

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

December 15, 2006

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, December 15, 2006 at the Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA

Chair Rotkin called the meeting to order at 9:00 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Dene Bustichi
Michelle Hinkle
Mike Keogh
Kirby Nicol
Mike Rotkin
Dale Skillicorn
Pat Spence
Mark Stone
Marcela Tavantzis

DIRECTORS ABSENT

Jan Beautz
Emily Reilly
Ex-Officio Wes Scott

STAFF PRESENT

Ciro Aguirre, Operations Manager
Frank Cheng, MetroBase Project Manager
Mark Dorfman, Asst. General Manager
Mary Ferrick, Base Superintendent
Terry Gale, IT Manager
Margaret Gallagher, District Counsel

Steve Paulson, Paratransit Administrator
Elisabeth Ross, Finance Manager
Robyn Slater, Human Resources Manager
Tom Stickel, Maintenance Manager
Les White, General Manager

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

Glenn Bartz, Sr. Facilities Maint. Worker
Margaret Blair, Transit User
Diana Bojeczko, Accounting Technician
Rosa Dinatale, Transit User
Sandra Lipperd, UTU
Sue Luna, Accounting Technician

John Mellon, VMU
Dave Moreau, PSA
Joy Olander, Accounting Technician
Thomas Reefer, PhD
Sylvia Rogers, Payroll and Benefits Coord.
Emery Ross, Management Retiree
Amy Weiss, Spanish Interpreter

ITEMS #13, 14, AND 15 WERE TAKEN OUT OF ORDER

13. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES GLENN BARTZ AS SENIOR FACILITIES MAINTENANCE WORKER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ACTION: MOTION: DIRECTOR NICOL SECOND: DIRECTOR STONE

Adopt Resolution of appreciation for the services of Glenn Bartz as Senior Facilities Maintenance Worker for the Santa Cruz Metropolitan Transit District

Chair Rotkin presented Glenn Bartz, Sr. Facilities Maintenance Worker, with a Plaque of Appreciation from the Santa Cruz Metropolitan Transit District and thanked Mr. Bartz for his years of service. Mr. Bartz accepted the award and thanked SCMTD for his years of employment.

Motion passed by unanimous affirmative voice vote in lieu of a roll call vote with Directors Beautz and Reilly being absent.

14. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF SYLVIA ROGERS AS PAYROLL AND BENEFITS COORDINATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR TAVANTZIS

Adopt Resolution of appreciation for the services of Sylvia Rogers as Payroll and Benefits Coordinator for the Santa Cruz Metropolitan Transit District

Chair Rotkin presented Sylvia Rogers, Payroll and Benefits Coordinator, with a Plaque of Appreciation from the Santa Cruz Metropolitan Transit District and thanked Ms. Rogers for her years of service. Ms. Rogers accepted the award and thanked SCMTD for her years of employment.

Motion passed by unanimous affirmative voice vote in lieu of a roll call vote with Directors Beautz and Reilly being absent.

15. CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF ELISABETH ROSS AS FINANCE MANAGER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Chair Rotkin presented Elisabeth Ross, Finance Manager with a Plaque of Appreciation from the Santa Cruz Metropolitan Transit District and thanked Ms. Ross for her years of service. Ms. Ross accepted the award and thanked SCMTD for her years of employment. Director Tavantzis read a statement provided by Paul Marcelin-Sampson, who was unable to attend, thanking Ms. Ross for her service to SCMTD.

ACTION: MOTION: DIRECTOR TAVANTZIS SECOND: DIRECTOR STONE

Adopt Resolution of appreciation for the services of Elisabeth Ross as Finance Manager for the Santa Cruz Metropolitan Transit District

Motion passed by unanimous affirmative voice vote in lieu of a roll call vote with Directors Beautz and Reilly being absent.

In recognition of the three Resolution of Appreciation Award recipients, who will be retiring from METRO this month, Chair Rotkin invited all attendees to participate in the refreshments and took a brief Recess at 9:20 a.m. and reconvened to Open Session at 9:33 a.m.

2. ORAL AND WRITTEN COMMUNICATION

Written:

- | | | | |
|----|------------------|-----|-------------------------------|
| a. | Louise Barnes | Re: | Service Complaint |
| b. | Carolyn Kubaki | Re: | Photo ID Complaint |
| c. | Bonnie Morr, UTU | Re: | Labor Agreement Article 35.03 |

Mr. White reported a letter had been received from the Santa Cruz County Regional Transportation Commission's Elderly and Disabled Transportation Advisory Committee (E&D TAC), which was distributed to the Board today and is attached to the file copy of these minutes. The letter states that E&D TAC endorses a modification to Route 66 to reinstate transit service in the Gault/Frederick Street area.

