

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

June 26, 2009

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, June 26, 2009 at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, California.

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

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Dene Bustichi
Ron Graves
Donald Hagen
Michelle Hinkle
Lynn Robinson
Mike Rotkin
Mark Stone
Marcela Tavantzis
Ex-Officio Donna Blitzer (arrived after roll call)

DIRECTORS ABSENT

Emilio Martinez
Ellen Pirie
Pat Spence

STAFF PRESENT

Frank Cheng, MetroBase Project Manager	Debbie Kinslow, Asst Finance Manager
Bob Cotter, Maintenance Manager	Robyn Slater, Human Resources Manager
Mary Ferrick, Fixed Route Superintendent	April Warnock, Paratransit Superintendent
Margaret Gallagher, District Counsel	Les White, General Manager

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

Michael Boyd, Sr. Facilities Maint. Worker	Amy Weiss, Spanish Interpreter
George Felder, Bus Operator	Bob Yount, MAC
Bonnie Morr, UTU	

2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

- a. Daniel Kostelec, SCCRTC Bicycle Committee Re: Draft "Bicycles on Fixed Route Buses" Policy
- b. Ellen Aldridge Re: Noise Complaint

Oral:

Director Robinson read a letter from Congresswoman Anna Eshoo, which is attached to the file copy of these minutes, notifying METRO that it has been awarded \$5,014,409 in American Recovery and Reinvestment Act (ARRA) funds to replace 27 paratransit vans and help purchase a SmartCard Farebox System.

3. LABOR ORGANIZATION COMMUNICATIONS

Bonnie Morr, UTU, implored the Board for their influence and assistance in addressing the lack of communication between METRO and the Union prior to METRO implementing procedural changes. Ms. Morr stated that the most recent incident was being informed by revised memo, and no discussion, that METRO would run Sunday level fixed route service on July 3rd, Independence Day Observed, when for the past 11 years there had been no fixed route service on that holiday, only paratransit and Hwy 17 once METRO took over operation of those services.

EX-OFFICIO DIRECTOR BLITZER ARRIVED

Ms. Morr reported that another example is that she had received a “10-Day Notice” for a change to the ParaCruz contract which was not discussed and agreed upon with the Union. Ms. Morr said the Union is very concerned because the process has broken down and there is no communication from METRO’s new management, just changes being implemented which is very difficult on an already strained relationship.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Page #5-10.2 was distributed and is attached to the file copy of these minutes.

CONSENT AGENDA

- 5-1. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF MAY 2009**
- 5-2. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR APRIL 2009**
- 5-3. **CONSIDERATION OF TORT CLAIMS:
DENY THE CLAIM OF JEREMIE HEREDIA, CLAIM #09-0013**
- 5-4. **ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR JUNE 17, 2009 AND MINUTES OF APRIL 15, 2009**
- 5-5. **ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF MARCH 2009**
- 5-6. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR APRIL 2009**
- 5-7. **ACCEPT AND FILE RIDERSHIP REPORT FOR APRIL 2009**
- 5-8. **ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ MONTHLY SERVICE REPORT FOR THE MONTH OF APRIL 2009**
- 5-9. **ACCEPT AND FILE METROBASE PROJECT STATUS REPORT**

