

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

June 11, 2004

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, June 11, 2004 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

Chairperson Reilly called the meeting to order at 9:20 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz (arrived after roll call)
Michelle Hinkle
Emily Reilly
Mike Rotkin
Dale Skillicorn
Pat Spence
Marcela Tavantzis
Ex-Officio Wes Scott

DIRECTORS ABSENT

Sheryl Ainsworth
Mike Keogh
Dennis Norton
Mark Stone

STAFF PRESENT

Bryant Baehr, Operations Manager
Mark Dorfman, Assistant General Manager
Frank Cheng, M/B Project Manager
Terry Gale, IT Manager
Margaret Gallagher, District Counsel
David Konno, Facilities Maint. Manager

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

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

Virginia Johnson, Ecology Action
Gary Klemz, SEIU
Manny Martinez, PSA
Ian McFadden, SEA

Bonnie Morr, UTU
Jeff North, UTU
Will Regan, VMU
Antonio Zamedio, Lift Line, UTU

2. ORAL AND WRITTEN COMMUNICATION - None

Oral:

Rachel Marconi of the SCCRTC stated that any METRO Directors who want to make comments on the RTC Expenditure Plan should contact her.

Virginia Johnson, Executive Director of Transportation Management Association/Ecology Action, spoke regarding the benefits of METRO belonging to the TMA: employee bike loans, promotion of alternate transportation, sale of discount bus passes. Dues for METRO membership in TMA are included in the current budget.

3. LABOR ORGANIZATION COMMUNICATIONS

None

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Margaret Gallagher distributed a revised Resolution for the Via Del Mar project. Corrected copies of attachments to Items 12 and 18 were distributed.

CONSENT AGENDA

- 5-1. APPROVE REGULAR BOARD MEETING MINUTES OF MAY 14 AND MAY 28, 2004
- 5-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
- 5-3. ACCEPT AND FILE MAY 2004 RIDERSHIP REPORT
- 5-4. CONSIDERATION OF TORT CLAIMS: REJECT THE CLAIM ENTIRELY OF FREDY CASTILLO, CLAIM #04-0008, REJECT THE CLAIM ENTIRELY OF MARIA MARTINEZ, CLAIM #04-0010
- 5-5. ACCEPT AND FILE MAC AGENDA FOR JUNE 16, 2004 AND MINUTES OF MAY 19, 2004
- 5-6. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF JUNE 17, 2004 AND THE MINUTES OF THE MAY 20, 2004 MEETING
- 5-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR APRIL 2004 AND APPROVAL OF BUDGET TRANSFERS
- 5-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR MARCH 2004
- 5-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR APRIL 2004
- 5-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 5-11. ACCEPT AND FILE METROBASE STATUS REPORT
- 5-12. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE MAY MEETINGS
- 5-13. CONSIDERATION OF RECEIPT OF REPORT OF THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION'S PARATRANSIT COORDINATION TASK FORCE
- 5-14. CONSIDERATION OF AUTHORIZATION OF RENEWAL OF PROPERTY INSURANCE COVERAGE FOR FY 04-05
- 5-15. CONSIDERATION OF AUTHORIZATION OF RENEWAL OF LIABILITY AND PHYSICAL DAMAGE INSURANCE COVERAGE FOR FY 04-05
- 5-16. CONSIDERATION OF RESOLUTION AUTHORIZING A PRE-TAX PAYROLL DEDUCTION PLAN FOR SERVICE CREDIT PURCHASES BY DISTRICT EMPLOYEES ENROLLED IN THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM
- 5-17. CONSIDERATION OF AMENDING CONTRACT WITH VISION SERVICE PLAN

5-18. CONSIDERATION OF AWARD OF CONTRACT FOR EMPLOYEE LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE COVERAGE

There were no questions or comments on any Consent Agenda items. Chairperson Reilly did not itemize the Consent Agenda in an effort to expedite the meeting due to a possible loss of quorum.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

This presentation will take place at the June 25, 2004 Board meeting

CHAIRPERSON REILLY STATED THAT ITEMS 7, 8 AND 19 WOULD BE TAKEN OUT OF ORDER AT THIS TIME.

7. CONSIDERATION OF RATIFICATION OF A ONE-YEAR EXTENSION OF THE SERVICE EMPLOYEES' INTERNATIONAL UNION (SEIU) MEMORANDUM OF UNDERSTANDING (MOU)

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HINKLE

Ratify a one-year extension of the Service Employees' International Union (SEIU) Memorandum of Understanding which extends the existing MOU with a 0% increase in salary and no changes in benefits.

Motion passed with Directors Ainsworth, Beautz, Keogh, Norton and Stone being absent.

Mark Dorfman and Les White expressed their appreciation to the unions for working with METRO in this regard.

