

BOARD OF DIRECTORS  
REGULAR MEETING  
MONTEREY-SALINAS TRANSIT  
June 9, 2008

**1. CALL TO ORDER**

Chair Armenta called the meeting to order at 10:03 a.m. in the Monterey-Salinas Transit Conference Room.

Present:	Karen Sharp	City of Carmel-By-The-Sea
	Kristin Clark	City of Del Rey Oaks
	James Ford	City of Marina
	Libby Downey	City of Monterey
	Vicki Stilwell	City of Pacific Grove
	Sergio Sanchez	City of Salinas
	Thomas Mancini	City of Seaside
	Fernando Armenta	County of Monterey
	Lisa Senkir	City of Gonzales (Ex-Officio)

Absent: None

Staff:	Carl Sedoryk	General Manager/CEO
	Lyn Owens	Director of Human Resources
	Hunter Harvath	Director of Administration
	Michael Hernandez	Chief Operating Officer
	Robert Weber	Dir. Transportation Services
	Sonia Bannister	Office Administrator & Marketing/Sales Specialist
	Dave Sobotka	Controller
	Michael Gallant	Planner
	Mark Eccles	Director of IT
	Angelina Ruiz	Human Resource Administrator
	Mina Evans	IT Intern

Others:	Dave Laredo	DeLay & Laredo
	Leslie Llantero	City of Seaside
	Gertrude Johnson	
	Alvin Johnson	Coach Operator
	Lance Atencio	MV Transportation

***Apology is made for any misspelling of a name.***

## **2-2. – 2-11. CONSENT AGENDA**

The consent agenda items consisted of the following:

- 2-2. Adopt Resolution 2008-19 recognizing Alvin Johnson, Coach Operator, as Employee of the Month for June 2008.
- 2-3. Disposal of property left aboard buses.
- 2-4. Minutes of the regular meeting of May 12, 2008.
- 2-5. Financial Report – May 2008.
- 2-6. Liability claim rejection.
- 2-7. Appointment to MST RIDES Advisory Committee (RAC).
- 2-8. Donation of retired vehicles for Safety/Emergency exercises.
- 2-9. Adopt Resolution 2008-20 recognizing June 19, 2008 as Dump the Pump Day.
- 2-10. GM/CEO contract.
- 2-11. Informational only – CalTIP Liability & Property Insurance renewal.

**Director Downey moved to approve the items on the consent agenda. Director Stilwell seconded and the motion carried unanimously.**

## **3. SPECIAL PRESENTATIONS**

Robert Weber, Director of Transportation Services, introduced Alvin Johnson, Coach Operator, as MST Employee of the Month for June 2008. Alvin Johnson began his career with Monterey – Salinas Transit in October 2004 and is a recent recipient of a 2-year safe driving award and attendance award. Alvin Johnson distinguished himself as a Line Instructor and most recently completed a 6 month tour as interim Operations Supervisor where he has continued to positively contribute to the overall mission of Monterey – Salinas Transit.

## **4. PUBLIC COMMENTS**

Jim Fink, Salinas resident, requested to have the windows on the buses sealed. He said open windows pose problems for people with allergies. Greyhound bus windows are sealed. He also wants to see a connector bus between Monterey County and the San Luis Obispo County area. Amtrak will not allow users to bring bikes on the buses unless they are using the train. He wants the gap from King City of San Luis

Obispo closed. He said there needs to be a bus stop on Castroville Road and Market Street. There also needs to be more service on Sunday evenings. He wants MST to adopt the same amount of service levels each day – not just during the weekdays.

### **5-1. RIDES ADVISORY COMMITTEE MINUTES**

The Board accepted and filed the MST RIDES Advisory Committee Minutes – February 20, 2008.

### **6-1. RIDES VEHICLES**

MST utilizes 23 Type II Minibuses in providing MST RIDES ADA services. These types of vehicles have a life expectancy of at least 5 years and 150,000 miles. Of the 23 vehicles in the fleet, five of the vehicles have mileage ranging between 230,000 to 271,000 miles and six vehicles have mileage ranging between 148,000 and 195,000 miles. Some of the vehicles to be replaced are six and seven years old. MST will have 15 RIDES vehicles due for replacement in 2009; however, because of the competitive scoring process and maximum allowable project costs, staff expects MST to receive funding for only six or seven vehicles. Alma Almanza, Central Coast Center for Independent Living, encouraged the Board to ride in the older RIDES vehicles. She supports the purchase of new vehicles. She also encouraged staff to not buy the same vehicles that were purchased during the last procurement.

**Director Ford moved to award a \$228,000 contract to the State of California Department of General Services for the purchase of up to four (4) medium buses, contingent on the approval of MST's Section 5317 grant application. Director Mancini seconded and the motion carried unanimously.**

### **6-2. PRIUS HYBRID VEHICLES PURCHASE**

MST has a total of 18 vans, model years 1999 – 2004, used at both divisions by the Operations, Maintenance and Administration departments. The vans are primarily used by coach operators to drive between operating divisions and in-service buses (relief units), and by supervisory and admin support staff and facilities staff to service bus stops. Seven vans were due for replacement in FY2006 and one in FY2007. MST's policy is to operate these vehicles for at least seven years and/or 125,000 miles. These vehicles have accumulated between 123,252 and 136,700 miles.

