

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

February 26, 2010

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, February 26, 2010 at the Watsonville City Council Chambers, 275 Main Street, Watsonville, CA.

Chair Pirie called the meeting to order at 9:05 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

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

DIRECTORS ABSENT

None

STAFF PRESENT

Angela Aitken, Finance Manager / Acting AGM	Margaret Gallagher, District Counsel
Pat Aviles, Asst HR Manager	Harlan Glatt, Database Administrator
Bob Cotter, Maintenance Manager	Debbie Kinslow, Asst Finance Manager
Mary Ferrick, Fixed Route Supervisor	Robyn Slater, HR Manager
Terry Gale, IT Manager	Les White, General Manager

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

John Daugherty, SEA	Will Regan, VMU
Erich Friedrich, Provisional Transit Planner	Don Spence
Manny Martinez, PSA	Pat Spence, former Board Member
Eduardo Montesino, UTU	Peter Stanger
Bonnie Morr, UTU	Amy Weiss, Spanish Interpreter

2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS

Written:

- | | | | |
|----|----------------------|-----|--------------------------|
| a. | Kymberly Lacrosse | Re: | Complete Count Committee |
| b. | VTA | Re: | Hwy 17 Fare Increase |
| c. | Capital Corridor JPA | Re: | Hwy 17 Fare Increase |
| d. | DOT JPA | Re: | Hwy 17 Fare Increase |
| e. | Peter Stanger | Re: | Route 69 Service Request |

Oral:

None.

3. LABOR ORGANIZATION COMMUNICATIONS

None.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

None.

CONSENT AGENDA

- 5-1. **APPROVE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF DECEMBER 2009**
- 5-2. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR DECEMBER 2009**
- 5-3. **CONSIDERATION OF TORT CLAIMS: NONE**
- 5-4. **ACCEPT AND FILE MAC AGENDA FOR FEBRUARY 17, 2010 AND MINUTES OF DECEMBER 16, 2009**
- 5-5. **ACCEPT AND FILE RIDERSHIP AND PERFORMANCE REPORT FOR DECEMBER 2009**
- 5-6. **ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2009**
- 5-7. **ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ MONTHLY SERVICE REPORT FOR DECEMBER 2009**
- 5-8. **CONSIDERATION OF METROBASE STATUS REPORT**
- 5-9. **APPROVE REGULAR BOARD MEETING MINUTES OF DECEMBER 18, 2009 AND JANUARY 8 & 22, 2010**
- 5-10. **ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE DECEMBER 2009 MEETING(S)**
- 5-11. **CONSIDERATION OF APPROVAL OF AN AMENDED AND RESTATED GREAT WEST ELIGIBLE DEFERRED COMPENSATION PLAN FOR GOVERNMENTAL EMPLOYERS AND AMENDED ADOPTION AGREEMENT**
- 5-12. **CONSIDERATION OF ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS REPORT FOR YEAR ENDING JUNE 30, 2009**

- 5-13. **CONSIDERATION OF RENEWAL PROPERTY INSURANCE COVERAGE FOR 1200 RIVER STREET AND ADD NEW PROPERTY INSURANCE COVERAGE FOR 138 GOLF CLUB**
- 5-14. **CONSIDERATION OF APPROVAL OF SIDE AGREEMENT, CLASS SPECIFICATIONS AND WAGE SCALES FOR THE NEWLY CREATED TRANSPORTATION PLANNER SERIES**
- 5-16. **CONSIDERATION OF AN AGREEMENT WITH SANTA CRUZ SEASIDE COMPANY FOR THE PROVISION OF LATE NIGHT SERVICE**

Regarding item # 5-12, Angela Aitken reported that a review of the report revealed errors in the reported percentages, and that the corrected pages would be provided when received.

Regarding item #5-15, Chair Pirie asked if METRO received any references from other companies that have used the vendor. Harlan Glatt said that they had not received any. Chair Pirie said she had concerns.

Item # 5-15 was pulled from the Consent Agenda for discussion and Chair Pirie renumbered it as #16.1.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR GRAVES

Approve the remainder of the Consent Agenda.