Chair Rotkin reported that he had received a letter from Howard Mason concerning ParaCruz services, and a letter from Sue Wilson, a.k.a. "Grandma Sue" requesting transit service in the Gault/Frederick Street area.

Chair Rotkin noted that several members of the public were in attendance from La Posada and Gault Street Senior Housing to speak on providing direct transit service on Routes 65 or 66 in the Gault/Frederick Street area.

Tom Reeve, whose father lives at La Posada, stated he would be speaking for the group. Mr. Reeve distributed a proposal to modify Route 66, which is attached to the file copy of these minutes. Mr. Reeve urged the Board to consider the Route 66 modification, which E&D TAC has endorsed, or to reinstate Route 65 in order to directly serve the senior facilities in the Gault/Frederick Street area.

Rosa Dinatale, Transit User, gave a statement that it is dangerous for the elderly to commute on foot to the bus stops on Soquel Avenue and of her interest in having public transit to the La Posada area and the benefits to the public.

Chair Rotkin clarified that the request is to increase service in this area and asked for a show of hands for attendees that supported or opposed this issue. The approximate count was 20 supporters and 0 opponents. Chair Rotkin explained that the Board could not take action on this today and referred it to Staff for a response regarding the possibilities.

Direction: Chair Rotkin directed staff to agendize this item for January 2007.

Chair Rotkin took a brief Recess to allow members of the public to exit at 9:45 a.m. and reconvened to Open Session at 9:46 a.m.

3. LABOR ORGANIZATION COMMUNICATIONS

Sandra Lipperd, UTU Representative, stated that the United Transportation Union (UTU), Local 23 has sent a response to the General Manager's letter in regard to a current service issue and hopes the Board understands UTU's position. Ms. Lipperd stated that in order to address the current issue of unreliable service to the public the UTU would need the commitment of the Board of Directors and the General Manager. Ms. Lipperd requested that the Board revisit the idea of additional funding for current operational systems.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Item #5-7 and a letter from E&D TAC were distributed today and are attached to the file copy of these minutes.

SECTION I:

OPEN SESSION:

CONSENT AGENDA:

- | | |
|-------------------------|--|
| ADD TO ITEM #5-1 | APPROVE REGULAR BOARD MEETING MINUTES OF OCTOBER 13 & 27, NOVEMBER 10 & 17, 2006 AND SPECIAL MINUTES OF OCTOBER 27, 2006
(Insert November Minutes) |
| ADD TO ITEM #5-4 | CONSIDERATION OF TORT CLAIMS
(Insert Claim #06-0036) |
| REVISE ITEM #5-5 | ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) REVISED AGENDA FOR DECEMBER 20, 2006 AND MINUTES OF OCTOBER 18, 2006
(Insert REVISED Agenda) |
| INSERT ITEM #5-6 | ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR SEPTEMBER 2006 AND APPROVAL OF BUDGET TRANSFERS
(Insert Staff Report) |
| INSERT ITEM #5-7 | ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR SEPTEMBER 2006
(Will be distributed at the December 15, 2006 Board Meeting) |
| DELETE ITEM #5-9 | ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF OCTOBER 2006
(Deleted: Will be included in the January 2007 Board Packet) |

- ADD ITEM #5-19** **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**
(Insert Staff Report)
- ADD ITEM #5-20** **CONSIDERATION OF THE REPLACEMENT OF THE POSITION OF FINANCE MANAGER DESIGNATE WITH THE POSITION OF FINANCE MANAGER ADVISOR FOR THE PERIOD BETWEEN JANUARY 2007 AND JUNE 2007**
(Insert Staff Report)
- REGULAR AGENDA:**
- DELETE ITEM #8** CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE OPTION TO PURCHASE EIGHT (8) 40-FOOT COMPRESSED NATURAL GAS BUSES FROM THE CITY OF CULVER CITY WITH NEW FLYER OF AMERICA
(Deleted: Action taken at the December 8, 2006 Board Meeting)
- DELETE ITEM #10** CONSIDERATION OF APPROVAL OF RESOLUTION REVISING FY 06-07 BUDGET
(Deleted: Will be included in the January 2007 Board Packet)
- ADD ITEM #13** **CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES GLENN BARTZ AS SENIOR FACILITIES MAINTENANCE WORKER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**
(Insert Resolution)
- ADD ITEM #14** **CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF SYLVIA ROGERS AS PAYROLL AND BENEFITS COORDINATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**
(Insert Resolution)
- ADD ITEM #15** **CONSIDERATION OF APPROVAL OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF ELISABETH ROSS AS FINANCE MANAGER FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**
(Insert Resolution)