- 5-10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH ALLIANT INSURANCE SERVICES AND CONTINUING PARTICIPATION IN THE CALIFORNIA PUBLIC ENTITY INSURANCE AUTHORITY JOINT POWERS AGREEMENT IN ORDER TO ACCESS EXCESS WORKERS' COMPENSATION INSURANCE
- 5-11. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE AMENDMENTS TO INCREASE THE TOTAL AMOUNTS OF THE PURCHASE ORDERS WITH SPECIALIZED AUTO & FLEET IN AN AMOUNT NOT TO EXCEED \$60,000 AND WITH WATSONVILLE CADILLAC BUICK PONTIAC GMC IN AN AMOUNT NOT TO EXCEED \$45,000 FOR AUTOMOTIVE REPAIRS AND INSPECTION SERVICES
- 5-12. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE MAY 2009 MEETING(S)
- 5-13. APPROVE REGULAR BOARD MEETING MINUTES OF MAY 8 & 22, 2009
- 5-14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT AMENDMENT FOR A CHANGE ORDER IN THE AMOUNT OF NOT-TO-EXCEED \$2,100 FOR WALD, RUHNKE, & DOST ARCHITECTS TO PROVIDE ADDITIONAL SERVICES FOR DESIGNING AN ADDITIONAL FINANCE ROOM DUE TO REORGANIZATION OF PAYROLL DUTIES

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Approve the Consent Agenda

Motion passed unanimously with Directors Martinez, Pirie and Spence being absent.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS:

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

TWENTY-FIVE YEARS

Michael F. Boyd, Senior Facility Maintenance Worker

George C. Felder, Bus Operator

7. PUBLIC HEARING: CONSIDERATION OF ADOPTING RESOLUTION APPROVING FY10 FINAL BUDGET (REVISED)

Summary:

Les White gave a brief summary of the FY10 Final Budget including major Operating Revenue assumptions, projected Departmental and Consolidated Operating Expenses, the Capital Budget, and Schedule of Reserve Accounts.

CHAIR BUSTICHI OPENED THE PUBLIC HEARING AT 9:45 A.M.

Bob Yount spoke in support of adopting the budget and commended staff on cost savings and planning because METRO is in a much better position than most other public agencies now.

CHAIR BUSTICHI CLOSED THE PUBLIC HEARING AT 9:46 A.M.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ROBINSON

Adopt Resolution approving the Final Budget for FY10 as presented by Staff in Attachment B; Authorize FY10 staffing levels as listed in Attachment C; Authorize FY10 Capital Budget as described in Attachment D; Authorize FY10 Board Member Travel as described in Attachment E; Approve the FY10 Employee Incentive Program as presented in Attachment F; Authorize Schedule of Reserve Balances as described in Attachment G; and Authorize the FY10 Special Shuttle billing rate at \$86.00 per hour as listed in Attachment H

Motion passed unanimously with Directors Martinez, Pirie and Spence being absent.

8. CONSIDERATION OF ADOPTION OF A MANAGEMENT COMPENSATION PLAN FOR METRO MANAGEMENT PERSONNEL FOR THE PERIOD OF JULY 1, 2009 THROUGH JUNE 30, 2012

Summary:

Les White reported that Management Compensation Plan is not a negotiated plan or contract, rather it is a plan that the Board approves that is generally based on the compensation package negotiated with the Unions for SEIU and UTU employees. The proposed three-year plan applies financial authority similar to what was used for the recently concluded negotiations with SEIU and UTU, ParaCruz Division including a 3% salary increase in each of the three years.

The proposed plan uses a portion of that salary increase authority to fund costs necessary to maintain 100% of CalPERS HMO premiums. This plan also increases reimbursement for cell phone and internet access from \$50 per pay period to \$75 and the Long Term Disability coverage is increased from \$5,000 to \$10,000 with no increase in premium cost.

Discussion:

Bonnie Morr expressed concern regarding how errors would be addressed considering that METRO recently informed UTU that there was an error in METRO's calculation of ParaCruz wages in the ParaCruz labor agreement that was signed on May 18, 2009.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ROBINSON

Adopt the Management Compensation Plan for the three-year period of July 1, 2009 through June 30, 2012

Discussion:

Director Tavantzis stated that she does not support the motion because she is concerned about the uncertainty of health insurance premium costs in the 2nd and 3rd years and would have liked to have had an opportunity to discuss the issue in Closed Session.

