

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

April 25, 2008

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, April 25, 2008 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, California.

Chair Beautz called the meeting to order at 9:05 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz
Dene Bustichi
Donald Hagen
Michelle Hinkle
Emily Reilly
Mike Rotkin (arrived after roll call)
Kirby Nicol
Dale Skillicorn
Pat Spence
Mark Stone
Marcela Tavantzis
Ex-Officio Donna Blitzer

DIRECTORS ABSENT

None

STAFF PRESENT

Ciro Aguirre, Operations Manager
Angela Aitken, Finance Manager
Frank Cheng, MB Project Manager
Mark Dorfman, Assistant General Manager
Mary Ferrick, Fixed Route Superintendent

Debbie Kinslow, Asst Finance Manager
Robyn Slater, Human Resources Manager
Tom Stickel, Maintenance Manager
April Warnock, Acting Asst. Paratransit Super.
Les White, General Manager

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

Eduardo Montesinos, UTU
Bonnie Morr, UTU
Steve Prince, UTU
Amy Weiss, Spanish Interpreter

Robert Yount, MAC

2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

a. Bud Gerstman

Re: Bikes on Buses

Director Nicol requested that the letter be read aloud because it was illegible. Les White read the letter aloud and said that the writer was referencing the problem where there have been bikes on board, in accordance with METRO policy, and passengers have been forced to stand. Mr. White said that because ridership is up on most routes, problems such as this are likely to come up more often than before, and he said that staff were going to revisit some policies, especially allowing bikes inside the Highway 17 Express, and a staff report outlining the issue will be brought before the Board. Mr. White said that rather than using full-size bikes, METRO wants to encourage people to take advantage of the Ecology Action Folding Bike Program. Director Reilly asked what it would take to add another bus, and how often the issue arises. Mr. White said that the staff report would look at these issues. Vice Chair Bustichi asked about plans to increase the amount of bikes that METRO buses can carry. Les White said METRO had already increased to the maximum allowed by law, and he added that this issue has periodically arisen over the years

Vice Chair Bustichi asked how many buses were fitted with three-position bike racks. Mr. White reported that the whole fleet was retrofitted, but he noted that the rise in gasoline prices might lead to even more use of bicycles. Chair Beutz said that there was a lot of discussion on this issue in the past. Mr. White agreed and said this is reflective of the high bike usage in the community.

b. Anthony Botelho, AMBAG

Re: JARC & NF Funding Support

Oral:

None.

DIRECTOR ROTKIN ARRIVED

3. LABOR ORGANIZATION COMMUNICATIONS

Bonnie Morr, UTU Local 23, said she wanted to follow up on Dropped Service from the last meeting. Ms. Morr said she reviewed the specific month on the vacation calendar and said it was not full, with quite a bit of open space, which means there were fewer drivers off for annual leave. Ms. Morr said she also reviewed the On-time Service issues and reported that many drivers have been conducting surveys, which has led to an increase in lateness. Ms. Morr said she wanted to bring that this to the Board because during those months in question there was a deficit of seven operators, and that there were not enough drivers. Ms. Morr pointed out the “No operator available” note often does not reflect the reason or reasons, and that the only solution was to increase staff levels. Ms. Morr suggested that the issues needed to be addressed to become a dependable commuter system. Ms. Morr also thanked the Board for their support of the Seniors Appreciation Dinner.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

None.

