

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

March 14, 2003

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, March 14, 2003 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

Vice Chairperson Keogh called the meeting to order at 9:02 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth
Jeff Almquist (arrived after roll call)
Jan Beautz (arrived after roll call)
Michelle Hinkle
Mike Keogh
Emily Reilly
Mike Rotkin (arrived after roll call)
Pat Spence
Marcela Tavantzis

DIRECTORS ABSENT

Dennis Norton
Ana Ventura Phares
Ex-Officio Wes Scott

STAFF PRESENT

Bryant Baehr, Operations Manager
Mark Dorfman, Asst. General Manager
Marilyn Fenn, Asst. Finance Manager
Margaret Gallagher, District Counsel

Elisabeth Ross, Finance Manager
Robyn Slater, Interim H.R. Manager
Judy Souza, Base Superintendent
Tom Stickel, Fleet Maint. Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Mary Ferrick, Schedule Analyst
R. Paul Marcelin, MUG
Manny Martinez, PSA

Bonnie Morr, UTU
Jeff North, UTU
Will Regan, VMU

2. ORAL AND WRITTEN COMMUNICATION

Written:

a. Paul Marcelin, MUG Member

RE: Hwy. 17 Buses
Laptop Computer Outlets

b. William Spence, BT Commercial Real Estate

RE: Sakata Lane property

Oral:

Jenny Johnson and Heather Brady, both of Ecology Action and both transit riders, addressed the Board about their satisfaction with the METRO transit service. They enjoy the experience that METRO offers and the courteous bus operators.

3. LABOR ORGANIZATION COMMUNICATIONS

Director Spence advised the Board that the Metro ParaCruz Customer's Guide has been printed and mailed this week.

4. METRO USERS GROUP (MUG) COMMUNICATIONS

Director Hinkle, though not a member of the Call Stop Committee, did attend the March 12, 2003 Committee meeting which took place on a bus. This particular bus was programmed with all the stops called from the Metro Center to the Capitola Mall. She thanked Bryant Baehr and Margaret Gallagher for the time and effort that they put into this Committee.

5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS

None

6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Handouts from R. Paul Marcelin were distributed and are attached to these Minutes.

Director Rotkin directed staff to respond to the letter from Mr. Marcelin that is listed under Written Communication and that the Board be copied on that response.

CONSENT AGENDA

7-1. APPROVE REGULAR BOARD MEETING MINUTES OF FEBRUARY 14 AND FEBRUARY 28, 2003

No questions or comments.

7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS

No questions or comments.

7-3. ACCEPT AND FILE FEBRUARY 2003 RIDERSHIP REPORT

No questions or comments.

7-4. CONSIDERATION OF TORT CLAIMS: None

7-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF MARCH 20, 2003 AND THE MINUTES OF THE FEBRUARY 20, 2003 MEETING

No questions or comments.

7-6. ACCEPT AND FILE AGENDA FOR THE MUG COMMITTEE MEETING OF MARCH 19, 2003 AND THE MINUTES OF THE FEBRUARY 19, 2003 MEETING

It was questioned why having the MUG meetings at night would be considered a “gift of public funds”. Margaret Gallagher responded that METRO would be providing specific transit service to the meeting attendees and this is what would be considered a “gift of public funds”. Bryant Baehr added that several MUG members expressed that they were uncomfortable riding the bus at night and would only be interested in attending a nighttime MUG meeting if transportation was provided. Margaret Gallagher will provide the Board with a more detailed report in May on some of these MUG issues. Director Tavantzis suggested that the meeting be held closer to a bus stop that functions in the evening hours.

7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR JANUARY 2003; APPROVAL OF BUDGET TRANSFERS

Director Rotkin asked for discussion about how staff sees the figures in the Notes to Revenue and Expense Report, specifically, the unemployment insurance expense of 87.6% and the Workers Compensation insurance expense of 85.3%. Elisabeth Ross responded that the unemployment insurance was projected at \$85 but actually the figure is \$98. This will be in the budget revision. The Workers Compensation figure is high partly due to settling some old claims. This trend is expected to continue for the next few months. There are Workers Compensation reserves to draw on if needed.

