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

Minutes
December 9, 2013
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 10:06 a.m. Roll call was taken and Director Stephens led the Pledge of Allegiance.

Present: Fernando Armenta County of Monterey
           Tony Barrera City of Salinas
           Victoria Beach City of Carmel-by-the-Sea (10:11a.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

Absent:  Randy Hurley City of Greenfield

Staff:   Carl Sedoryk General Manager/CEO
         Hunter Harvath Asst. General Manager/Finance & Administration
         Michael Hernandez Asst. General Manager/COO
         Deanna Smith Executive Assistant/Clerk to the Board
         Kelly Halcon Director of Human Resources & Risk Management
         Robert Weber Director of Transportation Services
         Mark Eccles Director of IT
         Tom Hicks CTSA Manager
         Zoe Shoats Marketing Manager
         Sonia Bannister Customer Service Supervisor
         Dave Laredo De Lay & Laredo
         Miriam Gutierrez Customer Service Representative

Public:  Jim Fink MST Rider
         Eric Petersen --
         Lance Atencio MVT
         Georgina Bettencourt MVT
2. SPECIAL PRESENTATIONS

2-1. Resolution of Appreciation – The Honorable Assembly Member Mark Stone.

Carl Sedoryk presented Assemblymember Mark Stone with a Resolution of Appreciation. The Assemblymember thanked MST for the recognition.


Nichole Charles accepted the Resolution of Appreciation on behalf of Senator Bill Monning.

Director Beach arrived at 10:11 a.m.


Lauren Cabrera accepted the Resolution of Appreciation on behalf of Assemblymember Luis Alejo.


Bill Ritz accepted the Resolution of Appreciation on behalf of Senator Anthony Cannella.


Robert Weber recognized Douglas Crow, Communications Systems Specialist, as the December Employee of the Month for his positive contribution to MST and the entire community.


Michael Hernandez recognized Arnold Casey, Coach Operator, for his 25 years of outstanding service upon his retirement.

2-7. 25 Years of Service - Sonia Bannister, Customer Service Supervisor.
Zoe Shoats recognized Sonia Bannister, Customer Service Supervisor, for her 25 years of outstanding service to MST and the entire community.


Carl Sedoryk introduced Don Gilchrest, Senior Representative with Thomas Walters & Associates, who provided an update on the past year’s federal legislative issues related to transportation policy and funding and summarized issues of importance for the coming legislative year.

Mr. Gilchrest discussed three major federal legislative issues impacting MST. The first is the pending 2014 budget. Budget negotiators are hoping to come up with a result from the sequestration process. They are attempting to produce a $1 trillion Omnibus budget package that would provide an additional $34 billion in discretionary spending and avoid another continuing resolution.

There has been talk about tax reform with the main issue for MST being an extension of the transit commuter benefit at the current level of $240 per month. If this is not accomplished, the benefit will drop to $130 per month and dramatically affect MST’s military commuter service. The tax reform effort is tying up all reform efforts into one deal. As it is not realistic to expect tax reform by the end of the year, efforts to free up this commuter benefit for consideration by the January 15 budget deadline remain a priority.

The third issue is the renewal of the surface transportation bill. Map-21 expires in September of 2014. Transportation bills are typically renewed every six years, but Map-21 was only a two-year bill. Transportation is funded through the transportation trust fund with revenues coming primarily from gas and diesel taxes. The trust fund has not been covering costs as the gas tax has not been raised since 1993. Finding the resources to fund transportation needs require an additional ten cent per gallon increase in the gas tax, or a total of $15 billion per year from the General Fund, just to maintain current spending levels. The reality is that this amount does not meet unmet transportation infrastructure needs. Mr. Gilchrest expects the new bill will not be ready by September of 2014, and extensions will continue until a deal is reached.

Public Comment – none.

2-9. State Legislative Update – Hunter Harvath

Carl Sedoryk and Hunter Harvath provided an update on the past year’s state legislative issues related to transportation policy and funding.

