

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

SPECIAL Open Session Minutes- Board of Directors

November 2, 2005

A SPECIAL Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Wednesday, November 2, 2005 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA

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

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz
Dene Bustichi (arrived after roll call)
Stephanie Harlan
Michelle Hinkle
Mike Keogh
Emily Reilly
Mike Rotkin
Dale Skillicorn
Pat Spence
Mark Stone
Marcela Tavantzis
Ex Officio Wes Scott

DIRECTORS ABSENT

STAFF PRESENT

Margaret Gallagher, District Counsel
Steve Paulson, Paratransit Administrator
Elisabeth Ross, Finance Manager

Judy Souza, Acting Operations Manager
Tom Stickel, Maintenance Manager
Les White, General Manager

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

Genevieve Bookwalter, Sentinel
Lisa Johnson, Cabrillo Student
Paul Marcelin-Sampson, MAC
Bonnie Morr, UTU

Timon Reed, UTU
Will Regan, VMU
Mark Saunders, UTU

2. NOTIFICATION OF REPORT OF 10/30/05 CLOSED SESSION ACTION REGARDING LABOR NEGOTIATIONS WITH THE UNITED TRANSPORTATION UNION, LOCAL 23

Les White reported that on October 30, 2005 the Board took action to find that the Tentative Labor Agreement with the United Transportation Union, Local 23, proposed by the METRO Negotiating Team was within the parameters that were acceptable to the Board and voted unanimously with all Directors present on a motion by Vice Chair Rotkin and seconded by Director Reilly to accept the proposed Tentative Agreement pending ratification by UTU, Local 23 membership.

3. CONSIDERATION OF FORMAL RATIFICATION OF LABOR AGREEMENT WITH THE UNITED TRANSPORTATION UNION, LOCAL 23 FOR THE PERIOD OF SEPTEMBER 1, 2005 THROUGH JUNE 30, 2008

Summary:

Les White reported Staff recommends that the Board of Directors formally ratify the Tentative Labor Agreement with UTU dated October 30, 2005 as the Labor Agreement between UTU and METRO fro the period of September 1, 2005 through June 30, 2008.

DIRECTOR BUSTICHI ARRIVED

The Agreement was ratified by the members of UTU on October 31, 2005 and provides for formula-based wage increase in the 2nd and 3rd years, identifies the medical premiums METRO will make, modifies the PERS contributions and accruals on overtime, adds a 20-year longevity bonus, continues the IWC Meal and Rest Break Order as it currently is, provides that METRO pay each bus operator who worked between August 1st and September 27, 2005 \$1,000 in exchange for signed releases of IWC penalty claims from all bus operators, and modifies General Leave. The Agreement also includes other provisions from Unilateral Implementation, Return to Work with No Reprisals, modifications to the Operating Policy and modifications to the Safety and Accident Review language.

The increased cost to METRO is 2.72% (1% one-time, 1.72% on-going) for year one, 1.97% on-going plus .22% one-time in year two, and 1.6% on-going plus .05% one-time in year three. Should sales tax revenue in year two exceed the 3% projected growth and exceed 6% in year three, UTU members would receive 30% of the excess.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR SKILLICORN

Ratify, with allowance for typographical, formatting, and grammatical changes, the Labor Agreement with the United Transportation Union, Local 23, for the period of September 1, 2005 through June 30, 2008.

Discussion:

Vice Chair Rotkin commented that the Board feels quite strongly that it was unfortunate that the public suffered a strike for the duration it has and that the issue was never about what the drivers deserve, but about what METRO can responsibly afford.

Director Stone thanked both negotiating teams and said there is still a lot of work to be done to rebuild relationships and trust with riders, drivers, staff and the Board.

Motion passed unanimously with all Directors present.

4. **CONSIDERATION OF AUTHORIZING THE OPERATION OF FREE FIXED ROUTE SERVICE IN RESPONSE TO THE LOSS OF SERVICE FROM THE STRIKE FOR THE PERIOD OF NOVEMBER 3, 2005 THROUGH NOVEMBER 13, 2005 AND AUTHORIZING METRO RIDERS TO EXCHANGE OCTOBER BUS PASSES FOR DECEMBER BUS PASSES AT NO COST**

Summary:

Les White reported that Staff recommends that the Board authorize, as compensation to the public for lost service during the 37-day strike, operation of fare free fixed route service from November 3 through November 13, 2005, allow September monthly passes to be exchanged for 4 days discounted off the price of November passes, allow November monthly passes to be sold on a prorated basis for November 14 through November 30, 2005, and permit October monthly passes to be exchanged for December monthly passes at no cost. Staff also recommends that per-ride charges for Cabrillo and UCSC riders would resume with the resumption of service on November 3, 2005.

