

REVISED



BOARD OF DIRECTORS

Minutes- Board of Directors

May 13, 2011

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, May 13, 2011 at the District's Administrative Office located at 110 Vernon Street in Santa Cruz, California.

Vice Chair Robinson called the meeting to order at 9:32 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Margarita Alejo
Hilary Bryant – arrived after roll call
Dene Bustichi
Daniel Dodge – arrived after roll call
Ron Graves
Donald Hagen
Michelle Hinkle
John Leopold
Ellen Pirie
Lynn Robinson
Ex-Officio Donna Blitzer

DIRECTORS ABSENT

Mark Stone

STAFF PRESENT

Ciro Aguirre, Operations Manager
Bob Cotter, Maintenance Manager
Mary Ferrick, Fixed Route Superintendent

Margaret Gallagher, District Counsel
Debbie Kinslow, Asst Finance Manager
Robyn Slater, Human Resources Manager
April Warnock, Paratransit Superintendent

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

John Daugherty, SEA
Manny Martinez, PSA
Eduardo Montesino, UTU
Bonnie Morr, UTU
Will Regan, VMU

Chuck Rechnagle
Scott Winslow, CCCIL
Allison Johnson

2-1. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

- a. Rose Keras re: Letter of Thanks
- b. Dan Stevenson re: Consideration of proposals

Oral:

John Daugherty asked for clarification about the appropriate time to present a written petition related to an item on the agenda.

Director Leopold welcomed Director Alejo to the Board of Directors.

2-2. WRITTEN COMMUNICATION REGARDING SERVICE CHANGES

- a. Caitlyn Meade re: Routes 66 and 69
- b. Chris Duncan re: Routes 66 and 68
- c. Community Connections re: Route 4

3. LABOR ORGANIZATION COMMUNICATIONS

Bonnie Morr, UTU, thanked the Board in advance for the use of a METRO coach at the Seniors Dinner, and issued an open invitation for volunteers and diners.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Leslie R. White notified the Board of a revised Budget Staff Report, item # 8.1, and a schedule of public outreach meetings and presentations to city councils regarding proposed service reductions. Copies are attached to the minutes.

CONSENT AGENDA

- 5-1. CONSIDERATION OF TORT CLAIMS: REJECT THE CLAIM OF THE HEIRS & ESTATE OF SALVADOR CHIPRES, #11-0009; REJECT THE CLAIM OF DIANA BERNSTEIN, #11-0010; REJECT THE CLAIM OF BABY GARCIA, #11-0011**
- 5-2. NOTICE OF ACTIONS TAKEN IN CLOSED SESSION REGARDING SETTLEMENT WITH EDWARD AND BARBARA HINSHAW; SETTLEMENT WITH SANTA CRUZ HOMELESS SERVICES CENTER; LEASE OF 115 DUBOIS STREET, SANTA CRUZ; SETTLEMENT WITH CHRISTOPHER LANAGAN; AND SETTLEMENT WITH RUSSELL THOMAS**
- 5-3. ACCEPT AND FILE MINUTES OF MARCH 16, 2011 MAC MEETING AND MAC AGENDA FOR MAY 2011**

- 5-4. **ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR PREVIOUS MEETINGS**
- 5-5. **CONSIDERATION OF DECLARING ONE (1) FORD EXPLORER AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION**
- 5-6. **CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT GRANT APPLICATIONS AND SIGN AGREEMENTS FOR FUNDING FROM THE MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT'S FY12 AB2766 MOTOR VEHICLE EMISSION REDUCTION GRANTS PROGRAM**
- 5-7. **CONSIDERATION OF THE FLEET & MAINTENANCE BUILDING COMPONENT OF THE METROBASE PROJECT LOCATED AT 138 GOLF CLUB DRIVE, SANTA CRUZ, CA. AS COMPLETE**
- 5-8. **CONSIDERATION OF FINAL ACCEPTANCE OF ADMINISTRATIVE BUILDING AT 110 VERNON STREET, SANTA CRUZ, CALIFORNIA**
- 5-9. **CONSIDERATION OF AWARD OF CONTRACT FOR REVENUE AND NON-REVENUE TIRES WITH TIRE DISTRIBUTION SYSTEMS, INC.**
- 5-10. **CONSIDERATION OF AWARD OF CONTRACT FOR TIRE CAROUSEL SYSTEM WITH SHELF-PLUS.**

ACTION: MOTION: DIRECTOR BUSTICHI SECOND: DIRECTOR HAGEN

Approve Consent Agenda.

