



TRANSIT DISTRICT MEMBERS:

*City of Carmel-by-the-Sea • City of Del Rey Oaks • City of Gonzales • City of Greenfield
City of King • City of Marina • City of Monterey • City of Pacific Grove • City of Salinas
City of Sand City • City of Seaside • City of Soledad • County of Monterey*

**Board of Directors Regular Meeting
June 9, 2014**

Monterey Bay Unified Air Pollution Control District
Board Room, 3rd Floor
24580 Silver Cloud Ct., Monterey

10:00 a.m.

TRANSPORTATION: Ride Line 8 from Monterey Transit Plaza (Munras Gate) at 9:15 a.m. or Sand City Station at 9:30 a.m. Request a taxi voucher from MST Customer Service for your return trip. (Good for a \$17 one-way trip).

1. CALL TO ORDER

- 1-1. Roll Call.
- 1-2. Pledge of Allegiance.

2. CLOSED SESSION

As permitted by Government Code §64956 et seq. of the State of California, the Board of Directors may adjourn to Closed Session to consider specific matters dealing with personnel and/or pending possible litigation and/or conferring with the Board's Meyers-Milias-Brown Act representative.

- 2-1. Conference with Labor Negotiators – Monterey-Salinas Transit Employees' Association (MSTEA), and MST (§54957.6).
(H. Quinn, K. Halcon)
- 2-2. Request for settlement authority – Patricia Wightman.
(H. Quinn, C. Sedoryk, K. Halcon)
- 2-3. Conference with property negotiators. (Parcel # APN 259-011-067, 259-11-060, 003-171-024, 003-171-027, 002-248-009-010, 013-312-015-000011-486-004, 032-171-005, 001-693-002-000, 013-313—002, 259-031-040, L.2.1, 1.2.4.3, L.2.4.2, L.2.2.1, L.2.2.2, L.2.3, L.2.4.1).
(No enclosure) (C. Sedoryk)

3. RETURN TO OPEN SESSION

- 3-1. Report on Closed Session and possible action.

4. CONSENT AGENDA

- 4-1. Review highlights of the agenda. (Carl Sedoryk)

These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.

- 4-2. Adopt Resolution 2014-22 recognizing Sonia Bannister, Customer Service Supervisor, as Employee of the Month for June 2014. (Hunter Harvath) (pg. 1)
- 4-3. Disposal of Property left aboard buses. (Sonia Bannister) (pg. 3)
- 4-4. Minutes of the regular meeting of May 12, 2014. (Deanna Smith) (pg. 5)
- 4-5. Financial Report – April 2014. (Angela Dawson) (pg. 13)
- 4-6. Adopt Resolution 2014-23 recognizing Mike McBride for his seven years of service. (Michael Hernandez) (pg. 21)
- 4-7. General Manager/CEO Contract Extension. (Kelly Halcon) (pg. 23)
- 4-8. Ratify Memorandum of Understanding (MOU) between Monterey-Salinas Transit Employee Association (MSTEA) and Monterey-Salinas Transit District (MST). (Kelly Halcon) (pg. 25)

End of Consent Agenda

5. SPECIAL PRESENTATIONS

- 5-1. June Employee of the Month – Sonia Bannister, Customer Service Supervisor. (Hunter Harvath)
- 5-2. Retirement - Michael McBride, Mechanic. (Michael Hernandez)
- 5-3. TAMC Update: Multimodal Corridor Alignment Plan. (Ariana Greene) (pg. 27)
- 5-4. MST Mobility Management Update.
(Tom Hicks, Robert Weber, Hunter Harvath)

6. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Members of the public may address the Board on any matter related to the jurisdiction of MST but not on the agenda. There is a time limit of not more than three minutes for each speaker. The Board will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time, either individually, through staff, or on a subsequent agenda.

7. COMMITTEE REPORTS

No action required unless specifically noted.

- 7-1. HR Committee Minutes of April 28, 2014. (Deanna Smith) (pg. 33)
- 7-2. Finance Committee Minutes of May 12, 2014. (Deanna Smith) (pg. 35)
- 7-3. Ad Hoc Nominating Committee Minutes of June 2, 2014. (Deanna Smith) (pg. 39)

6. MAJOR PROCUREMENTS

7. PUBLIC HEARINGS

8. UNFINISHED BUSINESS

- 8-1. Update on MST proposed Sales Tax Measure. (Carl Sedoryk) (pg. 41)
- 8-2. Review Draft Sales Tax Ordinance and Resolution. (Carl Sedoryk) (pg. 47)
- 8-3. Approve the FY 2014 Operating & Capital Budget, Action Plan, and Staffing Levels. (Hunter Harvath) (pg. 67)

9. NEW BUSINESS

- 9-1. Conduct election of officers. (Carl Sedoryk) (pg. 91)

10. REPORTS & INFORMATION ITEMS

The Board will receive and file these reports, which do not require action by the Board.

- 10-1. General Manager/CEO Report – April 2014. (pg. 113)
- 10-2. Washington D. C. Lobbyist Report – May 2014. (pg. 131)
- 10-3. State Legislative Advocacy Update – May 2014. (pg. 135)
- 10-4. Correspondence. (pg. 137)
- 10-5. Staff Announcements.

11. COMMENTS BY BOARD MEMBERS

- 11-1. Reports on meetings attended by board members at MST expense (AB1234).
- 11-2. Board member Comments and Announcements.

11-3. Board member Referrals for future agendas.

12. ATTACHMENTS

12-1. Detailed monthly Performance Statistics and Disbursement Journal, April 2014.

Attachments can be found online within the GM Report at:
<http://www.mst.org/about-mst/board-of-directors/board-meetings/>

13. ADJOURN

NEXT MEETING DATE: July 14, 2014

Monterey Bay Unified Air Pollution Control District Board Room, 3rd Floor

NEXT AGENDA DEADLINE: July 1, 2014

Materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection at the Monterey-Salinas Transit Administration office at 1 Ryan Ranch Road, Monterey, CA during normal business hours.

Upon request, MST will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least three working days prior to the meeting. Requests should be sent to Deanna Smith, MST, One Ryan Ranch Road, Monterey, CA 93940 or dsmith@mst.org.

**SONIA BANNISTER
JUNE 2014
EMPLOYEE OF THE MONTH**

WHEREAS, each month Monterey-Salinas Transit recognizes an outstanding employee as Employee of the Month; and

WHEREAS, the Employee of the Month is recognized for their positive contribution to MST and to the entire community; and

WHEREAS, Sonia Bannister started her career with Monterey-Salinas Transit District in November of 1988 as a Secretary. Since that time, she was promoted to Office Administrator in 2001, Marketing and Sales Specialist in 2007, Office Administrator in 2010 and Customer Service Supervisor in 2012, and

WHEREAS, Sonia Bannister has been recognized for exceptional work many times, including Employee of the Month awards in 1995, 2000, 2001, and 2009. She has received numerous safety and attendance awards during her 25 year career with the District; and

WHEREAS, Sonia Bannister has effectively overseen the Customer Service Department, navigating staff through a reduction in force, changes in job descriptions, and the recruitment and hiring of new staff. Sonia also stepped into the role of Bilingual Customer Service Representative after the departure of one of her team members. In particular, she has taken over the responsibilities of revising and editing the MST Rider's Guide, earning praise from her immediate supervisor for her mastery of this complex and detail-oriented task.

THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes Sonia Bannister as Employee of the Month for June 2014; and

BE IT FURTHER RESOLVED that Sonia Bannister is to be congratulated and thanked for her excellent work at Monterey-Salinas Transit.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2014-22 this 9th day of June, 2014.

Maria Orozco
Chairman

Carl G. Sedoryk
Secretary

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To: Board of Directors
From: Sonia Bannister, Customer Service Supervisor
Subject: Disposal of unclaimed property left on bus

St. Vincent De Paul (P.G.)

2 backpacks	2 hats	1 baby blanket
2 books	1 lunch bag	1 reflector band
1 duffle bag	3 cell phones	1 phone charger
2 eyeglass cases	1 suitcase	1 water bottle
4 pairs of sunglasses	1 camera case	1 make-up bag
1 bike helmet	1 pair of binoculars	1 watch
1 set of nunchucks	5 pairs of prescription eyeglasses	

To be disposed

5 shirts	3 pairs of socks	1 stroller
1 wallet	2 pairs of pants	1 lighter
1 child's vest	3 pairs of shorts	3 credit cards
2 beanie's	1 t-shirt	2 ID's

To be retained

\$ 122 forwarded to accounting for deposit

MST makes an attempt to contact the owners of Lost and Found items. If the items are unclaimed after 30 days, they are added to the above list. None of the items listed above match those lost by Mr. Fink.

PREPARED BY:  REVIEWED BY: 
Sonia Bannister Carl Sedoryk

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MST BOARD OF DIRECTORS

Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Ct., Monterey

Minutes

May 12, 2014
10:00 a.m.

1. CALL TO ORDER

1-1 Roll call.

1-2 Pledge of Allegiance.

Chair Orozco called the meeting to order at 10:07 a.m. Roll call was taken the Pledge of Allegiance followed.

Present:	Fernando Armenta	County of Monterey
	Tony Barrera	City of Salinas
	Victoria Beach	City of Carmel-by-the-Sea
	Alan Cohen	City of Pacific Grove
	Libby Downey	City of Monterey
	Alvin Edwards	City of Seaside
	Randy Hurley	City of Greenfield (10:15am)
	Frank O'Connell	City of Marina
	Maria Orozco	City of Gonzales
	David Pendergrass	City of Sand City
	Patricia Stephens	City of Soledad
Absent:	Kristin Clark	City of Del Rey Oaks
	Terry Hughes	City of King
Staff:	Carl Sedoryk	General Manager/CEO
	Hunter Harvath	Asst. General Manager/Finance & Administration
	Deanna Smith	Executive Assistant/Clerk to the Board
	Kelly Halcon	Director of Human Resources & Risk Management
	Mark Eccles	Director of Information Technology
	Dave Bielsker	Transit Scheduler
	Andrea Williams	General Accounting & Budget Manager
	Robert Weber	Director of Transportation Services
	Tom Hicks	CTSA Manager
	Dave Laredo	De Lay & Laredo
	Miriam Gutierrez	MST Customer Service Representative
Public:	Greg Findley	CT

Jason Snow	MV Transportation
Jim Fink	MST Rider
MaryAnn Leffel	MCBC
Micheon Balmer	Bickmore/CalTIP
Chrissy Mack	Bickmore/CalTIP
Elizabeth Pope	CCCIL
Debbie Hale	TAMC

Apology is made for any misspelling of a name.

2. CONSENT AGENDA

2-1. Review Highlights of the agenda.

Mr. Sedoryk provided the highlights of the agenda.

2-2. Adopt Resolution 2014-20 recognizing Dave Bielsker, transit scheduler, as Employee of the Month for May 2014.

2-3. Disposal of property left aboard buses.

2-4. Minutes of the regular meeting of April 14, 2014.

2-5. Financial Report – March 2014.

2-6. Claim Rejection – Morgan, Kristina.

2-7. Approve MST's triennial Title VI Report submittal to the Federal Transit Administration Office of Civil Rights.

2-8. Receive and adopt the MST Continuity of Operations Plan.

Director Downey pulled item 2-4 and clarified that Director Armenta, under item 11-1, stated that he would provide a verbal report of his attendance at the APTA Legislative Conference in Washington, D.C., March 8-11, at the next board meeting. He did not provide an update at the April 14 meeting.

Director Beach pulled item 2-4 and asked if the motion she made for item 9-1 was correct regarding officer terms and the restriction on serving consecutive terms. Dave Laredo, MST general counsel, confirmed that the language was accurate.

Public Comment – none.

Director Barrera made a motion to approve the Consent Agenda with correction to item 11-1 in the minutes, and was seconded by Director Edwards. The motion carried unanimously 10-0 with Director Hurley not present for the vote.

3. SPECIAL PRESENTATIONS

3-1. May Employee of the Month – Dave Bielsker, transit scheduler.

Mr. Harvath recognized Dave Bielsker, transit scheduler, as the May Employee of the Month for his outstanding service to MST and the entire community.

3-2. Transit 101: California Transit Insurance Pool.

Mr. Sedoryk introduced Micheon Balmer with the California Transit Indemnity Pool (CalTIP) who provided a PowerPoint presentation detailing the services provided by CalTIP on behalf of MST.

Director Downey asked if any of the MST committees were responsible for overseeing the services provided by CalTIP. She felt the information provided was very complex and wanted to make sure there was proper oversight over the program and thorough understanding of its complexities.

Mr. Sedoryk stated that the Finance Committee receives updates on the insurance pool. Mr. Laredo stated that he also provides some oversight when necessary. Director Downey suggested having her attend Finance Committees more frequently to keep directors properly educated.

Mr. Armenta asked about the Errors and Omissions coverage for Mr. Sedoryk.

Public Comment – none.

3-3. TAMC Update: Multimodal Corridor Alignment Plan.

This presentation was moved to the June 2014 board meeting.

4. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Mary Ann Leffel, president of the Monterey County Business Council, announced that on June 24 the Council would be hosting a Regional Critical Conversation in the Ferrante Room at the Monterey Marriott. The meeting is part of the Governor's Economic Development Plan, and our region has been chosen as a region's study area for program development. Areas of focus will be transportation, infrastructure, business and employment. In August the state will use input from all regions to develop the statewide plan.

Jim Fink stated that May 13th is his seventeen-year anniversary as an MST rider. He announced the upcoming 10th Annual Norcal AIDS Cycle, a 330 mile bike ride to be held from this Wednesday evening to Sunday noon.

5. COMMITTEE REPORTS

No action required.

5-1. Planning/Ops Committee minutes of April 14, 2014.

5-2. HR Committee minutes of April 28, 2014.

Public Comment – none.

6. MAJOR PROCUREMENTS

7. PUBLIC HEARINGS

8. UNFINISHED BUSINESS

8-1. Update on potential sales tax.

Mr. Sedoryk stated that staff has been continuing to conduct outreach and information meetings with community, business, veterans, and disabled groups, and no opposition has been lodged by any contacts to date. Staff is preparing a budget to develop an second poll to track the public's attitude toward additional sales tax options and to assess the cost of professional development of ballot and ordinance language. MST's enabling legislation also requires that a majority of jurisdictions approve placement of the sales tax measure on the November ballot, and staff is currently requesting placement on at least seven jurisdictions unless the board requests that all jurisdictions be addressed.

Chair Orozco stated that Mr. Sedoryk had addressed the Salinas Valley Mayors' Organization and asked if the Peninsula group had been addressed as well. Mr. Sedoryk stated that the Peninsula Mayors' Organization had requested a later date for the presentation.

Mr. Barrera asked Chair Orozco if she felt the Salinas group was supportive of the potential sales tax measure. She stated that there were just a few questions about South County representation, but overall it was well-received.

Public Comment

Debbie Hale, executive director of the Transportation Agency for Monterey County (TAMC). TAMC has worked closely with MST over the years and is very supportive of MST's fiscal needs. She stated that her Executive Committee asked her to address a couple of issues of concern. She is concerned with timing, that other cities are considering placing their own measures on the November ballot, TAMC is considering a 2016 multi-modal sales tax and hopes MST would be a part of that effort. There is also concern that MST does not have enough time to succeed with a November ballot. She requests that MST considers a coordinated effort with TAMC for a 2016 sales tax measure.

Director Downey stated that the City of Monterey TAMC representative is very proactive in support of the Monterey sales tax but she is not sure he has enough votes at this time. Ms. Hale has not asked her board to take a formal vote.

Elizabeth Pope of CCCIL spoke in support of the proposed sales tax measure, emphasizing the importance of public transit services for those who cannot otherwise get to work, school, or maintain their independence.

Mary Ann Leffel, President of the Monterey County Business Council, has served on the Workforce Investment Board, and is a former member of the Interim, Inc., board of directors. She stated that the two biggest barriers to employment are lack of childcare and transportation. She urges the board to move forward. She assists long-term unemployed individuals who must have public transportation to get back to work. She also requests that MST staff goes to all jurisdictions for support.

Mr. Fink is excited about the sales tax and urges MST to move forward. In San Jose one-half of a percent of sales tax goes to Bart and 1 percent goes to VTA.

Close Public Comment

Director Armenta is on the TAMC Executive Committee. He is concerned that MST needs to get going now to have an effective field operation. He does not believe MST needs to stay at the end of the line and that MST has waited long enough. If the November ballot does not work out, MST can work on the 2016 effort with TAMC.

Director Barrera asked if she was here on behalf of the Executive Committee or the Board. Ms. Hale stated she was here on behalf of the Executive Committee. Mr. Barrera stated that he supports the proposed sales tax one-hundred percent, as does Salinas Mayor, Joe Gunter. He believes this special tax will help people who want to be active in their community and who need transportation to get to work. He believes

Director Beach said that she supports MST's tax effort and asked if there was a way to alter MST's sales tax in 2016 if TAMC's passes. Mr. Laredo stated that MST could take action in 2016 to alter the sales tax, but TAMC's measure could not overrule MST's.

Director Edwards wants a timetable for moving forward and would like MST staff to go to all 13 jurisdictions. He also wants a specific budget to complete the effort.

Director Cohen stated that MST has been discussing a sales tax measure for years. Constant schedule changes confuse the public and are not a good practice. He sees no real opposition to the tax measure and does not want to wait until 2016. He requests that MST staff step up to the plate and work a little harder to get the effort moving. He would like a detailed budget and timeline for the board to consider. MST needs to take responsibility for its finances.

9. NEW BUSINESS

- 9-1. Approve free fares for active duty military with ID on Line 81 Fort Hunter Liggett-San Jose Airport Express.

Mr. Harvath directed the board to page 121 in the agenda, requesting board approval that active duty military personnel utilizing Line 81 to travel from San Jose to the military installation board for free, no matter which stop they board at.

Director Edwards asked is this was part of the funding issue with the Presidio of Monterey. Mr. Harvath stated that this did not affect the Presidio funding issue. Director Edwards asked if other military personnel would also request free fares if this was

approved. Mr. Harvath stated that he hoped that would not be the case, but if they did the board would have to approve.

Public Comment

Mr. Fink stated that Line 81 needed to be advertised like the JAZZ line.

Close Public Comment

Director Barrera made a motion to approve free fares for active duty military with ID on Line 81 Fort Hunter Liggett-San Jose Airport Express and was seconded by Director Downey. The motion carried unanimously 11-0.

Director Beach left the meeting at 11:10am.

9-2. Appoint Ad Hoc Nominating Committee.

Ms. Smith stated that the terms of MST's current officers, Chair Orozco and Vice-Chair Downey will expire in July 2014. Officers are elected to serve a two-year term. MST's bylaws require the board to appoint a nominating committee to make officer recommendations to the full board, and it has been a practice for the Chair to appoint directors who have no interest in serving as officers to the committee.

Director Downey asked if it would be a problem for someone who served on the committee to be nominated by their committee members. Mr. Laredo stated that there is no rule against interested or nominated parties serving on the committee; it has just been a practice for disinterested directors to serve.

Director Armenta is concerned about the logistics of adhering to the rotation of officers by Salinas Valley, Salinas Urbanized Area, Seaside/Marina/Monterey Urbanized Area, Non-urbanized Area, and the County of Monterey. Mr. Laredo stated that this issue will be considered by the Nominating Committee to ensure the guidelines are adhered to.

Chair Orozco requested volunteers to serve Officers appointed to serve on the committee, and appointed the following: Directors Barrera (Chair), Edwards, Cohen, Hurley, and Stephens.

Public Comment – none.

10. REPORTS & INFORMATION ITEMS

No action required.

10-1. General Manager/CEO Report – March 2014.

10-2. Washington D. C. Lobbyist Report – April 2014.

10-3. State Legislative Advocacy Update – April 2014.

- 10-4. Revision to Gillig bus order.
- 10-5. TAMC Highlights – April 2014.
- 10-6. Staff Trip Reports.
- 10-7. Correspondence.
- 10-8. Staff Announcements.

Public Comment – none.

11. COMMENTS BY BOARD MEMBERS

- 11-1. Reports on meetings attended by board members at MST expense (AB1234).

Director Armenta stated that he was not prepared today to give a report on his attendance at the APTA Legislative Conference, but he did find the services provided by NAPTA worth following up on.

- 11-2. Board member Comments and Announcements.

Director Downey stated that she had questions regarding items 2-7 and 2-8 on the Consent Agenda, but overlooked pulling the items for discussion. Mr. Laredo asked her if her questions could be answered personally by staff after the meeting, and she agreed.

Director Barrera congratulated Mr. Fink on his 17 years as a rider with MST. He commended MST staff on their excellent customer service; he often hears good reports from members of the public.

- 11-3. Board member Referrals for future agendas.

Mr. Sedoryk confirmed that staff will provide a detailed sales tax timeline and budget for board consideration at the June meeting, as requested.

12. ATTACHMENTS

- 12-1. Detailed Monthly Performance Statistics and Disbursement Journal, March 2014.

Attachments can be found online within the GM Report at:
<http://www.mst.org/about-mst/board-of-directors/board-meetings/>

Chair Orozco moved to Closed Session.

13. CLOSED SESSION

- 13-1. Conference with Legal Counsel – Litigation - Existing Litigation, (§54956.9(a)): Monterey County Superior Court Case No. M 122629 Cal Signal Corp. v. County of Monterey et al. (No enclosure) (D. Laredo, C. Sedoryk)
- 13-2. Conference with property negotiators. (Parcel # APN 259-011-067, 003-171-024, 003-171-027, 002-248-009-010, 032-171-005, 013-313-002, L.2.1, 1.2.4.3, L.2.4.2, L.2.2.1, L.2.2.2, L.2.3, L.2.4.1). (No enclosure) (C. Sedoryk)
- 13-3. Conference with Labor Negotiators – Monterey-Salinas Transit Employees' Association (MSTEA), and MST (§54957.6). (No enclosure) (D. Laredo, K. Halcon)
- 13-4. Hold: Request for settlement authority – Rollie Parducho.