MST carried two bills this year and could not have accomplished this without the assistance of Assembly members Mark Stone and Luis Alejo. AB 946 – Bus on Shoulder – (Stone) passed without a single no vote. AB 730 (Alejo) will take effect January 1, 2014, allowing MST to take advantage of low-interest financing for bus purchases and other capital projects.
AB 1222 was also passed to provide a one-year exemption of PEPRA for transit workers while the ATU/PEPRA dispute is decided.

One bill that failed to pass would have required all contracted transit vehicles and employee uniforms to include a disclosure that the vehicles or employees were private workers. The font for this disclosure would have been required to be as large, or possibly larger, than any other existing lettering and would have been an unfunded mandate. While it did not pass this year, it is possible that the bill may be reintroduced in another form in the coming year.

Director Armenta asked if MST is working closely with TAMC and the CTC on state transportation issues. Mr. Harvath confirmed that MST works closely with TAMC and other planning agencies to coordinate legislative priorities. Director Armenta stated that his colleague, Supervisor of Sacramento County Phil Serna who serves on the California State Association of Counties (CSAC), would be a good advocate for MST.

Public Comment – none.

3. CONSENT AGENDA

3-1. Review highlights of Agenda.

Mr. Sedoryk provided the highlights of the agenda.

3-2. Adopt Resolution 2014-09 recognizing the Honorable Assembly Member Mark Stone.

3-3. Adopt Resolution 2014-10 recognizing the Honorable Senator Bill Monning.

3-4. Adopt Resolution 2014-11 recognizing the Honorable Assembly Member Luis Alejo.

3-5. Adopt Resolution 2014-12 recognizing the Honorable Senator Anthony Cannella.


3-8. Disposal of property left aboard buses.


3-11. Authorize pool of Special Legal Services and authorize staff to assign Special Legal Counsel as necessary.
Mr. Fink pulled item # 3-8 and # 3-9 from the Consent Agenda. He wanted to make sure that the backpack and notebook on the Lost and Found list were not his. Chair Orozco advised Mr. Fink to speak to a Customer Service Representative for this information. Mr. Fink stated that in fact he saw no problem with the minutes as presented in item 3-9 and had no further questions.

Director Barrera made a motion to approve the Consent Agenda and was seconded by Director Edwards. The motion carried unanimously.

4. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Mr. Fink requested that the public restrooms remain open in the evenings and on weekends at the Salinas Transit Station. He also requests restroom facilities and the Prunedale Park and Ride.

5. COMMITTEE REPORTS

5-1. Facilities Committee Minutes from November 4, 2013.

Public Comment – none.

6. MAJOR PROCUREMENTS

6-1. Authorize Purchase of Motor Coach Industries Commuter Coaches.

Mr. Hernandez stated the buses would be purchased with $600,000 in Rural Transit & Intercity Bus FTA Section 5311(f) grant funds and $600,000 in California’s Transportation Bond Program Prop 1B funds.

Director Edwards asked how long it takes from the time the coaches are ordered until the coaches are delivered and if this means that MST misses out on new technologies developed during the year. Mr. Hernandez stated that it takes approximately one year for the coaches to be built and delivered and that technology will always lag a bit, but that every effort is made to equip the coaches with the latest available technology.

Public Comment

Mr. Fink asked that the new buses be equipped with restrooms. Mr. Sedoryk stated that staff could provide a cost comparison for coaches equipped with restrooms at the next board meeting. Director Armenta asked that staff also research other transit agencies that provide on-board restroom facilities.

Close Public Comment

Director Edwards made a motion to authorize MST to purchase 2 heavy-duty suburban coaches from Motor Coach Industries in an amount not to exceed $1,200,000 and was seconded by Director Downey. The motion carried unanimously.
6-2. Authorize Purchase of Gillig Coaches.

Mr. Hernandez stated that MST is requesting authorization to purchase up to 15 low floor coaches from Gillig Corporation in an amount up to $7,460,000. The purchase is funded through FTA’s State of Good Repair in the amount of $5,000,000 and $2,460,000 from Prop 1B funds.

Director Cohen asked what happens to MST’s old buses. Mr. Hernandez stated that they are sold for scrap or at auction, and sometimes MST pulls usable parts before selling off the buses. Mr. Sedoryk mentioned that MST is considering equipping one bus for use as an emergency mobile command center.