CONSENT AGENDA

- 5-1. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF MARCH 2008
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR FEBRUARY 2008
- 5-3. CONSIDERATION OF TORT CLAIMS:
DENY THE CLAIM OF VERNA CARTER, CLAIM #08-0010;
DENY THE CLAIM OF RHONDA CARTER, CLAIM #08-0011;
DENY THE CLAIM OF SHARON O'CONNOR, CLAIM #08-0009
- 5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR APRIL 16, 2008 AND MINUTES OF FEBRUARY 20, 2008
- 5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF JANUARY 2008
- 5-6. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2007
- 5-7. ACCEPT AND FILE FEBRUARY 2008 RIDERSHIP REPORT
- 5-8. ACCEPT AND FILE METROBASE PROJECT STATUS REPORT
- 5-9. CONSIDERATION OF RECOMMENDATION TO APPROVE ASSESSMENTS FOR COOPERATIVE RETAIL MANAGEMENT DISTRICT
- 5-10. REVIEW AND CONSIDER DIFFERENT DISTRIBUTION METHODS FOR CALL STOP AUDITS AND SELECT METHOD THAT IS THE MOST EQUITABLE
- 5-11. ACCEPT AND FILE METRO'S NOMINATION OF PARACRUZ OPERATOR AURORA TRINIDAD FOR RED CROSS WORKPLACE HERO AWARD
- 5-12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH NATIONWIDE AUCTION SYSTEMS FOR AUCTION SERVICES
- 5-13. ACCEPT AND FILE CALL STOP AUDIT REPORT FOR THE PERIOD OF JANUARY, FEBRUARY & MARCH 2008
- 5-14. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR THE MONTH OF FEBRUARY 2008
- 5-15. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE MARCH 2008 MEETING(S)
- 5-16. CONSIDERATION OF APPROVAL OF RESOLUTION AUTHORIZING SUBMITTAL OF REVISED FY 2009 TDA CLAIM
- 5-17. CONSIDERATION OF SERVICE REVISIONS FOR SUMMER 2008
- 5-18. APPROVE REGULAR BOARD MEETING MINUTES OF MARCH 14 & 28, 2008 AND SPECIAL MINUTES OF MARCH 21, 2008

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR NICOL

Approve the Consent Agenda.

Motion passed unanimously with all Directors present.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS:

The following employees were presented with longevity awards for their years of service

TWENTY YEARS

Paula Flagg, Administrative Assistant
Joe Hyman, Facilities Maintenance Worker

7. CONSIDERATION OF INFORMATION REGARDING SHAW VS. CHIANG/GENEST LAWSUIT

Summary:

Les White described the change in the tax rate whereby the state dropped the amount of tax levied at the state level by 25%, and expanded the sales tax to include gasoline. Mr. White said that the intent at the time was to keep the state General Fund whole and that if there were a time when the General Fund had excess money, then the excess would spill over to the Public Transportation Fund. Mr. White said the spillover was supposed to enable transit systems and would have the ability to backstop the loss of mobility due to the rise in fuels costs, and there would be additional funds to make transit systems viable alternatives for people who couldn't afford \$4 per gallon gasoline. Mr. White said we are at this point today, and that the change in the economy over the last 6 months has people buying necessities like food and medical supplies, which are non-taxable, while gas prices are going up every day, resulting in gas tax revenues which far surpass what the state would have gained under any previous tax formula. Mr. White said the excess monies should be distributed according to the state transit assistance formula so transit systems can beef up services to the public.

Les White said that over \$1.259 billion should have been spilled over into the Public Transportation Fund. Mr. White said that meant a loss of \$5.3 million out of its budget of \$35 million for METRO, resulting in less ParaCruz vehicles procured, less buses and less services for the public because the monies were diverted back to the General Fund. Mr. White said trailer bill, following the previous budget action, permanently took 50% of all future spillover and diverted it into the General Fund. Mr. White said that the California Transit Association (CTA) argues that it was the intention of the voters to direct revenue to the transportation system and not the General Fund, rendering the actions illegal. Mr. White said that a lawsuit by the CTA had been filed, with METRO as a party. Mr. White said the lawsuit was heard in the Sacramento Superior Court, which ruled that \$409 million be put back into the transportation fund.

Les White said the Legislature met in emergency session because of the Governor's declaration of a fiscal emergency and in response to the court ruling, deposited \$409 million into the Public Transportation account and then removed the \$409 million, put it back in the General Fund, and then directed it in a newly created fund for Home to School Transportation. Mr. White said that

unless it is constitutionally protected, transportation money has no call and can be intercepted by the legislature and used for whatever purposes they feel necessary. The CTA decided to appeal the decision, and are now in the process of preparing briefs, with letters going out to regional government associations. Mr. White said there are concerns that the state may have notched up the issue of whether not the state can use interception strategy to take money because it has no culling. Mr. White expressed concern that the state might jeopardize any local efforts to raise money because of the possibility that the funds might be intercepted, and he said the lawsuit hoped to address these concerns. Mr. White said that lawsuit efforts would go forward.