7-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR DECEMBER 2002

There was discussion regarding the areas of contract non-compliance and how these figures compare with previous years. Mr. Dorfman responded that this is a new contract and the areas of non-compliance were not recorded in previous years so there is nothing by way of comparison. Bryant Baehr stated that staff is monitoring these areas and there has been significant improvement since Steve Paulson came on-board.

DIRECTOR ALMQUIST ARRIVED AT THE MEETING.

Mr. Dorfman offered to attempt to obtain comparisons from other transit systems. Director Reilly stated that a goal should be established with information showing how close the service is coming to that goal.

DIRECTOR BEAUTZ ARRIVED AT THE MEETING.

Bryant Baehr will return to next month’s meeting on this issue after speaking with Les White and Mark Dorfman. Expectations could be set at the quarterly Paratransit meeting. The Financial Analysis and Recertification Process was discussed and it was stated that the recertification process is a multi-year procedure that METRO is only into by six months. Bryant Baehr added

that those who are eligible continue to utilize the system, however, the recertification process continues to weed out those who are ineligible. Mr. Dorfman further added that the appeals process is relatively smooth. Mr. Baehr thanked Director Spence for her valuable involvement in the creation of the Paratransit Users' Guide which now sets a standard for paratransit service.

7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR JANUARY 2003

Mr. Dorfman reported that there would be changes to the Highway 17 Express service as a result of decreased ridership. Director Reilly asked since the subsidy per passenger figure is so much higher, does Staff have a prediction as to where this will level off. Mr. Dorfman stated that this is dependent upon the economy.

7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE

Director Rotkin asked that Staff look at the number of school days as this affects the report. Director Reilly added that a comparison of how many school days per month vs. the same month last year would be helpful. Mark Dorfman added that the University is contracting with a firm to study campus circulation patterns in an effort to improve on-campus transportation. Paul Marcelin stated that he applied to work on this contract at the University as he has done extensive studies of the ridership pattern on campus. He added that 30% of passenger revenue comes from the University and that the crowding has eased due to loss of ridership.

7-11. ACCEPT AND FILE METROBASE STATUS REPORT

Mark Dorfman explained that the MetroBase schedule has changed by approximately thirty days as a result of the previous three changes to the schedule.

7-12. CONSIDERATION OF AUTHORIZATION OF DISPOSAL OF FOOTHILL BUS PARTS INVENTORY

No questions or comments.

7-13. CONSIDERATION OF OWNED AND LEASED PROPERTY INVENTORIES TO DETERMINE IF THERE IS ANY PROPERTY IN EXCESS OF SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S FORESEEABLE NEEDS

Mark Dorfman reported that METRO is ready to dispose of the Sakata Lane property if the Board so directs. Staff would go through the disposal process that includes obtaining the highest and best bid for this property. There has been much interest over the years and Staff has been keeping a record of these parties. Director Spence expressed concern over disposing of this property prior to the MetroBase Phase II being approved. Director Rotkin added that a two-base operation is cost prohibitive and it is unlikely that utilization of this property would be financially feasible for the MetroBase project.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ALMQUIST

Staff was directed to address the concerns of Director Spence as it relates to the possible need to utilize the Sakata Lane property for Phase II of MetroBase. Bring back a

recommendation to the Board about the timing for disposal of the Sakata Lane property. Include economic data in the report to the Board since this is a disposable asset that is growing in value. Also include in the report whether this property might be utilized if the paratransit service is brought in-house.

Motion passed unanimously with Directors Norton and Phares being absent.

7-14. CONSIDERATION OF INCLUSION OF HISTORY OF PRIOR AMERICANS WITH DISABILITIES ACT (ADA) PROCEDURES

Margaret Gallagher explained to the Board that this staff report includes the revision history to show that there was a prior policy and to accurately reflect what had occurred with this procedure.

