

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

July 13, 2007

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, July 13, 2007 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

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

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jan Beautz
Dene Bustichi
Donald Hagen
Kirby Nicol
Dale Skillicorn
Pat Spence
Mark Stone
Marcela Tavantzis
Ex-Officio Donna Blitzer

DIRECTORS ABSENT

Michelle Hinkle
Emily Reilly
Mike Rotkin

STAFF PRESENT

Ciro Aguirre, Operations Manager
Frank Cheng, MetroBase Project Manager
Mark Dorfman, Assistant General Manager
Mary Ferrick, Base Superintendent
Margaret Gallagher, District Counsel

Debbie Kinslow, Asst. Finance Manager
Steve Paulson, Paratransit Administrator
Robyn Slater, Human Resources Manager
Tom Stickel, Maintenance Manager
Les White, General Manager

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

Ian McFadden, Transit Planner
Bonnie Morr, UTU

Dave Moreau, PSA
Bob Yount, MAC

2. ORAL AND WRITTEN COMMUNICATION

Written:

a. Barbara Stocker Re: ParaCruz Service

Oral:

Les White reported that the ParaCruz Customer Guide had been reissued and letters had been sent to customers that wrote in regarding school term ParaCruz service in the San Lorenzo area.

3. LABOR ORGANIZATION COMMUNICATIONS

None.

4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

A Revised Staff Report for Item #13 was distributed and is attached to the file copy of these minutes. Les White reported that Item #12 was being deleted from today's Agenda and that action was requested today on Items #10, #11, and #13.

CONSENT AGENDA

5-1. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF JUNE 2007

No questions or comments.

5-2. CONSIDERATION OF TORT CLAIMS: NONE

No questions or comments.

5-3. ACCEPT AND FILE METRO'S PARACRUZ ELIGIBILITY AND APPEALS PROCESS REGULATION

No questions or comments.

5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR JULY 18, 2007 AND MINUTES OF MAY 16, 2007

No questions or comments.

5-5. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR APRIL 2007

No questions or comments.

5-6. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF APRIL 2007

5-7. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR MONTH OF MAY 2007

No questions or comments.

5-8. ACCEPT AND FILE METROBASE STATUS REPORT

Director Spence stated she was happy to see that Caltrans had approved the pedestrian overpass, but disappointed to see it was so expensive.

5-9. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR APRIL 2007 AND RECEIPT OF FY 06-07 BUDGET TRANSFERS

No questions or comments.

5-10. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR MAY 2007 AND RECEIPT OF FY 06-07 BUDGET TRANSFERS

No questions or comments.

5-11. ACCEPT AND FILE INFORMATION REGARDING IMPACT OF POLICY CHANGE ON FREQUENCY OF CUSTOMER NO-SHOWS FOR PARACRUZ PICK UPS

No questions or comments.

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

This presentation will take place at the July 27, 2007 Board meeting.
No questions or comments.

7. PUBLIC HEARING: CONSIDERATION OF AUTHORIZING THE APPLICATION AND EXECUTION OF AN FTA GRANT FOR URBANIZED AREA FORMULA FUNDS FOR FY 2007

Public Hearing will take place at the July 27, 2007 Board meeting.
No questions or comments.

8. CONSIDERATION OF METRO'S IMPLEMENTATION OF THE CALIFORNIA DEPARTMENT OF MOTOR VEHICLES EMPLOYER TESTING PROGRAM

No questions or comments.

ITEM #10 WAS TAKEN OUT OF ORDER

10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE CONTRACTS WITH CLEAN ENERGY AND PROMETHEUS ENERGY FOR SUPPLY AND DELIVERY OF LNG FUEL

Summary:

Tom Stickel reported that METRO is in the process of converting 40 diesel buses to CNG and that the MetroBase Service & Fueling facility is nearly complete. The first of two tanks holds 15,000 gallons of fuel, which will service a fleet of approximately 75 buses, with a second tank to be installed when METRO's fleet grows beyond that number. Staff recommends that contracts be

established with Clean Energy to be the primary supplier of LNG and Prometheus Energy to be the secondary supplier.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR NICOL

Authorize the General Manager to execute contracts for the supply and delivery of liquefied natural gas (LNG) with Clean Energy as the primary supplier and Prometheus Energy as the secondary supplier

Motion passed unanimously with Directors Hinkle, Reilly, and Rotkin being absent.

