

BOARD OF DIRECTORS
REGULAR MEETING
MONTEREY-SALINAS TRANSIT
December 13, 2004

1. CALL TO ORDER

Chairman Armenta called the meeting to order at 10:07 a.m. in the Monterey-Salinas Transit Conference Room.

Present:	Michael Cunningham	City of Carmel-By-The-Sea
	Kristin Clark	City of Del Rey Oaks
	Gary Wilmot (10:02)	City of Marina
	Carl Anderson	City of Monterey
	Ron Schenk	City of Pacific Grove
	Sergio Sanchez	City of Salinas
	Tom Mancini	City of Seaside
	Fernando Armenta	County of Monterey
	Maria Orozco	City of Gonzales (Ex-Officio)
Absent:	None	
Staff:	Frank J. Lichtanski	General Manager/CEO
	Carl Sedoryk	Assistant General Manager/CFO
	Sonia Bannister	Office Administrator
	Michael Hernandez	Director of Operations
	Lyn Owens	Human Resource Manager
	Hunter Harvath	Planning Manager
	Robert Weber	Operations Support Manager
	Dave Sobotka	Controller
	Tonja Posey	Human Resource Administrator
	Mark Eccles	Information Technology Manager
Others:	Dave Laredo	Legal Counsel
	Jim Lopez	Mechanic
	Morris Fisher	Pacific Grove resident
	Donald Lee	Monterey resident
	Kim Greer	National Steinbeck Center
	David B.	Mayor's House
	Christina Watson	TAMC
	Debbie Hale	TAMC
	Paul Powers	Powers Equipment
	Bob Scales	Parsons
	John Arriaga	JEA & Associates, Inc.
	Ellen U.	Consumer
	Judith Sears	Interim
	Perry Mulinari	ASC
	Dan Mulinari	American Supply Company

Brian Finegan
David Vandenberg

Molinari Family Attorney
County of Monterey

Apology is made for any misspelling of a name.

2-1. – 2-12. CONSENT AGENDA

The consent agenda items consisted of the following:

- 2-1. Adopt Resolution 2005-12 recognizing Jim Lopez as Employee of the Month for December 2004.
- 2-2. Disposal of property left aboard buses.
- 2-3. Minutes of the regular meeting of November 8, 2004.
- 2-4. Financial Report – November 2004.
- 2-5. Claim rejection.
- 2-6. Adopt preliminary meeting calendar for 2005.
- 2-7. Adopt Resolution 2005-13 appreciation for services rendered by Bruce Delgado.
- 2-8. Adopt Resolution 2005-11 appreciation for services rendered by Morris Fisher.
- 2-9. Adopt Resolution 2005-14 recognizing Donald Lee for 25 years of service.
- 2-10. Administration of Liability Claims.
- 2-11. Commission on Advertising Sales.
- 2-12. Dispose of surplus equipment.

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

Chairman Armenta welcomed Directors Ron Schenk from City of Pacific Grove and Gary Wilmot from City of Marina.

3. SPECIAL PRESENTATIONS

Jim Lopez, Mechanic, was recognized as the December 2004 Employee of the Month.

Donald Lee, Coach Operator, was presented with a Board Resolution for 25 years of service upon his retirement.

Morris Fisher, former representative for City of Pacific Grove, was recognized for his years of service on the MST Board of Directors. Director Fisher previously served as Chair and Vice-Chair. He is also the longest serving Board member with over 23½ years of service.

4. PUBLIC COMMENTS

Judith Sears, Interim and Shelter Cove and Sandy Shores in Marina is representing 60 residents. The residents rely on line 17-Edgewater-Marina to transport them to Monterey and Salinas to attend MPC, Hartnell, and CSUMB as well as needing to go to doctors appointments in Salinas, Monterey, Prunedale, Carmel, Garden Road, and Carmel Valley. The residents also use DART 8 to get to their appointments. The DART doesn't run between 9:30 a.m. to 2:30 p.m. They would also like to see line 17 run later in the evening.

Dave Vandenberg, County of Monterey Behavioral Health, commented that the DART 3 no longer goes to the Monterey County Courthouse. Regular bus service ends at MPC and it is too far to walk to get to the Courthouse.

5-1 – 5-3. COMMITTEE MINUTES

The Board accepted and filed the Facilities Committee Meeting minutes – November 8, 2004; Legislative Committee Minutes – November 29, 2004; and the MST RIDES Advisory Committee Minutes of October 20, 2004.