Motion passed unanimously with Director Graves abstaining from approval of the 1/8/10 minutes, and with Directors Leopold and Martinez being absent.

DIRECTOR MARTINEZ ARRIVED

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

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

TWENTY YEARS

Terry Gale, Manager of Information Technology

7. CONSIDERATION OF ADOPTION OF RESOLUTION OF APPRECIATION FOR THE SERVICES OF PAT SPENCE AS A MEMBER OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Chair Pirie thanked Pat Spence for her years of service on the METRO Board. Pat Spence recounted her history with METRO, thanked her family, several of the Paratransit operators and METRO staff and showed a brief Power Point presentation of her METRO experiences. Chair Pirie read the resolution aloud and thanked Pat Spence for her service to the community at large. Director Tavantzis presented Ms. Spence a Certificate of Appreciation and gift from the City of Watsonville.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR GRAVES

Adopt Resolution of Appreciation for the services of Pat Spence as a member of the Board of Directors of the Santa Cruz Metropolitan Transit District.

Motion passed unanimously with Director Leopold being absent.

DIRECTOR LEOPOLD ARRIVED

8. CONSIDERATION OF INCREASING HIGHWAY 17 EXPRESS FARES IN ORDER TO INCREASE REVENUES BY MAINTAINING AN OPTIMAL FAREBOX RECOVERY RATIO

Summary:

Angela Aitken stated that all of METRO's partners in the Joint Powers Authority support increasing the fares by 10% for the Highway 17 Express. Ms. Aitken said that operating costs are ten percent higher and ridership is ten percent lower, resulting in a nearly twenty percent rise in costs.

Discussion:

Director Bustichi asked what percentage of the ridership the senior/disabled riders comprise. Erich Friedrich said that the senior/disabled comprise five to ten percent of the ridership. Director Bustichi asked why the Regular Day Pass with VTA Express Pass is only being raised by twenty-five cents when the goal was to set a fare that required fewer coins or bills. Director Bustichi suggested that the senior/disabled fare remain the same and that Regular Day Pass with VTA Express Pass be raised to \$2.00.

Chair Pirie asked what impact the changes would have. Les White said that raising the Regular Day Pass with VTA Express Pass fare to \$2.00 should be pursued, but the senior/disabled fare should stay at 50% of the regular fare. Mr. White suggested that the Board include the changes in the motion for the establishment of the proposed fare change in the attached first reading of the ordinance, and METRO will seek concurrence from JPA. Mr. White said that after a month of public comments and exposure, the Board will see the increase of the Regular Day Pass with VTA Express Pass fare to \$2.00.

Director Rotkin asked if it would be appropriate to pass both Ordinances, so that when the JPA partners join in, it won't take another month. Director Stone said that riders are probably less concerned with the increase than they are for the continued operation of the service, and although they are going to pay more, the biggest benefit to riders is going to be getting the automated fareboxes.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Accept First Reading of Modified Fare Ordinance as in Attachment A, increasing Highway 17 Express fares; accept First Reading of Ordinance to increase Regular Day Pass with VTA Express Pass fare to \$2.00; and seek staff approval for increase of Regular Day Pass with VTA Express Pass fare to \$2.00.

Motion passed unanimously with all Directors present.

9. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE SECTION 5304 CALTRANS-ADMINISTERED FY10 TRANSPORTATION PLANNING TRANSIT PLANNING STUDENT INTERNSHIPS GRANTS PROGRAM

Summary:

Angela Aitken said that METRO has participated in the intern program for the last three years and she explained what the interns do. Ms. Aitken said the grant was for \$50,000 to cover the period from October 2010 to September 2011.

Discussion:

Les White asked if this grant was being awarded through AMBAG. Angela Aitken said that the Resolution needed to be revised to add AMBAG as a partner. Director Leopold asked about the campuses represented in the pool of candidates. Angela Aitken said that applications have come from San Jose State and other local colleges. Les White said that the majority of interns have come from UCSC.