14. RETURN TO OPEN SESSION

- 14-1. Report on Closed Session and possible action.

Mr. Laredo reported that the board considered all items on Consent Agenda and provided direction. No reportable action was taken.

15. ADJOURN

There being no further business, Chair Orozco adjourned the meeting at 11:29am.

Prepared by:


Deanna Smith, Deputy Secretary

To: Board of Directors
From: Angela Dawson
Subject: Financial Reports – April 2014

RECOMMENDATION:

1. Accept report of April 2014 cash flow presented in Attachment #1
2. Approve April 2014 disbursements listed in Attachment #2
3. Accept report of April 2014 treasury transactions listed in Attachment #3
4. Accept April 2014 financial statements listed in Attachment #4

FISCAL IMPACT:

The cash flow for April is summarized below and is detailed in Attachment #1.

Beginning balance April 1, 2014	\$8,730,437.35
Revenues	10,236,809.85
Disbursements	<u><4,403,693.94></u>
Ending balance April 30, 2014	<u>\$14,563,553.26</u>

POLICY IMPLICATIONS:

Disbursements are approved by your Board each month and are shown in Attachment #2. Treasury transactions are reported to your Board each month, and are shown in Attachment #3.

A detail of disbursements can be viewed within the GM Report at <http://www.mst.org/about-mst/board-of-directors/board-meetings/>

Prepared by:


Angela Dawson

Reviewed by:


Hunter Harvath

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(REVENUES & DISBURSEMENTS)

CASH FLOW

Beginning balance April 1, 2014		\$ 8,730,437.35
Revenues		
Passenger Revenue	426,312.52	
DOD Revenue	100,461.50	
LTF / STA / 5307	8,838,926.61	
Grants	838,195.00	
TAMC Loan/Rabo LOC advance	0.00	
Non Transit Revenue	32,914.22	
Total Revenues		10,236,809.85
Disbursements		
Operations (See Attachment #2)	4,281,182.49	
Capital	122,511.45	
Total Disbursements		(4,403,693.94)
Ending balance April 30, 2014		<u><u>\$ 14,563,553.26</u></u>

COMPOSITION OF ENDING BALANCE

Checking - First National Bank	\$ 4,159.33
Checking - Rabo Bank	193,548.44
Checking(s) - Wells Fargo Bank	12,421.24
Local Agency Investment Fund (LAIF)	42,619.98
Money Market - Homeland Security	1,066,403.80
Money Market - Rabo MM	5,814,990.69
Money Market - PTMISEA	6,975,452.95
Money Market - Rabo Prop. 1 B	168,950.15
Bank of America - Escrow	58,449.60
Petty cash fund, STC Coin Machine, and 2 change funds	8,750.00
RBC Wealth - Fuel Hedging	50,000.00
Rabobank-Regional Taxi Authority	167,807.08
Total	<u><u>\$ 14,563,553.26</u></u>

PAYROLL ACCOUNT

April 4 Payroll & Related Expenses	474,371.28	
April 18 Payroll & Related Expenses	489,889.97	
Payroll adj	0.00	
Pers & 457	158,852.59	
Garnishments	9,253.95	
	<hr/>	
	1,132,367.79	1,132,367.79

GENERAL ACCOUNT

Disbursements on Attached Summary	2,606,501.00	
Paydown loan	600,000.00	
Workers Comp. Disbursements	49,777.31	
Interest expense	2,054.17	
Bank Service Charge/Armored Car	12,993.67	
Transfer from WFB		
	<hr/>	
	3,271,326.15	\$3,271,326.15

Total Disbursements	<hr/>	4,403,693.94
Less Capital Disbursements & Transfers		(122,511.45)
		<hr/>
Operating Disbursements		<u><u>\$4,281,182.49</u></u>

DISBURSEMENTS SUMMARY:
GENERAL ACCOUNT DISBURSEMENTS FOR April 1, 2014 -April 30, 2014

VENDOR / DESCRIPTION	CHECKS	AMOUNT
Accounts Payable 04/03/14	34639 - 34642	602.90
Accounts Payable 04/08/14	34643	523,250.81
Accounts Payable 04/11/14	34644 - 34722	251,601.66
Accounts Payable 04/15/14	34723 - 34734	1,200.00
Accounts Payable 04/17/14	34735 - 34793	138,964.93
Accounts Payable 04/25/14	34794 - 34910	438,982.69
Accounts Payable 04/29/14	34913 - 34922	1,251,898.01
TOTAL		2,606,501.00

CHECKS \$100,000 AND OVER

VENDOR / DESCRIPTION	BOARD APPROVED	CHECK NUMBER	CHECK DATE	AMOUNT
MV Transportation	Recurring Expense	34643	04/08/14	523,250.81
Coast Oil	Recurring Expense	34664	04/11/14	121,537.06
MV Transportation	Recurring Expense	34913	04/29/14	1,251,448.01

TREASURY TRANSACTIONS
FOR APRIL 2014

LAIF ACCOUNT

<u>Date</u>	<u>Account</u>	<u>Bank</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 04/01/14					42,619.98
Transfer to checking for payroll					0.00
Local Agency Investment Fund:					
Interest earned	-	0.000%			0.00
LAIF Treasury Balance at 04/30/14					42,619.98

RABOBANK MM ACCOUNT

<u>Date</u>	<u>Account</u>	<u>Bank</u>	<u>Deposit</u>	<u>Withdrawal</u>	<u>Balance</u>
Balance Forward at 04/01/14					615,832.72
04/02/14		LTF	1,277,239.28		1,893,072.00
04/04/14		To P/R		355,000.00	1,538,072.00
04/09/14		To A/P		900,000.00	638,072.00
04/18/14		To P/R		230,000.00	408,072.00
04/28/14		To A/P		300,000.00	108,072.00
04/29/14		LTF	826,131.88		934,203.88
04/29/14		5307	6,034,555.00		6,968,758.88
04/29/14		A/P & LOC		1,855,000.00	5,113,758.88
04/30/14		STA	701,000.45		5,814,759.33
04/30/14		Interest @ 0.25%	231.36		5,814,990.69
RABO MM Balance at 04/30/14					5,814,990.69

ATTACHMENT # 4

MONTEREY - SALINAS TRANSIT

Revenue & Expense - Consolidated

Budget vs Actual

For the Period from April 1, 2014 to April 30, 2014

(Amounts are in USD)

(Includes Fund: 001)

(Includes G/L Budget Name: BUDFY14)

FIXED ROUTE

	Cur Mo. Actual	Cur Mo. Budget	Cur Mo. Variance	YTD Actual	YTD Budget	YTD Variance
Revenue						
Passenger Fares	(349,372)	(416,667)	67,295	(3,822,605)	(4,166,667)	344,062
Special Transit	(128,961)	(336,200)	207,239	(1,680,311)	(3,362,000)	1,681,689
Cash Revenue	(37,028)	(31,571)	(5,457)	(499,670)	(315,708)	(183,961)
Cash Grants & Reimbursement	(2,293,610)	(1,838,306)	(455,304)	(18,400,848)	(18,383,065)	(17,784)
Total Revenue	(2,808,971)	(2,622,744)	(186,227)	(24,403,434)	(26,227,440)	1,824,006
Expenses						
Labor	934,349	964,521	(30,172)	8,657,108	9,645,211	(988,103)
Benefits	585,642	646,869	(61,226)	6,439,345	6,468,688	(29,342)
Advertising & Marketing	1,821	13,542	(11,721)	81,160	135,417	(54,257)
Professional & Technical	41,220	43,799	(2,579)	427,001	437,991	(10,990)
Outside Services	18,622	18,083	538	187,143	180,833	6,310
Outside Labor	61,188	55,292	5,896	573,751	552,922	20,829
Fuel & Lubricants	263,330	303,480	(40,149)	2,522,763	3,034,795	(512,032)
Supplies	79,436	52,096	27,340	493,569	520,963	(27,394)
Vehicle Maintenance	82,960	53,263	29,697	617,093	532,625	84,468
Marketing Supplies	2,685	2,500	185	40,243	25,000	15,243
Utilities	32,579	23,297	9,283	295,730	232,967	62,763
Insurance	62,708	31,329	31,379	332,179	313,289	18,890
Taxes	18,719	19,833	(1,114)	161,013	198,328	(37,316)
Purchased Transportation	281,380	280,237	1,143	3,312,313	2,802,372	509,942
Miscellaneous Expenses	87,105	12,708	74,397	264,104	127,084	137,020
Interest Expense	4,179		4,179	21,463		21,463
Leases & Rentals	6,203	5,752	451	74,610	57,520	17,090
Total Operating Expenses	2,564,127	2,526,600	37,527	24,500,587	25,266,003	(765,416)
Operating (Surplus) Deficit	(244,843)	(96,144)	(148,699)	97,153	(981,437)	1,058,590

MONTEREY - SALINAS TRANSIT

Revenue & Expense - Consolidated

Budget vs Actual

For the Period from April 1, 2014 to April 30, 2014

(Amounts are in USD)

(Includes Fund: 002)

(Includes G/L Budget Name: BUDFY14)

RIDES

	Cur Mo. Actual	Cur Mo. Budget	Cur Mo. Variance	YTD Actual	YTD Budget	YTD Variance
Revenue						
Passenger Fares	(29,310)	(32,083)	2,773	(263,630)	(320,833)	57,203
Special Transit						
Cash Revenue						
Cash Grants & Reimbursement	(213,041)	(213,041)		(2,130,410)	(2,130,410)	
Total Revenue	(242,351)	(245,124)	2,773	(2,394,040)	(2,451,243)	57,203
Expenses						
Labor	3,828	3,520	307	35,900	35,204	696
Benefits	2,331	1,728	603	27,434	17,282	10,152
Advertising & Marketing						
Professional & Technical		167	(167)		1,667	(1,667)
Outside Services						
Outside Labor	2,022	1,398	625	32,788	13,977	18,811
Fuel & Lubricants	46,213	41,667	4,547	377,704	416,667	(38,963)
Supplies	1,132	1,375	(243)	10,506	13,750	(3,244)
Vehicle Maintenance		1,250	(1,250)	791	12,500	(11,709)
Marketing Supplies						
Utilities		704	(704)	(262)	7,042	(7,304)
Insurance						
Taxes						
Purchased Transportation	220,000	193,066	26,934	1,969,989	1,930,657	39,333
Miscellaneous Expenses		250	(250)	213	2,500	(2,287)
Interest Expense						
Leases & Rentals				1		1
Total Operating Expenses	275,526	245,124	30,402	2,455,063	2,451,244	3,819
Operating (Surplus) Deficit	33,175	0	33,175	61,023	1	61,022

MICHAEL MCBRIDE 7 YEARS OF SERVICE

WHEREAS, Mike McBride began his career with Monterey-Salinas Transit District as an Entry Level Mechanic in April of 2007. During his seven years at MST Mike McBride successfully supported the Maintenance Department as both an Entry and Intermediate Mechanic, and

WHEREAS, Mike McBride has been recognized with multiple safety awards for almost every year that he was employed with MST and numerous Attendance awards throughout his career; and

WHEREAS, Mike McBride has been recognized with several Special Projects Awards for his attention to detail and exceptional work on the 1100 series Camera Project and the Jazz Service; and

WHEREAS, Mike McBride as a Mechanic was a role model to those who were starting in their Mechanic career. He always had a smile on his face and was willing to assist and train his co-workers; and

WHEREAS, Mike McBride was dependable, reliable with an outstanding work ethic. When a project needed an extra hand or an extra set of eyes, he was there to help out; and

WHEREAS, after 7 years of service with MST, Mike McBride retired on May 30, 2014.

THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes and congratulates Mike McBride for his outstanding service to MST; and

BE IT FURTHER RESOLVED the Board of Directors expresses its sincere gratitude to Mike McBride and wishes him continued success, and a satisfying retirement.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2014-23 this 9th day of June, 2014.

Maria Orozco
Chairman

Carl G. Sedoryk
Secretary

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To: Board of Directors
From: K. Halcon, Director of Human Resources-Risk Management
Subject: General Manager/CEO Contract Extension

RECOMMENDATION:

Indicate the Board's intent to negotiate the contractual agreement with the General Manager/CEO.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board approves the employment contract (agreement) for the General Manager/CEO.

DISCUSSION:

Under the current agreement, each party must notice its intention to continue or discontinue the agreement and/or the conditions under which they are willing to continue the agreement. In addition, the agreement includes that the GM/CEO shall provide best practices to your board on compensation for General Manager/CEOs in the transit industry. This will be provided to your Human Resources Committee as part of the formal contract extension process.

Your approval of this item indicates your desire to negotiate the contract of the GM/CEO.

Prepared by: 
Kelly Halcon

Approved by: 
Carl G. Sedoryk

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To: Board of Directors

From: K. Halcon, Director of Human Resources-Risk Management

Subject: Memorandum of Understanding (MOU) between Monterey-Salinas Transit Employee Association (MSTEА) and Monterey-Salinas Transit District (MST).

RECOMMENDATION:

Ratify the MOU between MST and MSTEА and provide the same benefits to non-represented, confidential employees.

FISCAL IMPACT:

The overall cost of the contract is within the FY2015 budget and within the direction given by the Board.

POLICY IMPLICATIONS:

Your Board approves the MOU between MST and MSTEА.

DISCUSSION:

The HR Committee will review this item at their meeting on May 9, 2014, prior to the board meeting. Your full board will review the details of this item and the recommendation of the HR Committee during Closed Session prior to considering ratification of the MOU. The agreed upon terms of the MOU will be reported out to the public after your Board meets in Closed Session.

Prepared by: 
Kelly Halcon

Reviewed by: 
Carl G. Sedoryk

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Marina-Salinas Multimodal Corridor Conceptual Plan

MST Board
June 9, 2014

1

Partner Agencies



FORA



Goals

- Preserve a multimodal corridor
- Plan for regional bus rapid transit (BRT) service
- Provide a safe and comfortable regional bicycle route that enhances the greater bicycle network
- Improve pedestrian safety
- Develop a conceptual design for the corridor; and
- Estimate the cost of implementation

3

Why High Quality Transit?

- Faster Travel Time
 - Jazz line is 20% faster (with minor improvements)
- Rider Preference
 - People prefer fast and frequent service and will walk further to stops/stations



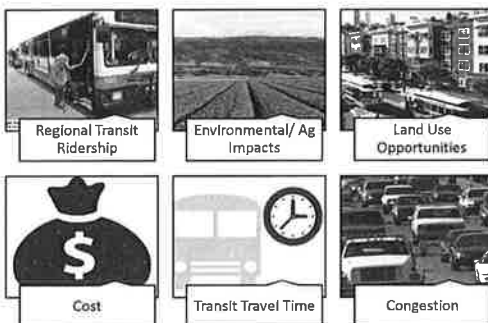
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Project History



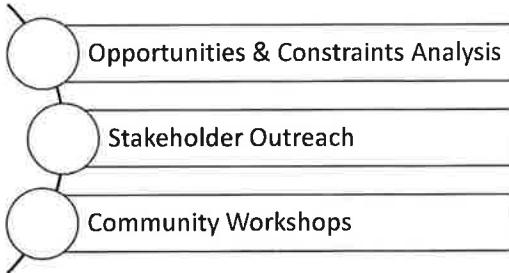
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Evaluation Criteria

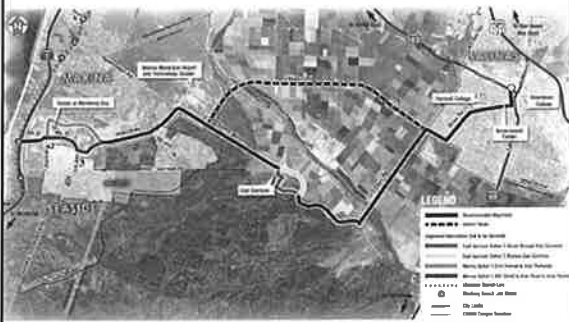


6

Planning Activities



Draft Recommended Alignment



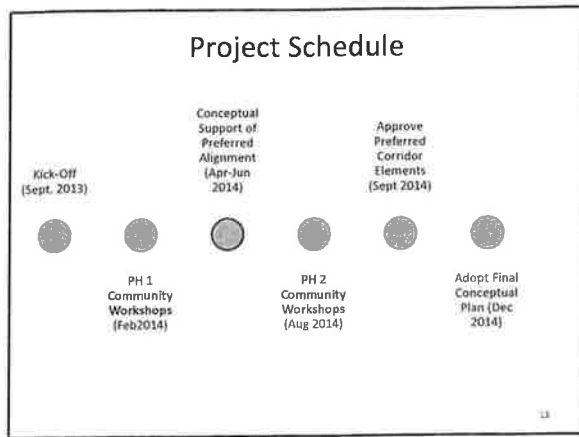
Corridor (West)



A grayscale map titled "Corridor (Central)". The map shows a network of roads and land use. A dashed line runs along the top, labeled "Blanco Rd". A solid line runs along the left side, labeled "Hwy 100". A solid line runs along the bottom right, labeled "S Davis Rd". A solid line runs vertically on the left, labeled "Union Rd". A solid line runs diagonally from the top left towards the center, labeled "Hwy 100". A solid line runs horizontally across the center, labeled "Agriculture". A solid line runs vertically on the right, labeled "Terrain". A solid line runs horizontally across the bottom, labeled "East Garrison". A solid line runs vertically on the far right, labeled "LE". A solid line runs horizontally across the bottom right, labeled "100".

Bicycle Network

The map illustrates the Bicycle Network in the Monterey Peninsula. It shows a route starting from Monterey, passing through Marina and Seaside, and heading towards Santa Cruz and San Jose. The network includes major roads like Highway 1, Highway 162, and Highway 101. A dashed line indicates a specific route, possibly a scenic or recommended path. The map also shows the coastline and the location of the Monterey Peninsula State Park.



Questions?

Ariana Green
Project Manager
831-775-4403
ariana@tamcmonterey.org

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Human Resources Committee

1 Ryan Ranch Rd.
Monterey, CA 93940

Minutes

April 28, 2014

Present: Directors: Clark, Cohen, Stephens, Edwards

Absent:

Staff: Hunter Harvath, Asst. GM of Finance and Administration; Kelly Halcon, Director of Human Resources; Heidi Quinn, General Counsel; Deanna Smith, Executive Asst./Clerk to the Board

Public: None.

1. Call to order.

Director Clark called the meeting to order at 11:17am and roll call was taken.

2. Public Comments on matters not on the agenda.

None.

3. Closed Session.

Director Clark moved to Closed Session at 11:19am.

3-1. Conference with Labor Negotiators – Monterey-Salinas Transit Employees' Association (MSTEA), and MST. (D. Laredo, K. Halcon) (§54957.6)

4. Return to Open Session.

No reportable action taken.

5. Adjourn.

There being no further business, the meeting was adjourned at 11:31am.

Prepared by:


Deanna Smith, Deputy Secretary

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Finance Committee

Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Ct., Monterey

Minutes

May 12, 2014

Present: Directors: Armenta, Beach, Hughes, O'Connell, Stephens
Absent: None.
Staff: Carl Sedoryk, General Manager/CEO; Hunter Harvath, Asst. GM of Finance and Administration; Dave Laredo, General Counsel; Deanna Smith, Executive Asst./Clerk to the Board
Public: None.

1. Call to order

Chair Armenta called the meeting to order at 9:03am.

2. Public comment on matters not on the agenda – none.

3. FY 2014 Budget update

Mr. Harvath provided an update on the FY 2014 budget, referring the board to page 21 in the MST Agenda. MST expenses are under budget by \$802,000. Labor, fuel and lubricants, and marketing expenses are the primary items reporting lower than expected expenses year-to-date. Purchased transportation is significantly higher than expected due to MST's inability to hire while the PEPRAs issue was being discussed. This resulted in more overtime and a transfer of service to MV Transportation.

MST's revenue is under budget by \$275,000. Fare revenue should increase during the summer months. Special transit (military revenue) has come in by approximately half of budgeted amounts.

Public Comment – none.

4. Draft FY 2015 Budget review

Mr. Harvath presented the draft budget for FY 2015. Significant revenue adjustments have been made to fare and military revenue in response to FY 2014 realities. Total budgeted revenue for FY 2015 is \$34,549,534 compared to \$34,414,420

for FY 2014. While revenue is slightly higher than last fiscal year, when increases to costs are taken into account, revenue remains a challenge.

Labor expenses, particularly coach operator labor, have been budgeted based of FY 2014 realities, although it is hoped that these expenses will come in lower than the total budgeted levels. Other significant adjustments to expenses include advertising, consulting, and computer maintenance. Total budgeted expenses for FY 2015 are \$34,549,534 compared to \$33,260,692 for FY 2014. Because MST remains reserves above the board's requested 15% of budget target, no funds were allocated to reserves for FY 2015.

Public Comment – none.

5. Update on financial status of MST's military partnership bus lines

Mr. Harvath reminded the board that federal funding for MST's military partnership with the Presidio of Monterey has not been resolved. Between FY 2010 and May 2014, the reimbursement amount per person has fluctuated between \$240 to the current amount of \$130. If the issue is not resolved, the board will be asked to make a decision on June 9 whether to reduce expenses in the FY 2015 budget to continue to support the program, or to reduce service levels and coach operator staffing levels.

