

MST BOARD OF DIRECTORS
Monterey Bay Unified Air Pollution Control District
24580 Silver Cloud Ct., Monterey

Minutes
April 14, 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 10:04 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 (10:08 a.m.)
	Kristin Clark	City of Del Rey Oaks
	Alan Cohen	City of Pacific Grove
	Libby Downey	City of Monterey
	Alvin Edwards	City of Seaside
	Terry Hughes	City of King
	Frank O'Connell	City of Marina
	Maria Orozco	City of Gonzales
	David Pendergrass	City of Sand City
	Patricia Stephens	City of Soledad (10:10 a.m.)
Absent:	Randy Hurley	City of Greenfield
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
	Andrea Williams	General Accounting & Budget Manager
	Mike Gallant	Business Development Planner
	Robert Weber	Director of Transportation Services
	Mark Eccles	Director of Information Technology
	Tom Hicks	CTSA Manager
	Zoe Shoats	Marketing Manager
	Dave Laredo	De Lay & Laredo
	Miriam Gutierrez	MST Customer Service Representative
Public:	Jim Fink	MST Rider
	Ren Lascelles	U.S. Army/Presidio of Monterey
	Heidi Quinn	De Lay & Laredo
	Margarita Silva	MST
	Thomas Wittmann	Nelson Nygaard

Steve Boland
Belynda Johnson

Nelson Nygaard
Majic Consulting Group

Apology is made for any misspelling of a name.

2. CONSENT AGENDA

2-1 Review Highlights of agenda.

Mr. Sedoryk provided the highlights of the agenda.

2-2. Adopt Resolution 2014-19 recognizing Fred Simkins, coach operator, as Employee of the Month for April 2014.

2-3. Disposal of property left aboard buses.

2-4. Minutes of the regular meeting of March 3, 2014.

2-5. Financial Report – January and February 2014.

2-6. Approve appointment of MST representatives to FORA Board.

2-7. Approve the purchase of one information technology service truck.

2-8. Approve the purchase of surveillance video and camera equipment.

2-9. Approve RSTP Master Agreement.

2-10. Authorize contract for financial consulting services.

Public Comment – none.

Director Barrera made a motion to approve the Consent Agenda and was seconded by Director Edwards. The motion passed unanimously 10-0.

Director Beach arrived at 10:08 a.m.

3. SPECIAL PRESENTATIONS

3-1. April Employee of the Month – Fred Simkins, coach operator.

Mr. Weber recognized Fred Simkins as the April Employee of the Month for his positive contribution to MST and to the entire community. Mr. Simkins said, “If you ever want someone to remember you, give them something cheap.” He then handed out Easter “Peeps” to MST board members and staff, thanking them for their work and support.

Director Stephens arrived at 10:10 a.m.

3-2. 35 Years of Service – Ann Armbruster, coach operator.

Ms. Armbruster was not present.

3-3. 25 Years of Service – Renaldo Hernandez, coach operator.

Mr. Weber recognized Renaldo Hernandez for his 25 years of exemplary service with MST.

3-4. 2013 On-Board Passenger Survey results.

Zoe Shoats, MST marketing manager, introduced Belynda Johnson from Majic Consulting Group to present the results of the 2013 On-Board Rider Survey.

Director Downey asked if MST was allowed to encourage voter registration among its riders. Zoe confirmed that MST has been working with the Monterey County Elections Office and has placed voter registration cards at the Salinas and Monterey Transit Centers and at the MST offices at 1 Ryan Ranch Rd. Voter registration booths will be placed at the transit centers in the near future. There are restrictions on MST gathering and submitting the registration cards, but they can make them available.

Director Armenta asked if staff could provide a cross-tabulation of survey responses by zip code. Ms. Johnson will provide the information to staff and it will be distributed to board members.

Director Barrera commended MST coach operators and Customer Service Representatives for their help in raising MST's favorable percentages regarding customer service.