The loss of revenue for the fare free service is expected to be approximately \$106,500.

Discussion:

Ex Officio Director Scott asked why METRO is sending a message to 15,000 UCSC students that everyone, except them, will get a discount for the loss of service during the strike. Les White responded that is not the intent. The intention is to compensate the individual riders who paid for service and did not get it. METRO did not charge UCSC or Cabrillo during the strike so any refund to students would have to come from UCSC and Cabrillo directly.

Elisabeth Ross stated that METRO would lose close to \$100,00 if UCSC and Cabrillo pass holders were to ride free until November 14th. There was a discussion about including them in the free fare period which would increase the estimated total impact on the budget to \$200,000. Les White said the budget is in shambles and that the financial impact would require future corrective action that will not be pleasant.

Bonnie Morr, UTU, said she supports allowing the students to ride free and suggested that bus drivers be authorized to exchange monthly passes rather than causing people additional

hardship by sending them to the METRO Center Info Booth which is only open 8:00 a.m. – 4:00 p.m. Monday through Friday.

Lisa Johnson, Cabrillo Student, said she feels the \$55 fee Cabrillo students have paid should be waived and that METRO should allocate at least 10% of what was spent on the strike on compensating its riders.

Timon Reed, UTU, said he hears passengers complimenting METRO's bus service all the time and he urged the Board to avoid more negative publicity by honoring the full 10 days of free service, as reported in the Sentinel, because the ridership deserves it.

Mark Saunders, UTU, said the free period should be extended to 18 days so the public has an opportunity to hear about it before it is over.

Paul Marcelin-Sampson, MRU, said he and MAC member Stuart Rosenstein are very concerned with METRO's financial situation and believe it seems like a foolish bargain to offer expensive incentives now with a very real possibility of service cuts later this fiscal year. Mr. Marcelin-Sampson said that the UC transit fee is frozen through 2006, it was not increased when fares were raised, and that UC has spent the money it would have normally paid METRO that could have been refunded to students, same with Cabrillo, and that incentives should be to encourage and attract additional riders – not reward regular riders.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR STONE

Authorize the General Manager to operate fixed route service on a fare free basis for ten days for all riders, including UCSC and Cabrillo, in response to the loss of service during the 37-day strike for the period beginning November 3, 2005, and allow METRO riders to purchase November monthly bus passes on a prorated basis and to exchange October monthly bus passes for December monthly passes at no cost.

Director Bustichi said he was opposed to the motion because this is a gift of public funds and that he does not like the "let's hurry up and do something, even if it's wrong" approach.

Several Directors made comments about riders deserving something, that all riders should be treated equally, that accurate information needs to be presented by UC and Cabrillo, and how this short-term expense is an investment for a long-term benefit.

Director Beutz proposed the following friendly amendment, which was not accepted by the maker or the second of the motion, although Director Harlan said she would second the amendment:

That the free period be for 7 days rather than 10 days with the remainder of the original motion remaining exactly the same.

Chair Keogh asked for a vote on changing the motion to 7 free days rather than 10 days.

Motion amendment passed with Directors Beautz, Harlan, Hinkle, Keogh, Spence and Tavantzis voting for changing the motion to 7 free days, Directors Reilly, Rotkin, Skillicorn and Stone voting against changing the original motion, and Director Bustichi opposed to the motion.

Chair Keogh asked for a vote on the amended motion and clarified that the fare free period would be for 7 days and begin Thursday, November 3, 2005 and that fares would resume being collected on Thursday, November 10, 2005.

Motion passed with all Directors present and Director Bustichi opposed.

Direction: Director Rotkin

Direct Staff to report back to the Board with a response to the Environmental Impact Report on the UCSC Long Range Development Plan.

ADJOURN

There being no further business, Chair Keogh adjourned the SPECIAL meeting at 10:07 a.m.

Respectfully submitted.

CINDI THOMAS
Administrative Services Coordinator