Director Beach asked if the cost of the program is free or at a reduced cost to military personnel and, if it is free, could it be provided at a reduced rate. Mr. Sedoryk stated that this option had been discussed. Presidio leadership is aware of the June 9 deadline for a resolution.

Public Comment – none.


6. Update on potential financing plan for MST Phase 2 Bus Rapid Transit – Del Monte Avenue/Monterey Branch Line (rail right-of-way along Highway 1)

Phase 2 is a longer and more expensive project than the JAZZ BRT. TAMC owns the rail line along the Highway 1 project area. \$4 million in local match funds will be required to leverage \$25 million in federal funds for the project. While MST is expecting a bond payment of \$7.5 million in FY 2015, there are many competing needs that could take precedence over the BRT project. Additionally, if the military program is cut, MST's ridership levels will disqualify it for project funding. Staff wanted to bring the issue before the committee before it becomes necessary to make a decision on moving forward with the project.

Public Comment – none.

7. Adjourn

There being no further business, Chair Armenta adjourned the meeting at 9:56am.

Prepared by: 
Deanna Smith, Deputy Secretary

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Ad Hoc Nominating Committee

1 Ryan Ranch Rd.
Monterey, CA 93940

Minutes

June 2, 2014

Present: Directors: Barrera (Chair), Cohen, Edwards, Hurley, Stephens
Absent: None.
Staff: Carl Sedoryk, General Manager/CEO, Deanna Smith, Executive Asst/Clerk to the Board
Public: None.

1. Call to order.

Director Barrera called the meeting to order at 9:03am. Directors Edwards and Stephens called in.

2. Public Comments on matters not on the agenda.

None.

3. Recommended officers for election and staff appointments.

Director Barrera told the committee that Director Downey was the only board member to express interest in serving as Chair for FY 2-15-2016. Mr. Sedoryk provided information on previous jurisdictions represented on the board, and explained the intent of the area rotation requirement in the MST bylaws.

Director Edwards made a motion to nominate Director Downey to serve as Chair for FY 2015-2016 and to recommend her appointment to the MST Board. The motion was seconded by Director Hurley and the motion unanimously.

Director Stephens said that given the history of service area representation on the MST Board, she believed that a representative from Salinas should be nominated for Vice Chair.

Director Edwards made a motion to nominate Director Barrera to serve as Vice-Chair for FY 2015-2016 and to recommend his appointment to the MST Board. The motion was seconded by Director Cohen and passed unanimously.

4. Adjourn.

There being no further business, Director Barrera adjourned the meeting at 9:12am.

To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Update on Proposed Sales Tax

RECOMMENDATION:

Receive update on ongoing outreach related to the proposed November 2014 sales tax measure, timeline, and budget of activities and provide direction.

FISCAL IMPACT:

None. Funding for to public information and engagement, and ballot measure development activities are included in the FY 2014 Operating budget.

POLICY IMPLICATIONS:

Your Board may request that a countywide local sales tax measure be placed on the November 2014 ballot.

DISCUSSION:

At the meeting of January 27, 2014, your Board directed staff to undertake activities related to outreach, education, and other activities to advance the development of a ballot measure to support special transit services for veterans, seniors, and persons with disabilities. At your March 3, 2014, meeting your board authorized \$100,000 of previously approved funding to conduct public information, engagement, and ballot measure development activities.

During the intervening months staff has had dozens of meetings and conversations with community leaders, business associations, and representatives of groups who advocate for veterans, seniors, and persons with disabilities (Attachment 1). At your meeting of May 12, 2014, your Board requested that a timeline and budget of activities be presented at your next regular meeting. Attachment 2 shows a timeline of activities related to public information and engagement, ballot measure development as well as the likely activities that a privately funded campaign would undertake.

Monterey County Elections Department staff estimates that placing this measure on the November 2014 ballot will cost approximately \$250,000; however, these funds can be reimbursed to MST by the sales tax receipts should our ballot measure be

successful. Should the ballot measure not be successful, staff projects MST to maintain sufficient budgeted reserves next fiscal year to offset these costs.

ATTACHMENTS:

- 1) Meeting attendance matrix
- 2) Timeline of recent activities, ballot measure development, and anticipated privately-funded campaign activities

PREPARED BY: 

Monterey-Salinas Transit Potential Sales Tax Outreach Meetings to Date

ATTACHMENT #

March 3-31	April 1-30	May 1-30	June 2-30
Leadership Salinas Valley Brigid McGrath Massie	Growers Shippers /Farm Bureau Jim Bogart/Norm Groot	LandWatch Subcommittee of Board of Directors	City of Del Rey Oaks City Council
Monterey County Business Council Mary Ann Leffel	Salinas Valley Chamber Paul Farmer	Housing Alliance for People with Disabilities	City of Carmel City Council
Seaside/Sand City Chamber Jim Vossen	Veterans Cemetery Group	Supervisor Fernando Armenta	City of Soledad City Council
Supervisor Simon Salinas	Monterey Peninsula Mayors David Pendergrass	National Aging in Place CCC	City of Seaside City Council
LandWatch Jane Brennan/Amy White	Supervisor Lou Calcagno	Natividad Hospital Foundation	City of Greenfield City Council
Monterey Peninsula Chamber, Jody Hansen	Senator Bill Monning Nichole Charles	Community Hospital of Monterey Peninsula Dr. Steven Packer	City of Salinas Finance Committee
Supervisor Jane Parker	MCHA John Narigi	CCCIL, Board of Directors	City of Pacific Grove City Council
Monterey County Veterans Services Collaborative	Supervisor Dave Potter	Tri County Latino Elected Officials Assembly Member Luis Alejo	City of King City Council
MST Mobility Advisory Committee	Rabobank Val Schlothauer/Harry Wardwell	City of Gonzales City Council	July 1 - 31
Carmel Chamber Monta Potter	Veterans Transition Center Board of Directors	City of Monterey City Council	City of Salinas City Council
Mayor Jason Burnett	Farm Bureau Claude Hoover	City of Marina City Council	Monterey County Board of Supervisors
Monterey County Commission on Disabilities	Salute To Veterans Banquet	City of Sand City City Council	
	CHISPA Alfred Diaz-Infante	SVMH Board	
	Monterey Bay Aquarium Hank Armstrong/Barbara Meister	Carmel Foundation	
	Salinas Valley Mayors' Group	Monterey County Board of Supervisors	
	Central Coast Center for Independent Living, Elsa Quezada		
	United Veterans' Council Sid Williams		

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November 2014 General Election Timeline

Step 1: Public Information and Engagement: Spring – July 2014 (Approx. \$50,000)

- Baseline opinion survey – COMPLETE
- Develop public information messages and materials – COMPLETE
- Direct outreach to key community leaders throughout Monterey County – ONGOING
- Update Board Members, bargaining units and other internal stakeholders – ONGOING
- Informational mailer to community (Scheduled mail date: No later than June 27)

Step 2: Ballot Measure Development: May – July 2014 (Approx. \$50,000)

- Begin drafting resolution/ordinance – IN PROCESS
- Potential tracking poll in June 2014, following Primary Election – IN PROCESS
- Concurrent actions from member jurisdictions – IN PROCESS
- Update MST website with funding measure information
- Finalize resolution and ballot language
- June 9: MST Board update
- July 14: MST Board adopts resolution/ordinance – this satisfies August 8 (88-day) deadline
- July 22: County Board of Supervisors, first reading
- July 29: County Board of Supervisors adopts resolution/ordinance
- August 15: Draft ballot argument, identify signers, submit to County Registrar of Voters
- August 25: Last day to file rebuttal arguments

Step 3: Privately Funded Advocacy Campaign (general information only): Summer – November 4, 2014

- Identify campaign leadership and committee organizational structure
- Open bank account, PO Box and file Form 460 with FPPC
- Develop campaign plan, mail plan, field plan, web/social media plan and budget
- Create fundraising plan, begin fundraising

- Identify grassroots volunteer base
- Develop and launch campaign website and Facebook profile
- Collect endorsements from key community leaders and organizations
- Meet with newspaper editorial boards for endorsements/support
- Distribute lawn signs to supporter households
- Develop, review, approve and send early mailings to absentee voters
- Track absentee returns and follow up with supporters who have not voted
- Develop, review, approve and send late mailings to polling place voters
- GOTV Election Day activity to turn out supporters who have not voted
- **Watch returns and celebrate victory!**

To: Board of Directors

From: C. Sedoryk, General Manager/CEO

Subject: Review Draft Sales Tax Resolution and Ordinance and Schedule Public Hearing for Final Adoption

RECOMMENDATION:

1. Review draft ordinance and resolution and provide direction; and
2. Schedule public hearing on July 14, 2014 to consider adoption of final resolution and ordinance for sales tax ballot measure to be placed on November 2014 ballot.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board may request that a countywide local sales tax measure be placed on the November 2014 ballot with a majority of the jurisdictions represented on the MST Board of Directors concurring that such a measure should be submitted to a public vote.

DISCUSSION:

At the meeting of January 27, 2014, your Board directed staff to undertake activities related to outreach and education and other activities to advance the development of a ballot measure to support special transit services for veterans, seniors, and persons with disabilities. During the intervening months staff has had dozens of meetings and conversations with community leaders, business associations, and representatives of groups who advocate for veterans, seniors, and disabled persons.

At the time of writing of this memo, staff has received the concurrence of the cities of Gonzales, Monterey, Sand City, and Marina to place a countywide one-eighth of one percent sales tax to fund transit programs for seniors, veterans, and persons with disabilities. The cities of Carmel-by-the-Sea, Del Rey Oaks, Pacific Grove, Greenfield, Seaside, Soledad and King City will have had an opportunity to decide this matter before your June 9, 2014, meeting and staff will report the results of these meetings at that time.

The County of Monterey and City of Salinas were unable to place this item on their respective agendas before your June 9 meeting, but will schedule this matter for action before your board meets on July 14, 2014. Attached for your review and comment is a Draft Ordinance approving the Dedicated Local Transportation Funding for Senior Citizens, Veterans, and People with Disabilities (Attachment 1).

The draft ordinance specifies the following:

1. The rate of the transactions tax shall be one-eighth of one percent (0.125%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in Monterey County; it specifies that the rate of the use tax shall be one-eighth of one percent (0.125%) of the sales price of tangible personal property stored, used or otherwise consumed in Monterey County.
2. Funds will be dedicated solely to services that support transportation planning, specialized equipment and operating expenses required to meet the special mobility needs of veterans, senior citizens, and persons with disabilities, including trips required for vital medical appointments and for veterans' job training/placement services.
3. Annually the District shall retain an independent auditor to conduct an audit of and provide audited financial statements for revenue received from the tax approved by this Ordinance and expenditures thereof;
4. There shall be a committee of at least seven members of the public to review and report on the revenue and expenditure of funds from the tax adopted by this Ordinance with a representative of each the following:
 - a. The Salinas Urbanized Area, to include a representative from the City of Salinas;
 - b. The Seaside-Marina-Monterey Urbanized Area, to include a representative from among the cities of Carmel, Monterey, Pacific Grove, Seaside, Del Rey Oaks, Sand City, and Marina;
 - c. The Non-Urbanized Areas, to include a representative from among the cities of Gonzales, Greenfield, Soledad, and King City;
 - d. The County of Monterey, to include a representative from an unincorporated area of Monterey County; and
 - e. A bona fide non-profit organization that represents the interests of taxpayers in the County; and
 - f. The District's existing Mobility Advisory Committee, to include two members of the Mobility Advisory Committee;

Also attached for your review and comment is a Draft Resolution ordering an election, requesting county elections to conduct the election, and requesting consolidation of the election as required by Monterey County Elections Department (Attachment 2).

Staff recommends your board provide comments on the draft documents presented and directs staff to seek additional input from key stakeholders and report their findings to your Board at the meeting of July 14, 2014. Staff further recommends your Board schedule a public hearing for July 14, 2014 to consider adopting the final Ordinance and Resolution for placing the “Dedicated Local Transportation Funding for Senior Citizens, Veterans, and People with Disabilities” measure on the November 4, 2014, ballot.

.ATTACHMENTS:

- 1) Draft Ordinance approving the “Dedicated Local Transportation Funding for Senior Citizens, Veterans, and People with Disabilities”
- 2) Draft Resolution ordering an election, requesting county elections to conduct the election, and requesting consolidation of the election as required by Monterey County Elections Department

PREPARED BY: Care A. Sabatini

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ATTACHMENT 1

ORDINANCE _____

**AN ORDINANCE OF THE MONTEREY-SALINAS TRANSIT DISTRICT
IMPOSING A TRANSACTIONS AND USE TAX TO BE
ADMINISTERED BY THE STATE BOARD OF EQUALIZATION**

WHEREAS, public transit provides a lifeline for senior citizens and people with disabilities. They depend on it for independent living, like getting to doctor's appointments, the pharmacy, and the grocery store. In fact, Monterey-Salinas Transit District ("MST" or the "District") logged over 1.25 million miles last year alone providing the vital service of transporting seniors and people with disabilities; and

WHEREAS, many military veterans in Monterey County, including disabled veterans, rely on public transit to access health care, housing, and job placement services. Our veterans have sacrificed for our country, and we owe them basic services like transportation when they need it; and

WHEREAS, in recent years, state government has cut more than 30 million dollars in funding for transit services in Monterey County and now the federal government is eliminating a number of transit programs dedicated to seniors and the disabled, and a grant program to assist veterans find transit services has expired. To continue local transit services for our seniors, veterans, and people with disabilities, we must have a local revenue source that cannot be taken away by state or federal government; and

WHEREAS, this measure will require annual performance and financial audits as well as citizen oversight to ensure that the revenue raised is properly used; and

WHEREAS, even with major budget cuts, MST has run an efficient operation and has continued to provide reliable service to the thousands of people who take it every day; and

WHEREAS, California Public Utilities Code Section 106060 authorizes MST to levy a local transactions and use (sales) tax, subject to voter approval; and

WHEREAS, at a public hearing on _____, 2014, the District Board of Directors considered calling a special election to seek voter approval of a local sales tax to maintain funding for essential programs that provide transit services for senior citizens, veterans, and the disabled; and

WHEREAS, after that hearing, the District Board of Directors concluded that all of the information presented indicated that, to create an additional source of revenue to assist with funding for programs that provide transit services for senior citizens, veterans, and the disabled, the District Board of Directors should call an election to ask the voters of the District to approve a local transactions and use tax of one-eighth of a cent per dollar (0.125%); and

WHEREAS, consistent with the requirements of Public Utilities Code section 106060, a majority [UPDATED BEFORE ADOPTION BASED ON ACTUAL COUNT] of MST member jurisdictions have expressed concurrence with the District submitting this transactions and use tax measure to the voters for approval; and

WHEREAS, on the basis of the foregoing, the District Board of Directors determined that it was appropriate to place a measure regarding a local sales tax before the voters at the November 4, 2014 election; and

WHEREAS, the tax to be submitted, if approved, would be imposed on the sale of tangible personal property and the storage, use, or other consumption of such property. The tax rate would be one-eighth of one percent (0.125%) (one eighth of a penny for each dollar) of the sales price. The tax revenue would be collected by the State Board of Equalization and remitted to the District. The tax shall be approved if the measure receives at least a two-thirds majority of those voting on the measure.

NOW, THEREFORE, the people of the Monterey-Salinas Transit District do ordain as follows:

Section 1. TITLE. This ordinance shall be known as the _____ Transactions and Use Tax Ordinance. The Monterey-Salinas Transit District hereinafter shall be called "District." This ordinance shall be applicable in the incorporated and unincorporated territory of the County of Monterey, hereinafter called "County."

Section 2. OPERATIVE DATE. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

Section 3. PURPOSE. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.5 of Part 1.7 of Division 2 which authorizes the District to adopt this tax ordinance which shall be operative if two-thirds (2/3) of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from,

the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

Section 4. CONTRACT WITH STATE. Prior to the operative date, the District shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the District shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

Section 5. TRANSACTIONS TAX RATE. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of one-eighth of one percent (0.125%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

Section 6. PLACE OF SALE. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

Section 7. USE TAX RATE. An excise tax is hereby imposed on the storage, use or other consumption in the District of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of one-eighth of one percent (0.125%) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

Section 8. ADOPTION OF PROVISIONS OF STATE LAW. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

Section 9. LIMITATIONS ON ADOPTION OF STATE LAW AND COLLECTION OF USE TAXES. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of the District shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against the District or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "District" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

Section 10. PERMIT NOT REQUIRED. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

Section 11. EXEMPTIONS AND EXCLUSIONS.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Article

19 of the Revenue and Taxation Code) or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in the County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the District shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the District or participates within the District in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the District or through any representative, agent, canvasser, solicitor, subsidiary, or person in the District under the authority of the retailer.

7. "A retailer engaged in business in the District" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the District.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a county imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

Section 12. AMENDMENTS. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

Section 13. ENJOINING COLLECTION FORBIDDEN. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the District, or against any officer of the State or the District, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

Section 14. SEVERABILITY. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

Section 15. EFFECTIVE DATE. This ordinance relates to the levying and collecting of the District's transactions and use taxes and shall take effect immediately.

Section 16. TERMINATION DATE. The authority to levy the tax imposed by this ordinance shall expire on the fifteenth anniversary of the operative date.

Section 17. EXPENDITURE PLAN. The expenditure plan required by Revenue and Taxation Code Section 7285.5 for the revenue from the tax approved by this Ordinance is the following: The District may use revenue from the tax only to fund transit services for senior citizens, veterans, and the people with disabilities, or to replace lost or decreased federal or state funding for those services. The expenditure plan is set forth in more detail in Attachment 1 to this Ordinance. The District Board may amend this Expenditure Plan from time-to-time provided each amendment is consistent with the general purpose of this measure.

Section 18. OVERSIGHT COMMITTEE. There shall be a committee of members of the public to review and report on the revenue and expenditure of funds from the tax adopted by this Ordinance. The membership of the committee shall be appointed by the District Board of Directors and shall consist, at a minimum, of a representative of each the following:

- The Salinas Urbanized Area, to include a representative from the City of Salinas;
- The Seaside-Marina-Monterey Urbanized Area, to include a representative from among the cities of Carmel, Monterey, Pacific Grove, Seaside, Del Rey Oaks, Sand City, and Marina;
- The Non-Urbanized Areas, to include a representative from among the cities of Gonzales, Greenfield, Soledad, and King City;
- The County of Monterey, to include a representative from an unincorporated area of Monterey County; and
- A bona fide non-profit organization that represents the interests of taxpayers in the County; and

- The District's existing Mobility Advisory Committee, to include two members of the Mobility Advisory Committee.

The geographical areas referred to above shall have the same meaning as in the District's By-Laws.

Prior to the operative date, the District Board of Director shall adopt a resolution establishing the composition of the committee, defining the scope of its responsibilities, and setting the term for each member. Also prior to the operative date, the District Board of Directors shall appoint at least a quorum of the members of the committee; the District Board of Directors shall complete the appointment of members of the committee by the end of fiscal year 2015.

Section 19. ANNUAL INDEPENDENT AUDIT. Annually the District shall retain an independent auditor to conduct an audit of and provide audited financial statements for revenue received from the tax approved by this Ordinance and expenditures thereof. The auditor's report shall be presented to the District Board of Directors and the oversight committee created by Section 17 of this Ordinance and shall be made available to the public.

Section 20. AMENDMENT OF THIS ORDINANCE. The following amendments to this Ordinance must be approved by the voters of the District: increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; imposing the tax on transactions and uses not previously subject to the tax (unless such amendment occurs automatically by operation of Section 12); or extending the tax. The District Board of Directors may otherwise amend this Ordinance without submitting the amendment to the voters for approval.

Section 21. APPROPRIATIONS LIMIT. Pursuant to Article XIII B of the Constitution of the State of California and applicable laws, the appropriations limit for the DISTRICT is hereby increased by the aggregate sum authorized to be levied by this special tax for fiscal year 2015-16 and each year thereafter.

Section 22. SUPPORTING ACTION. The District Chief Executive Officer is authorized to complete all acts necessary to implement this measure as approved by the voters of the District.

Maria Orozco
Chairman

Carl Sedoryk
Secretary

PASSED AND ADOPTED BY THE MONTEREY-SALINAS TRANSIT DISTRICT BOARD
OF DIRECTORS THIS __th day of _____, 2014, by the following vote:

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

ATTEST:

Board Secretary (Deputy)

2281864.12281007.1

MONTEREY-SALINAS TRANSIT
"DEDICATED LOCAL TRANSPORTATION FUNDING FOR SENIOR
CITIZENS, VETERANS AND PEOPLE WITH DISABILITIES"
EXPENDITURE PLAN

After receiving feedback from residents throughout Monterey County on their priorities for the Monterey-Salinas Transit District, the District Board of Directors has determined that the community places a high priority on ensuring that public transit services remain available to senior citizens, people with disabilities, and veterans. With federal and state funding and programs that support such services being cut or eliminated, a local source of funds dedicated to serving senior citizens, people with disabilities, and veterans is essential and is addressed with the proceeds from the [NAME OF TAX].