Motion passed unanimously with Director Stone being absent.

REGULAR AGENDA

- 6. **PUBLIC HEARING: CONSIDERATION OF ISSUING A DECLARATION OF FISCAL EMERGENCY**

VICE CHAIR ROBINSON OPENED THE PUBLIC HEARING – 9:35 A.M.

VICE CHAIR ROBINSON CLOSED THE PUBLIC HEARING – 9:36 A.M.

No comments received. Margaret Gallagher said that METRO would continue to accept comments through June 23.

ACTION: MOTION: DIRECTOR PIRIE SECOND: DIRECTOR GRAVES

Continue item to June 10, 2011 meeting and continue to receive comments.

Motion passed unanimously with Director Stone being absent.

7. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE LAYOFF NOTICES TO SEIU LOCAL 521, UTU LOCAL 23 – PARACRUZ OPERATION, MANAGEMENT AND UTU LOCAL 23 – FIXED ROUTE OPERATION

Summary:

Angela Aitken reported that METRO had contractual obligation to notify the unions in a timely manner about impending layoffs.

Discussion:

Director Hagen asked if these were new layoffs. Ms. Aitken said that they were the same as what was previously brought to the Board. Director Leopold asked how many of the SEIU positions were currently filled. Ms. Aitken read the list of proposed positions to be unfunded and noted their status. Director Leopold asked what would happen if SEIU voted to forego their 3% raise, and said he was concerned about letting people go when there was need. Director Leopold noted that the District has placed a priority on accessibility, so losing someone who manages and coordinates those activities, and also that it might appear that METRO is targeting the union leaders. Director Leopold noted that the figure used to show a projected savings from a UTU offer to flat-line their contract for the next year is erroneous, as UTU has no current agreement and has not negotiated a 3% increase.

Directors Hinkle and Hagen said that they were concerned with the loss of the Accessibility Services Coordinator position. Director Bustichi said that he would like more details, such as frequency of service, of the positions slated to be unfunded or reduced in hours. Angela Aitken said that job analyses could be conducted. There was a discussion about the Accessibility Services Coordinator position and the benefits to the disabled community. Scott Winslow of CCCIL, and Jeannette Workman-Cosentino of the Santa Cruz County Commission on Disabilities both spoke in support of the Accessibility Services Coordinator and submitted letters of support from their respective organizations. Copies of these letters are attached to the official minutes. The following members of the public spoke in support of the Accessibility Services Coordinator: Lesley Wright, Jason Andrews, and Michelle Johnson.

Rickie-Ann Kegley asked why the Paralegal position would only be funded for a six-month period. Leslie R. White explained that METRO was evaluating all positions and adhering to a contractual timeline for notifications. Bonnie Morr, UTU, said that she didn't realize that layoffs were going to be recommended, and reminded the Board that paratransit employees are members of UTU. Gary Klemz, SEIU, said that the union maintains that there is no hourly basis for the positions being reduced to part-time, and that he'd like to see at least 20 hours or more per week. Mr. Klemz also pointed out that one of the positions slated for reduction to part-time is currently filled by the past president of SEA.

Will Regan, VMU, said that the Parts Clerk has taken over some of the Facilities Maintenance duties, which has created a hardship. Manny Martinez, PSA, said that while he supported a job analysis, it seemed like the process was backwards, and that he did not support moving UTU-represented positions to SEIU. Eduardo Montesino said that we was wondering why the notification date in June was chosen. Rickie-Ann Kegley asked how much would be saved if SEIU

voted to forego their 3% raise. John Daugherty said he supported the statement about keeping people employed, and described his job and the need for continuous contact with clients.

