

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**Minutes- Board of Directors**

**March 24, 2006**

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

Chair Rotkin called the meeting to order at 9:02 a.m.

## **SECTION 1: OPEN SESSION**

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

#### **DIRECTORS PRESENT**

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

#### **DIRECTORS ABSENT**

Dene Bustichi  
Emily Reilly  
Ex-Officio Wes Scott

#### **STAFF PRESENT**

Frank Cheng, MetroBase Project Manager  
Mark Dorfman, Assistant General Manager  
Margaret Gallagher, District Counsel  
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**

Genevieve Bookwalter, Sentinel  
Carolyn Derwing, UTU  
David Lucier, UTU Retiree  
Ian McFadden, SEA

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

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

Written:

**a. Donald M. Perry**

**re: Bus Stops near Pleasant Care**

Oral:

David Lucier, UTU Retiree, presented a proposal to the Board to prevent future strikes by creating the Santa Cruz Transit Institute, which would provide an alternative channel of communication to investigate potential strike issues. Mr. Lucier distributed a letter and brochure which are attached to the file copy of these Minutes.

Bob Yount, MAC, distributed to the Board MAC's discussion and recommendations on the Paratransit Coordination Task Force's recommendations, which are attached to the file copy of these Minutes. Mr. Yount explained that MAC's input is in italics within boxes and clarified that some issues are addressed more than once and that MAC has particular interest in looking into the Scrip program and is willing to look at any other issues at the Board's direction.

**3. LABOR ORGANIZATION COMMUNICATIONS**

Carolyn Derwing, UTU, reported that there are five Bus Operators who do not use METRO's medical benefits, which saves the District between \$15,000 and \$48,000 per year. Ms. Derwing said that although these drivers are entitled to be compensated \$100 per month on a quarterly basis, they have not been paid for the 3<sup>rd</sup> and 4<sup>th</sup> quarters. UTU sees this as retaliation for participation in the strike, which is an unfair labor practice and requests the Board assistance in seeing that the retaliation stops and the drivers are paid.

Director Keogh asked if the request had been submitted to Mr. White. Ms. Derwing responded that it had been submitted and denied.

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

A REVISED Staff Report for Item #5-12 was distributed today 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:**

**REPLACE ITEM #5-1**

APPROVE REGULAR BOARD MEETING MINUTES OF JANUARY 13 AND JANUARY 27, 2006

**(Replace pages #5-1.1 and #5-1.16 with REVISED pages)**

**ADD TO ITEM #5-3**

ACCEPT AND FILE FEBRUARY 2006 RIDERSHIP REPORT

**(Insert Pages 1 and 4)**

**REPLACE ITEM #5-5**

ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR MARCH 15, 2006 AND MINUTES OF JANUARY 18, 2006

**(REPLACE February Minutes with JANUARY Minutes)**

**INSERT ITEM #5-7**

ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR DECEMBER 2005 AND APPROVAL OF BUDGET TRANSFERS

**(Insert Staff Report)**

**INSERT ITEM #5-8**

ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2005

**(Insert Report)**

- INSERT ITEM #5-10** ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF JANUARY 2006  
**(Insert Staff Report)**
- REPLACE ITEM #5-12** ACCEPT AND FILE METROBASE STATUS REPORT  
**(REVISED Staff Report will be distributed at the March 24, 2006 Board Meeting)**
- ADD ITEM #5-16** ACCEPT AND FILE CALL STOP AUDIT REPORT FOR THE PERIOD OF DECEMBER 2005, JANUARY AND FEBRUARY 2006  
**(Insert Staff Report)**
- ADD ITEM #5-17** CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO USE THE STATE OF CALIFORNIA DEPARTMENT OF GENERAL SERVICES CONTRACT FOR THE PURCHASE OF TWO EACH TRUCKS  
**(Insert Staff Report)**
- REGULAR AGENDA:**  
**DELETE ITEM #7** CONSIDERATION OF AWARD OF CONTRACTS FOR APPRAISAL AND REVIEW SERVICES FOR TWO PROPERTIES ON RIVER STREET, ONE PROPERTY ON VERNON STREET, AND APPRAISAL REVIEW OF GREYHOUND PROPERTY  
**(Deleted: Will be included in the April 2006 Board Packet)**
- INSERT ITEM #8** CONSIDERATION OF APPROVAL OF FY 06-07 PRELIMINARY LINE ITEM BUDGET FOR REVIEW AND CLAIMS PURPOSES  
**(Insert Staff Report)**
- REPLACE ITEM #11** CONSIDERATION OF **RESOLUTIONS** AUTHORIZING SUBMITTAL OF FY 2007 STA AND TDA CLAIMS  
**(Moved to Consent Agenda at the March 10, 2006 Board Meeting. Retained original numbering as Item #11)**  
**(Replace Staff Report with REVISED Staff Report)**
- REPLACE ITEM #12** CONSIDERATION OF ADOPTING A PROGRAM OF PROJECTS AND AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA PROGRAM FOR FY 2006  
**(Moved to Consent Agenda at the March 10, 2006 Board Meeting. Retained original numbering as Item #12)**  
**(Replace Staff Report with REVISED Staff Report)**