Funds from the [NAME OF TAX] will be dedicated solely to services that support transportation planning, specialized equipment and operating expenses required to meet the special mobility needs of veterans, senior citizens, and persons with disabilities, including trips required for vital medical appointments and for veterans' job training/placement services

ATTACHMENT 2

RESOLUTION 2014-XX

**RESOLUTION ORDERING AN ELECTION,
REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION,
AND REQUESTING CONSOLIDATION OF THE ELECTION
MONTEREY-SALINAS TRANSIT DISTRICT**

WHEREAS, public transit provides a lifeline for senior citizens and people with disabilities. They depend on it for independent living, like getting to doctor's appointments, the pharmacy, and the grocery store. In fact, Monterey-Salinas Transit District ("MST" or the "District") logged over 1.25 million miles last year alone providing the vital service of transporting seniors and people with disabilities; and

WHEREAS, many military veterans in Monterey County, including disabled veterans, rely on public transit to access health care, housing, and job placement services. Our veterans have sacrificed for our country, and we owe them basic services like transportation when they need it; and

WHEREAS, in recent years, state government has cut more than 30 million dollars in funding for transit services in Monterey County and now the federal government is eliminating a number of transit programs dedicated to seniors and the disabled, and a grant program to assist veterans find transit services has expired. To continue local transit services for our seniors, veterans, and people with disabilities, we must have a local revenue source that cannot be taken away by state or federal government; and

WHEREAS, this measure will require annual performance and financial audits as well as citizen oversight to ensure that the revenue raised is properly used; and

WHEREAS, even with major budget cuts, MST has run an efficient operation and has continued to provide reliable service to the thousands of people who take it every day; and

WHEREAS, California Public Utilities Code Section 106060 authorizes MST to levy a local transactions and use (sales) tax, subject to voter approval; and

WHEREAS, at a public hearing on _____, 2014, the District Board of Directors considered calling a special election to seek voter approval of a local sales tax to maintain funding for essential programs that provide transit services for senior citizens, veterans, and the disabled; and

WHEREAS, after that hearing, the District Board of Directors concluded that all of the information presented indicated that, to create an additional source of revenue to assist with funding for programs that provide transit services for senior citizens, veterans, and the disabled, the District Board of Directors should call an election to ask the voters of the District to approve a local transactions and use tax of one-eighth of a cent per dollar (0.125%); and

WHEREAS, consistent with the requirements of Public Utilities Code section 106060, a majority **[UPDATED BEFORE ADOPTION BASED ON ACTUAL COUNT]** of MST member jurisdictions have expressed concurrence with the District submitting this transactions and use tax measure to the voters for approval; and

WHEREAS, on the basis of the foregoing, the District Board of Directors determined that it was appropriate to place a measure regarding a local sales tax before the voters at the November 4, 2014 election; and

WHEREAS, the tax to be submitted, if approved, would be imposed on the sale of tangible personal property and the storage, use, or other consumption of such property. The tax rate would be one-eighth of one percent (0.125%) (one eighth of a penny for each dollar) of the sales price. The tax revenue would be collected by the State Board of Equalization and remitted to the District. The tax shall be approved if the measure receives at least a two-thirds majority of those voting on the measure; and

WHEREAS, pursuant to Elections Code Section 10002, the governing body of the District may, by resolution, request the Board of Supervisors to permit the county elections official to render specified services to the District relating to the conduct of an election; and

WHEREAS, the resolution of the governing body of the District shall specify the services requested; and

WHEREAS, pursuant to Elections Code Section 10002, the District shall reimburse the county in full for the services performed upon presentation of a bill to the District; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation; and

WHEREAS, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 4, 2014.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT THE governing body of the Monterey-Salinas Transit District hereby orders an election be called and consolidated with any and all elections also called to be held on November 4, 2014, insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the requests the Board of Supervisors of the County of Monterey to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that the District Board of Directors hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the Monterey County Elections Department shall conduct the election for the following measure to be voted on at the November 4, 2014 election:

Shall Monterey-Salinas Transit, also known as MST, provide, maintain and protect transit services for Monterey County senior citizens, veterans, and people with disabilities, including trips to vital medical appointments and veterans' job training/ placement services, by enacting a one-eighth of one cent per dollar sales tax, to replace eliminated federal and state funding with local revenue to be dedicated only to these specific purposes, subject to citizen oversight and annual independent financial and performance audits?

BE IT FURTHER RESOLVED AND ORDERED THAT the measure text to be submitted to the voters proposes the enactment of a special transactions and use tax. It specifies that the rate of the transactions tax shall be one-eighth of one percent (0.125%) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in Monterey County; it specifies that the rate of the use tax shall be one-eighth of one percent (0.125%) of the sales price of tangible personal property stored, used or otherwise consumed in Monterey County. The State Board of Equalization shall collect the tax from retailers subject to the tax and remit the funds to the District. The measure text includes an expenditure plan for use of the proceeds of the tax. The District Board of Directors hereby approves the attached ordinance, which sets forth the measure text, the form thereof, and its submission to the voters of Monterey County at the November 4, 2014 election, as required by Revenue and Taxation Code section 7285.5, subject to the approval of a two-thirds majority of the voters voting on the measure; and

BE IT FURTHER RESOLVED AND ORDERED THAT the deadlines for submitting direct arguments for and against the measure and rebuttal arguments to the direct arguments shall be as established by the Monterey County Elections Department; and

BE IT FURTHER RESOLVED AND ORDERED THAT the Chairperson of the District is hereby authorized to prepare and file a written argument in favor of the proposed measure, not to exceed three hundred (300) words, or in the alternative to delegate this responsibility to the

District Chief Executive Officer, on behalf of the Board of Directors. At the Chairperson's (or Chief Executive Officer's) discretion, the argument may also be signed by members of the Board of Directors or bona fide associations or by individual voters who are eligible to vote on the measure. In the event that an argument is filed against the measure, the Chairperson (or Chief Executive Officer) is also authorized to prepare and file a rebuttal argument on behalf of the Board of Directors, which may also be signed by members of the Board of Directors or bona fide associations or by individual voters who are eligible to vote on the measure; and

BE IT FURTHER RESOLVED AND ORDERED THAT the District's Board of Directors finds that this resolution is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., "CEQA," and 14 Cal. Code Reg. §§ 15000 et seq., "CEQA Guidelines"). The transactions and use tax to be submitted to the voters is a special tax that can only be used to fund transit services for senior citizens, veterans, and the disabled. As such, under CEQA Guidelines section 15378(b)(4), the tax is not a project within the meaning of CEQA because it creates a government funding mechanism that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. If revenue from the tax were used for a purpose that would have either such effect, the District would undertake the required CEQA review for that particular project. Therefore, under CEQA Guidelines Section 15060 review under CEQA is not required. The District shall perform CEQA analysis for any project funded by the revenue from the tax prior to approving the project, if the project requires analysis under CEQA; and

BE IT FURTHER RESOLVED AND ORDERED THAT the District Chief Executive Officer and District General Counsel are each authorized to complete all acts necessary to enable this election be called and consolidated with any and all elections also called to be held on November 4, 2014. This may include, but shall not be limited to, preparing an impartial analysis of the ballot measure.

Maria Orozco
Chairman

Carl Sedoryk
Secretary

PASSED AND ADOPTED BY THE MONTEREY-SALINAS TRANSIT DISTRICT BOARD
OF DIRECTORS THIS __th day of _____, 2014, by the following vote:

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

ATTEST:

Board Secretary (Deputy)

2281861.12281008.2

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To: Board of Directors

From: Hunter Harvath, Assistant General Manager – Finance & Administration

Subject: Approve FY 2015 Operating and Capital Budgets

RECOMMENDATION:

As recommended by the Finance Committee:

1. Approve the FY 2015 Operating & Capital Budget (Attachment 1)
2. Approve the FY 2015 Action Plan (Attachment 2)
3. Approve the FY 2015 Staffing Levels (Attachment 3)
4. Approve Resolution 2014-24 Authorizing Federal Grant Applications (Attachment 4)

FISCAL IMPACT:

The FY 2015 operating budget is \$34,467,368 which is a slight increase of 0.2% over the FY 2014 budget of \$34,414,420. This budget does not include any potential sales tax revenue that may be generated if your Board decides to move forward with a proposed 1/8-cent sales tax for the November 2014 ballot.

The overall budget is comprised of two service centers: Fixed Route BUS and MST RIDES (paratransit). The Fixed-Route BUS service center portion of the operating budget reflects an overall revenue decrease of -0.5% in comparison to the prior year budget. Declining passenger fare revenues, reductions in the Department of Defense pass purchases, and the ending of Federal 5316 JARC Funds/ 5317 New Freedom programs are offset by increases from both the TAMC's 2014/2015 apportionment for LTF Operating Funds (+8.9%) and having met more of the qualifying FTA STIC (Small Transit Intensive Cities) performance factors (+10.9%). Overall total FY 2015 revenue reflects a slight decrease of \$52,948.

The MST RIDES service center portion of the operating budget reflects a revenue increase of 7.1% in comparison to the prior year budget. This increase in revenue **is** necessary to cover expenditures and maintain existing service levels as required by the federal Americans with Disabilities Act. MST staff will continue to

monitor the revenues and expenditures and will advise if any service adjustments would be necessary to ensure a balanced budget.

MST's FY 2015 capital budget reflects a planned decrease of -28.5% due to the prior year's one-time receipt of nearly \$7.0 million in federal funds for bus replacement and trolley electrification as well as over \$10.0 million in California Proposition 1B Transportation Bond revenues programmed for vehicle replacement, facility expansion/renovation, as well as communications, radio and camera equipment.

The FY 2015 capital budget includes \$14.4 million for a major facilities renovation and expansion project, \$1.5 million for replacement bus purchases, \$1.1 million for bus support equipment/facilities/ITS, \$0.5 million for replacement bus security camera system and \$0.1 million for preventative maintenance, operations laptops, and other improvements. Only 1.2% of MST's FY 2015 total capital budget of \$17.6 represents non-grant funded expenditures.

	<u>FY2014</u>	<u>FY 2015</u>	<u>% Change</u>
<u>Fixed Route BUS</u>			
Operating	<u>\$31,472,928</u>	<u>\$31,318,000</u>	<u>- 0.5%</u>
Capital	<u>\$24,091,554</u>	<u>\$17,659,000</u>	<u>-26.7%</u>
Sub-Total	<u>\$55,564,482</u>	<u>\$48,977,000</u>	<u>-11.9%</u>
 <u>MST RIDES</u>			
Operating	<u>\$ 2,941,492</u>	<u>\$ 3,149,368</u>	<u>7.1%</u>
Capital	<u>\$ 618,417</u>	<u>\$ -</u>	<u>-100.0%</u>
Sub-Total	<u>\$ 3,559,909</u>	<u>\$ 3,149,368</u>	<u>- 11.5%</u>
 Overall Total	<u><u>\$59,124,391</u></u>	<u><u>\$52,126,368</u></u>	<u><u>-11.8%</u></u>
 <u>COMBINED</u>			
Operating	<u>\$34,414,420</u>	<u>\$34,467,368</u>	<u>0.2%</u>
Capital	<u>\$24,709,971</u>	<u>\$17,659,000</u>	<u>-28.5%</u>
Overall Total	<u><u>\$59,124,391</u></u>	<u><u>\$52,126,368</u></u>	<u><u>-11.8%</u></u>

POLICY IMPLICATIONS:

Each fiscal year, your Board adopts annual operating and capital budgets for MST's two service centers: Fixed Route BUS and MST RIDES (paratransit).

DISCUSSION:

The entire budget, including each of these sub-budgets, is balanced. That is, revenues equal expenses. In addition, per the direction of your Board, a reserve fund has been created to help address short-term spikes in costs and/or reductions in revenues to ensure fiscal stability of the agency. Over the last three years, staff has achieved a reserve fund that would by the end of FY 2015 total 16.7% of the annual operating budget. In that regard, no additional funds are budgeted to be added to reserves, since the 15% target set by your Board was met by the end of FY 2013.

Unrestricted Assets As Of 30-JUN-12 Audit	4,879,989
Less Capital Grant Funds	<u>(2,196,912)</u>
	2,683,077
FY13 Operating Surplus (Deficit) As Of 30-JUN-13 Audit	<u>3,076,828</u>
Reserve As Of 30-JUN-13	5,759,905
FY13 Operating Expenses As Of 30-JUN-13 Audit	33,303,059
Reserve As % Of Audited FY13 Operating Expenses	17.3%
Reserve As % Of Budgeted FY15 Operating Expenses	16.7%

Fixed-Route BUS

MST's fixed-route services fall into two categories: those that are supported primarily by dedicated or restricted funds and those that are supported by the MST general fund. Approximately half of the agency's nearly 60 routes are funded through special grants, partnerships, contracts, or other outside funding mechanisms. The other half of the routes have no dedicated funding sources and rely on increasingly unpredictable and/or undependable state and federal revenues that flow into MST's general fund.

This bifurcated funding pattern on one hand has caused reductions in service over the last two fiscal years on core routes that do not have dedicated funding sources, while on the other hand has enabled the agency to introduce new bus services (e.g., Line 81 Fort Hunter Liggett-San Joe Airport Express, Line 95 Williams Ranch-Northridge Senior Shuttle) that are supported by dedicated grant sources.

In a handful of cases, staff has been successful in reconfiguring and repurposing existing core services into new, grant-eligible routes. However, with the ongoing Congressional gridlock in Washington, DC, and a federal gas tax that has not been increased in two decades, coupled with the lack of a local tax for transportation in Monterey County, these long-standing, core bus routes will continue to be left vulnerable to further service reductions in the coming years.

Compounding these challenges, MST's Presidio partnership is no longer financially sustainable at the current service level. The federal transit benefit, the mechanism which funds MST's three military partnerships, was cut by nearly 50% by Congress as of December 2013.

MST has put the Presidio on notice that it will not be renewing its FY 2015 contract for transit services, which expires June 30, 2014, unless the military identifies some additional funding sources and/or is interested in a drastically reduced bus program commensurate with the funding levels the transit benefit can support.

If the Presidio program is eliminated (\$1.8 million) or drastically reduced (\$800,000), MST's FY 2015 operating budget will be reduced by equal amounts of revenues and costs.

In addition, AB 1222 (Bloom), which exempts transit workers for one year from the statewide pension reform enacted in 2013, expires on December 31, 2014. As of this date, this temporary solution to the pension reform dispute between the Amalgamated Transit Union and the state of California, will need to be extended or resolved through the courts. Without a permanent legislative fix and/or a court ruling, the uncertainty surrounding this dispute continues to put the agency at risk with both its operating and capital budgets. If not resolved in some manner by December 31, 2014, the pension dispute may once again block MST from receiving federal funds, including nearly \$7 million per year in operating assistance as well as any future capital grant funds which may be awarded to the agency.

MST RIDES

The MST RIDES FY 2015 operating budget reflects the new cost structure that was implemented in July 2013, with the activation of a new five-year contract with MV Transportation, Inc., MST's paratransit provider. The new contract includes an hourly rate increase of 4.8% from \$42.28 to \$44.31. A 7.1% increase from FY 2014, this \$3,149,368 operating budget allows MST to comply with ADA-mandated paratransit service levels. In addition, MST RIDES also provides paratransit service beyond the ADA requirements to individuals with severe disabilities who live in many unincorporated rural areas of northern Monterey County, along Highway 101 corridor in the Salinas Valley and southward to the Monterey County line. On the capital side, MST does not anticipate any major vehicle purchases during the fiscal year, unless special grant funds are identified from state or federal sources.

- Attachments:
1. Proposed FY 2015 Budget
 2. Proposed FY 2015 Action Plan
 3. Proposed FY 2015 Staffing Levels
 4. Resolution 2014-24

PREPARED BY:


Hunter Harvath

REVIEWED BY:


Carl G. Sedoryk

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Monterey-Salinas Transit District

FY 2015 BUDGET

Proposed

July 1, 2014 – June 30, 2015

Board of Directors

Maria Orozco, Chair, City of Gonzales
Libby Downey, Vice-Chair, City of Monterey
Victoria Beach, City of Carmel-by-the-Sea
Kristin Clark, Vice-Chair, City of Del Rey Oaks
Randy Hurley, City of Greenfield
Terry Hughes, City of King City
Frank O'Connell, City of Marina
Alan Cohen, City of Pacific Grove
Tony Barrera, City of Salinas
David Pendergrass, City of Sand City
Alvin Edwards, City of Seaside
Patricia Stephens, City of Soledad
Fernando Armenta, Chair, County of Monterey

MST Staff

Carl G. Sedoryk, General Manager/CEO
Hunter Harvath, Assistant General Manager – Finance & Administration
Andrea Williams, Accounting & Budget Manager

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FY 2015 BUDGET SUMMARY

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Summary

General Overview

Keeping in mind the primary mission, key business drivers and objectives for FY 2015, management has approached this budget cycle with the intention of providing Your Board with a quality-driven, programmatic budget. As a reminder these criteria are listed below for your reference.

MISSION STATEMENT

Advocating and delivering quality transportation as a leader within our community and industry.

KEY BUSINESS DRIVERS

Key Business Driver #1 - Operate safely, efficiently and effectively

Key Business Driver #2 – Increase customer satisfaction

Key Business Driver #3 - Strengthen employee development and satisfaction

Key Business Driver #4 - Enhance support by MST members and other stakeholders

STRATEGIC GOALS, OBJECTIVES AND ACTION PLAN

The FY 2014-16 Strategic Goals and Objectives are summarized as follows, and the FY 2014-15 Draft Action Plan is outlined at the end of the budget document.

1. To develop adequate and stable long-term revenues.
2. To provide quality transit and mobility management services.
3. To implement board protocols and best practices to achieve effective and efficient board operations and board meeting management.
4. To research, implement, and promote policies and practices that encourage environmental sustainability and resource conservation.
5. To educate the public on MST services through promotion, communication, and advocacy.
6. To actively promote organizational values to maintain high-quality relationships with MST employees, contractors, vendors, and community stakeholders.
7. To attain industry leadership for like-sized agencies within California and the United States.

General Budget Structure

The MST budget is divided into two service centers: Fixed Route BUS provides for operation of buses on fixed routes. MST RIDES provides for paratransit operation of small buses and vans and complies with the Americans with Disabilities Act. Each service center budget is balanced; that is, revenues equal expenditures.

Each service center has an operating budget and a capital budget: The operating budget covers day-to-day expenses associated with operating transit services. It is funded primarily with passenger fares, federal grants, state transit assistance, local transportation funds (generated by 1/4% of the state sales tax), special third party contracts (colleges, Department of Defense installations, trolleys, etc.) and advertising revenue.

The capital budget provides for purchases of accountable, non-consumable property. This primarily includes vehicle purchases, facilities improvements, and equipment. MST continuously applies for federal and state sources of capital funding.

FY 2015 Budget Characteristics

The FY 2015 budget is balanced.

The FY 2015 budget assumes a successful resolution to the pension reform dispute between the Amalgamated Transit Union and the state of California and contemplates no increases to the MST fare structure, with only minor adjustments in core services to track ridership patterns and availability of coach operators. The budget also assumes stability of the agency's public/private and public/public partnerships – in particular that of the Presidio of Monterey. All current contractual relationships will be honored.

	<u>FY2014</u>	<u>FY 2015</u>	<u>% Change</u>
<u>Fixed Route BUS</u>			
Operating	<u>\$31,472,928</u>	<u>\$31,318,000</u>	<u>- 0.5%</u>
Capital	<u>\$24,091,554</u>	<u>\$17,659,000</u>	<u>-26.7%</u>
Sub-Total	<u>\$55,564,482</u>	<u>\$48,977,000</u>	<u>-11.9%</u>

MST RIDES

Operating	<u>\$ 2,941,492</u>	<u>\$ 3,149,368</u>	<u>7.1%</u>
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Capital	\$ 618,417	\$ -	-100.0%
Sub-Total	<u>\$ 3,559,909</u>	<u>\$ 3,149,368</u>	<u>- 11.5%</u>

Overall Total	<u>\$59,124,391</u>	<u>\$52,126,368</u>	<u>-11.8%</u>
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COMBINED

Operating	<u>\$34,414,420</u>	<u>\$34,467,368</u>	<u>0.2%</u>
Capital	<u>\$24,709,971</u>	<u>\$17,659,000</u>	<u>-28.5%</u>
Overall Total	<u>\$59,124,391</u>	<u>\$52,126,368</u>	<u>-11.8%</u>

**FY 2014 – FY 2016
GOALS, OBJECTIVES AND ACTION PLANS**

The following are the seven strategic priorities that MST will pursue over the next three years. Each goal includes specific objectives and outcomes to be met to support these goals along with tactics to be used to achieve each objective and indicators of success to measure the success of these tactics in accomplishing the objectives and realizing the desired outcomes.

1. Develop Adequate and Stable Long Term Revenues

Objectives/Outcomes: Pursue public/private and public/public partnerships, fare-pricing strategies and revenue generation from the use of MST assets as the means to generate the funds required to construct needed capital facilities, purchase vehicles, sustain current and future transit services and reduce the overall subsidy per passenger.

Encourage policymakers and the general public, through education and advocacy, to enact legislation at local, state and federal levels to provide sustained funding sources that will support the future growth of Monterey County's public transportation system.

Indicators of Success:

- Reduced subsidy per passenger
- Public/private funding agreements executed
- Adequate funding in place to support operating and capital needs
- Increased local funding support through developer fees, sales tax and other funding initiatives as appropriate

Menu of Tactics:

- a. Adopt and execute annual state and federal legislative programs
- b. Develop and adopt a preferred local dedicated funding option to be placed on November 2014 ballot
- c. Participate in community outreach and provide public information regarding preferred local dedicated funding option for improved public transportation.
- d. Identify additional partnerships to fund transit services outside of traditional tax sources.

2. Provide Quality Transit and Mobility Management Services

Objectives/Outcomes: Develop and implement services, infrastructure and technologies to meet and exceed the expectations of customers, reduce subsidies and improve the image of MST in the community; continue to explore and implement new technologies and practices that enhance the overall customer experience, improve safety, reduce costs, attract new customers, retain existing customers, motivate employees and improve the value of MST in the community.