Director Pirie acknowledged the difficult decisions at hand, said she wanted to be sure that the most essential services are maintained, and she cautioned against any layoffs that would leave METRO unable to provide services. Director Pirie said that while she trusts the staff recommendation, she would like more information about the affected positions and how the work would be assumed by other staff, and she asked why there was no such information provided. Leslie R. White said that while the list was not complete and that analysis was on-going, the action being requested was to issue warnings to the employees affected that the jeopardy exists so that they could make personal decisions, but the matter could be deferred. Mr. White pointed out that METRO has a timeline to which it is statutorily-bound to adhere. Director Hagen said that the notices are necessary, and he had to accept at face value that the GM and AGM are doing their job, and the Board has made a misjudgment if it could not trust a simple recommendation to send a notification.

Director Bustichi reminded everyone that they were all in the same predicament together and that it is never easy to deal with lay-offs, but he stated that the Board could not cherry-pick which positions to lay-off, and he noted that retirements could absorb many of the proposed positions to be unfunded. Leslie R. White said that the Board needed to give direction on what the priorities are. Director Leopold said that comments regarding the issues at hand should be taken into serious consideration and he cautioned that everyone should be sensitive to the language used in comments and discussions pertaining to the matter. Director Hagen noted that the list being presented is not final.

ACTION: MOTION: DIRECTOR HAGEN SECOND: DIRECTOR BUSTICHI

Authorize the General Manager to execute layoff notices to SEIU Local 521, UTU Local 23, ParaCruz Operations, Management and UTU Local 23, Fixed Route Operations.

Motion passed unanimously with Director Stone being absent.

8. CONSIDERATION OF PROPOSED FY12 FINAL BUDGET

Summary:

Angela Aitken presented the staff report for the proposed FY12 Final Budget. Ms. Aitken said that she did not anticipate any changes before the June 24, 2011 Board meeting.

Discussion:

Director Leopold asked why there was a significantly greater figure for interest income than the previous year. Angela Aitken said that the lower official estimate was no longer being used, and that she preferred to be conservative with revenue amounts. Director Leopold said that a mid-year report would be nice. Angela Aitken said that she hoped to produce rolling forecasting every quarter. There was a discussion about the FY12 budget.

Bonnie Morr, UTU, referred to page 8.b9, and said that one of the van operator positions could be unfunded if it meant saving another job elsewhere. Ms. Morr said that there were actually 144

Bus Operators and that she knew of fourteen pending retirements. Angela Aitken said that she would provide a list of pending retirements to Ms. Morr.

ACTION: MOTION: DIRECTOR PIRIE SECOND: DIRECTOR BUSTICHI

Accept and file staff report on Proposed FY12 Final Budget.

Motion passed unanimously with Director Stone being absent.

9. CONSIDERATION OF EXTENDING THE ROUTE # 79 TO THE SANTA CRUZ COUNTY FAIR GROUNDS DURING THE 2010 FAIR AT A COST OF APPROXIMATELY \$4,000 TO PROVIDE BOTH FIXED ROUTE AND PARACRUZ SERVICE

Summary:

Leslie R. White said that METRO had received a request from Mr. Chuck Rechnagle to provide bus service to the Santa Cruz County Fair.

ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR BRYANT

Extend Route # 79 to the Santa Cruz County Fair grounds during the 2010 Fair at a cost of approximately \$4,000 to provide both Fixed Route and Paracruz service.

Motion passed unanimously with Director Stone being absent.

10. CONSIDERATION OF IMPLEMENTATION OF THE “POETRY IN MOTION” PROGRAM AND ITS COMPATIBILITY WITH METRO’S ADVERTISING POLICY

Summary:

Margaret Gallagher said that METRO’s Advertising Policy limits the type of advertising to only commercial advertising, and that poetry is not compatible with the policy. Ms. Gallagher said that the Board would have to change the policy and by doing so, open access to all comers. Ms. Gallagher recommended that the Board continue with the current policy. Debbie Kinslow said that advertising had generated \$219, 000 in revenue and was expected to raise \$225,000 in the next fiscal year.

Discussion:

Director Leopold asked if poetry as part of an ad would be allowed. Margaret Gallagher said that it would probably be allowed, but that an ad would need to be examined for compliance with the policy. There was a discussion about what was an appropriate advertisement. Director Graves asked for clarification of financial responsibility for the ads. There was a discussion about how to make the program work within METRO’s policy.