7-15. CONSIDERATION OF APPROVAL OF AGREEMENT WITH DELTA DENTAL REGARDING PRIVACY RIGHTS WILL BE PRESENTED FOR CONSIDERATION AT THE MARCH 28TH BOARD MEETING

REGULAR AGENDA

8. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

This presentation will take place at the March 28, 2003 Board meeting

9. CONSIDERATION OF RENEWAL OF CONTRACT WITH BROWN, ARMSTRONG, PAULDEN, MCCOWN, STARBUCK & KEETER ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES

Summary:

Tom Stickel reported that this is a renewal for financial audit services provided to the District. This would be the final year for this renewal.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ALMQUIST

Move to Consent Agenda for the March 28, 2003 Board Meeting.

Motion passed unanimously with Directors Norton and Phares being absent.

10. CONSIDERATION OF RENEWAL OF CONTRACT WITH MISSION LINEN AND UNIFORM SERVICE FOR UNIFORM AND LAUNDRY SERVICES

Summary:

Tom Stickel reported that this is a contract renewal for linen services that provide coveralls and Fleet Maintenance uniforms, mats to the buildings, etc. This is the final year for renewal of this contract.

ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR ROTKIN

Move to Consent Agenda for the March 28, 2003 Board Meeting.

Motion passed unanimously with Directors Norton and Phares being absent.

11. CONSIDERATION OF AMENDING AWARD OF CONTRACT FOR FURNISHING BUS AIR, FUEL AND OIL FILTERS

Summary:

This is a contract in which the District participates via the Regional Transit Coordinating Council (RTCC) in order to obtain volume discounts by participating in joint procurements with other transit agencies.

ACTION: MOTION: DIRECTOR AINSWORTH SECOND: DIRECTOR ROTKIN

Move to Items 11 and 12 to the Consent Agenda for the March 28, 2003 Board Meeting.

Motion passed unanimously with Directors Norton and Phares being absent.

12. CONSIDERATION OF AMENDING CONTRACT WITH AMPAC BUILDING MAINTENANCE FOR CUSTODIAL SERVICES AT SCOTTS VALLEY TRANSIT CENTER

13. CONSIDERATION OF APPROVAL TO AMEND CONTRACT FOR CONSTRUCTION OF THE COMPRESSED NATURAL GAS (CNG) FUEL STATION TO ADD ADDITIONAL CONSTRUCTION REQUIREMENTS ACTION REQUIRED AT THE MARCH 14, 2003 BOARD MEETING

Summary:

Mr. Stickel reported that the amendment to this contract would be for things that came up during the final walk-through of the CNG fuel station project. This amendment would also extend the timeline out to the end of April in order to give the contractor time to make corrections.

Discussion:

At Director Almquist's request, Mark Dorfman will see if the Homeland Security funding would cover things like fencing of the CNG facility to make it more secure. An agenda item will be added to the March 28th Board meeting for Chairperson Reilly to inform the Board of information she received at the recent APTA Legislative Conference in Washington, DC.

**ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR HINKLE
Authorize the General Manager to execute an amendment to the contract with Allsup Corporation to extend the contract and compensate contractor for additional work to be**

performed relating to the construction of the CNG fuel station at 1200 River Street, Santa Cruz. Staff was directed to report back to the Board on potential Homeland funding.

Motion passed unanimously with Directors Norton and Phares being absent.

14. CONSIDERATION OF AMENDING CONTRACT WITH GFI GENFARE TO PURCHASE ADDITIONAL FARE BOX EQUIPMENT

Summary:

Tom Stickel reported that when the District originally purchased the new fareboxes, there was a clause in the contract that allowed additional purchases for up to three years at the pre-designated prices. Staff is requesting that the Board approve the purchase of four additional fareboxes with accessories for the high-floor buses currently in production at Orion Bus Industries.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BEAUTZ

Move to Consent Agenda for the March 28, 2003 Board Meeting.

It was confirmed that the old fareboxes have not yet been sold. Jeff North stated that the bus operators would love to receive an old farebox as a longevity award. Will Regan inquired about the magnetic card reader and asked if this option should be added when needed instead of now. Mr. Dorfman responded that METRO would receive 80% of the funding if the equipment is obtained now.