Indicators of Success:

- Passenger boarding growth rate that exceeds employment and population growth trends
- Increased customer and stakeholder satisfaction
- Business conducted within approved budget and performance indicators including safety, efficiency, effectiveness, on-time performance, customer satisfaction, employee satisfaction and stakeholder satisfaction

Menu of Tactics:

- a. Continuation of programs that reward safe behavior.
- b. Fine tune existing service to improve convenience and on-time performance
- c. Monitor operating, maintenance and financial performance statistics on a monthly basis and implement programs to support continuous improvement.
- d. Develop comprehensive service plan to focus limited resources on highest priority transit needs.
- e. Establish MST customer service presence at Salinas Intermodal Station.
- f. Participate in Fort Ord multi-modal corridor studies.
- g. Participate in planning of Monterey transit center
- h. Develop pilot program for Department of Defense funded federal transit benefit.
- i. Continue planning activities for Hwy 1 corridor transit improvements.
- j. Renew MST Trolley contract with City of Monterey.
- k. Upgrade and enhance technologies to improve customer experience

- l. Continue planning a comprehensive regional BRT plan and apply for funding, as appropriate
- m. Identify funding for additional shelters and on-street passenger amenities

3. Implement board protocols and best practices to achieve effective and efficient board operations and board meeting management.

Objectives/Outcomes: Implement training and orientation for Board members and provide concise oral and written reports that result in a well informed, well satisfied, participatory policy governance Board.

Indicators of Success:

- Satisfied, involved fully-integrated, well informed and well functioning Board of Directors
- Residents of member jurisdictions feeling well represented

Menu of Tactics:

- a. Develop and implement Board member training and orientation programs
- b. Implement revised Board committee structures to support decision making.
- c. Implement revised Board reporting practices to make better use of limited time available for board meetings.

4. Research, Implement and Promote Policies and Practices that Encourage Environmental Sustainability and Resource Conservation

Objective: Implement economically sound and environmentally-friendly resource conservation policies that reduce MST dependence on scarce natural resources and the potential for negative environmental impact.

Indicators of Success:

- Compliance with EPA and California Air Resources Board mandates.
- Reduced consumption and related costs of utilities including water, natural gas and electricity.
- Reduced consumption of fossil and non-renewable fuels.

Menu of Tactics:

- a. Participate in national, state and regional transit conferences, meetings and alternative fuel forums, user groups, etc.) that identify and outline changes to federal and California Air Resources Board (CARB) emission requirements
- b. Maintain a dialogue with CARB staff regarding emission requirements and emission reduction strategies
- c. Adopt Leadership in Energy and Environmental Design (LEED) principles as appropriate in the design and construction of MST facilities
- d. Identify opportunities for energy, water, gas and other resource conservation programs
- e. Implement alternative fuel, and zero emission bus technologies.
- f. Monitor emerging technologies and determine cost-effective sustainable technologies and implement as appropriate

5. Educate the Public on MST Services through Promotion, Communication and Advocacy

Objective: Attract new riders and improve support for MST by utilizing effective marketing, promotion, communication and advocacy techniques meeting individual community and stakeholder needs.

Indicators of Success:

- Increased awareness of MST transportation and mobility services and the value they provide
- Increased patronage and usage MST website and tools provided
- Increased number of positive media coverage of MST

Menu of Tactics:

- a. Implement and develop coordinated, multi-media, bilingual media communications and advertising programs
- b. Improve MST online and social media presence, and utilize new and emerging technologies to communicate with new markets

- c. Encourage transit-friendly land-use planning through further dissemination of the *Designing for Transit* manual
- d. Implement targeted marketing and promotional efforts designed towards major employers, schools, senior groups, hospitality industry and non-traditional customers

6. Actively Promote Organizational Values to Maintain High Quality Relationships with MST Employees, Customers, Contractors, Vendors, and Community Stakeholders

Objective: Act in manner in all we do to promote individual and organizational safety, efficiency and effectiveness and enhance the satisfaction of those who interact with MST including our customers, employees and other key stakeholders and partners.

Indicators of Success:

- High levels of employee, customer, and stakeholder satisfaction
- Improved relationships with represented labor workforce
- Increased utilization of employee development programs
- Improved safety performance and reductions in injuries.

Menu of Tactics:

- a. Recognize and celebrate individual and group achievements in support of MST's mission, vision, values, goals and objectives
- b. Conduct attitude and opinion surveys to gauge satisfaction of riders, non-riders, employees and stakeholders
- c. Improve communication with all employees and the Amalgamated Transit Union leadership
- d. Complete negotiations of the Amalgamated Transit Union and Monterey-Salinas Transit Employee Association agreements
- e. Develop and implement targeted marketing and promotional efforts designed towards major employers, schools, senior groups, hospitality industry and non-traditional riders will also assist in growing ridership

- f. Ensure a proper staff structure is in place that understands and supports the mission, vision and values to meet strategic goals and objectives.

7. To attain industry leadership for like-sized agencies within California and the United States.

Objective: Develop and implement programs and practices that distinguish Monterey-Salinas Transit as a leader with the public transit industry.

Indicators of Success:

- Participate in a leadership role in industry trade associations.
- Receive recognition and acknowledgement for innovative programs and practices.

Menu of Tactics:

- a. Seek appointment to leadership positions within appropriate national, state, and local trade, business and community associations and committees.
- b. Develop and implement innovative programs and that enhance the overall customer experience, improve safety and sustainability, reduce costs, attract new customers, retain existing customers, motivate employees, and reflect well on Monterey-Salinas Transit and the public transit industry in general.

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FY 2015 Budget

DETAILED BUDGET

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Monterey - Salinas Transit

Draft Budget FY15

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
REVENUE					
CASH REVENUE					
PASSENGER FARES	(5,385,000)	(4,637,813)	(314,937)	(4,952,750)	(432,250)
TROLLEY	(245,000)	(250,000)		(250,000)	5,000
OTHER LOCAL, SC, REVENUE - DOD	(3,389,400)	(2,502,720)		(2,502,720)	(886,680)
SPECIAL FARES - OTHER	(400,000)	(352,834)		(352,834)	(47,166)
ADVERTISING	(360,000)	(320,000)		(320,000)	(40,000)
OTHER AUXILIARY REVENUE	(1,350)	(2,000)		(2,000)	650
INVESTMENT INCOME	(17,500)	(40,000)		(40,000)	22,500
TAXI LEASE REVENUE		(12,000)		(12,000)	12,000
OTHER NON-TRANSPORTATION		-		-	-
TOTAL REVENUE	(9,798,250)	(8,117,367)	(314,937)	(8,432,304)	(1,365,946)
LTF OPERATING FUNDS	(12,143,685)	(13,221,684)		(13,221,684)	1,077,999
LTF/RSTP SWAP FUNDS	-			-	-
APCD FUNDS	-			-	-
OTHER LOCAL FUNDS	-			-	-
STATE OPERATING FUNDS	(2,556,492)	-	(2,834,431)	(2,834,431)	277,939
FEDERAL 5307 FORMULA FUNDS	(6,150,000)	(6,818,950)		(6,818,950)	668,950
FEDERAL 5311 RURAL FUNDS	(715,993)	(732,179)		(732,179)	16,186
FEDERAL 5311F INTERCITY FUNDS	(550,000)	(600,000)		(600,000)	50,000
FEDERAL 5316 JARC FUNDS	(1,800,000)	(1,304,185)		(1,304,185)	(495,815)
FEDERAL 5303 FUNDS	-			-	-
FEDERAL 5313B FUNDS	-			-	-
FEDERAL 5317 FUNDS - NF	(700,000)	(493,635)		(493,635)	(206,365)
OTHER FEDERAL FUNDS	-	(30,000)		(30,000)	30,000
RIDES SET ASIDE					
CASH GRANTS & REIMBURSEMENT	(24,616,170)	(23,200,633)	(2,834,431)	(26,035,064)	1,418,894
TOTAL REVENUE	(34,414,420)	(31,318,000)	(3,149,368)	(34,467,368)	52,948

Monterey - Salinas Transit

Draft Budget FY15

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
EXPENSES					
LABOR					
COACH OPERATORS WAGES	5,299,393	5,788,714		5,788,714	489,321
COACH OPERATOR OVERTIME	475,000	677,129		677,129	202,129
OTHER WAGES	5,789,185	5,387,782	47,024	5,434,806	(354,379)
OTHER OVERTIME	52,920	173,955		173,955	121,035
TOTAL LABOR	11,616,498	12,027,581	47,024	12,074,604	458,106
BENEFITS					
PERS	1,773,664	1,194,348	4,310	1,198,657	(575,007)
INSURANCE	3,064,153	2,887,336	12,664	2,900,000	(164,153)
IN LIEU INSURANCE	151,200	142,800		142,800	(8,400)
OTHER FRINGE BENEFIT-SUI MCARE	233,380	276,085	1,131	277,216	43,836
WORKERS COMPENSATION EXPENSE	1,000,000	997,336	2,664	1,000,000	-
HOLIDAYS	492,566	668,806	2,741	671,547	178,981
PERSONAL LEAVE	1,000,000	1,455,194	5,057	1,460,251	460,251
UNIFORMS	50,000	51,375		51,375	1,375
AUTO ALLOWANCE	9,600	14,400		14,400	4,800
TUITION REIMBURSEMENT		2,400		2,400	2,400
SAFETY AWARD & EE RECOGNITION	8,600	33,300		33,300	24,700
TOTAL BENEFITS	7,783,163	7,723,381	28,567	7,751,947	(31,216)
ADVERTISING & MARKETING					
MARKETING SERVICES	162,500	120,000	-	120,000	(42,500)
TOTAL ADVERTISING & MARKETING	162,500	120,000	-	120,000	(42,500)
PROFESSIONAL & TECHNICAL					
PHYSICAL EXAMS	10,000	10,000		10,000	-
BANK SERVICES	45,000	60,000		60,000	15,000
AUDITORS	31,500	30,000		30,000	(1,500)
ARMORED CAR	70,000	75,000		75,000	5,000
LEGAL SERVICES	35,000	50,000		50,000	15,000
CONTRACT NEGOTIATION	3,000	15,000		15,000	12,000
DIRECTORS FEES	15,600	15,600		15,600	-
BROCHURE DELIVERY	1,200	1,200		1,200	-
GRANT FUNDED CONSULTING	31,085			-	(31,085)
CONSULTING	275,000	130,000	2,000	132,000	(143,000)
RECRUITING SERVICES	1,200	5,000		5,000	3,800
INSPECTION	5,000	-		-	(5,000)
DRUG TESTING	4,000	4,500		4,500	500
OTHER PROFESSIONAL	-	10,000		10,000	10,000
TOTAL PROFESSIONAL & TECHNICAL	527,585	406,300	2,000	408,300	(119,285)

Monterey - Salinas Transit

**Draft Budget
FY15**

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
OUTSIDE LABOR					
CUSTODIAL SERVICES	97,000	113,400		113,400	16,400
SECURITY SERVICES	120,000	130,000		130,000	10,000
BUS PAINTING	3,500	6,250		6,250	2,750
HAZARDOUS WASTE DISPOSAL	34,600	30,000		30,000	(4,600)
LAUNDRY	52,896	53,295		53,295	399
SHOP EQUIPMENT REPAIR	2,800	8,450		8,450	5,650
SUPPORT VEHICLES REPAIR	20,000	22,500		22,500	2,500
TOWING	7,200	7,800		7,800	600
BUS WASHER MAINTENANCE	2,500	4,000		4,000	1,500
ELECTRICAL, PLUMBING , ROOFING	23,600	21,000		21,000	(2,600)
COPIER & OFFICE EQUIP REPAIR	10,000	10,500		10,500	500
COMPUTER MAINTENANCE	347,182	365,020	51,500	416,520	69,338
SEAT REPAIRS	2,200	6,500		6,500	4,300
BUILDING AND EQUIPMENT MAINT	62,000	74,500		74,500	12,500
TELEPHONE EQUIPMENT REPAIR	1,000	1,000		1,000	-
PARTS CLEANING	9,200	9,200		9,200	-
RADIO REPAIRS	20,000	30,000		30,000	10,000
OTHER OUTSIDE LABOR	37,400	45,000		45,000	7,600
MAINTENANCE SHOP	9,400	9,000		9,000	(400)
GROUPS MAINTENANCE	25,000	36,000		36,000	11,000
PEST CONTROL	4,000	12,000		12,000	8,000
TEST UNDERGROUND TANKS	3,900	3,000		3,000	(900)
FIRE EXTINGUISHER SERVICE	1,900	3,500		3,500	1,600
TOTAL OUTSIDE LABOR	897,278	1,001,915	51,500	1,053,415	156,137
FUEL, GAS AND TIRES					
DIESEL - REVENUE	2,705,703	2,555,703		2,555,703	(150,000)
LUBRICANTS - REVENUE	121,000	130,000		130,000	9,000
GAS	74,598	59,800		59,800	(14,798)
FUEL PURCHASES - MV	1,240,453	650,588	475,000	1,125,588	(114,865)
TIRES & TUBES	195,000	198,000		198,000	3,000
TOTAL FUEL & LUBRICANTS	4,336,754	3,594,091	475,000	4,069,091	(267,663)

Monterey - Salinas Transit

Draft Budget FY15

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
MATERIALS AND SUPPLIES					
MARKETING SUPPLIES	30,000	15,000		15,000	(15,000)
BUS ADVERTISING EXPENSE		15,000		15,000	15,000
PRINTING	12,255	3,250	3,500	6,750	(5,505)
RIDERS GUIDES	35,000	35,000		35,000	-
MAPS	10,000	12,000		12,000	2,000
TICKETS	4,000	3,000	3,000	6,000	2,000
PASSES	25,000	25,000		25,000	-
BROCHURES	20,000	16,000		16,000	(4,000)
TRANSFERS	-	-		-	-
MISC MARKETING	50,000	30,000		30,000	(20,000)
HAZARDOUS MATERIAL CONTAINMENT	5,000	5,000		5,000	-
COMPUTER SUPPLIES	56,000	80,000		80,000	24,000
SAFETY & PROTECTIVE SUPPLIES	13,500	18,500		18,500	5,000
TROLLEY SUPPLIES	-	-		-	-
BUILDING CLEANING SUPPLIES	51,700	51,000		51,000	(700)
TRANSIT CENTER/PLAZA SUPPLIES	11,000	11,000		11,000	-
SHELTER & BUS STOP SUPPLIES	67,000	64,000		64,000	(3,000)
OTHER SUPPLIES	7,200	9,675		9,675	2,475
SHOP SUPPLIES	43,500	57,338		57,338	13,838
OFFICE SUPPLIES	16,500	30,000	1,000	31,000	14,500
POSTAGE & EXPRESS SERVICE	16,000	15,000	3,000	18,000	2,000
COPY MACHINE PAPER	3,000	3,000		3,000	-
REVENUE VEHICLE PARTS	640,000	693,000	12,000	705,000	65,000
SUPPORT VEHICLE PARTS	6,000	6,000		6,000	-
FAREBOX PARTS	2,750	9,800		9,800	7,050
BUS WASHER SUPPLIES	4,500	3,000		3,000	(1,500)
WARRANTY LABOR & PARTS	-	-		-	-
FUEL IS./DISPENSER PARTS	900	4,000		4,000	3,100
TOTAL MATERIALS AND SUPPLIES	1,130,805	1,214,563	22,500	1,237,063	106,258
UTILITIES					
WATER & FIRE PROTECTION	20,800	18,500		18,500	(2,300)
TELEPHONE LINE SERVICE	73,160	130,000		130,000	56,840
PG&E	132,000	155,480		155,480	23,480
ALARM SERVICE	5,000	8,000		8,000	3,000
DISPOSAL & SEWER	28,000	33,527		33,527	5,527
CELLULAR PHONES/PAGERS	29,050	30,000	-	30,000	950
TOTAL UTILITIES	288,010	375,507	-	375,507	87,497

Monterey - Salinas Transit

Draft Budget **FY15**

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
INSURANCE					
PHYSICAL DAMAGE EXPENSE	42,837	57,500		57,500	14,663
RECOVERIES PHYSICAL DAMAGES	(5,000)	(5,000)		(5,000)	-
LIABILITY EXPENSE	278,110	288,000		288,000	9,890
OTHER INSURANCE PREMIUMS	60,000	46,525		46,525	(13,475)
TOTAL INSURANCE	375,947	387,025	-	387,025	11,078
TAXES					
PROPERTY TAX	1,800	1,800		1,800	-
VEHICLE LICENSE & REGISTRATION	-	145		145	145
DIESEL SALES TAX	216,456	212,398		212,398	(4,058)
DIESEL FUEL USE TAX	-	8,000		8,000	8,000
GASOLINE TAX	2,238	1,500		1,500	(738)
OTHER TAXES	17,500	17,000		17,000	(500)
TOTAL TAXES	237,994	240,843	-	240,843	2,849
PURCHASED TRANSPORTATION					
PURCHASED TRANSPORTATION	5,679,634	3,811,007	2,518,777	6,329,784	650,150
TOTAL PURCHASED TRANSPORTATION	5,679,634	3,811,007	2,518,777	6,329,784	650,150
MISCELLANEOUS EXPENSES					
SUBSCRIPTIONS	2,000	2,000		2,000	-
APTA DUES	26,000	34,500		34,500	8,500
CTA DUES	15,000	13,000		13,000	(2,000)
CHAMBER AND OTHER DUES	15,000	25,378		25,378	10,378
CAL ACT DUES	1,000	1,000		1,000	-
STAFF TRAVEL	31,000	56,000	2,000	58,000	27,000
STAFF TRAINING	13,000	18,000	2,000	20,000	7,000
BOARD TRAVEL	5,000	15,000		15,000	10,000
AD & PROMOTION MEDIA	25,000	50,000		50,000	25,000
LEGAL ANNOUNCEMENTS	12,000	12,000		12,000	-
AD MEDIA RECRUITING	5,000	5,000		5,000	-
PERMITS	500	4,500		4,500	4,000
OTHER MISC. EXPENSE	5,000	7,560		7,560	2,560
TOTAL MISCELLANEOUS EXPENSES	155,500	243,938	4,000	247,938	92,438

Monterey - Salinas Transit

Draft Budget FY15

	FY14 TOTAL BUDGET	FY15 TOTAL YEAR FIXED ROUTE	FY15 TOTAL YEAR RIDES	FY15 TOTAL YEAR COMBINED	VARIANCE OVER/ (UNDER)
INTEREST EXPENSE					
INTEREST EXPENSE	-	26,000		26,000	26,000
TOTAL INTEREST EXPENSE	-	26,000	-	26,000	26,000
LEASES & RENTALS					
ANTENNA/ SATELLITE RENTAL	6,000	22,500		22,500	16,500
RESTROOM - MONTEREY	1,200	3,000		3,000	1,800
EQUIPMENT RENTALS	3,000	14,950		14,950	11,950
POSTAGE METER RENTAL	3,000	5,400		5,400	2,400
BUILDING RENT	55,824	100,000		100,000	44,176
TOTAL LEASES & RENTALS	69,024	145,850	-	145,850	76,826
TOTAL OPERATING EXPENSES	33,260,691	31,318,000	3,149,368	34,467,368	1,206,676
OPERATING (SURPLUS) DEFICIT	(1,153,729)	0	0	(0)	1,153,729
UNRESTRICTED ASSETS AS OF 30-JUN-12 AUDIT		4,879,989			
LESS CAPITAL GRANT FUNDS		(2,196,912)			
		2,683,077			
FY13 OPERATING SURPLUS (DEFICIT) AS OF 30-JUN-13 AUDIT		3,076,828			
RESERVE AS OF 30-JUN-13		5,759,905			
FY13 OPERATING EXPENSES AS OF 30-JUN-13 AUDIT		33,303,059			
RESERVE AS % OF AUDITED FY13 OPERATING EXPENSES		17.3%			
RESERVE AS % OF BUDGETED FY15 OPERATING EXPENSES		16.7%			

FY2015 BUDGET
Part A. Fixed Route Operating Budget

REVENUES

	<u>Budget FY2014</u>	<u>Proposed FY2015</u>
Passenger Revenues	5,000,000	4,637,813
Farebox and pass sales		
Special Local Fares	4,034,400	3,105,554
Contracts/Partnerships (Department of Defense, Colleges, Trolleys, Amtrak, VTA, etc.)		
Associated Transit Revenues	360,000	320,000
Advertising		
Non-Transportation Revenues	18,850	54,000
Interest income		
Local Cash Grants	12,143,685	13,221,684
Local Transportation Funds (LTF), Reserves, Mandated Set-asides		
State Cash Grants	-0-	-0-
State Transit Assistance (all STA funds are used for MST RIDES)		
Federal Cash Grants	9,915,993	9,978,949
Includes Federal Transit Administration Section 5307, Section 5311, Section 5311(f), Section 5316, Section 5317, Other Federal Funds		
TOTAL REVENUES	<u>\$ 31,472,928</u>	<u>\$ 31,318,000</u>