6-1. FORA LIABILITY INSURANCE

On the former Fort Ord, several parcels of land have been or are in the process of being transferred to MST. Current plans involve developing these parcels into a transit station, an operating and administration facility, and a park & ride lot. Given its former use as a military installation, land in this area is associated with risks larger than those covered by traditional liability, including munitions and explosives of concern. To protect itself, its Board of Directors, the land use jurisdictions, and other property owners and developers from these risks, FORA entered into an agreement with Marsh, Inc., to assist with securing an environmental insurance provider and policy. This insurance coverage would include both pre-existing (known and unknown) and newly created pollution conditions.

The self-insured retention (SIR) for this policy is \$500,000 for pollution conditions and \$1 million for munitions and explosives conditions. After the SIR is reached, MST would be covered for up to \$2 million in remediation costs if pollution were found on any of its properties as well as for defense costs related to claims from personal injuries and property damages that result from pollution or explosions of munitions. Once the \$2

million level has been reached for a single claim or group of claims, MST would be responsible for any additional costs and/or damages.

This type of insurance has never been offered before. The FORA Board may require that MST obtain this type of insurance in order to develop its property.

Mr. Lichtanski reported that any money spent on insurance will come out of the operating budget. This is unbudgeted for this amount and MST staff is still waiting to hear exactly what the terms of the current coverage are and whether or not MST is able to procure a separate pollution liability insurance.

MST has no immediate ability to finance any construction on any of its properties on the former Fort Ord. The construction would be subject to MST either partnering with a developer for joint use on the public access property or securing state or federal funding to develop its operations facility for the bus yard.

Mr. Laredo said MST is not sure it can use the property during the time period. The insurances offered has great limitations to it.

Director Schenk said since there is so much liability with buried ordinance, he feels that the premium is too high. He wants the Board to be cognizant that the Board is also liable for this as well.

Director Mancini moved to direct staff to continue to work with FORA regarding this matter. Director Clark seconded and the motion carried unanimously.

7. PUBLIC HEARINGS

None.

8-1. MARINA TRANSIT STATION

Chairman Armenta reported that the meeting with the City of Marina regarding the Marina Transit Station was positive and productive. It was the consensus from both parties that the project should continue to move forward with modifications to the MST design.

Director Wilmot said that the City of Marina would be sending a letter to TAMC stating that the City is committed to consider rapid transit in their rail corridor. Reservation Road will be slowed down considerably to make it more pedestrian-friendly. There is the concern if the transit station is in the middle of the downtown area, how are the buses going to get in and out.

Mr. Lichtanski said the City of Marina's \$300,000 livable communities grant will expire if the project doesn't commence prior to June 2005. The City is going to request TAMC to extend the grant.

Director Wilmot said the City is looking at a mass rapid transit system moving along Del Monte Blvd, along the rail corridor but yet the central bus station is away from that corridor. He suggested re-examining the location for the Marina Transit Station to see if it might be better to relocate the transit station nearer their transit corridor along Del Monte Blvd.

Mr. Lichtanski reminded the Board that MST has been engaged in this project for over three years. The Board had given staff a deadline of October 2004 to reach a decision with Marina on final design or whether to apply for a building permit on MST property. At the January meeting, the Board will need to provide some firm direction to staff on whether or not to proceed with building the project at the current site or conduct further studies.

No action was taken on this matter.

8-2. SALINAS INTERMODAL STATION

MST's approval of the Intermodal Transit Center (ITC) conceptual design is needed to move forward with the environmental phase for the Caltrain Extension to Monterey County Project. The design is conceptual for the purposes of the environmental documents and alternatives analysis. There will be opportunities to modify the ITC design in future phases of the project.

The Board of Directors of the Harvey Baker House has expressed concern over the designs of the project. The other businesses (bakery, laundry mat, fish market) in this area have been contacted and support this project.

Debbie Hale said TAMC has been working on the conceptual design for this project for a long time. They are looking to move forward on this project.

Mr. Lichtanski said the Salinas Transit Center is at capacity.

Director Orozco left at 11:30 a.m.

Brian Finegan, attorney for the Molinari Family, said the Molinari Family operates American Supply. They are opposed to having their property taken for this project. If the project is approved, this will put their company in limbo for 8 years. He urged the Board to not endorse either plan.

Ken Greer, CEO, Steinbeck Center and representative of Harvey Baker House thinks this is an exciting project for the City of Salinas and the project must be done. However, there are four historical buildings in this area, one of which will be torn down. The Harvey Baker house will be most impacted. He wants the Board to slow down.