Public Hearing – none.

Director Clark made a motion to authorize MST to purchase up to 15 low floor coaches from Gillig Corporation in an amount not to exceed $7,460,000 and was seconded by Director Edwards. The motion carried unanimously.

7. PUBLIC HEARINGS

8. UNFINISHED BUSINESS

9. NEW BUSINESS

9-1. Adopt 2014 Legislative Program.

Mr. Harvath presented the proposed 2014 Legislative Program for both federal and state issues.

Director Beach asked if MST has a summary of the benefits of transit to larger economic issues that can be used to support the cause of transit. Mr. Sedoryk stated that there are quantitative arguments for transit, and he is working with our advocate agencies to provide succinct qualitative arguments as well.

Directory Barrera made a motion to adopt the 2014 Legislative Program and was seconded by Director Beach. The motion carried unanimously.

9-2. Receive update on agency cash flow issues and authorize internal operating budget borrowing of up to $6.8 million from MST’s $10,083,500 Proposition 1B capital fund.

MST is preparing for another cash flow issue in 2014. The Federal Transit Administration (FTA) continues to be slow with reimbursements, and TARC has been informed by their auditors that they can no longer provide short term loans to MST. Until this issue is resolved, staff is requesting authorization to initiate internal borrowing from MST’s Prop 1B capital fund. MST auditors have approved this transaction as long as the borrowed funds are repaid to the capital fund with interest.
Director Edwards asked if this could tie up capital funds necessary for the renovation of the MST Thomas D. Albert facility. Mr. Harvath stated that it appears that only approximately $2 million would be necessary at this time and would be repaid long before the funds would be needed for future renovation or new capital purchases.

Public Comment – none.

**Director Edwards made a motion to authorize internal operating budget borrowing of up to $6.8 million from MST’s $10,083,500 Proposition 1B capital fund and was seconded by Director Armenta. The motion carried unanimously.**

10. **REPORTS & INFORMATION ITEMS**


Mr. Sedoryk stated that the results of the MST Likely Voter Survey will be presented to the MST Finance Committee and Board in January.


10-5. RTA Highlights – October 2013.

10-6. Staff trip reports.

10-7. Correspondence.

10-7.1 MV Response to Complaint

10-7.2 Article - Public Transit Systems Partner with Military

10-7.3 Article - BRT combines with Monterey Jazz

Public Comment

Mr. Fink appreciated item # 10-7.3.

Close Public Comment

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.
Director Stephens appreciated MST staff for re-routing the buses during the City of Soledad's annual parade.

Director Armenta stated that at the recent TAMC meeting, several residents of San Ardo and San Lucas expressed concern about bus service from their area to Hartnell College. Their comments will be available when TAMC minutes are complete.

Director Barrera would like more information on the restroom issues at MST transit stations. The City of Salinas and National Steinbeck Center offer public restrooms during regular business hours, but not after hours or on weekends.

Director Beach stated that there are very innovative technologies for public restrooms that could be researched.

11-3. Board Member Referrals for future agendas.

Provide an update on restroom facilities at MST transit stations and new public restroom designs.

Provide an update on transit service in San Ardo and San Lucas to Hartnell College.

Mr. Laredo reminded the Board that the next meeting will be held at 9:00 a.m. on January 27, 2014, and will be immediately followed by the RTA Board at 11:00 a.m.

12. ATTACHMENTS

13. CLOSED SESSION

Chair Orozco moved to Closed Session at 11:25 a.m.

13-1 Conference with Labor Negotiators – Amalgamated Transit Union (ATU), Local 1225, and MST (No enclosure) (D. Laredo, K. Halcon) (§54957.6)


13-3 General Manager Performance Evaluation, Gov. Code (§54957(b)) (No enclosure) (K. Halcon)

14. RETURN TO OPEN SESSION

15-1. Report on Closed Session and possible action.

Chair Orozco returned to Open Session at 11:58 a.m. No reportable action was taken.
15. **ADJOURN**

There being no further business, Chair Orozco adjourned the meeting at 12:00 p.m.

Prepared by: Deanna Smith, Deputy Secretary