Mr. Sedoryk stated that Leadership Salinas Valley, a Salinas Chamber of Commerce program, will be working on a voter engagement project, and has offered MST facilities as a location to engage riders in this effort. Mr. Harvath noted that based on the last survey, MST has made an effort to improve customer service among its Spanish-speaking riders. Current survey results show an improvement in satisfaction rates among this group.

3-5. Nelson Nygaard Sustainable Service Plan.

Mr. Harvath introduced Thomas Wittmann from Nelson Nygaard who provided a summarized version of the PowerPoint presentation that was reviewed earlier by the MST Planning and Operations Committee. He explained that, in an effort to plan ahead for possible necessary service reductions due to uncertain federal and state funding for the coming fiscal year, MST consultants from Nelson Nygaard and Nancy Whelan Consulting had been working for nearly six months to develop an equitable and financially sustainable service plan in the event funding levels for FY 2015 are less than required to maintain current levels of service.

The presentation detailed the preliminary suggested service changes, which would result in a 17 percent total reduction in service, shifting 10 to 20 percent of revenue hours from contracted service to MST, and a 1/6 total reduction in labor

hours/costs. The service reduction plan represents a worst-case scenario, and is compliant with newly enacted federal Title VI civil rights requirements.

Director Edwards asked how this reduction plan differed from the emergency reduction plan developed during last year's PEPRA dispute between the State of California and the federal Department of Labor in response to the ATU International's objection to the disbursement of federal grant funding. Mr. Harvath stated that last year there was not time to fully analyze MST's service demands and develop a targeted approach that reduced service in a manner that maintained maximum equity of service and most efficiently reduced labor costs.

Mr. Sedoryk stated that MST would work in consultation with TBWB, MST's sales tax consultants, to make sure that the possible service reduction did not conflict with the messaging for the proposed sales tax measure. It is the goal of MST staff to be prepared to implement necessary changes with plenty of time for public outreach, adjustments to the plan, and board discussion and approval of the final plan, if necessary.

Public Comment – none.

3-6. Update on MST Proposed Sales Tax Measure.

Mr. Sedoryk stated that, in response to direction from the MST board at the meeting of March 3, 2014, he and other members of MST staff had been meeting with various legislators, civic leaders, nonprofit groups, and other organizations to provide information on MST's transit services to seniors, persons with disabilities, and veterans, and inform them of a possible sales tax measure that may be placed on the November 2014 ballot to maintain these services as a result of federal cuts to funding that support the programs. The PowerPoint presentation and video that has been used at these meetings was presented.

Director Beach asked if additional polling would be conducted to gauge support for a sunset clause for the sales tax. Mr. Sedoryk stated that staff would be requesting a line item budget allocation for another poll that would track the support of items such as sunset clauses, including not having a sunset clause.

Director Beach also asked why the video on MST's paratransit services was included in the presentation. Mr. Sedoryk stated that the presentation was to make people more aware of the services that would be affected. The videos were previously produced and are used as tutorials and public service announcements for individuals and groups who use these services. Portions of the footage may also be used in future advertisements by the proposed sales tax campaign. Director Beach found the personal stories more compelling than the b-roll of coach operators.

Director Armenta asked when the public service announcements would be running and said they were great promotional material for MST. He suggested creating videos for students and veterans as well.

Public Comment – none.

4. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Mr. Fink thanked MST for extending the evening hours for restroom service, but he still is unhappy they are closed after 3:00 p.m. on Saturday and all day on Sunday. He would like MST to address a connectivity problem that occurs when a bus is late and causes everyone else to run late. He also stated that MST was the only transit agency in the Bay Area to reduce service on Martin Luther King, Jr. Day and Presidents Day. He thinks MST should align its holiday schedule with other transit agencies.

5. COMMITTEE REPORTS

- 5-1. Facilities Committee minutes of March 3, 2014.
- 5-2. Mobility Advisory Committee minutes of December 18, 2013.
- 5-3. Mobility Advisory Committee ADA Paratransit Subcommittee (ADAPTR) minutes of December 12, 2013.