Director Hagen asked at what point the efforts would be made public. Mr. White said it is already public, and he said that it might be eclipsed by the fact that the state budget problem grows day by day. Director Reilly asked if there had been any serious discussion of changing the amount of gas taxes that reach the local agencies. Mr. White said the current statutory formula employs a gallonage tax, which was supposed to provide elasticity to correct other problems, but what was intended was not what actually was done, and excess funds were diverted. Mr. White said that there is a reluctance to index gallonage taxes at the federal and state level, even though it is something that should have been done years ago.

Director Stone said that local jurisdictions need to pay attention because the state legislature's unwillingness to address revenues over the past decade forced local jurisdictions to address revenue themselves, and the possibility of the state siphoning off local funds to fix their budget problems - when they are not willing to address fundamental problems - is alarming for anyone who wants to put out a tax to support local programs. Director Stone said that it is outrageous that the state seems to want to draw more and more from local governments, when they have been forced to try to take care of things on their own, and the legislature does not want to index gas taxes or address revenue problems. Director Stone said there is a potential downside to the lawsuit, and that it is well worth it to watch and be active participants. Director Rotkin said the reality is that while there are arguments on how to properly index gas taxes, there are some who call for all gas taxes to be suspended. Director Rotkin said that to divert funds from transit at a time when people are depending on transit makes no sense at all. Chair Beautz said that a letter should be sent to other jurisdictions to request their support.

Les White said that both the League of California Cities and CSAC are interested in filing briefs of support. Vice Chair Bustichi said that the lawsuit could help resolve the problems with their member jurisdictions. Chair Beautz said that it would not hurt to do something now, and to let our legislators know that we understand what they are trying to do. Mr. White said that he would draft an appropriate letter for the Chair to sign. Director Spence said that it was ironic that the state was providing money for buses but cutting money for classrooms, and that it might be an advantage for school districts that already have bus service.

Robert Yount said the legislature is running a scam, and that the legislators work for the people, and they do not want to face their responsibility and face the budget crisis. Mr. Yount said he supported any moves by the Board to reach out to other jurisdictions, and that the best message that could be sent would be to take the legislators and put them out of office.

8. CONSIDERATION OF AUTHORIZATION TO OPERATE A SHUTTLE FOR THE UNITED TRANSPORTATION UNION (UTU) SENIOR DINNER (REVISED)

Summary:

Les White reported that the staff report was revised to correct the date and add a location address. Mr. White said that the District has done that for a number of years, although in the last three years the circumstances prevented it, and UTU wants it reinstated. Mr. White said that because of the venue, there are some challenges for some of the seniors throughout the county who would like to participate, and that for many years METRO has provided a bus, operator and service to that location. Mr. White said that it was beneficial to both parties, as many of the dinner attendees are already METRO riders and by virtue of location, it would be difficult to get to the Senior Center on Market Street. Mr. White said the staff recommendation is that METRO provide the bus and operator. Director Hagen asked if the Senior Commission knows that this is ongoing. Eduardo Montesinos said that UTU 23 was waiting for the Board decision to put out flyers. Director Tavantzis commented that a large portion of the county's seniors have no weekend service.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR BUSTICHI

Authorize the operation of a shuttle for the United Transportation Union (UTU) Senior Dinner.

Motion passed unanimously with all Directors present.

9. PUBLIC HEARING: CONSIDERATION OF IDENTIFYING A PRELIMINARY LIST OF UNMET TRANSIT AND PARATRANSIT NEEDS FOR SUBMISSION TO THE SCCRTC (REVISED)

Summary:

Les White said that the SCCRTC developed an annual list of Unmet Needs for paratransit and transit services. Mr. White said that this is done for a number of reasons including funding requirements of the Transportation Development Act (TDA), and that transit-type services in Santa Cruz County have always been exclusively funded by TDA. Mr. White said that the RTC could take the position that it is not necessary because TDA is not being used for anything not outlined in the statute, however the RTC has developed an annual articulation of the needs that are not being addressed because of financial constraints or community priorities, which is a helpful process. Mr. White said that should funds become available, there would then be a priority list for use by METRO, the RTC, the cities and the County. Mr. White said that last year's prioritized list and the recommendations of the MAC are included in the board packet as attachments. Mr. White said that the purpose is to gain public input for existing or additional list items, and that it is helpful.

