENUE TIRES, INCREASING THE CONTRACT TOTAL BY \$320,347

8-07 CONSIDERATION OF AWARD OF CONTRACT AWARD WITH SANTA CRUZ TRANSPORTATION, LLC FOR SUPPLEMENTAL PARATRANSIT SERVICES NOT TO EXCEED \$400,000

8-08 CONSIDERATION OF AGREEMENT WITH THE SANTA CRUZ SEASIDE COMPANY FOR THE PROVISION OF LATE-NIGHT SERVICE

8-09 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT CHANGE ORDER WITH LEWIS C. NELSON AND SONS, INC. IN THE AMOUNT OF \$56,000

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECONDED: DIRECTOR LEOPOLD

MOTION PASSED WITH 7 AYES (Directors Bottorff, Bustichi, Chase, Lane, Leopold, McPherson and Rotkin). Directors Cervantez, Dutra and Friend were absent.

REGULAR AGENDA

9 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF FEBRUARY 28, 2015

Angela Aitken, Finance Manager provided commentary to the presentation.

Director McPherson asked if we were approaching the sales tax budget goals. Ms. Aitken provided an update on the budget versus actual to date and the theory in place when the budget was established.

Director Rotkin noted that METRO riders are smart in determining the best discounted passenger fare. Ms. Aitken agreed and noted that the budget had been based on full fares.

Chair Bustichi opened the floor to public comment.

Jeanette Cosentino, member of the Commission on Disabilities, asked why the 6% rate had been assumed in budget projections. Finance Manager Aitken responded that at the time the budget was prepared, all indicators presumed an upward moving economy of 5.5 to 6.5%.

ACTION: MOTION TO ACCEPT THE MONTHLY FINANCIAL REPORT AS OF FEBRUARY 28, 2015 AS PRESENTED.

MOTION: DIRECTOR ROTKIN

SECONDED: DIRECTOR LANE

MOTION PASSED WITH 7 AYES (Directors Bottorff, Bustichi, Chase, Lane, Leopold, McPherson and Rotkin). Directors Cervantez, Dutra and Friend were absent.

Chair Bustichi announced the meeting/public hearing would continue at 6:30P in Watsonville and reiterated that public hearing decisions will not be made until that meeting

Board Meeting recessed at 8:47A to segue to the Public Hearing.

10 PUBLIC HEARING: CONSIDERATION OF FARE RESTRUCTURING OF HIGHWAY 17 EXPRESS AND PARACRUZ SERVICE AND FARE CHANGES

Chair Dene Bustichi reconvened the meeting at 9:00A and welcomed the assembly to the Public Hearing. Chair Bustichi reminded everyone that this is a long process with many significant challenges and potential cuts. He then outlined the parameters for the speakers, noting the 3 minute time limit and reminded the speakers that they are entitled

to speak to one agenda item one time. The final results will be discussed at tonight's continued session in Watsonville.

CEO Clifford outlined the structural deficit process and history noting that it is not possible to fix the structural deficit in one year.

Vice Chair Rotkin shared comments he'd heard from Highway 17 riders who feel they subsidize other riders. He wanted to be clear that the fare paid is subsidized above and beyond the fare paid. CEO Clifford added VTA and other partners additionally subsidize the cost.

Director Leopold asked how TDA and other funding differed from agency to agency. CEO Clifford responded that the majority of other peers contract out some portion of their services, which seems to result in lower costs. METRO contracts out only overflow ParaCruz services.

Responding to Director McPherson's question regarding ParaCruz's higher costs over Fixed Route, CEO Clifford responded that METRO provides service beyond the ADA minimum which affects costs.

General Counsel Syren spoke regarding the objective of ADA Paratransit and history of the law providing complementary Paratransit services. METRO is asking to adhere to the federal minimum standards; federal law does not require a service greater than Fixed Route. She further asked that the assembly keep in mind that Paratransit services can be cut beyond federal requirements if they represent an undue financial burden.

Regarding the Highway 17 proposals, Erich Friedrich, Sr. Transportation Planner, said METRO was working with SJSU's Transportation Coordinator and received many comments from their student population. As such, METRO was sensitive to the economic thresholds and had reduced the proposal to a more palatable fare.

Director Rotkin suggested METRO speak with UCSC's students, rather than their administration, to see if we can gain any traction there. Mr. Friedrich added that discussions have been ongoing with Cabrillo's student body and administration.

In her narrative regarding ParaCruz, April Warnock, ParaCruz Superintendent, noted that none of our peer agencies offer a day pass.

Director Rotkin urged attendees to pick up and mail the postcards at the back of the Chambers to lobby your representative in support of federal transportation funds.