FY2015 BUDGET
Part A. Fixed Route Operating Budget
EXPENDITURES

	<u>Budget FY2014</u>	<u>Proposed FY2015</u>
Salaries and Wages	11,574,253	12,027,581
Wage increase of 3.9% due to Amalgamated Transit Union Local No. 1225 and MSTEA contractual agreements.		
Fringe Benefits	7,762,425	7,723,381
Increase in wages causes personal leave and holiday benefits to increase. Substantially offset by MST no longer paying employee portions of PERS retirements benefits.		
Services	1,568,591	1,528,215
Security services, outside labor, computer maintenance, marketing, auditors, armored car, consulting, and other services		
Fuel, Gas and Tires	3,836,754	3,594,091
Cost stability expected to continue for diesel, unleaded, lubricants and tires. Continuing to utilize fuel price hedging initiative originating July 2013.		
Materials and Supplies	1,099,305	1,214,563
Vehicle maintenance parts, cleaning and office supplies, postage and printed materials		
Utilities	279,560	375,507
Telephone, power, gas, water/sewer and alarm services		
Insurance	375,947	387,025
Liability, property and other insurance		
Taxes	237,994	240,843
Fuel, sales and property taxes		
Purchased Transportation	3,362,846	3,811,007
Purchased transportation contracts for MV Transportation for fixed-route, On Call and trolley services		
Miscellaneous	152,500	269,938
Training, travel, ad media, dues, subscriptions, permits and interest expense		

FY2015 BUDGET
Part A. Fixed Route Operating Budget

EXPENDITURES (Continued)

	<u>Budget FY2014</u>	<u>Proposed FY2015</u>
Leases and Rentals	69,024	145,850
MST's radio antenna site, 3MC in Monterey, 247 S. Main Street Salinas, Watsonville Transit Center, City of Greenfield, coach operator restroom leases, and potential new office space in Monterey		
TOTAL EXPENSES	<u>30,319,199</u>	<u>31,318,000</u>
FY2015 OPERATING (SURPLUS)/DEFICIT	<u>(1,153,729)</u>	<u>0</u>

FY2015 BUDGET
Part B. MST RIDES Operating Budget

REVENUES

	Budget FY2014	Proposed FY2015
Passenger Revenues	385,000	314,937
Farebox and ticket book sales		
State Cash Grants	2,556,492	2,834,431
State Transit Assistance		
TOTAL REVENUES	<u>2,941,492</u>	<u>3,149,368</u>

EXPENDITURES

	Budget FY2014	Proposed FY2015
Salaries and Wages	42,245	47,024
One FTE		
Fringe Benefits	20,737	28,567
Health, dental, life and vision insurance, PERS retirement benefits, personal leave and workers compensation insurance		
Services	18,772	53,500
Professional Services		
Fuel, Gas and Tires	500,000	475,000
Unleaded, lubricants and tires		
Materials and Supplies	31,500	22,500
Vehicle maintenance parts, cleaning and office supplies, postage and printed materials		
Utilities	8,450	-0-
Telephone, power, gas, water/sewer and alarm services		
Purchased Transportation	2,316,788	2,518,777
MV Transportation, Inc.		
Miscellaneous	3,000	4,000
Staff travel and training		
TOTAL EXPENSES	<u>2,941,492</u>	<u>3,149,368</u>
FY2015 OPERATING (SURPLUS)/DEFICIT	<u>0</u>	<u>0</u>

FY 2015 BUDGET

CAPITAL

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**Monterey-Salinas Transit
DRAFT FY 2015 Action Plan**

1. Develop and implement service levels appropriate to funding availability. Ongoing
2. Review alternative Board Committee structures to better support board governance and implement as appropriate. January 2015
3. Review Legal Services activities and identify processes to better predict and control expenses. September 2014
4. Research strategies to increase public participation in MST service change hearings and implement as appropriate. September 2014
5. Perform community and stakeholder outreach and education related to proposed November 2014 transit revenue ballot measure. November 2014
6. Implement upgrade of telecommunications and intelligent transportation systems. June 2015
7. Continue review of alternative sites and strategies for financing and construction for MST operating, maintenance, administrative and customer facilities. Ongoing
8. Provide administrative support in service to Monterey County RTA. Ongoing
9. Maintain adequate staffing and organizational structure for MST and RTA. Ongoing
10. Implement email and document retention policy. December 2014
11. Complete high/medium priority facility repair projects as funding allows. Ongoing
12. Adopt and execute federal and state legislative programs. Ongoing
13. Procure replacement buses as funding allows. Ongoing
14. Participate in local and regional planning activities to develop improved transit corridors and transfer locations including Hwy 1, Hwy 68 and Marina-Salinas multimodal corridor and to develop improved transit services to rural areas. Ongoing
15. Complete procurement of third party medical services for drug testing and worker compensation. Dec 2014
16. Actively participate in state and national trade associations to resolve issues related to Department of Labor dispute, MAP-21 implementation, California bus axle weights, and next federal transportation authorization funding bill. Ongoing
17. Develop additional employee training and development opportunities through partnerships with local colleges, universities, and vendors. June 2014

ATTACHMENT 2

18. Complete construction and implementation of electric trolley utilizing wireless power transfer technology. November 2014
19. Provide support to industry conferences to be held in Monterey this year including Transportation Research Board Rural Intercity Bus Conference and California Transit Association Annual Conference. November 2014
20. Complete design and permitting of Monterey Operations and Maintenance facility rehabilitation. March 2015
21. Review vehicle liability and physical damage insurance programs and implement changes as appropriate. May 2015
22. Review processes of fixed-route and contracted transportation services and implement strategies to achieve improved efficiencies and improved customer satisfaction. March 2015
23. Review employee incentive programs and adopt new practices as appropriate. June 2015

**Monterey-Salinas Transit
Personnel Staffing - Fiscal Year 2015**

FY2014 Budget	Net Additions (Reductions)	FY2015 Budget
------------------	----------------------------------	------------------

Operations:

Assistant General Manager/Chief Operating Officer

Coach Operators - Full Time

Coach Operators - Part Time (Limited Duty)

Coach Operators - Occupational Injuries

Director of Transportation Services

Associate Scheduler

Communications System Manager

Communications System Specialists

CTSA Manager*

ITS Technician

Maintenance & Operations Analyst

Mobility Trainer*

Mobility Assistant*

Operations Supervisor

Mobility Specialist*

Paratransit Eligibility Specialist

Safety/Training Officer

Schedule/Planning Analyst

Transit Scheduler

Scheduling Assistant

Total Operations

1	0	1
128	5	133
2	-1	1
3	0	3
1	0	1
0	0	0
1	0	1
5	0	5
1	0	1
1	0	1
0	0	0
1	0	1
0	1	1
9	0	9
2	0	2
1	0	1
1	0	1
1	0	1
1	0	1
160	5	165

Vehicle Maintenance:

Fleet Manager

Maintenance Supervisor

Mechanics

Mechanic - Revenue Equipment

Electronic Technician

Shop Helper

Utility Service Worker

Inventory Control Specialist

Inventory Control Clerk

Total Vehicle Maintenance

0	0	0
4	0	4
21	0	21
1	0	1
0	1	1
0	0	0
8	0	8
2	0	2
1	0	1
37	1	38

Facilities:

Facilities Capital Projects Manager

Facilities Supervisor

Facilities Technician

Senior/Utility Service Person

Total Facilities

1	0	1
0	0	0
1	0	1
4	0	4
6	0	6

**Monterey-Salinas Transit
Personnel Staffing - Fiscal Year 2015**

Administration:

	FY2014 Budget	Net Additions (Reductions)	FY2015 Budget
General Manager/CEO	1	0	1
Assistant General Manager for Finance & Administration	1	0	1
Director of Information Technology	1	0	1
Director of Human Resources	1	0	1
Director of Administration & Planning	0	1	1
General Accounting & Budget Manager	1	0	1
Business Development/Transit Planner	1	0	1
Procurement & Contract Manager	1	0	1
Marketing Manager	1	0	1
Risk & Security Manager	1	0	1
Grants and Compliance Analyst	1	0	1
Executive Assistant to the GM	1	0	1
Customer Service Supervisor	1	0	1
Human Resources Generalist	2	-1	1
Human Resources Administrator	0	1	1
Accountant	2	0	2
Payroll Specialist	1	0	1
Information Technology Administrator	2	0	2
Customer Service Representative/Spanish Translator	3	0	3
Customer Service Representative/Greyhound**	0	1	1
MST interns	2	-2	0
CSUMB Interns (part-time)*	2	-1	1
Total Administration	26	-1	25
MST Total Personnel Staffing	229	5	234

*Positions are funded by grants/partnerships

**Positions would only be hired if Greyhound Partnership is executed

ATTACHMENT 4

RESOLUTION 2014-24

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, FOR A GRANT UNDER THE URBAN MASS TRANSPORTATION ACT OF 1964, AS AMENDED, FOR FINANCIAL ASSISTANCE FY 2014-15

WHEREAS, the Secretary of Transportation is authorized to make grants for mass transportation program of projects and budgets;

WHEREAS, the contract for financial assistance will impose certain obligations upon the applicant, including the provisions by it of the local share of project costs in the program;

WHEREAS, it is required by the U.S. Department of Transportation in accord with the provisions of the Title VI of the Civil Rights Act of 1964, as amended, the applicant give an assurance that it will comply with Title VI of the Civil Rights Act of 1964 and the U.S. Department of Transportation requirements thereunder; and

WHEREAS, it is the goal of the applicant that minority business be utilized to the fullest extent possible in connection with this project, and that definitive procedures shall be established and administered to ensure that minority business shall have the maximum opportunity to compete for contracts when procuring construction contracts, supplies, equipment contracts, or consultant and other services.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of Monterey-Salinas Transit:

1. That Carl Sedoryk, General Manager / CEO, is authorized to execute and file an application on behalf of Monterey-Salinas Transit with the U.S. Department of Transportation, to aid in the financing of planning, capital and operating projects pursuant to Section 5208(f), 5304, 5307, 5308, 5309, 5310, 5311, 5311(f), 5313, 5316, 5317, 5318, 5320, 5322, 5339 and 5340 of the Urban Mass Transportation Act of 1964, as amended.
2. That Carl Sedoryk, General Manager / CEO, is authorized to execute and file with such application an assurance or any other document required by the U.S. Department of Transportation effectuating the purposes of Title VI of the Civil Rights Act of 1964.
3. That Carl Sedoryk, General Manager / CEO, is authorized to furnish such additional information as the U.S. Department of Transportation may require in connection with the application for the program of projects and budget.

4. That Carl Sedoryk, General Manager / CEO, is authorized to set forth and execute affirmative minority business policies in connection with the program of projects and budget procurement needs.
5. That Carl Sedoryk, General Manager / CEO, is hereby authorized to execute the grant agreements on behalf of Monterey-Salinas Transit with the U.S. Department of Transportation for aid in the financing of the planning, capital and operating program of projects and budget.

Maria Orozco
Chairperson

Carl G. Sedoryk
Secretary

PASSED AND ADOPTED BY THE MONTEREY-SALINAS TRANSIT BOARD OF DIRECTORS THIS 9th day of June, 2014, by the following vote:

AYES: Directors:

NOES: Directors:

ABSENT: Directors:

ATTEST:

Board Secretary (Deputy)

To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Report from Nominating Committee and Election of Officers

RECOMMENDATION:

1. Receive report from Nominating Committee
2. Conduct election of officers and appoint representatives

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

The Monterey-Salinas Transit District bylaws require the Board to conduct an annual election of officers and to make required appointments.

DISCUSSION:

The Nominating Committee met on June 2, 2014, to nominate MST Directors to serve as Board Chair, Vice-Chair, and to make other staff appointments to various boards and committees.

Minutes of this meeting are included in Agenda # 7-3. The Committee's recommendations are included as Attachment 1.

PREPARED BY: _____



Carl G. Sedoryk

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ATTACHMENT 1

**MST Nominating Committee Recommendations for
Officers and Appointments to Serve
Fiscal Years 2015-2016**

Nominating Committee Officer Recommendations:

Chair
Vice-Chair

Libby Downey
Tony Barrera

Non-elected officers and appointments:

Secretary to the Board
Deputy Secretary to the Board

Carl G. Sedoryk
Deanna Smith

Treasurer
Deputy Treasurer

Carl G. Sedoryk
Hunter Harvath

General Counsel

David C. Laredo

Representative to TAMC
Alternate to TAMC
Alternate to TAMC

Carl G. Sedoryk
Hunter Harvath
Michael Gallant

Representative to FORA
Alternate to FORA

Hunter Harvath
Michael Gallant

Representative to California Transit
Insurance Pool (CalTIP)
Alternate to CalTIP

Carl G. Sedoryk
Ben Newman

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To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Monthly Report – April 2014

Attached are a summary of monthly performance statistics for the Transportation, Maintenance, and Administration departments for March 2014 (Attachments 1-4).

Attachment #1 – Dashboard Performance Statistics

Attachment #2 – Operations Dept. Report – April 2014

Attachment #3 – Facilities & Maintenance Dept. Report – April 2014

Attachment #4 – Administration Dept. Report – April 2014

A complete detail of Monthly Performance Statistics can be viewed within the GM Report at <http://www.mst.org/about-mst/board-of-directors/board-meetings/>

PREPARED BY: 

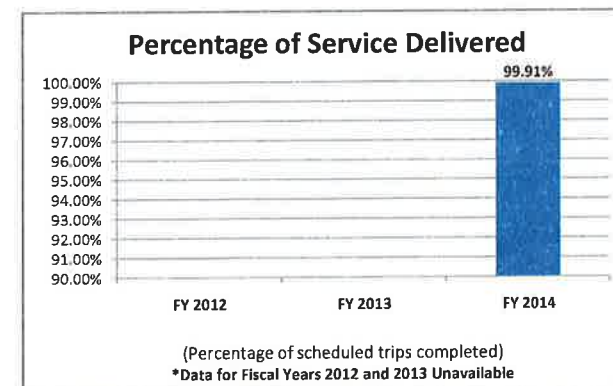
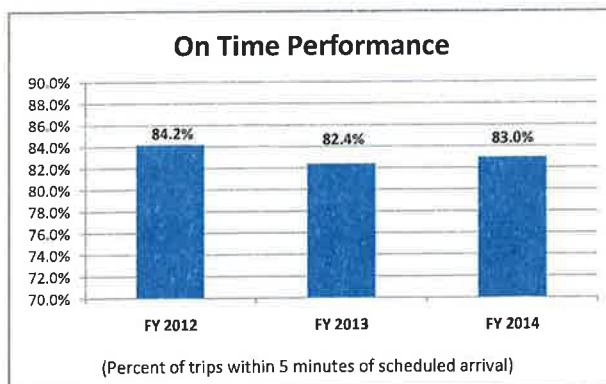
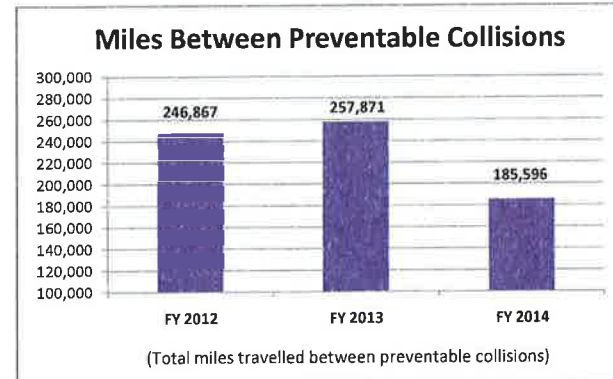
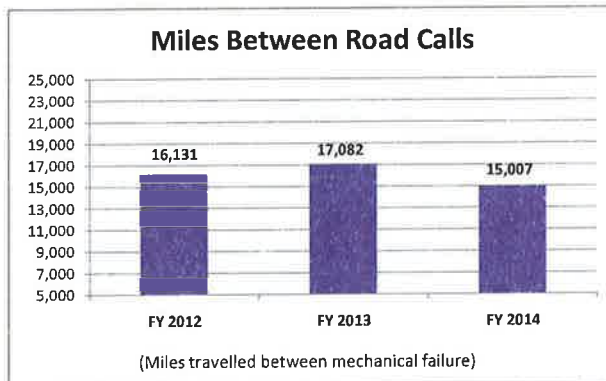
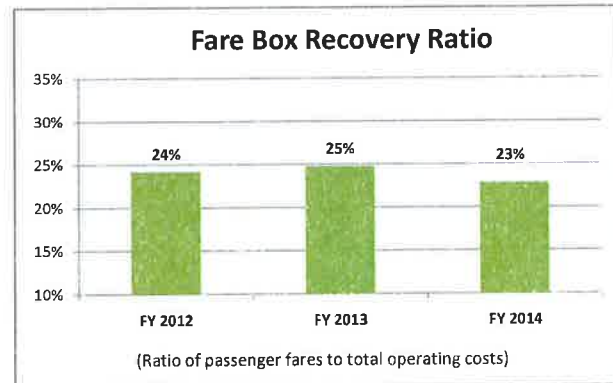
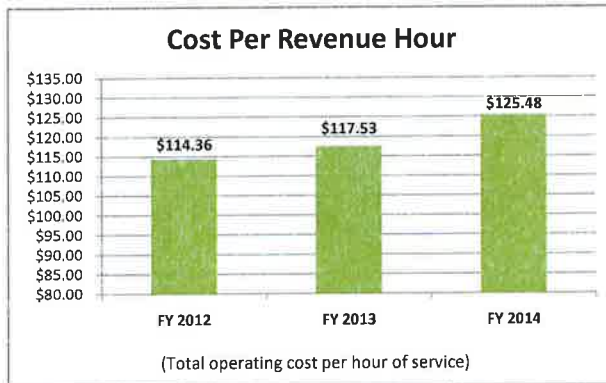
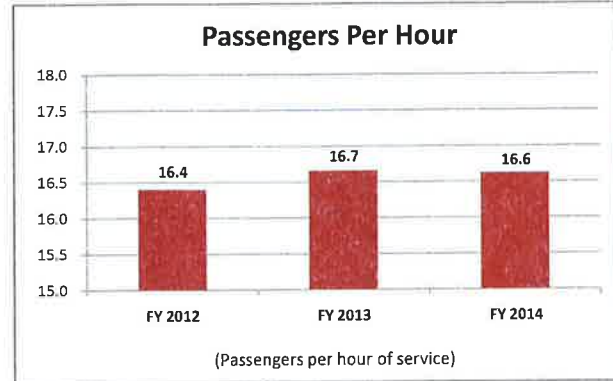
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MST Fixed Route

YTD Dashboard Performance Comparative Statistics

July through April

Fiscal Years 2012-2014

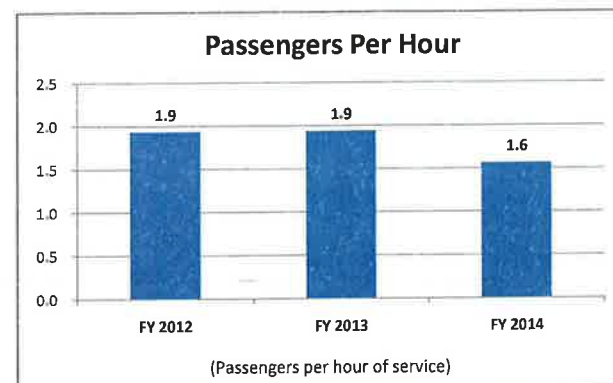
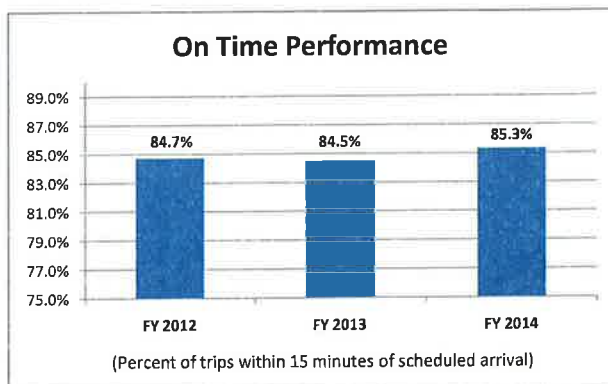
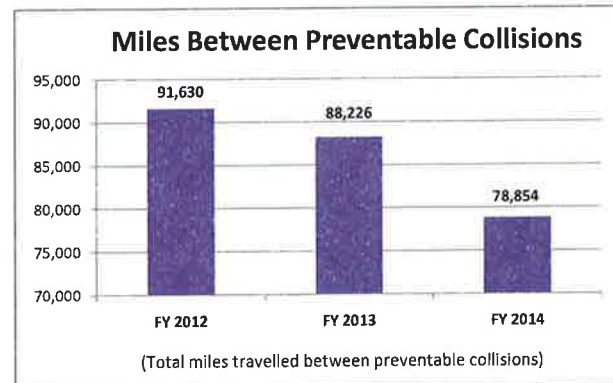
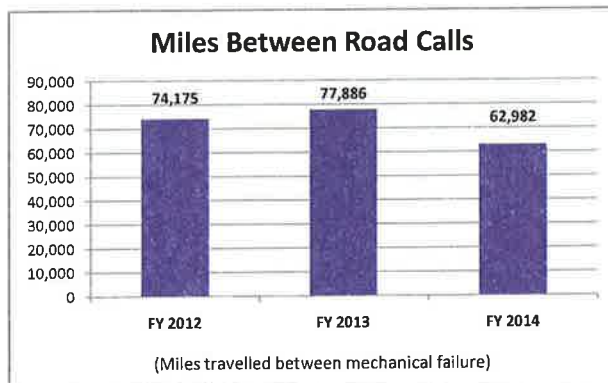
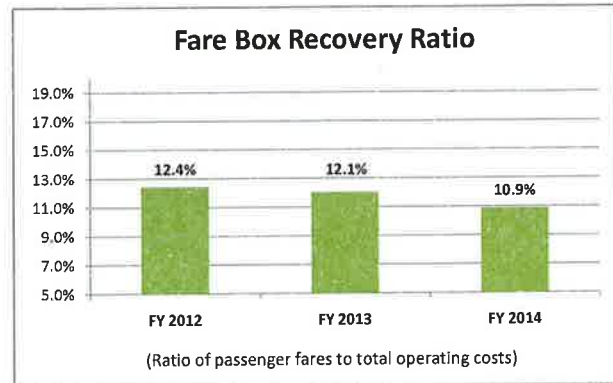
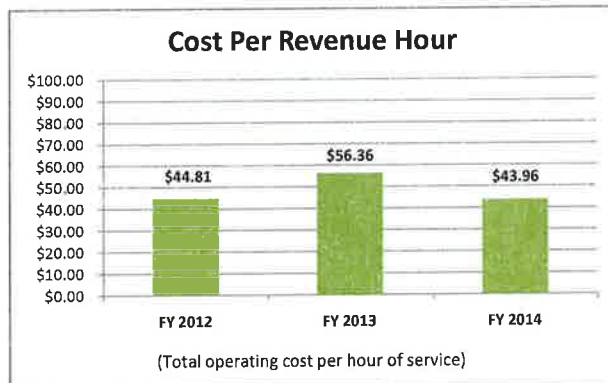
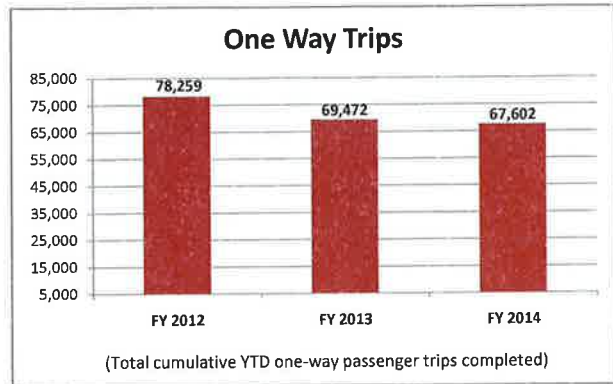
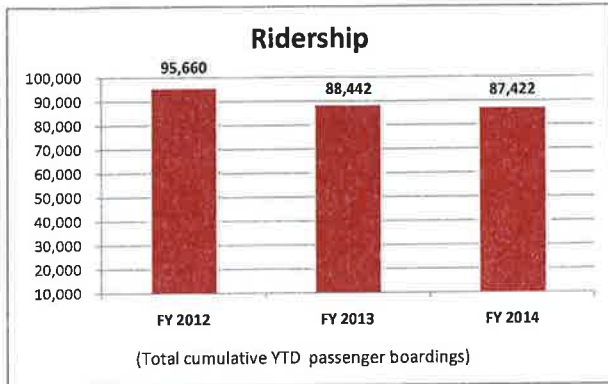