Kitty Warrington, CEO, Monterey Credit Union, supports the project. She wants a decision made so that businesses being affected by this project will not be in limbo.

Director Cunningham thinks the project is great; however, he needs more information with regards to this project.

Director Sanchez moved to approve the conceptual designs for the purposes of TAMC's planning process; and approved a resolution supporting the Caltrain Extension to Monterey County project. Director Manicini seconded and the motion carried with Director Cunningham opposed.

9-2. CALIFORNIA LEGISLATIVE REPORT FOR 2004

The Board received a report from JEA & Associates regarding the 2004 Legislative Program.

No action was taken on this matter.

9-3. STATE AND FEDERAL LEGISLATIVE PROGRAMS

The Legislative Program would advocate preservation of existing transportation funding and increased funding for priority projects. The State Legislative Program includes supporting the California Transit Association's Legislative Program, seeking state funding for critical transit capital projects, and supporting measures for countywide transportation sales or gas taxes. The Federal Legislative Program would include TEA reauthorization, creation of small operator "incentive tier", and charter regulation reform as key MST issues.

The 2005 Legislative Program will be presented to state and federal legislators and will guide MST positions on legislative matters throughout the year. The Legislative Program is also used as a guideline for supporting, opposing, or watching legislation when time does not permit official MST Board action on specific legislation.

Director Sanchez moved to adopt the 2005 Legislative Program. Director Clark seconded and the motion carried unanimously.

9-1. UNIVERSITY VILLAGES PROJECT

The Board received a presentation on University Villages. University Villages comprises approximately 400 acres within its planning boundary and 287 acres to be developed by Marina Community Partners into a mix of uses, residential and commercial. The boundaries of University Village extend from a point adjacent to the 12th St/Imjin Parkway interchange with Highway 1 southwards generally along the easterly side of the Highway as far as First Street, which is the boundary of the City of Marina with the City of Seaside. First Street forms the southerly boundary of the Planning Area. The easterly limit is 2nd Avenue up to and along 8th St.; where it adjoins the CSUMB Campus. To the north & northeast the Planning Area aligns with California Ave. and Imjin Parkway.

Marina Community Partners has addressed a Transit Corridor alignment in its planning for University Village and has raised the question of how this future transport network link might best be integrated with other transportation planning in the area. The possibility has arisen in this planning analysis as to whether the MST operations might better integrate with the future uses of the Transit Corridor if they were located adjacent to the 8th Street bridge rather than 3 blocks further south. In this more northerly location, it would also be much closer to the heart of University Village's Main Street and Regional Retail Center and possible higher density related residential construction at the southerly end of the project's main street.

No action was taken on this matter.

9-4. LOCAL TRANSPORTATION SALES TAX BALLOT MEASURE

Back in August 2004 the Transportation Agency of Monterey County (TAMC) board rescinded its request of the County Board of Supervisors to place a ½ cent, 14-year local transportation sales tax on the November 2004 ballot. The board took this action due to the proliferation of local revenue measures on the ballot as well as concerns with the ability to raise adequate funding to promote the measure due to the large number of other issues on the ballot.

At their December 1, 2004 Board meeting, the TAMC Board voiced a preference to put the measure to vote during the June 2006 election, while reserving November 2005 as a potential fallback depending on the outcome of further research and community outreach.

No action was taken on this matter.

10-1. – 10-8. REPORTS & INFORMATION ITEMS

The reports consisted of the General Manager/CEO Report; Central Coast Reporter – November 2004; TAMC Highlights – October 27, 2004; JEA & Associates Capitol Update – November 10, 2004; Washington D. C. Lobbyist Report – November 30, 2004; APTA Legislative Alert – November 22, 2004; Transportation Alternatives Feasibility Study for rural South Monterey County – October 13, 2004; and 2004 Summary Report from Walters & Associates, Inc.

11. COMMENTS BY BOARD MEMBERS

None.

12. CLOSED SESSION

The Board of Directors met in closed session to discuss with labor negotiators the status of ATU negotiations.

Counsel and staff provided a status report as to negotiations with ATU on the proposed 2004-2006 labor agreement. No specific action was taken by the Board of Directors.

13. NEXT MEETING DATE

January 10, 2005 at 10:00 a.m. in the MST Conference Room.

14. ADJOURNMENT

There being no further business, Chairman Armenta adjourned the meeting at 1:00 p.m.

PREPARED BY: _____
Sonia A.R. Bannister