ACTION: MOTION: DIRECTOR ROBINSON SECOND: DIRECTOR ROTKIN

Authorize the General Manager to submit a grant application, modified to include “AMBAG,” and sign necessary agreements for Federal Funding in the Section 5304 CalTrans-administered FY10 Transportation Planning Transit Planning Student Internships Grants Program.

Motion passed unanimously with all Directors present.

10. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE SECTION 5304 CALTRANS-ADMINISTERED FY11 TRANSPORTATION PLANNING RURAL OR SMALL URBAN TRANSIT PLANNING STUDIES GRANTS PROGRAM

Summary:

Angela Aitken explained that the grant will fund a study of the service needs in the Watsonville area for the next 2-3 years. Ms. Aitken said that the Resolution needed to be revised to add AMBAG as a partner, as well.

Discussion:

Les White said that although the service may not be implemented due to budget constraints, the need for service can be identified on the RTC Unmet needs list to articulate what is needed. Director Leopold said it was amazing that it had been so long since the previous study and that it was great that a study is being conducted. Les White noted that a previous study from UCSC recommended smart card fareboxes and a study of the Watsonville area.

ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR ROBINSON

Authorize the General Manager to submit a grant application, modified to include “AMBAG,” and sign necessary agreements for Federal Funding in the Section 5304 CalTrans-administered FY11 Transportation Planning Rural or Small Urban Transit Planning Studies Grants Program.

Motion passed unanimously with all Directors present.

11. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT A GRANT APPLICATION AND SIGN NECESSARY AGREEMENTS TO OBTAIN FINANCIAL ASSISTANCE FROM THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY'S FY10 CALIFORNIA TRANSIT SYSTEM SAFETY, SECURITY AND DISASTER RESPONSE GRANT PROGRAM

Summary:

Angela Aitken said that METRO has applied for this same grant for the last two years. Ms. Aitken said that the grant will provide funds to conduct a comprehensive overview of METRO's security needs, and including hiring a consultant and upgrading the two-way radio system as required by the FCC.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR LEOPOLD

Authorize the General Manager to submit a grant application and sign necessary agreements to obtain financial assistance from the California Emergency Management Agency's FY10 California Transit System Safety, Security and Disaster Response Grant Program.

Motion passed unanimously with all Directors present.

12. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH MASTER CAR WASH FOR PARACRUZ VEHICLE WASHING SERVICES FOR AN AMOUNT NOT TO EXCEED \$25,000 AND CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH DEVCO OIL, INC. FOR PARACRUZ VEHICLE FUELING SERVICES FOR AN AMOUNT NOT TO EXCEED \$185,000.

Summary:

Ciro Aguirre reported that METRO staff requested proposals from qualified firms to provide fuel and vehicle washing services for Santa Cruz METRO's ParaCruz fleet. Devco Oil offered the lowest cost for fueling and Master Car Wash offered the lowest cost for vehicle washing services.

Discussion:

Director Rotkin asked where METRO washes its other cars and vehicles. Ciro Aguirre reported that METRO does its car washing in-house.

ACTION: MOTION: DIRECTOR ROBINSON SECOND: DIRECTOR ROTKIN

Authorize the General Manager to execute a contract with Master Car Washing Services for ParaCruz vehicles in an amount not to exceed \$25,000 and Authorize the General Manager to execute a Contract with Devco Oil, Inc. for ParaCruz Vehicle fueling services for an amount not to exceed \$185,000.

The motion passed unanimously with all Directors present.

13. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH CDX WIRELESS, INC. FOR CONSULTANT SERVICES FOR UPGRADE OF SANTA CRUZ METRO'S LAND MOBILE RADIO SYSTEM FOR AN AMOUNT NOT TO EXCEED \$59,798

Summary:

Ciro Aguirre reported that the Radio Systems Consultants are necessary to determine what type of land mobile radio system and other related equipment METRO needs to purchase in order to meet all industry and legal standards. Mr. Aguirre said that the Consultant will be able to identify dead spots and ensure that METRO's system does not filter into other transmissions, such as emergency fire and safety transmissions.