Gary Young, Poet Laureate of Santa Cruz County, thanked the Board, and spoke about the success of the program in other communities. Mr. Young stated that he would be the designer of the ads and would be responsible for choosing appropriate content. There was a discussion about who controlled the content of the advertisements. Director Bustichi asked if a policy could be drafted to provide protection from any offensive content. Director Leopold said that on any given day any commercial ad on television is going to be a lot worse than anything Gary and

Peggy Young are going to post, and he said he would like to hear how it can be done, not how it cannot be done. Director Hagen said that he was concerned about opening a can of worms. Director Dodge said he was concerned about content and would vote according to the staff recommendation.

ACTION: MOTION: DIRECTOR BUSTICHI SECOND: DIRECTOR DODGE

Extend Board meeting to 12:00 p.m.

Motion passed with Director Graves opposed and with Director Stone being absent.

Peggy Young thanked the Board for their time, and said there would not be any costs to METRO. Ms. Young spoke about the program and said that only six to ten poems would be posted. Bonnie Morr, UTU, said the public would enjoy poetry on the buses, and she noted the program was paid for. Eduardo Montesino said that he thought it was a positive thing and requested bilingual postings. Carolyn Derwing stated that she supported the program since beauty was needed, and that it was a wonderful program.

ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR PIRIE

Direct District Counsel to draft a policy to allow Poet Laureate of Santa Cruz County to advertise on METRO buses.

Director Graves noted that a great deal of time has been spent on this issue and that this was neither the time nor place.

Motion failed with Directors Alejo, Bustichi, Hinkle, Leopold, and Pirie voting yes, Directors Bryant, Dodge, Graves, Hagen and Robinson voting no, and Director Stone being absent.

11. CONSIDERATION OF MODIFICATION TO SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S BYLAWS TO CHANGE THE TIME OF THE FIRST REGULAR BOARD OF DIRECTORS MEETING OF THE MONTH FROM 9:30AM TO 8:30AM

Summary:

Margaret Gallagher said that the Board had requested an amendment to the Bylaws to enable the first regular Board meeting of the month to start at 8:30 a.m.

Discussion:

Director Dodge stated that the 9:30 a.m. start time was fine. There was a discussion about the 8:30 a.m. start time. John Daugherty, SEIU, said that the earlier start time made it problematic for inbound routes, and that the change would make it more difficult for the transit-reliant public. Director Pirie said that 9:30 a.m. was too late.

ACTION: MOTION: DIRECTOR PIRIE SECOND: DIRECTOR GRAVES

Modify the Santa Cruz Metropolitan Transit District's bylaws to change the time of the first regular Board of Directors meeting of the month from 9:30am to 8:30am.

Motion passed with Director Dodge being opposed and Director Stone being absent.

12. ORAL ANNOUNCEMENT: THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE HELD FRIDAY MAY 27, 2011 AT 9:00 A.M. AT THE CAPITOLA CITY COUNCIL CHAMBERS LOCATED AT 420 CALIFORNIA AVENUE, IN CAPITOLA.

13. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Margaret Gallagher, said that the Board would have a conference with labor negotiators Robyn Slater, Human Resources Manager; Angela Aitken, Acting Assistant General Manager/Finance Manager; Ciro Aguirre, Operations Manager; and Mary Ferrick, Fixed Route Superintendent, concerning United Transportation Union (UTU), Local 23 (Fixed Route and Paracruz) and Service Employees International Union (SEIU), Local 52. Ms. Gallagher said that the Board would also have a conference with legal counsel concerning the existing litigation of Alberto Barragan v. Santa Cruz Metro (Before the Workers' Compensation Appeals Board) and the existing litigation of the Heirs & Estate of Salvador Chipres v. Santa Cruz Metro.

14. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Bonnie Morr, UTU, read a letter from UTU Local 23 that offered to flat-lined pay raises for one year. Ms. Morr stated that UTU is aware of 14 impending retirements.

SECTION II: CLOSED SESSION

Vice Chair Robinson adjourned to Closed Session at 11:54 a.m. and reconvened to Open Session at 12:15 p.m.

SECTION III: RECONVENE TO OPEN SESSION

17. REPORT OF CLOSED SESSION

Margaret Gallagher stated that there was no reportable action taken in Closed Session.

ADJOURN

There being no further business, Vice Chair Robinson adjourned the meeting at 12:15 p.m.

Respectfully submitted,

ANTHONY TAPIZ
Administrative Services Coordinator