11. CONSIDERATION OF RENEWAL OF LIABILITY AND PHYSICAL DAMAGE INSURANCE WITH CALTIP FOR FY 2008

ACTION: MOTION: DIRECTOR BUSTICHI SECOND: DIRECTOR SKILLICORN

Authorize payment to the California Transit Insurance Pool (CaTIP) in the amount of \$412,340 for participation in the FY 2008 liability and physical damage insurance coverage program

Motion passed unanimously with Directors Hinkle, Reilly, and Rotkin being absent.

13. CONSIDERATION OF SERVICE REVISIONS FOR FALL 2007

Summary:

Ian McFadden reported that a Revised Staff Report had been distributed today and staff is requesting to rescind adjustments to Routes # 74 and #79 until winter in order to provide for further analysis and the development of additional options because evaluation subsequent to the submittal of the original Staff Report has determined that the implementation costs are significantly higher than anticipated.

Discussion:

There was a discussion about the various service restoration requests that have come up and Mr. McFadden clarified that the proposed revisions are primarily small adjustments to existing service to improve efficiency of METRO routes and connections. Les White added that the Short Range Transit Plan will identify service deficiencies that will be presented to the Board to prioritize.

Chair Tavantzis stated, as she did last year, that the City of Watsonville does not intend to participate in the funding for the Armory shuttle because it does not serve Watsonville, which has it's own homeless services.

Bonnie Morr, UTU, thanked Les White for his letter to her explaining why the service revisions requested by UTU to Routes # 74 and #79 would not be implemented at this time. Ms. Morr explained that UTU is concerned because they never see the final recommendations that are submitted to Mr. White for approval and were not aware that specific recommendations regarding

these two routes had not been submitted previously, because the issues have been discussed for several months. Ms. Morr suggested modifying the process to increase UTU's involvement in submitting recommendations to Mr. White for approval.

Mr. White expressed his frustration regarding the abbreviated timing of these SPARC recommendations which were submitted to him on July 5th with an expectation of instant approval to meet a Board Packet deadline the next day. Mr. White explained that this is simply insufficient response time and suggested that going forward, SPARC recommendations should be submitted to him with a formal memo at least one month before going to the Board to avoid last-minute proposals and to allow enough time for thorough review, including the analysis of cost implications and the development of funding strategies.

ACTION: MOTION: DIRECTOR STONE SECOND: DIRECTOR SKILLICORN

Approve proposed Service Adjustments for Fall 2007

Motion passed unanimously with Directors Hinkle, Reilly, and Rotkin being absent.

ITEM #9 WAS TAKEN OUT OF ORDER

9. CONSIDERATION OF STATUS OF STATE OF CALIFORNIA'S FY 2008 BUDGET AND POTENTIAL IMPACTS ON METRO

Summary:

Les White reported that this is an update from last month. Mr. White reported that the Governor's redirection of \$1.3 billion from transit programs would be devastating this year, but to make it permanent and ongoing would be worse. Recently, the State Budget Committees appointed a Budget Conference Committee that met and made an attempt to reconcile a budget to be sent to both houses of legislature for concurrence. Their action was to take approximately \$660 million from the spillover revenue this year and \$551 million each year ongoing. The adoption of this budget will reduce the level of STA funds received in Santa Cruz County by \$2.5 million this year, approximately \$25 over the next 10 years. The lack of releasing 1B transit funds will eliminate approximately \$27 million in capital funding for METRO.

Neither house has approved the budget yet and it now appears that an additional \$405 million is being diverted from the Public Transportation Fund, for approximately \$950 million total being diverted annually for at least the next three years.

What this means for METRO is that completing MetroBase is on hold indefinitely. It eliminates the local capital budget and holds hostage both the transit and housing bond measure funds.

14. 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 one case of Anticipated Litigation; a conference with its Labor Negotiators regarding

UTU, Local 23 Fixed Route; and conducting the Public Employee Performance Evaluation of the District Counsel.

15. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

Bonnie Morr thanked the Board and staff for their choice of individuals on the District's Negotiating Team and for not including Ellen Aldridge. Ms. Morr said she was looking forward to negotiations and stated she had been speaking with Mr. White and believes it is beneficial for UTU and management to begin rebuilding their relationship and ability to communicate with each other prior to negotiations by participating in some sort of facilitated meeting or activity.

SECTION II: CLOSED SESSION

Vice Chair Beautz adjourned to Closed Session at 10:06 a.m. and reconvened to Open Session at 11:59 a.m.

SECTION III: RECONVENE TO OPEN SESSION

16. REPORT OF CLOSED SESSION

Vice Chair Beautz reported that the Board took no reportable action in Closed Session.

ADJOURN

There being no further business, Vice Chair Beautz adjourned the meeting at 11:59 a.m.

Respectfully submitted,

CINDI THOMAS
Administrative Services Coordinator