Discussion:

Chair Pirie asked what the approximate cost will be to retrofit all land based systems. Ciro Aguirre stated that it could easily cost over \$1,000,000.00. Mr. Aguirre indicated that the Consultant will be looking beyond 2013, and preparing the system so that the newest upgrades will not require the system to be redone at some point soon in the future.

Director Stone wanted to ensure that METRO is working on this project in conjunction with the County of Santa Cruz so that the staffs and consultants will be collaborating together and not each agency acting independently, without knowing what the other is doing.

Ciro Aguirre stated that the “filter through” or bleeding onto other transmissions is an issue in determining the equipment that would fit METRO’s needs. Mr. Aguirre said that the consultant will be making recommendations in these areas.

Director Bustichi asked if METRO has the funds to take care of the cost for the consultant. Les White stated that METRO is looking at a 10-year funding source. Mr. White said that METRO will be selling bonds over the next few years and will need to front the money for the project and apply for reimbursement from the State of California. Ciro Aguirre stated that METRO has about half of the funds right now to fund the project.

Director Bustichi stated that he had an issue with paying for a consultant to find out what kind of system METRO needs, and he said it would be better to have METRO include in a Request for Proposal (RFP), all the specifications for the proposed vendors, to set up a system that will work. Mr. Bustichi said he cannot justify spending this amount of money for a consultant when he thinks that it could be accomplished directly through an RFP.

Les White stated that the problem with just doing the RFP is that METRO needs to determine what is compatible with the other local systems, such as emergency services. Mr. White said that METRO does not currently have the capability to do this without a consultant who is specialized in this training. Director Stone added that the system is not a stand-alone system, but will need to be compatible with other jurisdictions, and, therefore, he also believes that the consultant will be necessary in determining what systems will work.

Chair Pirie pointed out that there will be a need for an evaluation of the system to make these determinations.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Authorize the General Manager to Execute a Contract with CDX Wireless, inc. for Consultant Services for Upgrade of Santa Cruz METRO’s Land Mobile Radio System for an Amount Not to Exceed \$59,798.

Motion passed, with Director Bustichi voting “no;” with all Directors present.

14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXERCISE AN OPTION TO PURCHASE FOUR (4) EACH FORTY-FOOT LOW FLOOR COMPRESSED NATURAL GAS SUBURBAN COACHES FROM THE ORANGE COUNTY TRANSIT AUTHORITY CONTRACT WITH NEW FLYER OF AMERICA

Summary:

Ciro Aguirre reported that METRO has a need to acquire for its fleet, four (4) 40-ft. low floor CNG buses and has an opportunity to purchase the buses through an Orange County Transit bus procurement.

Discussion:

Director Rotkin asked whether these buses being purchased are the same buses that METRO is currently using. Ciro Aguirre reported that METRO currently uses New Flyers, which these buses also are, but these buses are all New Flyer LFR, which is a new design that includes a frontal piece that is more rounded and might have more room from hip to feet for passengers.

Les White added that these buses are available to METRO through a piggyback order that allows METRO to purchase 8-10 buses with extra options, and save METRO from having to go through the procurement process for the purchase of only 4 buses.

Director Stone commented that the bus price is not stated in the staff report and asked if METRO currently has the funds to support this purchase. Ciro Aguirre stated that the quote was \$430,000 for each bus. Chair Pirie stated that this information would be helpful if provided to the Board in the staff report.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Authorize the General Manager to Exercise an Option to Purchase Four (4) Forty-Foot Low Floor Compressed Natural Gas Suburban Coaches From the Orange County Transit Authority Contract With New Flyer of America.

Motion passed unanimously with all Directors present.

15. CONSIDERATION OF APPROVAL OF MODIFICATIONS TO THE ADVERTISING POLICY AND REGULATIONS AR-1006 TO INCLUDE ADVERTISING ON METRO'S WEBSITE

Summary:

Margaret Gallagher reported that METRO needs to include METRO's website in its advertising policy, as the new website will be up and running in March 18, 2010 and METRO staff plans to allow advertising on the website.