**8. CONSIDERATION OF ONE-YEAR EXTENSION OF CURRENT MANAGEMENT COMPENSATION PLAN
ACTION REQUIRED AT THE JUNE 11, 2004 BOARD MEETING**

Summary:

Les White stated that this plan is for the personnel who are not represented by labor agreements. The proposal is to extend this Plan for one additional year with no change in compensation. Mr. White expressed his appreciation to the managers who, by agreeing to an extension, minimized the amount of service being cut.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SPENCE

Approve a District Management Compensation Plan for the period July 2004 – June 2005 which extends the existing Management Compensation Plan with a 0% increase in salary and no changes in benefits.

Motion passed with Directors Ainsworth, Beautz, Keogh, Norton and Stone being absent.

19. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE NECESSARY DOCUMENTS AS THE REPRESENTATIVE OF METRO, THE OWNER OF THE PROPERTY, TO FACILITATE THE VIA DEL MAR PROJECT IN WATSONVILLE, WHICH IS ADJACENT TO THE WATSONVILLE TRANSIT CENTER

Summary:

Margaret Gallagher distributed a revised Resolution, which allows the General Manager to execute necessary documentation to facilitate the project. It also limits any increase in liability or obligation on behalf of METRO for this project. The release requires that the lenders acknowledge that METRO is not obligated to be repaid on any of these loans. Elisabeth Ross, Finance Manager, reviewed the financials on this project and accepted them. Staff recommends that the Board approve the revised resolution.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR TAVANTZIS

Authorize the General Manager to execute any necessary documents in order to facilitate the development of the Via del Mar Project including approving the sublease of the property from the City of Watsonville and MP Transit Center Associates, a California Limited Partnership, through passage of the attached Resolution.

Motion passed by a unanimous voice vote in lieu of a roll call vote with Directors Ainsworth, Beautz, Keogh, Norton and Stone being absent.

**DIRECTOR BEAUTZ ARRIVED.
DIRECTOR TAVANTZIS LEFT THE MEETING.**

9. CONSIDERATION OF ISSUING A DECLARATION OF FISCAL EMERGENCY

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Move this item to the Consent Agenda.

Motion passed with Directors Ainsworth, Keogh, Norton, Stone and Tavantzis being absent.

AT THE DIRECTION OF DISTRICT COUNSEL AND THE BOARD CHAIR, THIS ITEM WAS LATER MOVED BACK TO THE REGULAR AGENDA DUE TO THE FACT THAT THE BOARD NEEDS TO RESPOND TO THE PUBLIC INPUT PRIOR TO ADOPTING THE FISCAL EMERGENCY.

10. CONSIDERATION OF ADOPTION OF RESOLUTION APPROVING FINAL BUDGET FOR FY 04-05 AND FY 05-06

The final budget will be presented to the Board at their June 25, 2004 meeting.

**ITEM #12 WAS TAKEN OUT OF ORDER AT THIS TIME.
DIRECTOR TAVANTZIS RETURNED TO THE MEETING.**

12. CONSIDERATION OF APPROVAL OF RESPONSES TO TRANSPORTATION DEVELOPMENT ACT TRIENNIAL PERFORMANCE AUDIT

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Move to Consent Agenda.

Motion passed with Directors Ainsworth, Keogh, Norton and Stone being absent.

11. CONSIDERATION OF SERVICE REDUCTIONS FOR FALL 2004

Summary:

A public hearing has been added at the Capitola Mall for June 23rd to receive input regarding proposed service cuts. All advertising has been updated to include this additional public hearing.

Ian McFadden outlined the service reductions.

Discussion:

Ex Officio Director Scott stated that the university is still in escrow on the Texas Instruments building and service to this area would be appreciated. METRO staff is working with the university to develop bus stops at Natural Bridges. Mr. Dorfman added that swipe cards for the Schafer Road complex are being made up today. Chris Garwood is paying for this weekday service and for development of the bus stops/shelters, however, there will be no service on weekends.

Direction: *Determine the cost of providing weekend service to this area.

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

Margaret Gallagher reported that there would be a conference with Labor Negotiators for both SEIU and UTU, conference with Real Property Negotiator on two properties and with Legal Counsel on an existing litigation.

21. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Ms. Gallagher distributed a hand-out on the drug policy from UTU Chair Bonnie Morr. Bonnie Morr commented that the current expenditures for paratransit services is \$3,289,356 and she feels bringing the service in-house would be more efficient and at a better cost savings.

SECTION II: CLOSED SESSION

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Chairperson Reilly adjourned to Closed Session at 10:15 a.m. and Director Rotkin reconvened to Open Session at 11:10 a.m.

SECTION III: RECONVENE TO OPEN SESSION

22. REPORT OF CLOSED SESSION

Margaret Gallagher had nothing to report at this time.

ITEMS 13, 14, 15, 16, 17 AND 18 WERE NOT DISCUSSED AS IT WAS NOT ABSOLUTELY NECESSARY TO DO SO AND DUE TO A LOSS OF QUORUM.

ADJOURN

There being no further business, Director Rotkin adjourned the meeting at 11:10 a.m.

Respectfully submitted.

Dale Carr
Administrative Services Coordinator