

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

May 23, 2003

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, May 23, 2003 at the Capitola City Council Chambers, 420 Capitola Avenue, Capitola, CA.

Chairperson Reilly called the meeting to order at 9:02 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth
Jeff Almquist (arrived after roll call)
Jan Beutz (arrived after roll call)
Michelle Hinkle
Mike Keogh
Dennis Norton
Ana Ventura Phares
Emily Reilly
Mike Rotkin
Ex-Officio Wes Scott
Pat Spence
Marcela Tavantzis

DIRECTORS ABSENT

None

STAFF PRESENT

Bryant Baehr, Operations Manager
Mark Dorfman, Asst. General Manager
Margaret Gallagher, District Counsel

Steve Paulson, Paratransit Administrator
Elisabeth Ross, Finance Manager
Robyn Slater, Interim H.R. Manager
Tom Stickel, Fleet Maint. Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Heather Boerner, *Sentinel*
Michael Bradshaw, CCCIL
Francisco DeVillires, Spanish Interpreter
Kasandra Fox, MASTF
Jenna Glasky, SEA
Jake Hurley, SEIU

Manny Martinez, PSA
Tony Madrigal, SEIU
Bonnie Morr, UTU
Jeff North, UTU
Will Regan, VMU
Linda Wilshusen, SCCRTC

2. ORAL AND WRITTEN COMMUNICATION

Written:

a. Debra/Robert Brownstein

RE: ParaCruz Eligibility

- b. R. Paul Marcelin-Sampson
- c. Lorraine Lambert

RE: Highway 1 JPA
RE: ParaCruz Recertification

Oral:

Clay Kempf, Executive Director of the Seniors Council, spoke in his capacity as Executive Committee Member of the Human Care Alliance. The Alliance is a group of 65 agencies and 90 non-profit programs and they recently voted unanimously to ask the Board to encourage cooperation in the provision of transportation throughout the community. This entails comingling of riders from various funding sources.

DIRECTOR BEAUTZ ARRIVED.

Director Rotkin asked Mr. Kempf to send the Board documentation with suggestions on how comingling riders with different funding sources would work.

3. LABOR ORGANIZATION COMMUNICATIONS

Jake Hurley announced that he is going to school and his replacement as field representative would be Gary Klemz as of the end of May. Mr. Klemz will be at the next Board meeting to introduce himself to the Board.

4. METRO USERS GROUP (MUG) COMMUNICATIONS

Nothing to report at this time.

5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS

Kasandra Fox read the following MASTF motions to the Board:

- 1) MASTF supports Fare Alternative Option #2 – a 35% increase with stepped impact on Senior and Disabled (discount) fares over two years with the exception that Senior and Disabled (discount) monthly passes increase to no more than \$18 over both years.
- 2) MASTF supports the concept of fare increases linked to cost-of-living adjustments rather than percentage of fare box recovery.
- 3) MASTF supports the staff recommendation for no ADA premium fares at this time.
- 4) MASTF recommends that the Board accept the proposal from Yellow Cab Company to provide transportation (at no cost to METRO) between the METRO ParaCruz service area boundary and Dragon Slayers.

6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

SECTION I:

ADD TO ITEM #2

ORAL AND WRITTEN COMMUNICATION

- b. R. Paul Marcelin-Sampson RE: Hwy. 1 JPA

c. Lorraine Lambert
Recertification
(Insert Correspondence)

RE: ParaCruz

CONSENT AGENDA:

ADD TO ITEM #7-3

ACCEPT AND FILE APRIL 2003 RIDERSHIP REPORT
(Insert Page 1 of Ridership Report)

ADD TO ITEM #7-4

CONSIDERATION OF TORT CLAIMS: Deny the Claims of:
Kathie Van Wickler, Claim #03-0015; Hannah Ralston, Claim #03-
0016
(Insert Claims)

REGULAR AGENDA:

ADD TO ITEM #9

CONSIDERATION OF ADOPTION OF REVISED FARE
ORDINANCE
**(Insert documentation received from Pat Spence, METRO
Board; Elsa Quezada, CCCIL; and, email from mrbeagle)**

DELETE ITEM #11

CONSIDERATION OF APPROVAL TO LEASE THE RESTAURANT
SPACE AT THE WATSONVILLE TRANSIT CENTER
(Additional time is needed to negotiate this matter)