Director Rotkin pointed out that since there is no money available, it would be absurd to spend any time on the list. Director Tavantzis said that the MAC recommendations raised the priority on

some items, and she asked if that meant that the items needed to be revisited. Les White said that items #56 and #68 are not viable, but that item #64 is currently in action per ADA requirements, and item #52 is in place through our support of Ecology Action. Mr. White said that items #56 and #68 lack funding and are not likely to be addressed. Director Hagen recalled that the list originally did not have item #56—it was added by the MAC, and that it should not be a high priority. Director Spence asked if the other two items recommended by MAC were related to the Unmet Needs items. Mr. White said that they were not, and that those recommendations were related to current issues on the Highway 17 Express, and would be reviewed separately from the Unmet Needs List.

Director Reilly said that when working with CTA and the lobbyists, METRO should emphasize it's carbon-neutral status every time there is talk about the implementation of AB32 and make sure that local projects needing funding are mentioned in the mix. Mr. White said that METRO should be promoting green projects, and that the current list of Unmet Needs addresses mainly mobility needs, not environmental. Mr. White suggested adding a recommendation to promote projects that have a positive impact on reduction of greenhouse gas emissions. Director Reilly said when a link is made between a METRO project and an environmental requirement, funding might be possible. Director Stone said that if the Transit System had fewer unmet needs then that, in and of itself, is helping to reduce greenhouse gas and is helping improve the environment because we have a more effective, mobile transit system. Mr. White suggested that a preamble be included with the Unmet Needs list that states that the community is denied mobility by the absence of these services and projects, and that states the impact on local greenhouse gas emissions by the implementation of these projects. Mr. White offered to draft a preamble to submit to the RTC and said he could bring it back before the Board. Director Reilly said that a draft by email would suffice.

CHAIR BEAUTZ OPENED THE PUBLIC HEARING

Robert Yount said that MAC approached the Unmet Needs List with the knowledge that there was no money for the items on the list, and left it up to the Board to affix a priority. Mr. Yount said that he and MAC were working on a DVD to promote transit ridership, and said that he hoped the dvd could be played in segments as public service announcements.

CHAIR BEAUTZ CLOSED THE PUBLIC HEARING

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Forward prioritized list of recommendations to the RTC with the following changes: direct the General Manager to send a preamble that emphasizes both the mobility improvements that would be made available to selected members of the community and the overall positive environmental impacts; amend the priority of item #52 from low to medium-high as suggested by MAC.

Motion passed unanimously with all Directors present.

10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH PAT PIRAS CONSULTING FOR REVIEW OF THE ADA PARATRANSIT ELIGIBILITY PROCESS

Summary:

Tom Stickel said that METRO requested proposals from qualified firms to conduct an analytical review of METRO's ADA Paratransit eligibility process. Mr. Stickel said that requests for proposals were mailed to fifteen firms, legally advertised and posted on the district website. Mr. Stickel said that two proposals were received and based on the evaluation criteria, the selection committee is recommending that the Board authorize the General Manager to execute a contract with Pat Piras Consulting for the review of METRO's ADA Paratransit eligibility process.

Discussion:

Director Rotkin asked who served on the selection committee. Mark Dorfman said that it was Lloyd Longnecker, Ciro Aguirre and Margaret Gallagher. Director Stone commented that the review of the process is very timely and that he looked forward to the results.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR HAGEN

Authorize the General Manager to execute a contract with Pat Piras Consulting for review of the ADA Paratransit eligibility process

Motion passed unanimously with all Directors present.