**CONSENT AGENDA**

- 5-1. APPROVE REGULAR BOARD MEETING MINUTES OF JANUARY 13 AND JANUARY 27, 2006**
- 5-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF FEBRUARY 2006**
- 5-3. ACCEPT AND FILE FEBRUARY 2006 RIDERSHIP REPORT**
- 5-4. CONSIDERATION OF TORT CLAIMS: DENY THE CLAIM OF SEBASTIAN GRUENDIG, CLAIM #06-0004**

- 5-5. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR MARCH 15, 2006 AND MINUTES OF JANUARY 18, 2006
- 5-6. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2005 AND APPROVAL OF BUDGET TRANSFERS
- 5-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR DECEMBER 2005 AND APPROVAL OF BUDGET TRANSFERS
- 5-8. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2005
- 5-9. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF DECEMBER 2005
- 5-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF JANUARY 2006
- 5-11. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE FEBRUARY 2006 MEETINGS
- 5-12. ACCEPT AND FILE METROBASE STATUS REPORT
- 5-13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A RENEWAL OF CONTRACT WITH MISSION LINEN & UNIFORM SERVICE FOR UNIFORM, FLAT GOODS AND LAUNDRY SERVICES
- 5-14. CONSIDERATION OF RESOLUTIONS AUTHORIZING SUBMITTAL OF FY 2007 STA AND TDA CLAIMS  
(Moved to Consent Agenda at the March 10, 2006 Board Meeting. Retained original numbering as Item #11)
- 5-15. CONSIDERATION OF ADOPTING A PROGRAM OF PROJECTS AND AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA PROGRAM FOR FY 2006  
(Moved to Consent Agenda at the March 10, 2006 Board Meeting. Retained original numbering as Item #12)
- 5-16. ACCEPT AND FILE CALL STOP AUDIT REPORT FOR THE PERIOD OF DECEMBER 2005, JANUARY AND FEBRUARY 2006
- 5-17. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO USE THE STATE OF CALIFORNIA DEPARTMENT OF GENERAL SERVICES CONTRACT FOR THE PURCHASE OF TWO EACH TRUCKS

**DIRECTOR BEAUTZ ARRIVED**

Regarding Item #5-5, Director Spence pointed out that only nine MAC members were listed in the MAC Minutes and asked if there were two vacancies. Les White clarified that there was only one vacancy and that was an error in the Minutes that would be corrected<sup>1</sup>.

**ACTION: MOTION: DIRECTOR NICOL SECOND: DIRECTOR SKILLICORN**

**Approve the Consent Agenda with amendments to January 18, 2006 MAC Minutes**

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<sup>1</sup> Corrections have been made to the file copy of the January 18, 2006 MAC Minutes to reflect all ten members.

Les White reported that Item #5-12 was a REVISED MetroBase Status Report distributed today, confirming a previously approved change order and notifying the Board that there will be additional change orders before the Board next month on both the design of the Maintenance Building and on the Construction Management Services.

Chair Rotkin stated that he would like to propose appointing a sub-committee of three or so Board Members to review proposed change orders before they are presented to the Board for approval. Chair Rotkin said he would like to appoint Director Keogh and that this could be discussed at a later date.

Bob Yount pointed out an error on page #5-16.1 where the total number of programmed call stops is exactly the same for each route. Margaret Gallagher stated that would be corrected.

**Motion passed by unanimous affirmative voice vote in lieu of a roll call vote for Item #5-14 with Directors Bustichi and Reilly being absent.**

## **REGULAR AGENDA**

### **6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS**

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

#### **TWENTY-FIVE YEARS**

Mark Hansen, FM Mechanic II

Chair Rotkin carried this award over to April because the employee was absent from today's meeting.

### **8. CONSIDERATION OF APPROVAL OF FY 06-07 PRELIMINARY LINE ITEM BUDGET FOR REVIEW AND CLAIMS PURPOSES**

#### **Summary:**

Mark Dorfman reported that this is the preliminary line item operating budget that goes to the SCCRTC, which totals \$34,700,000. The budget is projecting a 3% increase in sales tax revenue, a 3.6% increase in the TDA allocation, and in order to balance the budget, will require at least \$700,800 in cost containment and/or revenue enhancement actions which will be identified prior to consideration of the final budget. This will be a two-year budget from FY 06-07 and FY 07-08.