Public Comment – none.

6. MAJOR PROCUREMENTS

- 6-1. Award contract for federal legislative services.

Mr. Sedoryk stated that staff is requesting the contract be awarded to Thomas Walters & Associates even though their bid was not the lowest, citing their proven performance, access to legislators in Washington, D.C., and a familiarity with MST's legislative concerns.

Director Edwards asked why it was necessary to secure a contract for five years. Mr. Sedoryk stated that the contract allows MST to cancel at any time with 90 days notice, as specified in the contract. It is also customary for lobbyists to provide better rates for contracts with longer terms, and all respondents based their fee on the 5 year term.

Director Armenta asked that more information as to the amount of time and specificity of activities taken on MST's behalf by MST's lobbyist be provided. Mr. Sedoryk referred the board to monthly agenda reports provided by Thomas Walters & Associates, as well as monthly State Legislative reports and staff trip reports that provide itineraries of all meetings held with legislators.

Director Cohen said he was more interested in the results of the lobbying efforts and asked how much federal money Thomas Walter & Associates has brought in for MST over the last 15 years. Mr. Sedoryk stated that over the last 15 years, approximately \$22 million, or an average of approximately \$1.5 million per year in federal funds could be attributed to their lobbying efforts. Mr. Sedoryk stated that in conjunction with the Finance Committee, MST staff could research the contract

amounts paid to lobbyists by other transit agencies as well as the amount of money secured on their behalf as a comparison.

Director Downey asked that Thomas Walters & Associates provide more specificity in their monthly reports.

Public Comment – none.

Director Barrera stated that the return on investment is the bottom line and made a motion to approve awarding a five-year contract in the amount of \$60,000 per year, with annual escalators of 3 percent for an additional year, to Thomas Walters & Associates for federal legislative services. The motion was seconded by Director Edwards.

Director Edwards withdrew his second, stating that he could not support a contract in that amount and that he had recently opposed a request by City of Seaside staff for lobby services which was less than \$60,000 per year. Director Cohen offered a second to the motion. The motion passed 11-1, with Director Edwards opposed.

Director Armenta stated that after reviewing the reports in the agenda more thoroughly, he believed that he may have been wrong about the lobbyist not providing adequate reports.

6-2. Authorize the purchase of sixteen medium buses and ITS support equipment.

Mr. Sedoryk stated he was pleased to announce that TAMC had authorized \$1.4 million from Surface Transportation Program funds and the Fort Ord Reuse Authority had authorized \$99,000 to purchase the buses.

Director Edwards stated that Assistant General Manager and COO, Michael Hernandez, did an excellent job at TAMC's recent board meeting requesting funds for the bus purchase.

Public Comment – none.

Director Edwards made a motion to approve the purchase of 16 medium buses and Intelligent Transportation Systems support equipment from Creative Bus Sales in the amount of \$1,499,000 and was seconded by Director Downey. The motion passed unanimously.

7. PUBLIC HEARINGS

7-1. Conduct Public Hearing on MST's proposed FY 2014 Program of Section 5307 federally funded projects, authorizing the filing of grant applications with the Federal Transit Administration and Caltrans.

Michelle Overmeyer stated that for FY 2014 MST will receive an apportionment of \$6,818,950 of Section 5307 funds and will use the fund to pay for fuel, staff salaries, and security guards. She opened the public hearing for comment.

Public Comment

Mr. Fink is concerned that the notice of public hearing for MST's Annual Program of Projects is unclear as to what the public is being asked to comment about and what the impact of this program is.

Director Downey requested that in the future, Mr. Fink be provided a hand-held microphone to make his public comments.

Close Public Comment

Director Cohen made a motion to approve the FY 2014 Program of Section 5307 federally funded projects and to authorize the filing of grant applications with the Federal Transit Administration and Caltrans, and was seconded by Director Downey. The motion passed unanimously.