ADD TO ITEM #17

CONSIDERATION OF METRO USERS GROUP (MUG)
OPERATIONS AND ORGANIZATIONAL STRUCTURE
(Insert Staff Report)

DELETE ITEM #18

CONSIDERATION OF PROVIDING FINANCIAL AND
ADMINISTRATIVE SUPPORT TO THE HIGHWAY 1
WIDENING/HOV JOINT POWERS AUTHORITY
**(Partial Action taken at the May 9, 2003 Board meeting –
Remaining issues continued for one month)**

AND

ADD TO ITEM #18

CONSIDERATION OF PROVIDING ADMINISTRATIVE SUPPORT
IN PROCUREMENT TO THE HIGHWAY 1 WIDENING/HOV JOINT
POWERS AUTHORITY
(Insert Staff Report)

ADD TO ITEM #20

CONSIDERATION OF A RESOLUTION AUTHORIZING AN
APPLICATION TO THE ENVIRONMENTAL PROTECTION
AGENCY FOR GRANT FUNDS TO RETROFIT BUSES WITH
EXHAUST PARTICULATE TRAPS
(Insert Staff Report)

ADD TO ITEM #21 CONSIDERATION OF AWARD OF CONTRACT FOR QUALITY CONTROL INSPECTION SERVICES
(Add Staff Report)

ADD TO ITEM #22 CONSIDERATION OF EXTENDING THE LEASE AGREEMENT BETWEEN THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT AND GIL CANALES FOR LEASING OFFICE SPACE AT THE WATSONVILLE TRANSIT CENTER FOR AN ADDITIONAL YEAR
(Add Staff Report)

CONSENT AGENDA

Chairperson Reilly stated that Item 7-14 would be pulled from the Consent Agenda for further discussion:

- 7-1. APPROVE REGULAR BOARD MEETING MINUTES OF APRIL 11 AND APRIL 25, 2003
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
- 7-3. ACCEPT AND FILE APRIL RIDERSHIP REPORT
- 7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claims of: Ben Ralston, Claim #03-0012; Earl Ralston, Claim #03-0013; Michael Ralston Jr., Claim #03-0014; Kathie Van Wickler, Claim #03-0015; Hannah Ralston, Claim #03-0016
- 7-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF MAY 15, 2003 AND THE MINUTES OF THE APRIL 17, 2003 MEETING
- 7-6. ACCEPT AND FILE AGENDA FOR THE MUG COMMITTEE MEETING OF MAY 21, 2003 AND THE MINUTES OF THE APRIL 16, 2003 MEETING
- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR MARCH 2003, APPROVAL OF BUDGET TRANSFERS
- 7-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR FEBRUARY 2003
- 7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR MARCH 2003
- 7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 7-11. ACCEPT AND FILE METROBASE STATUS REPORT
- 7-12. CONSIDERATION OF REVISED BUS DELIVERY SCHEDULE FOR HIGHWAY 17 BUSES
(Moved to Consent Agenda at the May 9, 2003 Board Meeting. Staff report retained original numbering as Item #12)
- 7-13. CONSIDERATION OF A RESOLUTION AUTHORIZING AN APPLICATION TO THE AIR DISTRICT FOR AB2766 FUNDS TO ADD METERING EQUIPMENT TO THE COMPRESSED NATURAL GAS (CNG) FUEL STATION
(Moved to Consent Agenda at the May 9, 2003 Board Meeting. Staff report retained original numbering as Item #13)
- 7-14. Pulled for further discussion

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR PHARES

Move approval of the Consent Agenda with the exception of Item 7-14.

Motion passed unanimously and in lieu of roll call vote for Item 7-13, with Director Almquist being absent.

ITEM #7-14 WAS DISCUSSED AT THIS TIME.

7-14. CONSIDERATION OF SUPPORTING THE RESOLUTION ENTITLED “WE BELIEVE IN CALIFORNIA, RESOLUTION ON THE STATE BUDGET CRISES AND BUDGET ACCOUNTABILITY ACT” SPONSORED BY THE SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU)

(Moved to Consent Agenda at the May 9, 2003 Board Meeting. Staff report retained original numbering as Item #19)

Discussion:

Tony Madrigal of SEIU commented that this resolution serves to support the statewide efforts made by local revenue boards and agencies across our region to halt some of the devastating effects of the Governor’s budget. He added that work is needed in the areas of budget cuts that affect our local economy and transportation.