CEO Clifford summed up the final slide/recommendations and emphasized these are difficult decisions which will take multiple years to resolve. He added that METRO staff was on hand to answer any questions from the board and/or public.

Chair Bustichi opened the floor to public comment and reminded the speakers that they each had one opportunity to speak to one agenda item.

The public comment transcript is available upon request from METRO's Administrative offices at 110 Vernon Street, Santa Cruz, CA 95060.

Hearing no other public speakers, Chair Bustichi thanked everyone for attending and for providing their input in a civil manner. He welcomed everyone to this evening's continued meeting at 6:30P at the Watsonville City Chambers and reminded everyone that those who spoke this morning will not have an opportunity to speak in Watsonville regarding the same topic.

Director Rotkin thanked everyone for testifying. Responding to the comment regarding capital projects, he clarified that specific grants are used to fund capital projects. He'd like the public to understand the economic demographics of Santa Cruz County: 38% of Fixed Route passengers earn less than \$10K/year; 72% earn less than \$30K/year; and, 8% earn over \$60K/year. Unfortunately, the next step may be to reduce Fixed Route services.

Director Leopold expressed his appreciation to the speakers and the assembly noting the difficulty in scheduling a time that works for everyone. The meeting in Watsonville is scheduled to accommodate work hours. Service cuts are taken very seriously as 82% of transit users do not have a car. METRO has worked to use capital funds to keep service on the road. Sales tax is a primary source of funding.

12 RECESS TO 6:30P AT WATSONVILLE CITY COUNCIL CHAMBERS, 275 MAIN STREET, WATSONVILLE

Chair Dene Bustichi recessed the meeting at 11:02A to reconvene at 6:30P at the Watsonville City Council Chambers, 275 Main Street, in Watsonville.

13 Chair Bustichi called the meeting to order at 6:34P at the Watsonville City Council Chambers, 275 Main Street, in Watsonville.

14 ROLL CALL: The following Directors were **present**, representing quorum:

Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin	County of Santa Cruz

The following Directors were absent:

Ex-Officio Director Donna Blitzer	UC Santa Cruz
Director Zach Friend	County of Santa Cruz

STAFF PRESENT:

Alex Clifford, CEO

Leslyn Syren, General Counsel

METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (IN ALPHABETICAL ORDER) WERE:

Heather Adamson, AMBAG	Rosario Mendoza Munoz, SC COD
Angela Aitken, METRO	Guadalupe Ortiz, Self
Greg Caput, SC County Supervisor	Becky Obsborn, Kirk Osborn
Felipa de Leon, SC COD	Kirk Osborn, Self
Carolyn Derwing, METRO/SEA	Brenda Roman, UTU
Patricia Goevara, SC COD	Ernestina Saldana, SC COD
Norm Hagen, Self	Susan Sanford, Self & Disabled Community
Alicia Hernandez, UTU	Dan Stevenson, UTU
Felipe Hernandez, City Council	Dan Thorpe, Self
Thomas Hiltner, METRO	Mario Torres, UTU
Clay Kempf, Seniors Monterey Bay ADRC	Miriam Villalobos, SC COD
Sergio Lona, UTU	
Maira Magana, CCIL	

Chair Bustichi announced that Spanish translation headsets are available outside the translator's booth. Users: Please tune them to Channel 11 and return when you leave. Director Cervantez translated in Spanish. Carlos Landaverri arrived shortly thereafter and assumed the translation responsibilities.

Chair Bustichi announced that copies of slightly revised slides 23 and 25 were available at the back of the room and at each Board Member's seat. Noted revisions were made to improve clarity.

15 PUBLIC HEARING: CONSIDERATION OF FARE RESTRUCTURING OF HIGHWAY 17 EXPRESS AND PARACRUZ SERVICE AND FARE CHANGES, CONTINUED

Chair Dene Bustichi continued the Public Hearing at 6:40P and turned the proceedings over to CEO Clifford who provided a brief history of the structural deficit process and outlined METRO's various outreach efforts through media, written communication, etc. He emphasized that recurring expenses exceed recurring revenues.

Angela Aitken, Finance Manager, Erich Friedrich, Sr. Transportation Planner, and April Warnock, ParaTransit Superintendent, provided narration to accompany the presentation.

CEO Clifford and Director Rotkin continued the morning discussion regarding Highway 17 passenger input. Director Rotkin pointed out that METRO subsidizes approximately 50%; none of the lines are profitable. CEO Clifford clarified the fare box revenue includes subsidies from the Joint Powers Agreement (JPA).