CONSENT AGENDA

- 5-1. **APPROVE REGULAR BOARD MEETING MINUTES OF OCTOBER 13 & 27, NOVEMBER 10 & 17, 2006 AND SPECIAL MINUTES OF OCTOBER 27, 2006**
Minutes:
- 5-2. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF NOVEMBER 2006**
- 5-3. **ACCEPT AND FILE NOVEMBER 2006 RIDERSHIP REPORT**
- 5-4. **CONSIDERATION OF TORT CLAIMS:**
DENY THE CLAIM OF JAMES SCHNEEBERGER, CLAIM #06-0038;
DENY THE CLAIM OF KEN BAUER, CLAIM #06-0039

- DENY THE CLAIM OF EMILY MILLER, CLAIM #06-0036**
- 5-5. **ACCEPT AND FILE METRO ADVISORY COMMITTEE (MAC) REVISED AGENDA FOR DECEMBER 20, 2006 AND MINUTES OF OCTOBER 18, 2006**
- 5-6. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR SEPTEMBER 2006 AND APPROVAL OF BUDGET TRANSFERS**
- 5-7. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR SEPTEMBER 2006**
- 5-8. **ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF SEPTEMBER 2006**
- 5-9. **DELETED: WILL BE INCLUDED IN THE JANUARY 2007 BOARD PACKET**
(ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF OCTOBER 2006)
- 5-10. **ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE OCTOBER 2006 MEETING(S)**
- 5-11. **ACCEPT AND FILE METROBASE STATUS REPORT**
- 5-12. **ACCEPT AND FILE NOTIFICATION OF ACTION TAKEN IN CLOSED SESSION REGARDING CLAIM OF USAA INSURANCE (SUBROGATING FOR MARY GOOVARS)**
- 5-13. **CONSIDERATION OF ADOPTION OF THE REVISED EQUAL EMPLOYMENT OPPORTUNITY (EEO) PLAN**
- 5-14. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH MARIE F. SANG FOR LEGAL SERVICES IN THE AREA OF WORKERS COMPENSATION**
- 5-15. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH CAROLYN CHANEY AND ASSOCIATES FOR FEDERAL LEGISLATIVE SERVICES**
- 5-16. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH EVERGREEN OIL FOR HAZARDOUS WASTE REMOVAL SERVICES**
- 5-17. **CONSIDERATION OF PROCEDURES IN PLACE AT METRO TO HANDLE CUSTOMER COMPLAINTS**
- 5-18. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A 3-YEAR LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK SPACE #5 WITH JOSE VILLA DBA LA MANCHA**
- 5-19. **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**
- 5-20. **CONSIDERATION OF THE REPLACEMENT OF THE POSITION OF FINANCE MANAGER DESIGNATE WITH THE POSITION OF FINANCE MANAGER ADVISOR FOR THE PERIOD BETWEEN JANUARY 2007 AND JUNE 2007**

Director Spence asked if #5-11 Accept and File MetroBase Status Report could include information on the feasibility of installing Pedestrian Overpasses across River Street. Frank Cheng stated that it could be reviewed and Staff could return a report to the Board.

ACTION: MOTION: DIRECTOR TAVANTZIS SECOND: DIRECTOR ROTKIN

Approve the Consent Agenda with Pedestrian Overpass feasibility information to be included in a future MetroBase Status Report.

Motion passed unanimously with Directors Beautz and Reilly being absent.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

The following employees were awarded longevity certificates for their years of service.

FIFTEEN YEARS

Mark J. Dorfman, Assistant General Manager

TWENTY-FIVE YEARS

Dorice Ann, Bus Operator

7. PUBLIC HEARING: CONSIDERATION OF AMENDING, CONSOLIDATING AND PROMULGATING A CONFLICT OF INTEREST CODE PURSUANT TO GOVERNMENT CODE § 87300

Summary:

Margaret Gallagher reported that the Board is being asked to adopt the most recent revision of the Conflict of Interest Code pursuant to Government Code § 87300. The revision process took a great deal of combining, consolidating and amending to bring it all together into one document that satisfies government requirements. Ms. Gallagher added that the position of Senior Accounting Technician would be added to those required to file Form 700s because the incumbent makes or participates in making government decisions.

CHAIR ROTKIN OPENED THE PUBLIC HEARING AT 9:53 A.M.

There were no public comments.

CHAIR ROTKIN CLOSED THE PUBLIC HEARING AT 9:53 A.M.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR TAVANTZIS

Amend, Consolidate and Promulgate a Conflict of Interest Code, Pursuant to Government Code §87300 as set forth in Attachment A. Delete Article IV, “Conflict of Interest” and Article VII, “Statements of Economic Interest” from the Director’s Code of Ethics.

Motion passed unanimously Directors Beautz and Reilly being absent.