DIRECTOR ALMQUIST ARRIVED.

Mr. Madrigal spoke of putting a cap on the state’s spending in order to allow the revenue to catch up. The resolution also endorses the Budget Accountability Act which, hopefully, would be placed on the March 2004 ballot.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Approve the Resolution entitled “We Believe in California, Resolution on the State Budget Crises and Budget Accountability Act”.

Motion passed with Director Norton abstaining.

REGULAR AGENDA

ITEMS 10, 14 AND 15 WILL BE TAKEN OUT OF ORDER.

**10. PUBLIC HEARING ON FY 03-04 DRAFT FINAL BUDGET
PUBLIC HEARING WILL BE HELD AT 9:00 A.M.**

Summary:

Elisabeth Ross reported that today’s meeting is to receive public input on the Draft Final Budget for FY 03/04. The final budget will be brought back to the Board for approval at their June Board meeting. There will be additional updates to the revenue, expenses and capital budget at that time. This budget presented is dependent upon a fare increase assumed to bring in an additional \$750,000 in order to balance the budget.

PUBLIC HEARING WAS OPENED AT THIS TIME.

Joe Sampson, a Cabrillo student, spoke regarding his recent registration for summer school at Cabrillo College where he attempted to pick up a summer bus pass. He was informed that Cabrillo would not be providing discount passes. He stated that “without any student knowledge, METRO stopped honoring the agreement with Cabrillo”. He added that now all Cabrillo students would be forced to pay at least \$50 per month for a bus pass instead of \$60 per year. Joe demanded that METRO work with Cabrillo College now to provide reasonably priced passes to students to be effective immediately.

Director Rotkin explained that METRO has been trying unsuccessfully to work with Cabrillo for the past five years on this issue. However, the rest of the system cannot afford to subsidize Cabrillo students. He added that UCSC students pay \$95 per quarter X 3 quarters for the benefit of receiving a discounted pass.

R. Paul Marcelin-Sampson, distributed a “Fast Facts about Santa Cruz Metro” sheet and stated that this is a reflection of the policy makers. He expressed concern that the bus operators would be receiving a 4.2% cost of living increase on the day that the fares would be increased. He also believes that the \$750,000 derived from fare increases would go directly to the drivers’ overtime. He stated that he met with Cabrillo’s Vice President of Student Affairs and is meeting with the Administration to give a full accounting of the pass program and concepts. Mr. Marcelin asked the Board to rescind the service cuts.

**14. PUBLIC HEARING FOR CONSIDERATION OF AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR METROBASE CONSTRUCTION FUNDS
PUBLIC HEARING WILL BE HELD AT 9:00 A.M.**

Summary:

Mark Dorfman reported that this is a grant application for MetroBase funds that were earmarked. Staff has been unable to make this application previously due to having no certified Environmental Impact Report (EIR).

CHAIRPERSON REILLY CALLED FOR PUBLIC COMMENT AND RECEIVED NONE.

ACTION: MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR REILLY

Adopt the Program of Projects for bus facilities funding and authorize an application to the Federal Transit Administration for MetroBase construction funds.

Motion passed unanimously.

**15. PUBLIC HEARING FOR CONSIDERATION OF AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA FUNDS FOR FY 2003
PUBLIC HEARING WILL BE HELD AT 9:00 A.M.**

Summary:

Mark Dorfman reported that this is a routine operating application that is submitted to the Board on an annual basis. This application will request a grant of \$2,804,435 which has already been included in METRO's budget for FY 03/04.

CHAIRPERSON REILLY CALLED FOR PUBLIC COMMENT AND RECEIVED NONE.

ACTION: MOTION: DIRECTOR NORTON SECOND: DIRECTOR ROTKIN

Adopt the Program of Projects and authorize an application for Federal Transit Administration Urbanized Area Formula Funds.

Motion passed unanimously.

8. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

Due to this month's honorees being absent, Chairperson Reilly moved these award presentations to the June Board meeting.

9. CONSIDERATION OF ADOPTION OF REVISED FARE ORDINANCE

Summary:

Mark Dorfman made a Power Point presentation and recapped the various fare increase scenarios that staff proposed to close the budget deficit. Mr. Dorfman also reviewed the base fare impacts, the impacts of the stepping process to spread the increase over a two-year period, and the different monthly passes. Staff is recommending Option #2 – 35% increase with the 2-year step process on the Seniors/Disabled fares. Staff is not recommending any ParaCruz premium fares at this time, as they would prefer to study this further. Mr. White asked that the Ordinance be written to reflect the stepped increase in the second year to prevent staff from having to come back to the Board at that time. Staff is also asking the Board to commit to a policy of reviewing fares on a consistent basis.