General Counsel Syren briefed the assembly on the ADA Paratransit service history, noting the importance of understanding that Paratransit was never established as a comprehensive transportation system. Rather it is a safety net established by federal law. Paratransit

ACTION: MOTION TO ACCEPT PROPOSED RECOMMENDATION 7 AS PRESENTED (ALIGN PARATRANSIT SERVICE WITH FIXED ROUTE SERVICE), DEFERRING ROUTE 33 AND 34 CHANGES TO MAY

MOTION: DIRECTOR LANE **SECONDED: DIRECTOR BOTTORFF**
MOTION PASSED WITH 8 AYES (Directors Bottorff, Bustichi, Chase, Dutra, Lane, Leopold, McPherson and Rotkin) AND 1 NO (Director Cervantez). Director Friend was absent.

ACTION: MOTION TO DELAY DECISION REGARDING PROPOSED RECOMMENDATION 8 (ALIGN NON-SCHOOL TERM PARATRANSIT SERVICE WITH FIXED ROUTE SERVICE), AND TO DIRECT METRO STAFF TO INVESTIGATE FEASIBILITY AND COST SAVINGS OF SERVICE REDUCTIONS. REQUESTED INFORMATION TO BE PRESENTED AT THE MAY 8TH BOARD MEETING.

MOTION: DIRECTOR ROTKIN **SECONDED: DIRECTOR McPHERSON**
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Lane, Leopold, McPherson and Rotkin). Director Friend was absent.

ACTION: MOTION TO ACCEPT PROPOSED RECOMMENDATION 9 AS PRESENTED (INACTIVATE PARATRANSIT SERVICE ON MEMORIAL DAY, FOURTH OF JULY AND LABOR DAY):

MOTION: DIRECTOR ROTKIN **SECONDED: DIRECTOR BOTTORFF**
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Lane, Leopold, McPherson and Rotkin). Director Friend was absent.

Discussion among the Board and METRO staff continued regarding proposed recommendations 10 through 13 as they relate to the entire system, various pricing scenarios, impacts to agency and passengers, etc. General consensus among the Board was that \$16 was too expensive for a one-way trip. The realities of the structural deficit are harsh but the philosophy should be consistent.

Director Leopold suggested METRO work with the SCCRTC to pass a sales tax measure.

ACTION: MOTION TO DELAY THE ACCEPTANCE OF PROPOSED RECOMMENDATIONS 10 THROUGH 13 AS PRESENTED UNTIL THE MAY 8TH BOARD MEETING:

- 10. INSTITUTE A PREMIUM PARATRANSIT FARE FOR SAME DAY RIDES**
- 11. INSTITUTE A PREMIUM PARATRANSIT FARE FOR WILL CALL RETURNS
INSTITUTE A PREMIUM PARATRANSIT FARE FOR PICK-UPS/DROP-OFFS UP
TO 1 MILE OUTSIDE THE CURRENT SERVICE AREA**
- 12. INSTITUTE A PREMIUM PARATRANSIT FARE FOR "NO-SHOW"
RE-DISPATCHING A VEHICLE**

MOTION REQUESTING METRO STAFF RETURN TO THE MAY 8TH BOARD MEETING WITH NEW, LESS PUNITIVE PROPOSALS FOR THE PARATRANSIT PREMIUM FARES TO INCLUDE A MAP REFLECTING THE CURRENT LEVELS OF SERVICE AND PROPOSED NEW SERVICE.

MOTION: DIRECTOR DUTRA **SECONDED: DIRECTOR ROTKIN**
MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Lane, Leopold, McPherson and Rotkin). Director Friend was absent.

ACTION: MOTION TO ACCEPT PROPOSED RECOMMENDATION 14 AS MODIFIED: INSTITUTE A PARATRANSIT FIXED ROUTE EQUIVALENT FARE OF \$4.00 BASE FARE FOR FIRST FIXED ROUTE BUS EQUIVALENT PLUS \$2.00 ADDITIONAL FOR A FIXED ROUTE EQUIVALENT OF TWO MORE FIXED ROUTE BUSES FOR A MAXIMUM CHARGE OF \$6 ONE WAY.

MOTION: DIRECTOR LANE

SECONDED: DIRECTOR ROTKIN

MOTION PASSED WITH 9 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Lane, Leopold, McPherson and Rotkin). Director Friend was absent.

- 16 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, MAY 8, 2015 AT 8:30AM, METRO ADMIN OFFICES, 110 VERNON STREET, SANTA CRUZ**
- 17 Chair Bustichi adjourned the meeting at 9:10P**

Pursuant to Section 54954.2(a)(1) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day. The agenda packet and materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Santa Cruz METRO Administrative Office (110 Vernon Street, Santa Cruz) during normal business hours. Such documents are also available on the Santa Cruz METRO website at www.scmtd.com subject to staff's ability to post the document before the meeting.