8. UNFINISHED BUSINESS

9. NEW BUSINESS

9-1 Receive and adopt proposed changes to MST Bylaws, Article VI: Officers.

Director Armenta suggested that it was a good idea that the Nominating Committee meet once per year in case an officer did not want to serve the entire two years.

Mr. Laredo stated that the bylaws were clear that officers were elected to a two-year term; however, if at any time an officer requested to resign from office, a meeting of the Nominating Committee could be convened to nominate a replacement.

Public Comment

Mr. Fink expressed confusion with the language of Article VI. Section b. regarding non-consecutive terms.

Close Public Comment

Director Beach made a motion to approve the bylaw changes as recommended, to include the following additional change to Article VI. Section b.:

“The Board shall elect a Chair and Vice-Chair to serve one two-year (2 year) term. Officers may not serve consecutive terms.”

The motion was seconded by Director Clark and passed unanimously.

- 9-2 Consider request from Monterey County Workforce Investment Board to include 19 to 21 year-old participants in the agency's summer youth employment program and to extend the summer youth pass program dates.

Public Comment

Mr. Fink likes the summer youth program, but would like to see the 22 extra days in May included permanently in the regular program for all participants.

Close Public Comment

Director Edwards asked if it would be a problem to make this change for the current year. Mr. Harvath stated there would be an additional cost as passes and brochures have already been printed. Director Edwards suggested the board consider this change for next year.

Director Downey made a motion to approve including 19 to 21 year-old participants in the Monterey County Workforce Investment Board's summer youth program, and extend the program by 22 extra days in May, and was seconded by Director Edwards. The motion passed unanimously.

10. REPORTS & INFORMATION ITEMS

10-1. General Manager/CEO Report – January and February 2014.

Mr. Sedoryk informed the board that a new financial dashboard chart was included in the General Manager/CEO Report and will be included in all future agendas.

10-2. Washington D. C. Lobbyist Report – February and March 2014.

10-3. State Legislative Advocacy Update – February and March 2014.

10-4. TAMC Highlights – January, February, and March 2014.

10-5. Staff Trip Reports.

10-6. Correspondence.

10-7. Staff Announcements.

10-7.1. Coach Operator Performance Excellence Awards

11. COMMENTS BY BOARD MEMBERS

11-1. Reports on meetings attended by Board Members at MST's expense (AB1234).

Director Downey provided a verbal report of the sessions she attended at the APTA Legislative Conference in Washington, D.C., March 8-11. She found the information valuable.

Director Armenta 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 said that he finds it valuable to stay connected with other transit professionals on a regular basis.

11-2. Board Member Comments and Announcements.

Mr. Sedoryk referred the board back to Agenda Item 10-7.1, and announced the recipients of this year's Coach Operator Performance Excellence awards: Timothy Brown; Ruben Cano; Carlos Dominguez; Hector Martinez; and Fred Simkins.

Director Edwards asked if there was an update on the recent accident in the San Jose area involving an MST bus. Mr. Sedoryk stated that there was nothing to report at this time.

11-3. Board Member Referrals for future agendas.

Public Comment – none.

12. ATTACHMENTS

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

13. CLOSED SESSION

The board moved to Closed Session at 12:04 p.m.

13-1. Conference with property negotiators. (Parcel # APN 259-011-067, 259-011-060, 003-171-024, 003-171-027, 002-248-009-010, 013-312-015-000 011-486-004, 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)

13-2. Conference with Labor Negotiators – Monterey-Salinas Transit Employees' Association (MSTEA), and MST (D. Laredo, K. Halcon) (§54957.6)

14. RETURN TO OPEN SESSION

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

No reportable action was taken.

15. ADJOURN

There being no further business, Chair Orozco adjourned the meeting at 12:34 p.m.

Prepared by:



Deanna Smith, Deputy Secretary