

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**Minutes- Board of Directors**

**February 24, 2006**

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A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, February 24, 2006 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA.

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

## **SECTION 1: OPEN SESSION**

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

#### **DIRECTORS PRESENT**

Jan Beautz (arrived after roll call)  
Dene Bustichi  
Michelle Hinkle  
Mike Keogh  
Kirby Nicol  
Emily Reilly  
Mike Rotkin  
Dale Skillicorn  
Pat Spence  
Mark Stone  
Marcela Tavantzis

#### **DIRECTORS ABSENT**

Ex-Officio Wes Scott

#### **STAFF PRESENT**

Frank Cheng, MetroBase Project Manager  
Mark Dorfman, Assistant General Manager  
Margaret Gallagher, District Counsel  
Steve Paulson, Paratransit Administrator  
Elisabeth Ross, Finance Manager

Robyn Slater, Human Resources Manager  
Judy Souza, Acting Operations Manager  
Tom Stickel, Maintenance Manager  
Les White, General Manager

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

Maria Granados-Boyce, UTU  
Ian McFadden, SEA  
Bonnie Morr, UTU

Will Regan, VMU  
Amy Weiss, Spanish Interpreter  
Bob Yount, MAC / E&D TAC

### **2. ORAL AND WRITTEN COMMUNICATION**

Written:

- a. METRO Accessible Services Discussion Forum (MASDF)      re:Agenda**

Oral:

Chair Rotkin announced that today's meeting would be broadcast on Comcast Channel 25, rather than Channel 26.

Bob Yount, MAC, reported that MAC has been discussing the Paratransit Coordination Task Force's recommendations for the past three months and would have MAC's draft recommendations to present to the Board next month. MAC will be discussing MAC members' term limits and appointments at its next meeting and recommendations for the Board afterwards.

Written:

Chair Rotkin asked about Item #2-a. Les White reported that MASTF held a reorganizational meeting last fall to discuss whether or not to continue meeting. Only four people attended the January 2006 meeting, and only one person attended the February meeting last week. With the lack of participation, MASTF no longer has anyone to produce agendas and minutes and has changed its name to MASDF, and is now a discussion group rather than a structured Brown Act committee.

**3. LABOR ORGANIZATION COMMUNICATIONS**

None.

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

Page 1 of the January Ridership Report was distributed to day and is attached to the file copy of these minutes.

**SECTION I:**

**OPEN SESSION:**

**INSERT ITEM #2**

ORAL AND WRITTEN COMMUNICATION  
**(Insert written Communication)**

**CONSENT AGENDA:**

**ADD TO ITEM #5-1**

APPROVE REGULAR BOARD MEETING MINUTES OF OCTOBER 14 AND 28, NOVEMBER 18, DECEMBER 9 AND 16, 2005 AND SPECIAL MEETING MINUTES OF NOVEMBER 2 **AND DECEMBER 16, 2005**  
**(Insert December Minutes)**

**ADD TO ITEM #5-3**

ACCEPT AND FILE JANUARY 2006 AND PAGE 1 OF THE DECEMBER 2005 RIDERSHIP REPORTS  
**(Insert Page 1 of the January Report – will be distributed at the February 24, 2006 Board Meeting)**

**INSERT ITEM #5-7**

ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2005  
**(Insert Staff Report)**

**DELETE ITEM #5-8**

ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2005 AND APPROVAL OF BUDGET TRANSFERS  
**(Deleted: Will be included in the March 2006 Board Packet)**

