

BOARD OF DIRECTORS  
REGULAR MEETING  
MONTEREY-SALINAS TRANSIT  
March 14, 2005

**1. CALL TO ORDER**

Chairman Armenta called the meeting to order at 10:00 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	City of Marina
	Libby Downey	City of Monterey
	Ron Schenk	City of Pacific Grove
	Tom Mancini	City of Seaside
	Fernando Armenta	County of Monterey
Absent:	Sergio Sanchez	City of Salinas
	Maria Orozco	City of Gonzales (Ex-Officio)
Staff:	Frank J. Lichtanski	General Manager/CEO
	Carl Sedoryk	Assistant General Manager/COO
	Kelly Halcon	Human Resources Administrator
	Michael Hernandez	Director of Maintenance & Operations
	Lyn Owens	Director of Human Resources
	Hunter Harvath	Director of Customer Services
	Robert Weber	Transit Services Manager
	Dave Sobotka	Controller
	Mark Ashby	Planner
	Brigga Mosca	Marketing/Sales Manager
	William Morris	Contract Transportation Manager
Others:	Dave Laredo	Legal Counsel
	Christina Watson	TAMC
	Anthony Altfeld	City of Marina
	David Evans	Driver Alliant

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

## **2-1. – 2-7. CONSENT AGENDA**

The consent agenda items consisted of the following:

- 2-1. Adopt Resolution 2005-19 recognizing Michelle Di Pretoro as Employee of the Month for March 2005.
- 2-2. Disposal of property left aboard buses.
- 2-3. Minutes of the regular meeting of February 14, 2005.
- 2-4. Financial Report – February 2005.
- 2-5. Board Committee assignments.
- 2-6. 2004 Stakeholder Survey-Revised Results.
- 2-7. Local Transportation Fund budget transfer.

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

## **3. SPECIAL PRESENTATIONS**

Dan First, Purchasing and Inventory Control Officer, introduced Michelle Di Pretoro as the March Employee of the Month. Michelle was recognized for her assistance in organizing workloads and cross-training in advanced parts clerks' procedures such as daily cycle count data input.

## **4. PUBLIC COMMENTS**

None.

## **5-1 – 5-2. COMMITTEE MINUTES**

The Board accepted and filed the Finance Committee Minutes - February 14, 2005; and MST Rides Advisory Committee Minutes – January 24, 2005.

## **6-1. MARINA TRANSIT ENVIRONMENTAL REVIEW**

The Board discussed the proposal of Environmental Review for the Marina Transit Station. As a new construction project, the Marina Transit Station will undergo an environmental evaluation as required by federal and state environmental regulations as well as by the City of Marina local development procedures.

Frank J. Lichtanski, General Manager, suggested to move on to Agenda Item 8-1 which was directly related to the Item 6-1.

Director Schenk asked if the amount Pacific Municipal Consultants proposed for the Environmental Report was within the ballpark of what was budgeted for the project. Frank J. Lichtanski responded that is budgeted, it is a lot of money, and that it was within the ballpark. Hunter Harvath said that MST staff had consulted with Santa Cruz Metro had done an environmental cost estimate in the range of \$200,000 as well as both parties gave MST bids that were very close in price range. This project also requires adherence to Federal environmental regulations that are above and beyond what a private developer would need to adhere to. Frank J. Lichtanski commented that MST has to adhere to CEQA and to NEPA.

Director Wilmot asked if there has been a determination for the need of an environmental impact report. Hunter Harvath responded that the environmental review would determine if there would be a need for an environmental impact report. Wilmont asked if there is a determination that there is not a need for an environmental impact report the cost is lower. Mr. Harvath agreed that if there was not a need for an environmental impact report the cost of the project could be lower than the bid.

**Chairman Armenta moved to combine Agenda Item 6-1 with Agenda Item 8-1.**

### **8-1. MARINA TRANSIT STATION**

Frank J. Lichtanski gave an update on staff report of the status of the project. There was a meeting between the Ad Hoc Committee of MST and the City of Marina. During the meeting there was discussion to move to the facility down to the corner of Reservation and Del Monte and combine the project with TAMC project. However, the TAMC project is about ten years away. He suggested that MST proceed with the Marina Transit Station project but in a two-phase project. In the two-phase approach, that project would be scaled back to an eight bay bus station instead of a ten bay bus station. A press release was released by Greyhound is cutting service in sixty-four cities in California. This scale back includes the city of Monterey. This is further proof that the Marina Transit Station project should be a slower growth project. The facility will be an interim facility until MST combines station with the TAMC corridor.

Director Cunningham asked for clarification of the two-phase approach. Frank Lichtanski clarified that the Marina Transit Station would be built but would eventually be sold after moving to the TAMC corridor. Director Cunningham asked if MST would have a Return of Investment with the project. Frank Lichtanski said MST needs to plan for the worst and hope for the best. At this point the TAMC project is ten years down and the road and transportation construction moves at a snails pace.

