

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

December 12, 2003

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, December 12, 2003 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

Vice Chairperson Keogh called the meeting to order at 9:00 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth (arrived after roll call)
Michelle Hinkle
Mike Keogh
Ana Ventura Phares
Emily Reilly
Mike Rotkin
Pat Spence

DIRECTORS ABSENT

Jan Beautz
Dennis Norton
Marcela Tavantzis
Ex-Officio Wes Scott

STAFF PRESENT

Bryant Baehr, Operations Manager
Mark Dorfman, Assistant General Manager
Marilyn Fenn, Assistant Finance Manager
Terry Gale, IT Manager
Margaret Gallagher, District Counsel

Steve Paulson, Paratransit Administrator
Elisabeth Ross, Finance Manager
Robyn Slater, Interim H.R. Manager
Tom Stickel, Fleet Maint. Manager
Les White, General Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Sharon Barbour, MASTF
Frank Bauer, UTU
Scott Bugental, Seniors Commission
Gary Klemz, SEIU
Manny Martinez, PSA
Ian McFadden, SEA
James Monroe, Member of the Public
Bonnie Morr, UTU

Josh Shaw, State Lobbyist
Link Spooner, Lift Line
Sam Storey, Community Bridges
Jim Taylor, UTU
Linda Wilshusen, SCCRTC
Bob Yount, MASTF

2. ORAL AND WRITTEN COMMUNICATION

- | | | |
|----|----------------|--------------------------------|
| a. | Bill Friedland | RE: Metro Drivers |
| b. | Linda Meltzer | RE: Community Bridges Services |

3. LABOR ORGANIZATION COMMUNICATIONS

None

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

An amended staff report for Item #14 was distributed. This will also be included in the Agenda Packet for the December 19, 2003 Board Meeting.

CONSENT AGENDA

5-1. APPROVE REGULAR BOARD MEETING MINUTES OF NOVEMBER 14 AND NOVEMBER 21, 2003

MINUTES OF NOVEMBER 21ST WILL BE WILL BE PRESENTED FOR CONSIDERATION AT THE DECEMBER 19, 2003 BOARD MEETING

No questions or comments.

5-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS

No questions or comments.

5-3. ACCEPT AND FILE NOVEMBER 2003 RIDERSHIP REPORT

PAGE 1 OF THE RIDERSHIP REPORT WILL BE PRESENTED FOR CONSIDERATION AT THE DECEMBER 19, 2003 BOARD MEETING

No questions or comments.

5-4. CONSIDERATION OF TORT CLAIMS: None

5-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF DECEMBER 18, 2003 AND THE MINUTES OF THE NOVEMBER 20, 2003 MEETING

DOCUMENTATION WILL BE PRESENTED FOR CONSIDERATION AT THE DECEMBER 19, 2003 BOARD MEETING

5-6. ACCEPT AND FILE MINUTES OF THE MUG COMMITTEE MEETING OF NOVEMBER 19, 2003

No questions or comments.

5-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2003, AND APPROVAL OF BUDGET TRANSFERS

No questions or comments.

5-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR SEPTEMBER 2003

No questions or comments.

5-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR OCTOBER 2003

No questions or comments.

5-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE

DOCUMENTATION WILL BE PRESENTED FOR CONSIDERATION AT THE
DECEMBER 19, 2003 BOARD MEETING

5-11. ACCEPT AND FILE METROBASE STATUS REPORT

Director Rotkin confirmed that the hiring process for the MetroBase Project Manager would not delay the project. Mr. White added that staff would continue to perform these duties until someone is hired. Mr. White gave an overview of the financing for this project.

5-12. ACCEPT AND FILE NOTIFICATION OF ACTIONS TAKEN IN CLOSED SESSION REGARDING THE FOLLOWING CLAIM ON THE DATE INDICATED: SETTLEMENT WITH NEIL BAILEY ON AUGUST 8, 2003

No questions or comments.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

THIS PRESENTATION WILL TAKE PLACE AT THE DECEMBER 19, 2002 BOARD MEETING

7. CONSIDERATION OF ADOPTION OF RESOLUTION AMENDING FY 03-04 BUDGET

Summary:

Elisabeth Ross reported that staff is recommending that the operating budget be decreased by \$665,000 to meet revenue shortfalls, which are primarily due to decreased sales tax revenues. This action will balance the budget. Non-personnel reductions at staff level were made. Three revenue increases were noted. Expense increases and reductions were reviewed. Ms. Ross will meet with the unions this afternoon to review the details of these changes. Mr. White added that start-up costs for bringing the ParaCruz service in-house would fall under capital. Director Spence thanked Ms. Ross for her diligence in preparing this budget.

Mr. White added that eleven new Highway 17 buses would be received shortly and that invoices were submitted through Caltrans totalling \$3,750,000 to be paid from TCRP funds. METRO received these funds via wire transfer; all buses were paid for with 100% state funds.

DIRECTOR AINSWORTH ARRIVED.