Discussion:

Director Rotkin inquired what the ads will look like on the website and asked if the ads might dominate the website screen, such as pop up ads, etc. Margaret Gallagher stated that the ads will be in a banner format at the bottom of the page and will not be pop ups. Les White confirmed that the ads will not dominate the page for the website reader.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR ROBINSON

Approve Modifications to the Advertising Policy and Regulations AR-1006 to Include Advertising on METRO’s Website.

Motion passed unanimously with all Directors present.

16. CONSIDERATION OF REASSIGNMENT OF CONSTRUCTION ADMINISTRATION SERVICE HOURS BY RNL DESIGN, INC. TO ACCOMMODATE ADDITIONAL HOURS RELATING TO THE DELAYS IN THE MAINTENANCE BUILDING FOR THE METROBASE PROJECT

Summary:

Les White reported that Frank Cheng’s absence from the meeting this morning is due to illness; otherwise he would be presenting this matter to the Board. Mr. White stated that this proposal would allow METRO to reallocate funds and allow continuation of work on the Maintenance Building, because it is unknown when the ground-breaking will occur for the Operations Building.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Approve the Reassignment of Construction Administration Service Hours by RNL Design, Inc. to accommodate additional hours relating to the delays in the Maintenance Building for the MetroBase Project.

Motion passed unanimously with all Directors present.

16.1 (Previously #5-15) CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO SET UP A PAYMENT GATEWAY ACCOUNT TO ESTABLISH THE INFRASTRUCTURE NECESSARY TO ALLOW METRO TO ACCEPT CREDIT CARD PAYMENTS AT ITS WEBSITE

Summary:

Harlan Glatt reported that METRO will be accepting credit card payment on its new Website for the purchase of bus passes. Mr. Glatt said that there are two major providers for facilitating the payments from on-line credit card payments, Pay Pal Pro and Authorize.Net, and he is recommending that METRO choose Authorize.Net to do this project as they have a fine reputation and there are other issues with PayPal.

Discussion:

Chair Pirie asked how Mr. Glatt knows that Authorize.Net has a “fine” reputation. Mr. Glatt responded that the web users and designers that he has worked with such as Jabico have

provided this information to him. Vice Chair Robinson asked what the issues are with PayPal. Harlan Glatt responded that the issues are not to the user of the site, but the transitions METRO would be required to carry out to implement the system.

Director Rotkin commented that he thought PayPal charged for its service, and asked if Authorize.Net charges for the service. Harlan Glatt reported that the terms of the financial cost for the service, that Authorize.Net was much less expensive for METRO. Mr. Glatt said that PayPal charges a 1% fee per transaction, whereas Authorize.Net charges 10 cents per transaction, no matter what the transaction amount. Mr. Glatt gave an example of \$100.00 transaction would cost METRO \$1.00 through PayPal, but only 10 cents through Authorize.Net.

ACTION: MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR ROBINSON

Authorize the General Manager to Set up a Payment Gateway Account to Establish the Infrastructure Necessary to Allow METRO to Accept Credit Card Payments at its Website.

Motion passed unanimously with all Directors present.

17. 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 whether to initiate litigation, and requested that the Board add to the Closed Session Agenda the potential claims of Kay Diaz, Leslie Pacheco and Juan Raya, arising out of an accident on February 22 where a METRO bus collided with a garage in Watsonville.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR HAGEN

Make the findings necessary to add the potential claims of Kay Diaz, Nesly Pacheco, and Juana Raya.

Motion passed unanimously with all Directors present.

18. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None.

SECTION II: CLOSED SESSION

Chair Pirie adjourned to Closed Session at approximately 10:35 a.m. and reconvened to Open Session at 11:05 a.m.

SECTION III: RECONVENE TO OPEN SESSION

19. REPORT OF CLOSED SESSION

Chair Pirie stated that there was no reportable action taken in Closed Session.

ADJOURN

There being no further business, Chair Pirie adjourned the meeting at 11:05 a.m.

Respectfully submitted,

ANTHONY TAPIZ
Administrative Assistant