PUBLIC HEARING WAS OPENED AT THIS TIME.

Adam Tomasewski represents the seniors and disabled from Via Pacifica. He stated that a reasonable and honest fare increase is fine. However, he expressed concern that the monthly passes for Seniors/Disabled would be almost doubled – from \$14.00 currently to \$23.00 then to \$27.00. He added that the cost-of-living increase for the seniors was only 1.5%. He suggested that to recoup the shortfall of \$3 million, each of the riders should be assessed an annual surcharge of \$2.00 per year.

R. Paul Marcelin-Sampson stated that in January he gave some information to staff regarding cost-of-living issues for seniors and disabled. He stated that the seniors received a 1.25% cost-of-living increase in their Social Security this year. He further stated that there is a movement among transit agencies to provide discounts for youths. He added that there are other alternatives to the fare increases.

Clay Kempf stated that seniors are only supposed to spend 10% of their funds on transportation. The Seniors Council is concerned over the disproportionate increase even with the two-tiered plan. He asked the Board to reconsider the size of that increase. Mr. Kempf commented that he was pleased that staff is against the premium ADA costs and talked about the difficulty in scheduling on-time rides for dialysis patients.

Kathleen Johnson, Executive Director for Ombudsman Advocate, spoke on the concerns of the seniors and disabled. She cited their financial burdens with high rents and low cost-of-living increases and their need for independence through public transportation. She stated that Medi-Cal pays \$35 per month for personal needs and any increase in bus fares would come out of that. She urged the Board not to make the increase at the level recommended.

Michael Bradshaw of CCCIL spoke regarding the curtailing of the independence of the seniors and disabled if this fare increase is implemented. In some cases, someone who could afford a bus trip three times a week would have to settle for twice a week thereby isolating him from the community. He addressed the cost-of-living increases that the bus operators are receiving and asked where the cuts/changes are that management proposed to reduce costs. Mr. Bradshaw asked what percentage of riders are seniors and disabled and how much revenue comes from that population segment. Are there costs that can be contained?

THE PUBLIC HEARING WAS CLOSED AT THIS TIME.

Discussion:

Ex Officio Director Scott reported that a good portion of the \$750,000 in revenue comes from UCSC. The student body recently voted to approve a transit fee to support both METRO and the campus shuttle. A rate increase of 35% would equate to roughly \$500,000 for the UCSC ridership. UCSC needs to find a way to phase in this additional expense since the student body was told they would not be asked for another increase until 2006. Les White clarified that since there is a 12-month delay to UCSC in any fare increase, none of the \$750,000 would come from that segment. METRO staff and UCSC staff will address the increase through their monthly meetings.

It was also clarified that the surcharge suggestion of \$2 per rider would need to be assessed on each ride, rather than on each rider. Regarding Mr. Bradshaw's request to know the percentage of seniors and disabled, Mr. Dorfman explained that the bus passes are all put into one category, however, he was able to discern that approximately 15% of the revenue coming in comes from senior and disabled fares.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR BEAUTZ

Approve Option 2 with a two-step implementation for senior/disabled fare, with no premium fares for ADA; approve a review of fares every three years; direct staff to look at an eight-year period with annual reporting progress to reach 25% of farebox recovery.

Director Norton commented that he would like to keep the Seniors/Disabled fares low but go to the 50% increase on regular fares. He added that he would like staff to work towards giving Cabrillo the same discount as UCSC receives and to keep the student pass at \$35.00. Mr.

White pointed out that federal law requires that METRO offer the Seniors/Disabled a 50% discount, however, METRO has been giving this category of rider a 65% discount previously. Director Rotkin responded to comparisons of Santa Cruz METRO with other systems and pointed out that we are very small with both rural and urban areas. He further added that there is no way to cut costs in this system in that high-quality employees provide good service – cutting routes would equate to laying off drivers. Director Beautz reiterated that METRO is a tax supported system and it is only fair to offer the same choices to everyone rather than to have the regular ridership absorb the entire increase. She also pointed out that not every youth or every senior needs a discount. A 50% discount for the Seniors/Disabled is pretty fair. Mr. White added that Director Spence’s suggestions regarding paratransit service would be addressed in July. Director Keogh stated that the Board would be short-sighted not to make the 50% increase and addressed the need to re-establish the reserves. He asked that the motion on the floor be changed to reflect Option 3.