MST RIDES

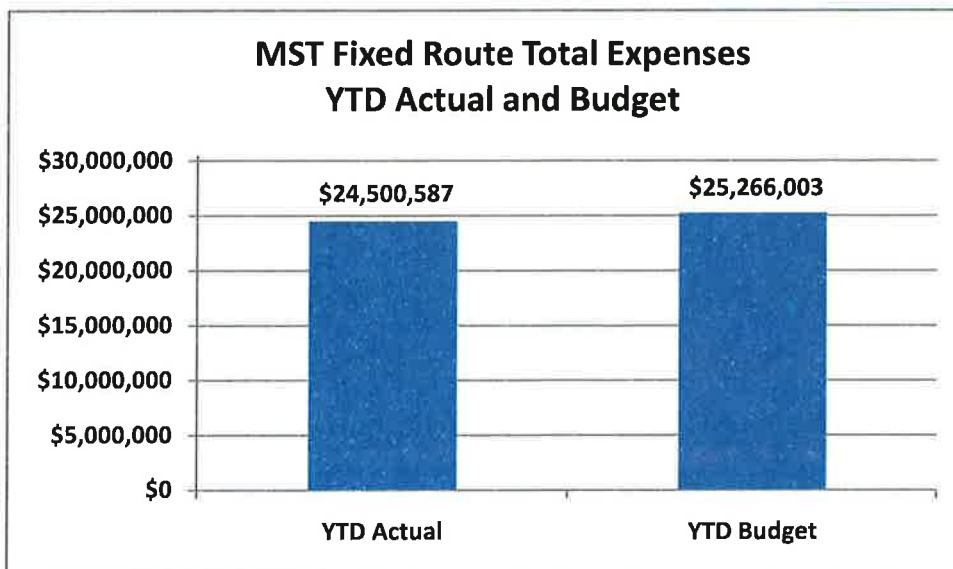
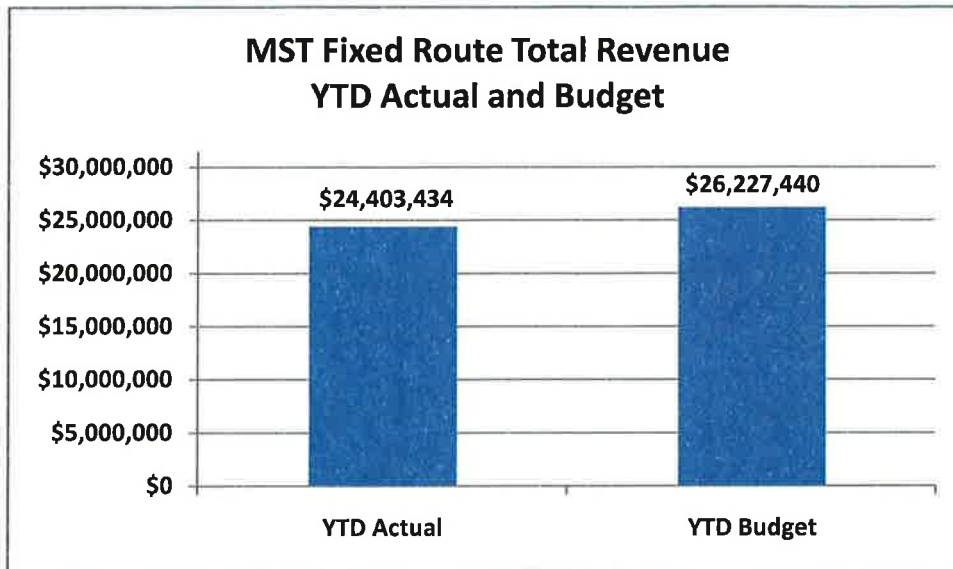
YTD Dashboard Performance Comparative Statistics

July through April

Fiscal Years 2012-2014

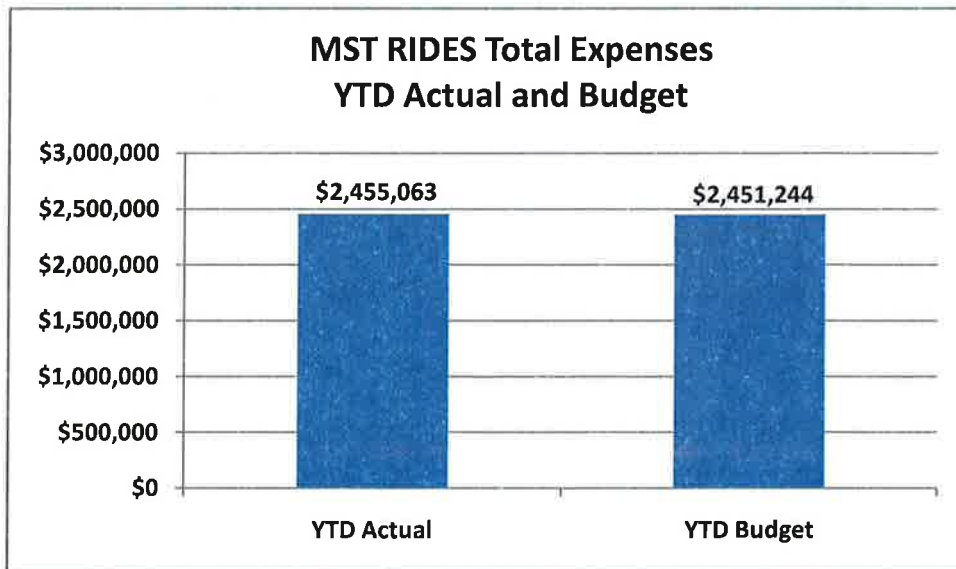
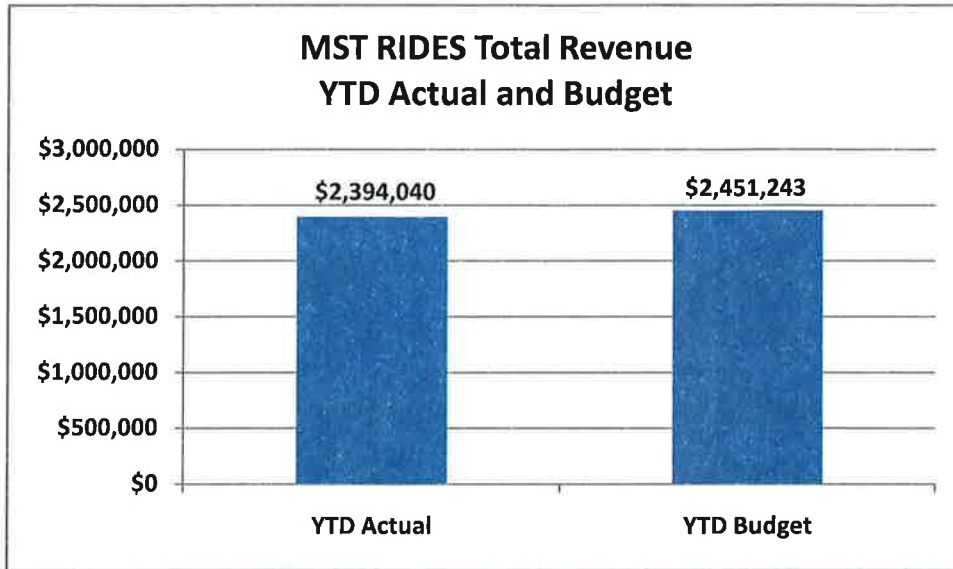


MST Fixed Route
Revenue Performance Comparative Statistics
July through April
Fiscal Year 2014



MST RIDES

Expense Performance Comparative Statistics July through April Fiscal Year 2014



ATTACHMENT 2

May 28, 2014

To: Mike Hernandez, Assistant General Manager / C.O.O.

From: Robert Weber, Director - Transportation Services

Cc: MST Board of Directors

Subject: **Transportation Department Monthly Report – April 2013**

FIXED ROUTE BUS OPERATIONS:

System Wide Service: (Fixed Route & On Call Services):

Preliminary boarding statistics indicate that ridership decreased by 2.61% in April 2014, (319,539), as compared to April 2013, (328,094). Fiscal year-to date, this represents a 1.47% decrease in passenger boardings from last fiscal year.

Productivity decreased from 16.4 passengers per hour (April 2013), to 15.8 PPH in April of this year.

Supplemental / Special Services:

During the month of April, MST provided special services from the Watsonville area to the Monterey Bay Aquarium for its “Free to Learn” program as follows:

Date	Service From	Passenger Boardings
4/26/14	Salinas	166

April 25 2014; MST provided service from the Sally Griffin Senior Center in Pacific Grove to / from the Monterey Symphony rehearsals being held at Sherwood Hall on N. Main St. in Salinas. The service transported 32 passengers during this event.

System Wide Statistics:

- Ridership: 319,539
- Vehicle Revenue Hours: 20,146
- Vehicle Revenue Miles: 333,139
- System Productivity: 15.8 Passengers Per Vehicle Revenue Hour
- One-Way Trips Deployed: 28,526

Time Point Adherence: Of 112,003 total time-point crossings sampled for the month of April, the TransitMaster™ system recorded 19,047 delayed arrivals to MST’s published

time-points system-wide. This denotes that **82.99%** of all scheduled arrivals at published time-points were on time. (See *MST Fixed-Route Bus ~ On Time Compliance Chart FY 2014.*)

Service arriving later than **5** minutes beyond the published time point is considered late. The on-time compliance chart, (attached), reflects system wide “on-time performance” as a percentage to the total number of reported time-point crossings.

Cancelled Trips: As listed below, there were a total of nineteen (19) cancelled trips for the month of April, for both directly operated and contracted services.

Total One - Way Trips Deployed April: 28,526			
Reason	MST	MV	% Of All Missed
Mechanical	3	0	15.79%
Traffic / Other	3	0	15.79%
¹ Scheduling Error	5	5	52.63%
Equipment Shortage	1	0	5.26%
Staffing Shortage	1	0	5.26%
Unknown (Not Documented)	1	0	5.26%
Totals	14	5	100.00%

¹ The outbound Line 82 (455p – 500p trip) was missing from HASTUS and subsequently 5 trips were not deployed. The 12:05 AM Jazz B trip (MV Operated) was not included in the headway sheets provided to MV and 5 additional trips were not deployed. Both omissions have since been corrected.

Documented Occurrences: MST Coach Operators are required to complete an occurrence report for any unusual incident that occurs during their work day. The information provided within these reports is used to identify trends, which often drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the month(s) of April 2013 and 2014:

Occurrence Type	April-13	April-14
Collision: MST Involved	5	3
Medical Emergency	1	2
Object Hits Coach	0	1
Passenger Conflict	6	11
Passenger Fall	4	1
Passenger Injury	1	0
Employee Injury	0	0
Other	1	3
Near Miss	0	0
Unreported Damage	2	1
Fuel / fluid Spill	1	3
Total Occurrences	21	25

CONTRACTED SERVICES:

MST RIDES ADA / ST Paratransit Program:

Preliminary boarding statistics for the MST RIDES program reflect that for the month of April there were 10,193 passenger boardings. This denotes a 19.15% increase in passenger boardings from April of 2013, (8,555). For Fiscal 2014 year to date, this represents a 1.18% decrease in passenger boardings from the previous fiscal year.

- For the month of April, 83.54 % of all scheduled trips for the MST RIDES Program arrived on time, decreasing from 85.76 % in April of 2013. (See *MST RIDES ~ On Time Compliance Chart FY 2014.*)
- Productivity for April of this year was at 1.80 passengers per hour, which has decreased slightly from April of 2013, (1.82).

COMMUNICATIONS CENTER:

In April, the Communications Center summoned public safety agencies on *eleven* (11) separate occasions to MST's transit vehicles and facilities:

Agency Type	Incident Type	Number Of Responses
Police	Passenger Incident / Other	7
Emergency Medical Services	Medical Emergency	4

Robert Weber

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ATTACHMENT 3

May 28, 2014

To: Carl G. Sedoryk, General Manager/CEO

From: Michael Hernandez, Assistant General Manager/COO

Subject: Monthly Maintenance Report for April 2014

This monthly report summarizes information about fuel prices and the activities of the Maintenance and Facilities Departments during the past month.

Fuel Prices:

FY14 Budget: Diesel: \$3.60 Gas: \$3.90	April Fuel Average	Fuel Average: FY2014
Diesel:	\$3.33	\$3.36
Gasoline:	\$3.56	\$3.38

Fleet Status:

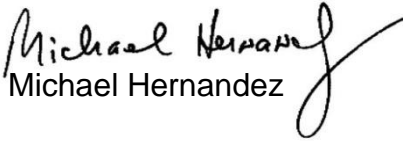
Operating Cost Per Mile:		Road Call Rate Goal: 7,000 Miles	Miles Between Road Calls:
April 2014:	\$1.19	April 2014:	21,217
FY2014 - Year To Date:	\$1.21	FY2014 - Year to Date:	15,007
FY2013:	\$1.17	FY2013 YTD Comparison:	17,393

Department Activities/Comments:

During the month of April there were 13 road calls, twelve were categorized as “major mechanical” and one was related to minor or other non-mechanical issues. The highest road call categories were for “air systems” and engine issues.

During the month of April the CHP conducted its annual terminal inspection on the MST fleet. Fourteen coaches successfully passed a random inspection geared towards safety and mechanic issues.

Facility repairs during the month included a three inch water line at CJW, and repair of the CJW bus washer, which was out of service for approximately a week due to motor repairs. There was another water leak at MST's Bus Stop Shop in downtown Monterey and the roof top HVAC/air dryer unit at TDA was repaired in April.


Michael Hernandez

ATTACHMENT 4

Date: June 9, 2014

To: C. Sedoryk, General Manager/CEO

From: Hunter Harvath, Assistant General Manager – Finance & Administration; Angela Williams, General Accounting & Budget Manager; Mark Eccles, Director of Information Technology; Kelly Halcon, Director of Human Resources/Risk Management; Zoe' Shoats, Marketing Manager; Sonia Bannister, Customer Service Supervisor.

Subject: **Administration Department** Monthly Report – April 2014

The following significant events occurred in Administration work groups for the month of April 2014:

Human Resources

A total employment level for April 2014 is summarized as follows:

Positions	Budget FY14	Actual	Difference
Coach Operators / Trainees	128	130	2
C/O on Long Term Leave *	3	0	-3
Coach Operators Limited Duty	2	1	-1
Operations Staff	26	24	-2
Maintenance & Facilities	43	42	-1
Administration (Interns 2 PT)	26	23	-3
Total	228	220	-8

*Total budget numbers do not include the C/O on Long Term Leave as those numbers are already reflected in the Coach Operators/Trainees number.

<i>April Worker's Compensation Costs</i>	
<i>Indemnity (paid to employees)</i>	\$22,969.46
<i>Other (includes Legal)</i>	\$8,682.60
<i>Medical includes Case Mgmt, UR, Rx & PT</i>	\$13,620.14
<i>TPA Administration Fee</i>	\$5,000.00
<i>Excess Insurance</i>	\$7,341.08
<i>Total Expenses</i>	<i>\$57,613.28</i>
<i>Reserves</i>	<i>\$1,183,179.59</i>
<i>Excess Reserved</i>	<i>(\$118,182.34)</i>
<i># Ending Open Claims</i>	46

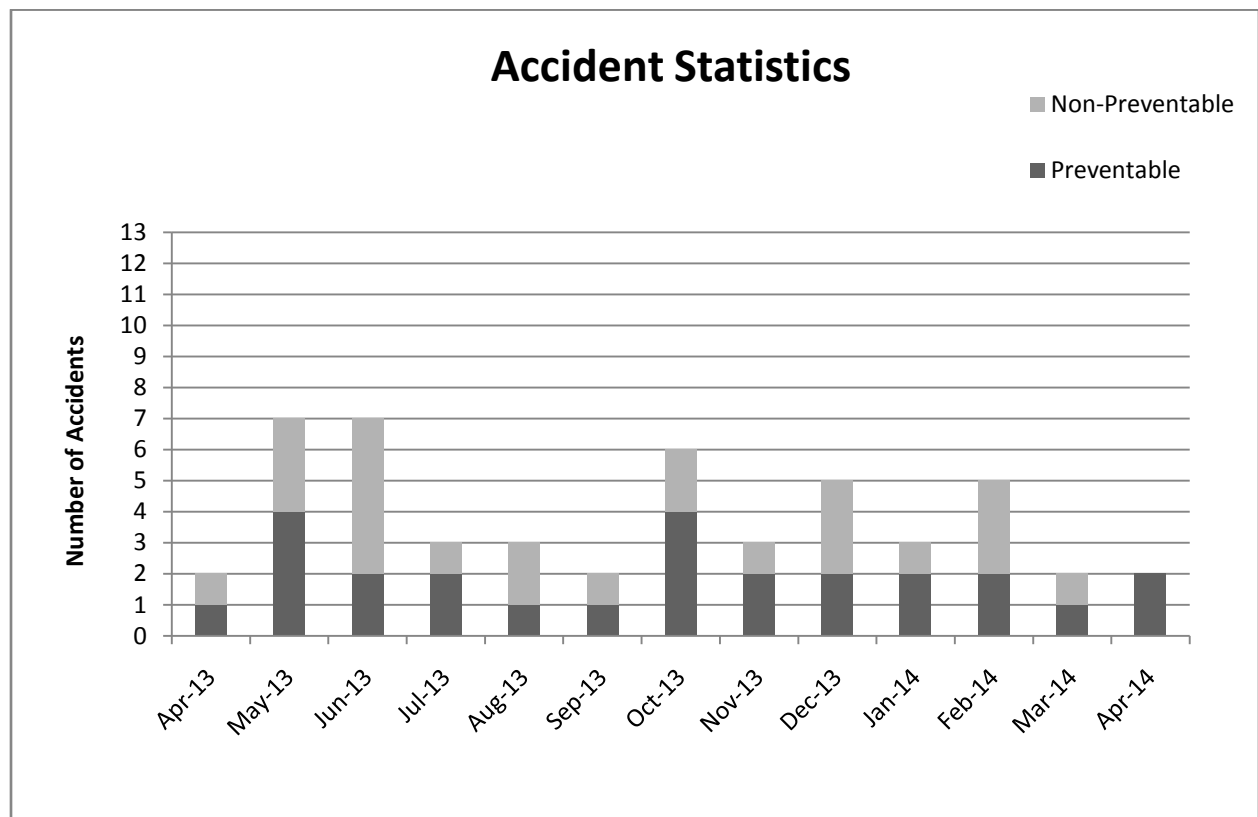
Training

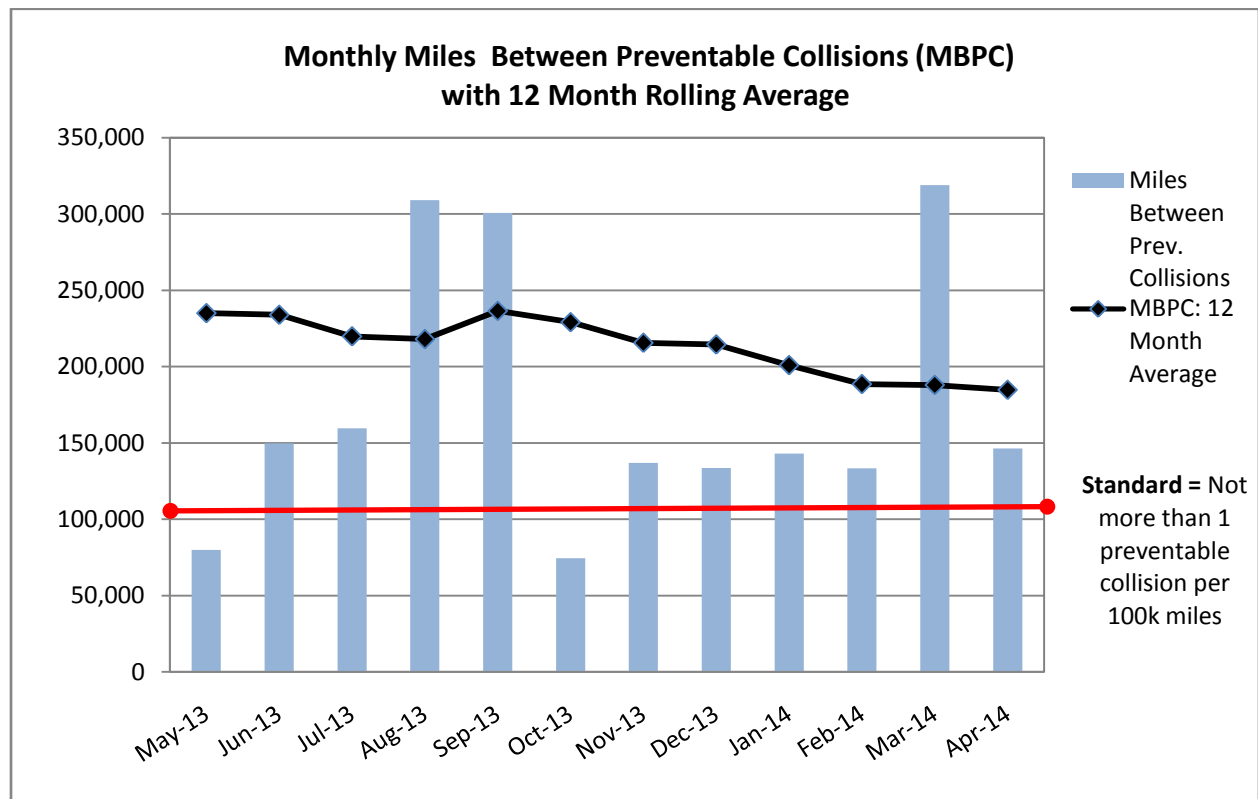
Description	Attendees
Annual VTT Training	8
Line Instructor Training	0

Risk Management Update

Description	April 2014 Preventable		April 2013 Preventable	
	Yes	No	Yes	No
Vehicle hits bus	0	0	0	1
Bus hit stationary object	2	0	1	0
TOTAL	2	0	1	1

During the month of April, there were 2 preventable collisions. A bus front bumper made contact with a retaining wall at a turn-around and a bus struck a pole with the right side mirror causing minor damage.