Motion passed unanimously with Directors Norton and Phares being absent.

**15. PUBLIC HEARING TO RECEIVE INPUT REGARDING ALTERNATIVE SUGGESTIONS TO PROPOSED SERVICE CUTS
PUBLIC HEARING TO BE HELD AT MARCH 14, 2003 BOARD MEETING**

Summary:

Mark Dorfman stated that METRO is holding this public meeting in order to comply with CEQA (California Environmental Quality Act) requirements on proposed service cuts. No action is required today on this item. Mr. Dorfman itemized all the upcoming meetings and the various ways for the public to provide input to the Board. Ian McFadden made the service reduction presentation highlighting the four major projects involved: Highway 17 Service, Routes 4 & 8 combined, Aptos-La Selva reorganization, and the weekend Westside consolidation. Other reductions include under-performing trips and available options for the riders.

THE PUBLIC HEARING WAS OPENED UP AT 10:27 A.M.

Mark Dorfman explained why the Public Hearing was scheduled to take place today.

Mr. Marcelin discussed the Watsonville public meeting that was held on the service reductions and stated that he and Director Tavantzis were in attendance. He stated the service cuts he helped sell to the Board last year were minor cuts that turned into big service cuts in that the entire \$350,000 budget deficit that METRO is experiencing is coming out of service on the streets. Mr. Marcelin's concerns were: timeframe for advertising of public meetings, availability of details of the service reductions, utilization of the Hastus software by staff, reporting of riders per hour or subsidy dollars per hour. Mr. Marcelin referred to his handout "Common Sense" in which he questioned some of the recommendations for service reductions made by staff. This handout is attached to the Minutes. Several Directors expressed their appreciation of Mr. Marcelin's analyses but asked that he discontinue the personal comments regarding the METRO staff.

PUBLIC COMMENTS WERE CLOSED AT 10:44 A.M.

Public input will continue to the March 28, 2003 Board meeting. Staff was asked to review the recommendations made by Mr. Marcelin. Mr. Dorfman clarified that small changes could be made while still maintaining the deadline to include the information in the June reprint of the *Headways*. It was stated by staff that service reductions are not predicated solely on cost savings but also on lifeline service so as not to leave entire areas of the county without bus service. Staff was directed to post signage at the affected bus stops regarding the service changes.

THE PUBLIC HEARING WAS CLOSED AT 11:11 A.M.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR REILLY

Extend the meeting past 11:00 a.m.

Motion passed unanimously with Directors Norton and Phares being absent.

VICE CHAIRPERSON KEOGH ADJOURNED THE MEETING TO CLOSED SESSION AT THIS TIME.

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

Margaret Gallagher stated that the case of Soretta Chatman would be discussed in Closed Session.

24. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None

SECTION II: CLOSED SESSION

Vice-Chairperson Keogh adjourned to Closed Session at 11:12 a.m. and reconvened to Open Session at 11:55 a.m.

SECTION III: RECONVENE TO OPEN SESSION

25. REPORT OF CLOSED SESSION

Margaret Gallagher stated there was nothing to report at this time.

ITEM #19 WAS TAKEN OUT OF ORDER.

**19. CONSIDERATION OF RENEWAL OF EMPLOYMENT PRACTICES LIABILITY INSURANCE
ACTION REQUIRED AT THE MARCH 14, 2003 BOARD MEETING**

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR REILLY

Authorize the renewal of Employment Practices Liability coverage with U.S. Risk Underwriters, Inc. at a premium not to exceed \$60,000.

Motion passed unanimously with Directors Norton and Phares being absent.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR BEAUTZ

Motion to adjourn and the carry the remaining items over to the March 28, 2003 Board Meeting.

Motion passed unanimously with Directors Norton and Phares being absent.

ADJOURN

There being no further business, Vice Chairperson Keogh adjourned the meeting at 11:56 a.m.

Respectfully submitted.

Dale Carr
Administrative Services Coordinator