Director Wilmont stated that the City of Marina still has serious concerns about a bus station in the middle of the city. MST may be wasting money building the Marina Transit Station at the present site if there is a possibility moving the station later down the road on the TAMC site.

Director Downey asked if the site is changed what will happen with the grant money. Frank Lichtanski stated that he was concerned by Director Wilmont's statement because it sounded that MST and City of Marina would need to start back to ground zero. There may not be the grant money to start over.

Director Mancini asked what MST has spent so far on the project. Dave Pratt answered that MST has spent 2.5 million on the site and close to \$200,000 on other development costs.

Director Cunningham asked is the site at Del Monte a viable location for the facility. Frank Lichtanski stated that there have not been any discussions or any plans on the development of the TAMC site on Del Monte.

Director Schenk asked if the TAMC development a reality and if we can postpone for Marina to agree on the site development. He also asked if Marina would be willing to pay for MST to move the site over to the TAMC site. Frank Lichtanski said the grant money is running out the time is running out for the grant money to be used.

Director Clark questioned the intentions of the City of Marina when the city council members wanted MST to buy the land to build the Marina Transit Station. Frank Lichtanski stated that MST was never persuaded not to buy the property. At this point the plans have never gone before that planning commission for a final vote on this project.

Director Cunningham stated that at this point MST board members and the City of Marina need to make a decision. The two party approaches seem to be the best option for both MST and the City of Marina.

Director Schenk wanted to postpone the two Agenda Items until the City of Marina approves MST to continue on. Frank Lichtanski stated that MST has waited since last October for the City of Marina to make a decision. Director Schenk stated the MST need to consider the needs of MST's customers. MST needs to wait for the City of Marina to give more direction until the Board can make any more decisions on the matter.

Director Clark asked if the Board could approve the Agenda Items contingent upon the decision made by the City of Marina. Director Mancini asked if the Board could listen to the suggestions of the City Manager for the City of Marina.

**Director Armenta moved to open up discussion to the public.**

Anthony Altfeld, the City Manager of the City of Marina, addressed the MST Board Members. The two-phase approach is going before the City Council of the City of Manager. There has not been a policy agreed upon by the council on this matter. The city staff and MST staff meet on February 18, 2005 to discuss the City of Marina's interests regarding the Marina Transit Station and how that would affect other

development projects down the road. During that meeting, the representatives for the City of Marina proposed buying the land back from MST and work with MST in moving the Marina Transit Station on the TAMC corridor site. At the meeting, Frank Lichtanski made it clear that the property is not for sale at this time. The City of Marina does not want the property to be used as a park and ride. At the meeting the two-phase project was discussed. He recommended the two-phase project.

Director Armenta asked if there were any more questions or comments from the Board. Then he asked if there were any more questions or comments from the public.

**Director Schenk moved to postpone decision until the City of Marina met. There was no second motion.**

**Director Downey moved to proceed with the two-phase approach. Director Mancini seconded motion carried unanimously.**

**Director Schenk moved to award \$122,809 contract to Pacific Municipal Consultants for Marina Transit Station Environmental Review. Director Mancini seconded motion carried unanimously.**

## **8-2. CITY OF SAND CITY MOU**

Frank Lichtanski recommended appointing an ad hoc committee of the Board to meet with Sand City council members to attempt to resolve differences in terms for the agreement. MST reached an agreement at the staff level that the City of Sand City would pay \$25,000 per year and half the \$14,000 cost to repaint the existing shelters. MST would assume ownership and ongoing maintenance of the shelters and continue to serve Sand City with both fixed-bus and MST RIDES service. The City Council of Sand City directed their staff to offer MST \$10,000 per year plus their annual LTF, which is currently \$8,025.

Director Schenk asked about the original cost of \$90,000. Frank Lichtanski said that Sand City has said that they will not pay that amount. Director Schenk asked if MST could cut of service to Sand City. Frank Lichtanski said that it would not be in our best interest to take that action.

Director Wilmot asked about a mitigation agreement, which allowed Sand City to build the shopping center contingent upon the city paying for bus service. Frank Lichtanski said that the mitigation agreement was no longer legal. It was voluntary at the time and is no longer required. Director Wilmot asked what is the portion of the sales tax Sand City receives from the sales tax. Director Mancini answered that the City Seaside receives a portion of Sand City's sales tax that it receives from the shopping center.

Director Cunningham suggested to the ad hoc committee there needs to be stable payments to MST. Frank Lichtanski said the City of Sand City feels they are double paying for service. Sand City did not see the need to have bus service for the shopping service.

Director Clark asked if Sand City is in charge of upkeep of the bus stops.

Director Wilmot pointed out that the staff reports states that MST would be paid less for more upkeep.

Director Mancini stated that the City of Sand City has \$39,043 in their LTF account and the other cities are giving their LTF money to MST. Frank Lichtanski said the City Manager of Sand City has already promised their LTF funds for other projects.