These vans average 10.6 miles per gallon and travel approximately 15,000 miles annually. Using a fuel price of \$3.71 per gallon, which is the average cost of fuel between March and May 2008, it is estimated that these eight Prius' will reduce MST's fuel consumption by more than 8,000 gallons annually. This translates into an annual fuel savings ranging between \$30,000, at \$3.71 per gallon, and \$34,400 at our current June 2<sup>nd</sup> fuel price. This savings is also based on a conservative 40 miles per gallon fuel economy for the Prius.

**Director Downey moved to: 1) Award a \$217,264.30 contract to Sunnyvale Toyota for the purchase of eight (8) Toyota Prius hybrid vehicles; and 2) Authorize the retirement and sale of the retired vans. Director Clark seconded and the motion carried unanimously.**

### **6-3. BOYLE ENGINEERING CONTRACT**

This item was pulled for further analysis.

### **6-4. WORKER'S COMPENSATION THIRD PARTY ADMINISTRATOR**

MST has chosen to award separate contracts for each service as a means of reducing some of the costs for this service (unbundling services). LWP was selected for claims administration based on recorded and verified performance and cost. MST utilizes the services of third-party administrators to manage and control costs of Worker's Compensation claims.

**Director Mancini moved to: 1) award a (5) five-year contract to LWP Claims Solutions, Inc, to provide Third Party Claims Administration services for Worker's Compensation; and 2) Authorize staff to extend the contract for up to five (5) additional one-year extensions under the same terms, conditions and prices provided the supplier has provided satisfactory service. Director Stilwell seconded and the motion carried unanimously.**

## **7. PUBLIC HEARINGS**

None.

### **8-1. FY 2009 BUDGET UPDATE**

Mr. Sedoryk reported that with the release of the Governor's May 14<sup>th</sup> "Revised Budget", the Governor has proposed shifting an additional \$437M from the State Transit Assistance Fund to other General Fund programs resulting in a \$2.9M loss of expected revenue to MST.

He reported that the Marketing Committee directed staff to double the Marketing budget in advance of the TAMC sales tax initiative to bring awareness to MST services and the economic benefits of using public transit. MST will not advocate a position on the sales tax initiative.

In light of the state of MST's budget, MST will suspend hiring of new positions; suspend spending on less essential capital items and reprogram funds; conclude negotiations with Central Coast Alliance for Health; consider raising MST RIDES fares to make comparable to Santa Cruz METRO; determine final impact of the State Budget on MST; determine impact of final Federal transit appropriation and

earmark/programs; and provide a mid-year budget proposal that contemplates bus fare increases, service cuts, and staff and operating expense reductions as needed.

Mr. Finke commented that the value of the dollar is not what it used to be. He said MST's fares need to keep up with inflation. He suggested that the Board reevaluate the fares. He supports a fare increase.

This was for information only. No action was required on this item.

## **8-2. MST RIDES PROGRAM UPDATE**

Mr. Sedoryk reported that the Central Coast Alliance for Health (CAAH) discontinued transportation service for all non-essential medical trips as defined by the Medi-Cal program's Title 22 criteria for medical necessity on May 2, 2008. They provided less than 1 month's notice to their clients. As a result, the MST RIDES's program has noticed a 40% increase in passenger boardings, requiring the expenditure of an additional 34% in vehicle revenue hours. This increase in ridership has caused the MST RIDES on-time performance to drop from 90% to 75% on-time.

Mr. Sedoryk and the Santa Cruz METRO General Manager met with Mr. McKay, Executive Director of CCAH, to discuss the financial and operational impacts that the change in Alliance practices has made to the public transit operators. Mr. McKay indicated that the Alliance would consider a proposal from MST and METRO to help ease the short term cost of transition for the public transit operators to absorb the medical trips that were formerly provided by the Alliance.

This was for information only. No action was required on this item.

## **9. NEW BUSINESS**

None.

## **10-1. – 10-7. REPORTS & INFORMATION ITEMS**

The reports consisted of the General Manager/CEO Report; TAMC Highlights – May 28, 2008; Washington DC Lobbyist Report – May 27, 2008; and Sacramento Lobbyist report – May 30, 2008; Quarterly Performance Results report – 3<sup>rd</sup> Quarter FY 2008; Board referrals; and Staff trip reports.

## **11. COMMENTS BY BOARD MEMBERS**

Director Sanchez talked about Salinas' Social Responsibility campaign. The campaign talks about making the right choices.

## 12. ANNOUNCEMENTS

Transit Rally Day, June 17, 2008 – Sacramento, CA.

Dump the Pump Day, June 19, 2008 -- MST will be hosting an electronic Town Hall meeting via a webinar.

## 13. CLOSED SESSION

The Board adjourned to Closed Session to meet with legal counsel regarding conference with real property negotiators; labor negotiators; and pending litigation.

**Upon returning to open Session, General Counsel Laredo provided a status report on each item. No reportable action was taken by the Board on each item.**

## 14. ADJOURNMENT

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

PREPARED BY:

  
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Sonia AR Bannister