8. CONSIDERATION OF ACCEPTANCE OF FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR’S REPORT FOR YEAR ENDING JUNE 30, 2003

Summary:

Ms. Ross reported that this item represents the annual presentation of financial statements. Metro received an “unqualified opinion” from the auditors, which is the best rating given. The auditors gave some recommendations for internal controls. All findings have been resolved with the auditors to address their concerns. Ms. Ross recognized Marilyn Fenn, Assistant Finance Manager, for doing such a good job. The auditors were impressed with METRO’s records.

9. CONSIDERATION OF REQUEST FROM COMMUNITY BRIDGES FOR CO-MINGLING RIDES WITH THEIR OTHER PROGRAMS

DOCUMENTATION WILL BE PRESENTED FOR CONSIDERATION AT THE DECEMBER 19, 2003 BOARD MEETING

10. CONSIDERATION OF APPROVAL OF 2004 STATE LEGISLATIVE PROGRAM

Summary:

Les White reported that each year staff outlines an agenda of concerns for both the state and federal legislative programs. He added that if any other agency does not obligate their formula funds, then METRO is blocked from drawing down funds until the other agencies do so. METRO works with state agencies to ensure that all these funds are obligated. Mr. White reviewed the proposed 2004 State Legislative Program item by item. Director Rotkin asked that Les White make a revision to clarify Item #5 for the December 19th Board meeting. Mr. White reviewed the current Yield-to-Bus program and what METRO would do now that this program is no longer in effect.

Josh Shaw gave an oral presentation regarding the state of California’s financial situation. Documentation reflecting this presentation is attached to these Minutes. Discussion and questions from the Board involved what the Directors can do on a local level to educate the community on the current economic state. The Directors were referred to the League of Cities for lists of grass roots organizations.

11. CONSIDERATION OF APPROVAL OF 2004 FEDERAL LEGISLATIVE PROGRAM

Summary:

Staff recommends appropriating federal transit funding at \$7.3 billion which is the 2004 funding levels with an increase of 4%. Les White reviewed the 2004 Federal Legislative Program with the Board. He added that staff would advocate for the \$1.5 million in funding for the Greyhound property acquisition in the 2005 Appropriations Bill or in a supplemental bill if there is one. He discussed TEALU, which is the Transportation Equity Act Legacy for Users. If TEALU is passed

this fiscal year, METRO would have an influx of \$800,000 in additional formula funds. There was discussion regarding the \$100 million Bus Fleet Modernization Program and requesting support at the federal level for ADA transit. Mr. White stated that overall his meetings with the Congressional representatives during his last legislative trip to Washington, DC were positive.

Lastly, Mr. White reported that Josh Shaw was elected as a representative on the APTA Executive Committee.

**12. CONSIDERATION OF PROVIDING ADDITIONAL SERVICE FOR SANTA CRUZ FIRST NIGHT ACTIVITIES
ACTION IS REQUIRED AT THE DECEMBER 12, 2003 BOARD MEETING**

Summary:

Bryant Baehr reported that First Night Santa Cruz obtained a grant for \$3,300 from the Regional Transportation Commission for additional transit services. Staff is recommending that additional services be provided up to \$3,300. Mr. Baehr is working with the First Night coordinators on scheduling for this event but staff requires Board approval for additional service before they can move forward. The coordinators are also requesting that people who purchase the First Night buttons be allowed to ride the bus for free. This would represent approximately \$600 in potential revenue loss. Staff is recommending that the Board not allow these free rides.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR ROTKIN

Approve staff recommendation to authorize additional fixed route service on December 31, 2003 not to exceed \$3,300 and deny the request for free rides to button holders.

Bonnie Morr, speaking on behalf of herself, stated that a \$600 loss is a minor amount to benefit volunteers.

ACTION: AMENDMENT TO MOTION: DIRECTOR ROTKIN

If First Night Coordinators obtain the additional sources of \$600, staff is authorized to grant the rides to button holders.

Motion and Amendment were passed unanimously with Directors Beautz, Norton and Tavantzis being absent.

VICE CHAIRPERSON KEOGH ADJOURNED TO CLOSED SESSION AT THIS TIME.

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

Margaret Gallagher reported that the Board would be discussing the claim of Don Toline in Closed Session.

22. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None

SECTION II: CLOSED SESSION

Vice Chairperson Keogh adjourned to Closed Session at 10:26 and reconvened to Open Session at 10:32.

SECTION III: RECONVENE TO OPEN SESSION

23. REPORT OF CLOSED SESSION

Margaret Gallagher had nothing to report at this time.

13. CONSIDERATION OF PRESENTATION OF LEGAL ANALYSIS AND TRENDS REGARDING THE AMERICANS WITH DISABILITIES ACT PARATRANSIT REQUIREMENTS FOR LOCAL TRANSIT AGENCIES

Summary:

Margaret Gallagher gave a Power Point presentation and these slides will be included in the Agenda Packet for the December 19th Board Meeting.

DIRECTOR REILLY LEFT THE MEETING.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR AINSWORTH

Move Item #8 to the Consent Agenda. Give brief reports only on Items #10 and #11 at the December 19th meeting. Provide slides of the Power Point presentation of Item #13 in written format to include in the December 19th Agenda Packet and move this item to the Consent Agenda.