9. CONSIDERATION OF ACCEPTANCE OF FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT AUDITOR FOR YEAR ENDING JUNE 30, 2006

Summary:

Elisabeth Ross reported on the auditing process done by the firm of Brown Armstrong, Certified Public Accountants, for the year ending June 30, 2006 and stated that the company provided an “unqualified” opinion which is the highest level of opinion and indicates that the financial statements are consistent with generally accepted accounting principles. There were also four (4) recommendations for improvement of internal control.

Discussion:

Chair Rotkin referred to page #9.c2, Finding #4 regarding overtime payroll review and asked if there was an estimated timeline of when the District would have a system in place to generate a report detailing overtime paid to Coach Operators. Elisabeth Ross explained that what the finding is actually asking for is a backup review because several people use payroll and the hope is that in six months an individual timecard report can be generated by the IT Department.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR SKILLICORN

Formally accept the audited financial statements and report prepared by the firm of Brown Armstrong, Certified Public Accountants, for the year ending June 30, 2005

Motion passed unanimously Directors Beautz and Reilly being absent.

11. CONSIDERATION OF APPROVAL OF 2007 STATE LEGISLATIVE PROGRAM

Summary:

Les White reported that District is requesting that the Board review and identify the activities the District would like to advocate for in the State Legislative Program. Mr. White stated that in 2007 one of the primary areas to focus on is the selling of bonds under Propositions 1B and 1C. Mr. White gave definitions of the propositions and highlighted areas of the Staff Report including the State Goals listed on the attachment on page #11.a1. Mr. White stated that the District would propose to the Board to use the capital funds from the selling of bonds for completion of MetroBase facilities, acquiring ParaCruz vehicles, acquiring additional buses, and converting existing buses to CNG. Mr. White added that the District would like to see the funds from bonds be used for projects that are currently ready to go and not be allocated to proposed projects from other entities outside the District.

Discussion:

Director Nicol asked what the California Highway Patrol (CHP)’s position is on the “Yield to Bus” program (Item #10 on page #11.a1). Les White explained that the CHP has traditionally not been in favor of the program but their “official” stance is neutral. Mr. White explained that suspicions

from different organizations that the program would increase accidents and allow for misuse proved to be unfounded in the demonstration portion of the project.

ACTION: MOTION: DIRECTOR NICOL SECOND: DIRECTOR STONE

Approve the proposed METRO 2007 State Legislative Program.

Emery Ross, Management Retiree, spoke on the District's financial situation in the past and stated in his opinion the public view was that the District was in possession of "secret bank accounts." He complimented Elisabeth Ross on her handling of the District's finances and suggested the Board keep that in mind when reviewing the handling of bond funds.

Motion passed unanimously Directors Beautz and Reilly being absent.

Direction: Chair Rotkin requested an electronic file of the Staff Report and the District's 2007 State Legislative Program from Staff.

12. CONSIDERATION OF APPROVAL OF 2007 FEDERAL LEGISLATIVE PROGRAM

Summary:

Les White reported that the District is requesting that the Board review and approve the activities the District would like to advocate for in the 2007 Federal Legislative Program. Mr. White highlighted and explained areas of the Staff Report including the Federal Goals listed on the attachment on page #12.a1. Mr. White added additional information on the Safe, Accountable, Flexible, Efficient, Transportation Equity Act- A Legacy for Users (SAFETEA-LU) and why he feels the District should support the appropriation of funds and resist efforts to single out specific states for lower transit funding.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR TAVANTZIS

Approve the proposed METRO 2007 Federal Legislative Program.

Discussion:

Director Spence inquired as to whether the District currently has interchangeable passes with other transit districts. Les White responded that with the purchase of a Monthly Pass with a Highway 17 Express upgrade it can be used on the Valley Transportation Authority (VTA) system but none of the passes are interchangeable with the Monterey Salinas Transit (MST).

Motion passed unanimously Directors Beautz and Reilly being absent.

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

Margaret Gallagher reported that the Board of Directors would be having a conference with its Legal Counsel regarding one case of anticipated litigation, a conference with its Labor Negotiators

regarding SEIU, Local 415 and UTU, Local 23, Fixed Route Division in a Special Closed Session Meeting.

17. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

No questions or comments.

SECTION II: CLOSED SESSION

Chair Rotkin adjourned to Closed Session at 10:27 a.m. and reconvened to Open Session at 11:08 a.m.

SECTION III: RECONVENE TO OPEN SESSION

18. REPORT OF CLOSED SESSION

Margaret Gallagher reported that the Board took no reportable action in Closed Session.

ADJOURN

There being no further business, Chair Rotkin adjourned the meeting at 11:08 a.m.

Respectfully submitted,

DALE HAMILTON
Administrative Assistant