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR NORTON

Amend the Motion to change from Option 2 to Option 3.

Motion passed with Directors Beautz, Rotkin and Spence voting no.

ACTION: AMENDED MOTION:

Approve Option 3 with a two-step implementation for seniors/disabled fare, with no premium fares for ADA; approve a review of fares every three years; direct staff to look at an eight-year period with annual reporting progress to reach 25% of farebox recovery.

Motion passed unanimously with a roll call vote.

CLOSED SESSION WAS TAKEN AT THIS TIME.

24. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Bonnie Morr distributed a written communication regarding one of the Closed Session items.

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

Margaret Gallagher reported that the Board would discuss the Lane/Loya case plus the Beatrice Diaz and Dorothy Parker cases. There will also be a discussion regarding whether or not METRO should bring a lawsuit against a party.

SECTION II: CLOSED SESSION

Chairperson Reilly adjourned to Closed Session at 10:55 a.m. and reconvened to Open Session at 11:52 a.m. Directors Almquist, Keogh and Rotkin departed the meeting during Closed Session.

SECTION III: RECONVENE TO OPEN SESSION

25. REPORT OF CLOSED SESSION

Margaret Gallagher stated there was nothing to report at this time.

11. DELETED

12. MOVED TO CONSENT AGENDA AS ITEM #7-12

13. MOVED TO CONSENT AGENDA AS ITEM #7-13

16. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE REGIONAL TRANSPORTATION AGENCIES TO ESTABLISH RELATIONSHIPS FOR PLANNING AND PROGRAMMING TRANSPORTATION PROJECTS

Deferred to the June 27, 2003 Board meeting.

17. CONSIDERATION OF METRO USERS GROUP (MUG) OPERATIONS AND ORGANIZATIONAL STRUCTURE

Deferred to the June 27, 2003 Board meeting.

18. CONSIDERATION OF PROVIDING ADMINISTRATIVE SUPPORT IN PROCUREMENT TO THE HIGHWAY 1 WIDENING/HOV JOINT POWERS AUTHORITY

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR TAVANTZIS

Indicate that METRO is able to carry out procurement activities for the Highway 1 Widening/HOV Project Joint Powers Authority.

R. Paul Marcelin-Sampson commented that it would be advantageous for METRO to be seen in public supporting this project. Director Reilly stated that if METRO is asked to do anything that requires funds, that the Board be notified.

Motion passed unanimously with Directors Almquist, Keogh and Rotkin being absent.

19. MOVED TO CONSENT AGENDA AS ITEM #7-14

20. CONSIDERATION OF A RESOLUTION AUTHORIZING AN APPLICATION TO THE ENVIRONMENTAL PROTECTION AGENCY FOR GRANT FUNDS TO RETROFIT BUSES WITH EXHAUST PARTICULATE TRAPS

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY

Adopt the resolution authorizing staff to submit an application to the Environmental Protection Agency and to execute a grant agreement, if awarded, to retrofit New Flyer diesel buses with exhaust particulate traps.

Motion passed unanimously in lieu of a roll call vote with Directors Almquist, Keogh and Rotkin being absent.

21. CONSIDERATION OF AWARD OF CONTRACT FOR QUALITY CONTROL INSPECTION SERVICES

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY

Authorize the General Manager to execute a contract with Transit Resource Center for \$13,200 for quality control inspection services for the purchase of seventeen Paratransit Activans. If production schedule problems should occur, grant authority to the General Manager to execute an amendment to the contract for additional funding up to \$5,000.

Motion passed unanimously in lieu of a roll call vote with Directors Almquist, Keogh and Rotkin being absent.

22. CONSIDERATION OF EXTENDING THE LEASE AGREEMENT BETWEEN THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT AND GIL CANALES FOR LEASING OFFICE SPACE AT THE WATSONVILLE TRANSIT CENTER FOR AN ADDITIONAL YEAR

Deferred to the June 27, 2003 Board meeting.

ADJOURN

There being no further business, Chairperson Reilly adjourned the meeting at 11:55 a.m.

Respectfully submitted,

Dale Carr
Administrative Services Coordinator