Motion passed unanimously with Directors Beautz, Norton, Reilly and Tavantzis being absent.

ITEM #20 WAS TAKEN OUT OF ORDER.

**20. CONSIDERATION OF APPROVAL OF CALPERS RESOLUTIONS TO FIX THE DISTRICT'S MEDICAL PREMIUM CONTRIBUTION RATES
ACTION IS REQUIRED AT THE DECEMBER 12, 2003 BOARD MEETING**

Summary:

Robyn Slater reported that this issue concerns two employee groups. The "Recommended Action" lists three employee groups in error. She added that per the labor agreement, METRO agreed to cover 100% of the premiums. Fixed maximum amounts were established and the

CalPERS HMO premiums have increased and now exceed those maximum amounts. Two new resolutions are required to ensure that the premiums continue to be paid 100% by METRO.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR PHARES

Approve the Resolutions to revise the fixed contribution toward medical coverage for each of the District’s two employee groups under the California Public Employees’ Retirement System (CalPERS) medical insurance program.

Moved passage of the two Resolutions by a unanimous voice vote in lieu of a roll call with Directors Beautz, Norton, Reilly and Tavantzis being absent.

14. CONSIDERATION OF GRANTING LIFETIME BUS PASS TO TIM FITZMAURICE, FORMER BOARD MEMBER

No questions or comments.

15. CONSIDERATION OF PROVISION OF SUPPORT SERVICES TO THE METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF)

Summary:

Les White reported that this staff report clarifies actions that the Board took on October 24th and articulates services that METRO would provide for MASTF. This transition would begin in March 2004.

Discussion:

Sharon Barbour, MASTF Chair, stated that these recommendations have not been presented to MASTF yet and she asked that this item be deferred to the January Board meeting to allow time for MASTF to review staff’s recommendations.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR PHARES

Continue this item to the January Board meeting.

It was confirmed by Mr. White that METRO would provide envelopes and postage and would do mailings from a list of recipients and formats provided to staff by MASTF and that METRO’s return address would be on the envelopes.

Motion passed unanimously with Directors Beautz, Norton, Reilly and Tavantzis being absent.

16. CONSIDERATION OF CHANGES IN THE METRO BYLAWS AND OF AN IMPLEMENTATION PLAN RELATING TO THE STRUCTURE AND SUPPORT OF THE METRO ADVISORY COMMITTEE (MAC)

Summary:

A draft set of bylaws was presented to the Board. Transition for this committee would be in March 2004. MUG has been discontinued. If the proposed application form and process are approved by the Board, the information would be sent to individuals who have already expressed an interest in applying.

Discussion:

Director Spence suggested that the use of Chair vs. Chairperson be consistent throughout the proposed bylaws. She was informed that the application will be available on line but will not be interactive. If a person has a writing disability, they can call the Administration office and someone assist will them in completing the form. Linda Wilshusen of the RTC expressed an interest in there being ex officio memberships available. Bonnie Morr expressed interest in having a UTU ex officio as well on this committee. Director Rotkin asked staff to be prepared to add in language for a smaller group and for ex officio status.

17. CONSIDERATION OF AWARD OF CONTRACT FOR SECURITY GUARD SERVICES

Summary:

Bryant Baehr reported that Paige's Security Services went out of business. The General Manager's purchasing authority was used to obtain services from First Alarm on a temporary basis and the Board approved a temporary agreement to retain their services until the end of 2003. Eight firms responded to the Request for Proposals and a panel ranked these firms after interviewing them. Staff recommends that the contract be awarded to First Alarm Services for a period of 3 years with two one-year renewals.

ACTION: MOTION: DIRECTOR PHARES SECOND: DIRECTOR ROTKIN

Move to the Consent Agenda.

Ian McFadden reported that SEA submitted a proposal to the District regarding the vault pulling services and having the Vehicle Service Workers (VSWs) perform this duty.

Motion passed unanimously with Directors Beautz, Norton, Reilly and Tavantzis being absent.

18. CONSIDERATION OF JOINT ADVERTISING PROGRAM WITH MONTEREY-SALINAS TRANSIT

Summary:

Mark Dorfman reported that the Board had asked for more information regarding the potential advertising program. Staff met with MST to work out these details and MST brought this item to their Board this week who approved it.

Discussion:

Linda Wilshusen of the SCCRTC agreed that this is a good proposal.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR PHARES

Move this item to the Consent Agenda.

Motion passed unanimously with Directors Beautz, Norton, Reilly and Tavantzis being absent.

19. CONSIDERATION OF NOMINATION OF DIRECTORS TO SERVE AS BOARD OFFICERS FOR THE YEAR 2004 AND ON THE TRANSPORTATION COMMISSION

Nominations will be made at the December 19th Board Meeting.

Mr. White announced that a new Highway 17 bus is parked in front of the building for the Board to see.

ADJOURN

There being no further business, Vice Chairperson Keogh adjourned the meeting at 11:47 a.m.

Respectfully submitted.

Dale Carr
Administrative Services Coordinator