- INSERT ITEM #5-11** ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR THE MONTH OF DECEMBER 2005  
(Insert Staff Report)
- ADD ITEM #5-17** CONSIDERATION OF RATIFICATION OF A 1-YEAR LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK SPACE #5 WITH JOSE VILLA DBA LA MANCHA TO OPERATE A SANDWICH AND SMOOTHIE SHOP  
(Insert Staff Report)
- ADD ITEM #5-18** CONSIDERATION OF AN AGREEMENT WITH SANTA CRUZ SEASIDE COMPANY FOR THE PROVISION OF LATE NIGHT SERVICE  
(Insert Staff Report)
- ADD ITEM #5-19** CONSIDERATION OF AUTHORIZING THE NEW OWNER AND ASSIGNEE OF THE LEASE ASSIGNMENT OF THE CHINESE RESTAURANT AT THE WATSONVILLE TRANSIT CENTER TO CHANGE THE CO-OWNER AND CO-ASSIGNEE  
(Insert Staff Report)
- REGULAR AGENDA:**
- INSERT ITEM #7** CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT FOR REVENUE AND NON-REVENUE TIRES  
(Insert Staff Report)
- INSERT ITEM #8** CONSIDERATION OF **RESOLUTION** TO REVISE SANTA CRUZ METRO'S BYLAWS AND DIRECTOR'S CODE OF ETHICS TO INCORPORATE MODIFICATIONS REQUIRED BY NEW LEGISLATION (AB1234) WHICH BECAME EFFECTIVE JANUARY 1, 2006, REGARDING DIRECTOR'S COMPENSATION AND ETHICS REQUIREMENTS INCLUDING TRAINING  
(Insert Staff Report)
- INSERT ITEM #11** ACCEPT AND FILE INFORMATION REGARDING THE PREPARATION AND AVAILABILITY OF THE 2004/2005 FINANCIAL AUDIT IN RESPONSE TO COMMENTS AND REQUEST FROM UTU AT THE JANUARY 27, 2006 BOARD MEETING  
(Insert Staff Report)
- ADD ITEM #12** CONSIDERATION OF AN AMENDMENT TO THE CONTRACT WITH RNL DESIGN, INC. IN THE AMOUNT OF \$104,189.00 FOR THE SERVICES OF COTTON, SHIRES & ASSOCIATES TO PROVIDE GEOTECHNICAL CONSTRUCTION OBSERVATION AND TESTING FOR THE SERVICE AND FUELING BUILDING CONSTRUCTION OF THE METROBASE PROJECT  
(Insert Staff Report)
- ADD ITEM #13** CONSIDERATION OF APPROVAL OF CALPERS RESOLUTIONS TO FIX THE DISTRICT'S MEDICAL PREMIUM CONTRIBUTION RATES  
(Insert Staff Report)

**ADD ITEM #14**                    **CONSIDERATION OF 2005/2006 MANAGEMENT  
COMPENSATION PLAN**  
(Insert Staff Report)

**CONSENT AGENDA**

- 5-1. **APPROVE REGULAR BOARD MEETING MINUTES OF OCTOBER 14 AND 28,  
NOVEMBER 18, DECEMBER 9 AND 16, 2005 AND SPECIAL MEETING MINUTES OF  
NOVEMBER 2 AND DECEMBER 16, 2005**
- 5-2. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF  
JANUARY 2006**
- 5-3. **ACCEPT AND FILE JANUARY 2006 AND PAGE 1 OF THE DECEMBER 2005  
RIDERSHIP REPORTS**
- 5-4. **CONSIDERATION OF TORT CLAIMS: None.**
- 5-5. **ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR  
FEBRUARY 15, 2006 AND MINUTES OF NOVEMBER 16, 2005**
- 5-6. **DELETED: NOT PROVIDED AND COMMITTEE HAS CHANGED ITS NAME**  
(ACCEPT AND FILE THE METRO ACCESSIBLE SERVICES TRANSIT FORUM  
(MASTF) AGENDA FOR FEBRUARY 16, 2006 AND MINUTES OF JANUARY 19, 2006)
- 5-7. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2005**
- 5-8. **DELETED: WILL BE INCLUDED IN THE MARCH 2006 BOARD PACKET**  
(ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2005  
AND APPROVAL OF BUDGET TRANSFERS)
- 5-9. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR NOVEMBER 2005**
- 5-10. **ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH  
OF NOVEMBER 2005**
- 5-11. **ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE  
FOR THE MONTH OF DECEMBER 2005**
- 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 JANUARY 2006 MEETINGS**
- 5-14. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO RENEW THE  
CONTRACT WITH ORTHOPAEDIC HOSPITAL FOR QUALITY ASSURANCE  
REVIEWS OF DISTRICT PERFORMED ADA ELIGIBILITY SCREENINGS**
- 5-15. **CONSIDERATION OF RESOLUTION AUTHORIZING AN AMENDED CLAIM TO THE  
SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR STATE  
TRANSIT ASSISTANCE FUNDS**  
(Moved to Consent Agenda at the February 10, 2006 Board Meeting. Retained  
original numbering as Item #9)
- 5-16. **CONSIDERATION OF RESOLUTION AUTHORIZING AN APPLICATION TO  
CALTRANS FOR FY2006 RURAL OPERATING ASSISTANCE**  
(Moved to Consent Agenda at the February 10, 2006 Board Meeting. Retained  
original numbering as Item #10)
- 5-17. **CONSIDERATION OF RATIFICATION OF A 1-YEAR LEASE FOR THE  
WATSONVILLE TRANSIT CENTER KIOSK SPACE #5 WITH JOSE VILLA DBA LA  
MANCHA TO OPERATE A SANDWICH AND SMOOTHIE SHOP**

**5-18. CONSIDERATION OF AN AGREEMENT WITH SANTA CRUZ SEASIDE COMPANY FOR THE PROVISION OF LATE NIGHT SERVICE**

**5-19. CONSIDERATION OF AUTHORIZING THE NEW OWNER AND ASSIGNEE OF THE LEASE ASSIGNMENT OF THE CHINESE RESTAURANT AT THE WATSONVILLE TRANSIT CENTER TO CHANGE THE CO-OWNER AND CO-ASSIGNEE**

On Item #5-18, Director Reilly said she wished to acknowledge the efforts of the Seaside Company arranging for the provision of late night service to ensure their employees get home safely.