There were no claim recoveries during this period and no claims paid.

Customer Service Update

Service Report Type	Apr '14	# of valid reports	% of reports received	Apr '13	% of reports received
Employee Compliment	1		4.5%	2	5.4%
Service Compliment	0		0.0%	1	2.7%
Improper Employee Conduct	0			2	5.4%
Improper Driving	1		4.5%	8	21.6%
Request To Add Service	1		4.5%	1	2.7%
No Show	1		4.5%	4	10.8%
Passed By	4		18.2%	2	5.4%
Early Departure	0		0.0%	2	5.4%
Late Arrival	1		4.5%	0	0.0%
Passenger Conduct	2		9.1%	0	0.0%
Fare / Transfer Dispute	2	1	9.1%	0	0.0%

Full bus / Left Behind	1	4.5%	0	0.0%
ADA Compliance	0	0.0%	1	2.7%
Bus Stop Amenities	2	9.1%	0	0.0%
Employee Other	0	0.0%	3	8.1%
Agency Policy	1	4.5%	3	8.1%
Passenger Injury	0	0.0%	1	2.7%
Service Other	5	22.7%	3	8.1%
Unsafe Conditions	0	0.0%	1	2.7%
Inaccurate Public Information	0	0.0%	3	8.1%
Total	22	100.0%	37	100.0%

Finance Update

Payroll

Training continued for the new Payroll Specialist. First quarter tax returns were completed and filed. Routine changes and adjustments to payroll records were maintained along with filing of all federal, state, and retirement reports and payments on a timely basis. Payroll continued to provide hours and earnings reports upon request to MST departments.

Grants

During the month of April, staff submitted a grant application to Caltrans for Rural and Intercity Transit Programs. Staff participated in the Air District's grant workshop and assisted other staff members with compiling information for the FY15 Capital Budget. State and Federal quarterly reports were submitted on time, by the end of April. The Title VI Plan Update was completed.

Purchasing

During the month of April, staff worked to negotiate agreements to reduce OEM (Original Equipment Manufacturer) and MRO (Maintenance, Repair and Operation) supplies spend while balancing inventory for maximum parts coverage. Parts purchased for our aging fleet increased an average of 20% for the months of March and April over February, as more expensive components have begun to fail on high mileage buses.

Accounting

During the month of April, staff focused on compiling FY2015 Budget reports to present to the Finance Committee. Various account analysis reviews continue to be prepared for year-end and the upcoming FY2014 audit. Monthly financial statement reviews and budget-to-actual comparisons and analysis were reviewed and completed.

IT Update

Ezequiel Rebollar was hired as an IT Technician. We welcome him into the MST IT Department.

Staff configured the Trapeze Group TransitMaster system software and hardware. Staff continued to monitor and configure software and hardware for the Trapeze Enterprise Asset Management (EAM) maintenance system. Staff continued to support the users of the Serenic Navision financial system. Staff continued to configure data for the GIRO DDAM timekeeping system. Staff updated software on workstations. Staff monitored the functionality of the Customer Service database.

Staff liaised with the County of Monterey Information Technology department regarding the new radio hardware to be installed in Santa Cruz County to extend Data/Radio coverage up to San Jose. Staff continued working on the configuration of the virtual computer system.

Staff worked with Maintenance Department staff installing AVL equipment into new vehicles. Staff continued to support MST staff as needed, proactively ensuring MST staff was supported fully with their IT needs.

Marketing and Sales Update

Published news stories include: "MST Electric Trolley Project Back on Track" (*Monterey County Weekly*, 4/9/14); "Aquarium opens 'Tentacles'" (*The Californian*, 4/14/14). "MST ridership down on services cuts, jobless rates" (*Monterey Herald*, 4/18/14); "MST's new bus line goes to San Jose" (*Monterey Herald*, 4/21/14); "Hugs and hisses: Steinbeck festival a 'don't miss'" (*Monterey Herald*, 4/22/14).

Press releases sent include: "New MST Bus Service Connecting Salinas Valley and San Jose" (4/21/14); "MST Service Changes April 26, 2014" (4/21/14); "Monterey-Salinas Transit Job Fair Saturday" (4/22/14).

Marketing activities: Continued working on special events, including Artichoke Festival and "Viva la Familia" concert; continued collaborating with staff on the outreach and education efforts for the proposed sales tax; developed marketing budget for FY 2015; continued recruitment efforts for customer service representative/bilingual English/Spanish translator position; coordinated public information dissemination for April 26, 2014 service change; conducted mass mailing of summer youth pass brochure; continued work with Trapeze staff to coordinate PASS-IVR, PASS-Web, and PASS-Email/SMS implementation; worked with MST staff on public information and outreach components of the agency's Title VI Civil Rights process; managed MST website content, Facebook page and Twitter account.

Planning

During the month of April, staff finalized work with consultant Nelson-Nygaard on a project to design a system-wide route and schedule scenario in the event a significant portion of federal funding is blocked, reduced, or removed on a long-term basis. Staff continued working with the city of Monterey, the Transportation Agency for Monterey County (TAMC) and our consultant team on a second phase of the agency's Bus Rapid Transit program along the Del Monte/Highway 1 corridor and finalized MST's submittal of a request to enter project development to the Federal Transit Administration staff in Washington, DC and San Francisco, CA. Staff completed planning efforts for the next

major service change, which took effect April 26th. Of particular note was implementation of the new Line 81 Fort Hunter Liggett-San Jose Express, which provides first-time MST service into the San Jose Airport with a stop at the USO club. Staff also implemented improvements for the routing and scheduling of the Line 24 Carmel Valley Grapevine Express in the downtown Monterey area to better facilitate on-time performance and transfers to other connecting routes.

Staff met with the new director of the Salinas YMCA to discuss transportation needs of its participants, with community representatives in San Lucas to discuss expansion of fixed-route service to rural communities in southern Monterey County, and with representatives of Rabobank to discuss potential financing strategies for the proposed expansion and renovation of MST facilities. In addition, staff met with representatives of California State University – Monterey Bay to discuss potential changes and improvements to bus services in and around campus for the fall semester and participated in CSUMB's Earth Day festivities.

Staff continued working with MST's military partners at the Presidio of Monterey, Naval Postgraduate School and Fort Hunter Liggett on improving transportation services to these facilities. Work continued to focus on Naval Postgraduate School and Fort Hunter Liggett as the next sites for implementation of the automated ticket machines required to accommodate the Department of Defense's new Visa debit card-based federal transit benefit program. With military revenues substantially down due to the new VISA card system and lower participation rates at the Presidio of Monterey, staff also continued to work with military partners to increase program enrollees and revenues and to improve transit services for their employees. In addition, with the expanded federal transit benefit that was reduced by nearly 50% on December 2013, staff continued working with representatives of the Presidio of Monterey to discuss contingency plans for substantial reductions in service or other base-funding mechanisms since Congress did not act to extend the transit benefit.

Staff traveled to Champagne/Urbana, Illinois, to participate in the American Public Transportation Association's 2014 Public Transportation and Universities Conference. In addition, staff continued participation with the Fort Ord Multimodal Corridor planning team and the Salinas Downtown Vibrancy planning process as well in meetings with various local agencies, including the Fort Ord Reuse Authority, City of Monterey Planning Commission, Association of Monterey Bay Area Governments, Monterey County Business Council, Monterey County Workforce Investment Board Monterey County Hospitality Association, and the Monterey Symphony.

Monterey-Salinas Transit
Washington, D.C. Office

May 28, 2014

TO: Carl Sedoryk

FROM: Thomas P. Walters

The following report summarizes actions taken on behalf of Monterey-Salinas Transit in May.

Commuter Tax Benefits

We continued to lobby for legislation to set pre-tax benefits for rail and bus commuters at the same level as pre-tax parking benefits. Providing parity for transit is important for MST's military commuter service routes. Although we continue to advocate for stand-alone tax legislation to continue the authority, the program has traditionally been dealt with by Congress together with other temporary provisions collectively known as "tax-extendors."

Following the mark-up by the Senate Finance Committee of tax extender legislation on April 3, Senate Majority Leader Reid attempted to bring the bill to the floor of the full Senate for an up or down vote. The Senate approved an initial motion to proceed on May 13, but subsequent action has been delayed indefinitely over the amendment process for the bill. We have continued to stay in contact with Senator Schumer's (D-NY) staff on this issue since he is a senior member of the Committee and is a key supporter due to the transit intensive communities he represents. We also provided information to Congressman Farr's staff on the local impact so that they would have the latest information to use in their ongoing support for extending the tax provision.

The prospect for action in the House on tax extendors has been complicated by Ways and Means Committee Chairman Camp's (R-MI) announcement that he would be seeking to examine the tax provisions on an individual basis for potential permanent extension. Fixing the transit commuter benefit permanently would be the best outcome, but in the near term the difference of approach between the House and the Senate will delay the process. Another challenge in the House is that Congressman Grimm (R-NY), who is the lead sponsor of H.R. 2288, the Commuter Parity Act of 2013, has been indicted for mail, wire and tax fraud. We contacted APTA staff to discuss the best way forward to identify a new House sponsor and we continue to coordinate these efforts with them.

We also contacted Congressman McGovern's (D-MA) staff to discuss possible avenues forward since he introduced H.R. 2412, the Commuter Benefits Equity Act of 2011, in the 112th Congress. So far, he does not plan to re-introduce his bill, and the emphasis remains on identifying a Republican member of the House who can champion the provision with the Ways and Means Committee.

Surface Transportation Legislation Reauthorization

The current surface transportation bill, the Moving Ahead for Progress in the 21st Century (MAP-21) Act, expires on September 30. After President Obama released his 350-page legislative proposal for reauthorization on April 29, we followed up with Congressman Farr's staff to provide an analysis of the package and the provisions that would impact MST.

Senate Environment and Public Works Committee Chair Boxer released her draft of legislation to reauthorize MAP-21 on May 12, and the Committee moved quickly to mark up the bill on May 15. The EPW Committee has jurisdiction over highway programs, and her bill would reauthorize those programs for six years at current program levels with an inflation adjustment. We provided the text of the draft as well as analysis of the provisions for MST staff to review. The Senate Banking Committee must still act to add the transit portions, with the Finance Committee given the task of identifying the tax provisions needed to pay for the legislation. We recently met with Senate Banking Committee staff as part of a group of Washington Representatives to support transit programs and to discuss the Committee's plans to draft the transit portions of the bill. House Transportation and Infrastructure Committee Chairman Shuster (R-PA) recently indicated the likelihood that action in the House could be delayed, which would require interim legislation to preserve program funding for the next fiscal year.

FY 2015 Budget

The appropriations process for fiscal year 2015 transportation funding is at the Committee markup stage, with the House Appropriations Committee approving its bill on May 21. The House had previously approved an FY 2015 Budget Resolution on April 10 to provide the broad parameters for the appropriations process. We provided information and analysis on both bills to MST staff for review. The House bill would maintain funding for transit programs, with the Urbanized Area Formula Program receiving \$4.459 billion and the Bus and Bus Facilities Formula Program receiving \$428 million. Several programs that are funded out of the General Fund were cut, however, with the New Starts Account being reduced from \$1.943 billion to \$1.691 billion. The Senate Appropriations Committee has not announced a mark-up date.

Department of Labor Regulations

Because of MST's interest in the impact of Department of Labor regulations on the provision of public transportation, we continued to monitor the issue and maintained contact with other stakeholders. This month, we provided information to interested Congressional offices and the staff of the House Transportation and Infrastructure Committee on the current DOL regulatory requirements in California. We also arranged and participated in a conference call with Congressman Gingrey's (R-GA) staff so that MST could brief them on the issue and discuss the need for a review of the current

legislative and regulatory requirements. Congressman Gingrey has a long-standing interest in the subject because of the way DOL regulations have impacted transit in Georgia.

USDA Rural Development Funding

During the February Washington, DC, advocacy trip by MST staff, we arranged and attended a meeting with USDA's Rural Business-Cooperative Service to explore the possibility of funding for rural transit facilities. This month, we contacted Acting Administrator Rich Davis to follow up that meeting and to discuss the schedule for funding opportunities. A Notice of Funding Availability was recently published for the Rural Economic Development Loan and Grant Program for FY 2014. This NOFA can be used to fund Community Facilities, including transit facilities. An additional NOFA for the Rural Community Development Initiative Grant Program is currently in the Agency clearance process and will be published later this year. These funding opportunities are extremely competitive and USDA encouraged MST staff to meet with the California Rural Development State Office to further explore funding possibilities.

Lobbying Strategies/Opportunities

Congress must begin accelerating its action on legislation through this summer in order to position issues for completion in the fall. In particular, significant progress must be made on surface transportation legislation before the traditional month-long August recess. We have stayed in regular contact with MST staff by phone and e-mail to discuss your lobbying program to improve our strategies and maximize your opportunities. Throughout this year, we have weighed in on behalf of MST on tax, transportation and budget issues through our direct contacts and MST staff have also had extensive meetings with Congress and the Administration. We are recommending additional meetings for MST staff and other advocacy opportunities once the House MAP-21 reauthorization draft proposal is released, and have begun discussing with MST the timing and specific meetings that would be most effective.

TPW:dwg

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To: Board of Directors
From: Carl Sedoryk, General Manager/CEO
Subject: State Legislative Advocacy Update – May 2014

Staff is working with the California Transit Association to support legislation and budget actions that benefit MST customers, employees and the communities we serve. The Association currently recommends a support position on the following bills:

SB 1433 (Hill) Extending Design Build Authority: This bill would eliminate the sunset date on the design-build authority for transit operators thereby maintaining an innovative tool transit operators to consider when designing and constructing transit projects.

AB 1720 (Bloom) Weight Limits on Transit Buses: This bill would extend for one more year existing provisions in law that allow public transit systems to procure buses of the same (or lesser) weight than those they are replacing and is a temporary “placeholder” for a long-term solution to the current bus-axle weight challenges.

AB 2445 (Chau) Community Colleger District Transit Services: This bill would clarify that transportation programs and fees may be limplemented with the approval of students at either a campus or districwide level, as applicable.

AB 2707 (Chau) Bus Length Limitations: This bill would increase the distance which a bicycle rack may extend on 40 foot buses from 36 inches to 40 inches, and the total distance when equipped with a bicycle from 42 inches to 46 inches (to account for handlebars width).

SB 1236 (Monning) Infraction Enforcement: This bill would allow a transit operator to adopt and enforce ordinances that prohibit specific behaviors on its trains and buses, or in its transit facilities. It would also empower contracted security officers and select employees to issue citations for prohibited behaviors that take place in the transit system.

Staff and the Association are also supportive of a proposal being made by State Senate leader Daryl Steinberg that distributes 25% of all Cap and Trade funds directly to transit operators using the existing State Transit Assistance formula beginning in fiscal year 2015/16 and allows those funds to be used for transit operating

and capital purposes as long as the projects result in reductions of greenhouse gas emissions.

Submitted by: Care A. Saboury

AGENDA # 10-4

City of Carmel-by-the-Sea

POST OFFICE BOX CC
CARMEL-BY-THE-SEA, CA 93921
(831) 620-2000

May 12, 2014

Mr. Hunter Havath
Assistant General Manager, Finance and Administration
One Old Ranch Road
Monterey, Ca. 93940

Dear Mr. Harvath,

Attached is Carmel -by-the-Sea's contribution for the costs incurred in setting up the Regional Tax Authority. These costs are contractually obligated to be paid by the taxi companies.

Carmel-by-the-Sea requests reimbursement of these start up charges from the Regional Tax Authority. The City believes, as did a unanimous vote of the MST Finance Committee, that the original debtors rather than the cities should rightfully incur these charges.

Thank you for your assistance on this matter.

Best Regards,



Jason Stilwell
City Administrator
City of Carmel-by-the-Sea

CC: Council Member Victoria Beach - MST Board of Directors
Mayor Burnett and Members of the City Council of Carmel-by-the-Sea

MST

MONTEREY-SALINAS TRANSIT

TRANSIT DISTRICT MEMBERS:

*City of Carmel-by-the-Sea • City of Del Rey Oaks • City of Gonzales • City of Greenfield
City of King • City of Marina • City of Monterey • City of Pacific Grove • City of Salinas
City of Sand City • City of Seaside • City of Soledad • County of Monterey*

May 12, 2014

Edmond Rodriguez, Fire Chief
Salinas Fire Department
65 West Alisal St, Ste 210
Salinas, CA 93901

RE: Tour of MCOA Mobile EOC

Dear Chief Rodriguez;

I would like to thank you for taking the time last week to arrange for MST staff personnel to tour the Monterey County Operational Area Mobile EOC. The technical information provided by you and your staff was especially valuable to us as we continue to explore ways to strengthen MST's continuity of operations capabilities.

Also, please extend my personnel gratitude to Captain Klemek who was extremely knowledgeable, helpful, and patient with us as he conducted the technical tour of the vehicle. It is clear to see that he is a valued resource as well as an excellent ambassador for your agency.

Sincerely Submitted



Robert Weber
Director – Transportation Services
Monterey – Salinas Transit

Cc: MST Board of Directors / Correspondence

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May 29, 2014

Mayor:

CHUCK DELLA SALA

Councilmembers:

LIBBY DOWNEY

ALAN HAPPA

NANCY SELFRIDGE

FRANK SOLLECTO

Col. Paul Fellingner
Garrison Commander
1759 Lewis Rd., #210
Monterey, CA 93944

City Manager:

MICHAEL MCCARTHY

Dear Col. Fellingner,

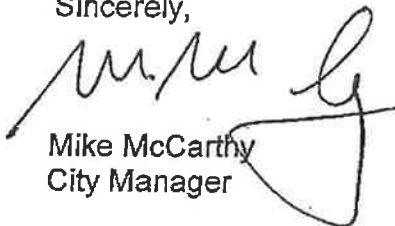
We would like to express our support in maintaining the Monterey Salinas Transit (MST) service to the Presidio of Monterey. The City of Monterey is committed to Transportation Demand Management (TDM) in order to decrease congestion and improve air quality. Transit service is one of the most effective tools of TDM.

The MST service to the Presidio has been very valuable to the community as well as to the service members and POM staff. A diesel bus that carries 7 passengers is still more efficient than a single occupancy vehicle (SOV) trip as far as CO2 emissions. We know that on average, a bus replaces 15 SOV trips where a full bus is equivalent to a queue length of 58 vehicles moving at 25 mph. Transit reduces congestion in the City's and POM's street network reduces parking demand and saves an estimated \$3,500 annually to a commuter living in Fort Ord.

The past service provided by MST helped reduce congestion on several critical arterials in Monterey. We sincerely hope that you can continue to provide funding for this critical service which resulted in a clear mutually benefit for the Presidio and our City.

We encourage you to keep this service and promote its benefits to all potential users in order to increase ridership.

Sincerely,



Mike McCarthy
City Manager

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