#### **Discussion:**

Chair Rotkin asked about having a discussion with employees and Board members who may be interested in more detailed information. Mark Dorfman replied yes, and that meeting usually happens in May and will be announced when it is scheduled.

**ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR TAVANTZIS**

**Adopt the preliminary line item budget for FY 06-07, for review and TDA/STA claims purposes**

**Discussion:**

Ian McFadden, SEA, stated that SEIU would like to meet with Management on the budget prior to May in order to have a more interactive process as the budget will be key in terms of bargaining a new labor agreement. Les White responded that would be addressed in today's Closed Session.

Director Nicol asked about transferring funds from reserves to assist in ongoing operating costs and about the \$700,800 deficit. Les White replied that this is a preliminary budget and that the ongoing deficit will be addressed with the actual two-year budget and five-year projections.

**Motion passed unanimously with Directors Bustichi and Reilly being absent.**

**9. CONSIDERATION OF AMENDING THE BUS ADVERTISING POLICY AND REGULATION TO ALLOW ADVERTISING FROM COMPETING MEANS OF TRANSPORTATION**

**Summary:**

Mark Dorfman reported that METRO took the sales of Bus Advertising in-house in 2003 and that, due to a bad experience with the previous advertising firm, the Board adopted an amended Bus Advertising Policy and Regulations which specifically excluded advertising that "explicitly and directly promotes or encourages the use of means of transportation in direct competition with Santa Cruz METRO's bus service..."

Mr. Dorfman said that this exclusion has not been revisited since it was adopted and METRO has recently been contacted by Toyota of Northern California, which advertises regularly on MST buses. Staff is recommending that the Board reconsider the ban on competing means of transportation and approve this policy modification at this time because the value of this contract is approximately \$28,000 in additional revenue to METRO per year.

**Discussion:**

Director Beautz asked for a legal opinion. Margaret Gallagher replied that it can become problematic if specific criteria is not in place regarding ad content.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR HINKLE**

**Amend the Bus Advertising Policy and Regulations to allow advertising from competing means of transportation**

There was a discussion about how advertising competing forms of transportation may impact ridership and Mr. Dorfman pointed out that Section 4.04 specifically covers this situation and no changes to this portion of the regulation is proposed.

**Motion passed unanimously with Directors Bustichi and Reilly being absent.**

**10. CONSIDERATION OF STATUS OF FEDERAL LEGISLATION AND REPORT REGARDING THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION 2006 LEGISLATIVE CONFERENCE**

**Summary:**

Les White reported that he, Chair Rotkin and Director Stone attended the APTA Legislative Conference held March 4<sup>th</sup> – 9<sup>th</sup> and in addition to the conference meetings, met with Members of Congress, Congressional Staff and members of the FTA to discuss and advocate for SAFETEA-LU, Pacific Station, and other transit funding. Mr. White said he found the trip to be very productive and that follow-up letters signed by the Board Chair were sent to everyone they met with to maintain the ongoing positive relationships with key people in DC.

**Discussion:**

Chair Rotkin added that METRO is very well-served by Les White, who is well-known, well-received and respected in DC and that Mr. White's national connections in the transit industry are very beneficial to METRO as well. Chair Rotkin thanked Mr. White and Director Stone for their efforts.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR HINKLE**

**Accept and file report regarding the Legislative Conference of the American Public Transportation Association and the status of pending Federal Legislation that affects METRO**

**Motion passed unanimously with Directors Bustichi and Reilly 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 Legal Counsel regarding one case of anticipated litigation involving an agreement made by the Board of Directors and a former METRO employee in 1990; the Board would have a conference with its Labor Negotiator regarding SEIU, Local 415, and UTU, Local 23; and the Board would have a conference with its Real Property Negotiator regarding the price and terms of payment for the property at 25 Sakata Lane, Watsonville.

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

None.

**SECTION II: CLOSED SESSION**

Chair Rotkin adjourned to Closed Session at 9:39 a.m. and reconvened to Open Session at 10:44 a.m.

**SECTION III: RECONVENE TO OPEN SESSION**

**15. REPORT OF CLOSED SESSION**

Chair Rotkin reported that the Board took no reportable action in Closed Session.

**ADJOURN**

There being no further business, Chair Rotkin adjourned the meeting at 10:44 a.m.

Respectfully submitted,

CINDI THOMAS

Administrative Services Coordinator