Les White replied that this is not a negotiated contract, rather it is a plan that it is unilaterally imposed by the Board with whatever terms they choose. Mr. White said he found it intriguing that there would be concern about the health insurance premium cost in the two out-years for this group being a problem, when the identical issue exists with the two labor unions and based on METRO's cost estimates of the out-years, the Board approves three-year labor agreements without this being an issue.

Director Robinson agreed that the out-year costs could be a concern and pointed out that the Board has the ability to revisit this area in the future, even with a contract.

Les White confirmed that the Management Compensation Plan is not a negotiated contract that anybody signs. Rather, it is a pay plan that the Board approves for three years but can modify tomorrow by a majority vote of the Board, if desired. On the other hand, the Board can be locked in to the out-year health insurance premiums in the labor agreements because the unions must agree to re-open negotiations.

Director Tavantzis clarified that she is only concerned about the term, not the content of the plan.

Motion passed with Director Tavantzis opposed and Directors Martinez, Pirie and Spence being absent.

9. CONSIDERATION OF INFORMATION REGARDING THE ACTIONS OF THE LEGISLATIVE COMMITTEE AND THE GOVERNANCE AND STRUCTURE TASK FORCE OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION ON JUNE13/14, 2009

Summary:

Les White reported that he was unable to attend the June 12, 2009 Board meeting and some Board members were concerned why he was not there, what he was doing, and what his priorities are.

Mr. White reported on his attendance and participation at the meetings of the APTA Governance and Structure Task Force, the APTA Committee Structure Group and the APTA Bylaws Group, which he Chaired, all held on June 13, 2009 in Chicago, Illinois, and the APTA Legislative Committee Meeting that was held the following day. Mr. White said that he has served on the Legislative Committee since 1976 and recommends that METRO's next General Manager take an active role and continue to participate after he retires.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Reaffirm the Board of Directors' support of Les White's legislative activities

Discussion:

Bob Yount commended Mr. White for his legislative efforts and activities and feels that the results are a great return on the investment.

Bonnie Morr thanked Mr. White and said METRO is lucky to have him for his knowledge and the level that he has raised METRO to, including on a national level.

Motion passed unanimously with Directors Martinez, Pirie and Spence being absent.

10. CONSIDERATION OF CANCELLING THE JULY 10, 2009 BOARD OF DIRECTORS WORK SESSION MEETING

Summary:

Les White reported that staff recommends canceling the July 10, 2009 work session meeting because the Agenda will very small and some METRO staff and some Directors will be out of town.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR ROBINSON

Cancel the July 10, 2009 Board of Directors Work Session Meeting

Motion passed unanimously with Directors Martinez, Pirie and Spence being absent.

11. ORAL ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR JULY 24, 2009 – SCOTTS VALLEY CITY COUNCIL CHAMBERS, ONE CIVIC CENTER DRIVE, SCOTTS VALLEY

Chair Bustichi announced that the July 24, 2009 Board Meeting would be held at the Scotts Valley City Council Chambers, One Civic Center Drive, Scotts Valley.

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

Margaret Gallagher reported that the Board would have a conference with its Legal Counsel regarding the Existing Litigation case of Dorothy Lanagan.

13. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None.

SECTION II: CLOSED SESSION

Chair Bustichi adjourned to Closed Session at 10:30 a.m. and reconvened to Open Session at 10:38 a.m.

SECTION III: RECONVENE TO OPEN SESSION

14. REPORT OF CLOSED SESSION

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

15. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A LEGAL SERVICES CONTRACT WITH MCMILLAN & SHUREEN LLP FOR FEDERAL LITIGATION PURPOSES

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR GRAVES

Authorize the General Manager to execute a Legal Services Contract with McMillan & Shureen, LLP to represent METRO for federal litigation purposes.

Motion passed unanimously with Directors Martinez, Pirie and Spence being absent.

ADJOURN

There being no further business, Chair Bustichi adjourned the meeting at 10:39 a.m.

Respectfully submitted,

CINDI THOMAS
Administrative Services Coordinator