11. CONSIDERATION OF APPROVAL OF INDEMNIFICATION/HOLD HARMLESS AGREEMENT WITH THE CITY OF CAPITOLA TO ALLOW THE CITY OF CAPITOLA TO USE METRO'S BUS STOPS IN CAPITOLA

Summary:

Les White said a request was received from the city of Capitola to use METRO bus stops for the Capitola Summer shuttle. Mr. White said that staff is recommending that the Board approve the indemnification/hold harmless agreement

Discussion:

Director Spence asked if this was the first time for this request Les White said that it was not. Director Spence asked if there was any impact on trash buildup at the stops. Mr. White said that no change was noticed before. Eduardo Montesinos (UTU) asked that Capitola check the METRO schedule to avoid arrivals at the same time as METRO buses. Mr. White said the agreement that Capitola will work with METRO to make sure two buses do not arrive at the same time.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR NICOL

Authorize the General Manager to execute an Indemnification Agreement with the City of Capitola to allow the City of Capitola to use METRO bus stops in Capitola

Motion passed unanimously with all Directors present.

12. CONSIDERATION OF CONTINUING SPONSORSHIP OF LEADERSHIP SANTA CRUZ COUNTY IN ORDER TO PROVIDE EDUCATION ON TRANSPORTATION ISSUES, SERVICES, AND FACILITIES

Summary:

Les White said METRO has previously provided one bus for a tour by Leadership Santa Cruz County in exchange for tuition-free access to that program. Mr. White said the staff member who attended this year felt it was a valuable experience. Mr. White said that the request this year is for two different days that they would like support in exchange for two spots in the program.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Approve METRO continuing to be a sponsor of the Leadership Santa Cruz County Program, providing information regarding public transit services and facilities to the class Members, and providing a bus on May 30, 2008 for a tour of various facilities and activities, and providing a bus for a similar function on June 13, 2008.

Motion passed unanimously with all Directors present.

13. CONSIDERATION OF FINAL ACCEPTANCE OF METROBASE SERVICE AND FUELING BUILDING AND AUTHORIZATION OF RELEASE OF RETENTION TO ARNTZ BUILDERS, INC.

Summary:

Frank Cheng said that on February 9, 2006, Arntz Builders began constructing the Service and Fueling Building for METRO at 1122 River Street, whose address has been changed to 1200 B River Street. On February 14, 2008, METRO took "partial occupancy" in order to start fueling buses. Mr. Cheng said that the performance of the fueling process has been very efficient. Mr. Cheng said that the refueling time has been lowered from 7 minutes at Devco on Encinal, to 5 minutes on-site. There is a retention being held from Arntz Builders-- every progress payment has had 10% held, which now totals \$888,194.93, plus interest. Mr. Cheng requested that the Board accept the MetroBase Service and Fueling Building and authorize the General Manager to release the retention to Arntz Builders. Vice Chair Bustichi asked if there were any stop notices. Mr. Cheng said that there were none.

ACTION: MOTION: DIRECTOR BUSTICHI SECOND: DIRECTOR ROTKIN

Authorize Final Acceptance of the MetroBase Service and Fueling Building and authorize the General Manager to release the retention to Arntz Builders, Inc.

Motion passed unanimously with all Directors present.

18. ORAL ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR MAY 25, 2007 – CAPITOLA CITY COUNCIL CHAMBERS, 420 CAPITOLA AVE, CAPITOLA

Chair Beautz reported that the May 23, 2008 Board Meeting would be held at the Capitola City Council Chambers, 420 Capitola Avenue in Capitola.

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

Les White said that the Board would have a conference with its Labor Negotiators regarding United Transportation Union, Local 23, Fixed Route.

15. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Eduardo Montesinos of UTU Local 23 said that UTU is very committed to reaching tentative agreements on more articles in the contract and feels that the District does not have the same commitment. Mr. Montesinos said that they are hopeful that a commitment is there and hopefully they can move forward.

Steve Prince, UTU negotiator, said he had been around since the first contract in 1980. Mr. Prince said they were approached by METRO that they wanted to do a rapid and progressive contract ratification. Mr. Prince said he did not feel this was happening, but is hopeful that the contract could be ratified before July 1st.

SECTION II: CLOSED SESSION

Chair Beautz adjourned to Closed Session at 10:30 a.m. and reconvened to Open Session at 11:56 a.m.

SECTION III: RECONVENE TO OPEN SESSION

16. REPORT OF CLOSED SESSION

Les White reported that the Board took no reportable action in Closed Session.

ADJOURN

There being no further business, Chair Beautz adjourned the meeting at 12:00 p.m.

Respectfully submitted,

ANTHONY TAPIZ

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Administrative Assistant