**Director Mancini moved to appoint an ad hoc committee to meet with the City of Sand City to come to an agreement. Director Wilmot seconded motion carried unanimously.**

### **8-3. LINES 25 AND 26 SERVICE**

Hunter Harvath reported to the Board that Line 25 and Line 26 ridership has failed to meet expectations and can be contributed in part to the poor economy in the Bay Area and the expansion of lanes on Highway 101. At this point in time there is no clear indication of any ridership growth and the CMAC money will be expended by mid to late summer of 2005.

Director Cunningham asked how would ridership need to increase to continue service or would service need to be cut to continue the service. Frank Lichtanski said enough people would need to ride to recover 100% of the cost to run the service. MST is exploring options with AMTRACK to connect MST service with their bus service.

Director Wilmot asked about the lack of funding for this service will also affect service for other services. Frank Lichtanski said that the lack of funding could affect the other services. Director Wilmot commented about the possibility of meeting up with the Bullet in San Jose. Frank Lichtanski commented that it is a possibility in the future when MST revisits the issue.

Director Schenk asked what size bus MST uses to provide service. Hunter Harvath responded that MST is using a small passenger vehicle that carries approximately fourteen people.

### **9-1. NEGOTIATION OF CLEAN AIR REFUELING STATION (CARS)**

Michael Hernandez, Director of Maintenance and Transportation, asked for authorization for staff to begin negotiations with the City of Monterey to assume operations and maintenance of the CARS station on July 1, 2005. MST is the largest user of the CNG fuel station. The City of Monterey notified MST that effective July 1, 2005 they plan to stop maintenance of the CARS station based on the demands of their own fleet maintenance programs and discontinued use of CNG fueled vehicles.

Director Cunningham asked if there are no other options. Michael Hernandez confirmed that there are no other issues. He did mention that there are other entities that use CNG.

Director Mancini asked who were the other users of CNG. Michael Hernandez said that the City of Monterey has six school buses that use CNG. He asked the City of Monterey to provide a list of the other users. The City of Monterey provided a list of twenty-three users that they classify as casual users.

Director Schenk asked if MST would also buy the land the CNG compressor is on. Frank Lichtanski said that MST would only be buying the hardware. He said the land also contains diesel tanks for the City of Monterey.

Director Cunningham asked if we would be running or buying any more CNG buses in the future. Frank Lichtanski answered that he hoped MST would have no CNG buses in their fleet ten years from now.

Director Wilmot asked if MST would build a CNG station out in the new facility at Ft. Ord. Frank Lichtanski answered that was not in MST's future plans.

**Director Schenk authorized MST staff to begin negotiations with the City of Monterey to assume operations and maintenance of the CARS station. Director Mancini seconded motion carried unanimously.**

## **9-2. Monterey Bay Air Pollution Control**

Carl Sedoryk, Assistant General Manager/ COO of MST, reported it would be possible that AB2766 funding requests for funding of ongoing public transit from non-MST members would compete with MST requests for funding of capital projects. MST may use AB2766 funds to leverage federal operating funds on 1:1 ratio. These same funds may be used to leverage capital funds on a 4:1 ratio, making these funds much more attractive to MST to fund capital projects. The South County cities are requesting more funding for service. The South Counties cities do not want to use their LTF funds.

Director Wilmont expressed his concern about the funding resources for the projects down the road for MST.

Director Armenta directed MST staff to not oppose any money that would go toward operating costs.

## **7. PUBLIC HEARINGS**

None.

## **8. UNFINISHED BUSINESS**

None.

## **9. NEW BUSINESS**

None.

## **10-1. – 10-9. REPORTS & INFORMATION ITEMS**

The reports consisted of the General Manager/CEO Report; Recent APTA Legislative Conference; Central Coast Reporter – February 2005; TAMC Highlights – February 23, 2005; Washington D. C. Lobbyist Report – February 28, 2005; Sacramento Lobbyist Report – March 2, 2005; CTA Executive Director's Report- February 28, 2005; CTA Legislative Bulletin- February 28, 2005; Ventura County Star- March 3, 2005.

Mr. Lichtanski acknowledged the Board Members who attend Washington D.C. for their time. There was progress and a sense of optimism on the Transportation Bill. The Senate is moving to vote on the Transportation Bill. Director Armenta would like to allow more Board Members to attend the Conference.

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

None.

## **12. ANNOUNCEMENTS**

Dave Laredo, General Counsel, stated that MST Board Members might accept free transportation from MST.

Frank Lichtanski invited Board Members to attend an APTA webinar that would be held in the MST conference room at 11:00 am on March 30, 2005.

## **13. CLOSED SESSION**

The Board of Directors met in closed session to discuss Agenda Items 13-1 (Conference with Labor Negotiators re ATU).

As to 13-1, the Board received the report of counsel. No action was taken on this matter.

## **14. NEXT MEETING DATE**

April 11, 2005 at 10:00 a.m. in the MST Conference Room.

## **15. ADJOURNMENT**

There being no further business, Chairman Armenta adjourned the meeting at 12:20 p.m.

PREPARED BY: \_\_\_\_\_  
Kelly Halcon