Regarding Item #5-1, Director Spence requested the following modifications be made to the December 2005 Board Minutes to reflect her intent, rather than what she actually said:

- 1) On page 5 of the December 9, 2005 Minutes, Item #13, under Discussion: Director Spence expressed discontent with the amount of interaction and dynamics **said that she had hoped for a more dynamic interaction** between MAC and the Board;
- 2) On page 8 of the December 16, 2005 Minutes, Item #13, under Discussion: Director Spence retracted **explained that it was not her intention or in her heart that** her comment made at the December 9, 2005 meeting that she was discontented with the amount of interaction between MAC and the Board. **She** and also said that **MAG advisory groups** really does come up with some **have** good suggestions every now and then **such as MASTF's recommendation not to cut service to the homeless shelter during a round of service cuts about two years ago and the "Living the Paratransit Experience"...** Director Spence said she appreciates all the work they do,....

**ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR STONE**

**Approve the Consent Agenda with amendments to December 2005 Board Minutes pending verification**

**Motion passed by unanimous affirmative voice vote in lieu of a roll call vote for Items #5-15 and #5-16 with Director Nicol abstaining on Item #5-1 and with Director Beautz being absent.**

**REGULAR AGENDA**

**6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS**

The following employee was awarded a longevity certificate for her years of service:

**TWENTY-FIVE YEARS**

Maria Granados-Boyce, Bus Operator

**7. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT FOR REVENUE AND NON-REVENUE TIRES**

**DIRECTOR BEAUTZ ARRIVED**

**Summary:**

Tom Stickel reported that the District needs revenue tires for the buses and non-revenue tires for staff cars, shop trucks and various other pieces of equipment. Mr. Stickel explained that it had been necessary for the District to submit Invitations for Bid twice, the same two firms bid both times with Skip's Tire and Auto Centers' bid being ruled ineligible both times for failing to follow bid specification requirements. Dixon & Son, Inc. has been the District's main tire supplier and has provided good service to the District for over 10 years.

**Discussion:**

Director Bustichi asked if these are recapped tires or all new tires and if any are the same tires that had the blow-out problems last year. Tom Stickel replied that some are remanufactured, which are used on the rear wheels of the buses. Les White added that the District no longer uses the series of tires that had the blow-outs.

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

**Authorize the General Manager to execute a contract for revenue and non-revenue tires with Dixon & Son, Inc.**

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

**8. CONSIDERATION OF RESOLUTION TO REVISE SANTA CRUZ METRO'S BYLAWS AND DIRECTOR'S CODE OF ETHICS TO INCORPORATE MODIFICATIONS REQUIRED BY NEW LEGISLATION (AB1234) WHICH BECAME EFFECTIVE JANUARY 1, 2006, REGARDING DIRECTOR'S COMPENSATION AND ETHICS REQUIREMENTS INCLUDING TRAINING**

**Summary:**

Margaret Gallagher reported that new legislation, AB 1234, went into effect January 1, 2006 clarifying rules pertaining to compensation and reimbursement for officials of a local public agency, and also establishing provisions for ethics training for local government officials and designated employees. METRO can comply in one of three ways: by publicly adopting specific expense reimbursement rates, by using IRS rates, or by bringing expenditures to the Board for approval prior to the expenditure.

Staff recommends using a combination of adopting the reimbursable rates set forth in the Resolution and that any reimbursable expenses not set forth in these reimbursable rates would have to be approved by the Board prior to expenditure. Additionally, Staff recommends that METRO's Administrative Services Coordinator make all travel arrangements.

**ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR REILLY**

**Adopt Resolution to revise METRO’s Bylaws and Director’s Code of Ethics to incorporate modifications required by new legislation (AB 1234) which became effective January 1, 2006, regarding Director’s compensation and Ethics requirements including training**

**Motion passed by unanimous affirmative voice vote in lieu of a roll call vote with all Directors present.**

**11. ACCEPT AND FILE INFORMATION REGARDING THE PREPARATION AND AVAILABILITY OF THE 2004/2005 FINANCIAL AUDIT IN RESPONSE TO COMMENTS AND REQUEST FROM UTU AT THE JANUARY 27, 2006 BOARD MEETING**

**Summary:**

Elisabeth Ross reported that this report is a response to the letter from Bonnie Morr, UTU.

**ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR ROTKIN**

**Accept and file information regarding the preparation and availability of the 2004/2005 Financial Audit in response to comments and request form UTU at the January 27, 2006 Board Meeting**

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

**12. CONSIDERATION OF AN AMENDMENT TO THE CONTRACT WITH RNL DESIGN, INC. IN THE AMOUNT OF \$104,189.00 FOR THE SERVICES OF COTTON, SHIRES & ASSOCIATES TO PROVIDE GEOTECHNICAL CONSTRUCTION OBSERVATION AND TESTING FOR THE SERVICE AND FUELING BUILDING CONSTRUCTION OF THE METROBASE PROJECT**

**Summary:**

Frank Cheng reported that Cotton, Shires & Associates will provide geotechnical construction observation and testing for the pile foundation construction. The estimate of \$104,189.00 is a cap based on intermittent inspections and only the actual hours will be invoiced.

**ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR BUSTICHI**

**Authorize the General Manager to execute an amendment to the contract with RNL Design, Inc. in the amount of \$104,189.00 for the services of Cotton, Shires & Associates to provide geotechnical construction observation and testing services for the Service and Fueling Building Construction of the MetroBase Project**

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

At Les White's request, Chair Rotkin agreed to take Item #13 after Closed Session.

**14. CONSIDERATION OF 2005/2006 MANAGEMENT COMPENSATION PLAN**

**Summary:**

Chair Rotkin reported that the Management Compensation plan is within the same parameters offered to the unions.

**Discussion:**

Bonnie Morr, UTU, said that she wished to clarify that UTU did not receive 1.72% increase; they only received a 1.29%. Les White responded that all through negotiations there has been a variance between Management & UTU's calculations of the overall amount of money that was provided.

Ian McFadden, SEA, said that he is concerned about the current dispute between PERS and METRO regarding retiree and active employee health insurance and that by continuing Management's health coverage at 100%, Management retirees will receive that as well, which may be a hidden cost for the Board to consider. Mr. McFadden also urged the Board to do whatever needs to be done to make sure METRO is in compliance with PEMHCA.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY**

**Approve changes to the Management Compensation Plan for Fiscal Year 2005/2006 as presented**

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

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

Chair Rotkin reported that the Board would consider Item #13 after reconvening from Closed Session, and that in Closed Session, the Board would have a conference with its Legal Counsel regarding one case of anticipated litigation and would conduct a Public Employee Performance Evaluation of the General Manager.

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

Regarding Item #13, Will Regan, VMU, pointed out that the Government Code Section contained in the Resolutions was incorrect.

**SECTION II: CLOSED SESSION**

Chair Rotkin adjourned to Closed Session at 9:35 a.m. and reconvened to Open Session at 10:00 a.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. Chair Rotkin reported that the Board had only considered Item #1 on the Closed Session Agenda and that the Board would reconvene to Closed Session for Item #2 on the Closed Session Agenda, and that there would be no reportable action afterwards.

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

**13. CONSIDERATION OF APPROVAL OF CALPERS RESOLUTIONS TO FIX THE DISTRICT'S MEDICAL PREMIUM CONTRIBUTION RATES**

**Summary:**

Chair Rotkin reported that the specific Code Sections in the Resolutions would be corrected and that the Staff Report should read SEIU, Local 415, rather than SEIU, Local 23.

**Discussion:**

Robyn Slater reported that METRO has been working with both unions since approximately August to revise the Resolutions so they would be in keeping with the new contracts, and based on their desires, the Resolutions have been changed to reflect the exact dollar amounts METRO would pay for the lifetime of these contracts or until there is a change in the rates.

**ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR REILLY**

**Adopt Resolutions to revise the fixed contribution toward medical coverage for the Service Employees International Union, Local 415 and the United Transportation Union, Local 23 (fixed route) under the California Public Employees' Retirement System (CalPERS) medical insurance program, with the provision that the Code Section be corrected on both Resolutions**

**Motion passed by unanimous affirmative voice vote in lieu of a roll call vote with all Directors present.**

**ADJOURN**

There being no further business, Chair Rotkin adjourned the meeting to Closed Session at 10:04 a.m.

Respectfully submitted,

CINDI THOMAS  
Administrative Services Coordinator