

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

Minutes
May 11, 2015

1. CALL TO ORDER

1-1. Roll call.

1-2. Pledge of Allegiance.

Chair Downey called the meeting to order at 10:00 a.m., and roll call was taken. Director Santibañez led the pledge of allegiance.

1-3. Review Highlights of the agenda.

Mr. Sedoryk reviewed the highlights of the agenda. Since the publication of the agenda, the Department of Labor (DOL) has informed MST that it will release \$4.5 million of the federal funds previously threatened by the Amalgamated Transit Union's (ATU) objection to the State of California's Public Employee Pension Reform Act (PEPRA). The DOL found the ATU's claim to be insufficient and has notified MST that funds will be delivered within the week; therefore, the board may choose not to hold the public hearing agenda item at 9-1 to address this issue.

Present:	Fernando Armenta	County of Monterey
	Tony Barrera	City of Salinas
	Victoria Beach	City of Carmel-by-the-Sea
	Robert Bonincontri	City of Gonzales
	Libby Downey	City of Monterey
	Mike LeBarre	City of King
	Frank O'Connell	City of Marina
	David Pacheco	City of Seaside
	David Pendergrass	City of Sand City
	Leah Santibañez	City of Greenfield
	Patricia Stephens	City of Soledad
Absent:	Kristin Clark	City of Del Rey Oaks
	Dan Miller	City of Pacific Grove
Staff:	Carl Sedoryk	General Manager/CEO
	Hunter Harvath	Asst. General Manager/Finance & Administration
	Michael Hernandez	Asst. General Manager/COO
	Kelly Halcon	Director of Human Resources & Risk Management
	Robert Weber	Director of Transportation Services
	Lisa Rheinheimer	Director of Planning and Development
	Andrea Williams	General Accounting & Budget Manager
	Zoé Shoats	Marketing Manager
	Tom Hicks	CTSA Manager

Deanna Smith	Executive Assistant/Clerk to the Board
Dave Laredo	De Lay & Laredo
Isamar Velazquez	MST Customer Service Representative

Public:	Ken Walker	ATU
	Jim Fink	Rider
	Bob Parks	ATU
	Tim Burton	ATU
	Leona Medaris-Peacher	MVT
	Robert Jaques	Rider
	Juan Lopez	Measure Q Oversight Committee Member
	MacGregor Eddy	Salinas <i>Californian</i>

Apology is made for any misspelling of a name.

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Jim Fink announced that he has been riding the MST bus for 18 years. He has been tracking his bus usage and found that he took \$197 in fares on a \$25 7-day bus pass and \$217 in fares on another \$25 7-day bus pass. He believes MST is losing money by not properly charging for bus fares and suggested increasing the cost of bus passes.

Robert Jaques would like to see adjustments made to Line 3 serving Del Monte Center and CHOMP. He stated the new drivers MST has hired and trained are much better than in the past.

3. CLOSED SESSION

Chair Downey recognized Bob Parker, ATU Local 1225 president; Ken Walker, ATU Local 1225 vice-president; and Tim Burton, ATU Local 1225 secretary and treasurer. Before moving to closed session, Chair Downey asked Carl Sedoryk to provide an update on the issues to be discussed.

Mr. Sedoryk stated that in anticipation of losing approximately \$6.8 million in FY 2015 federal funding as a result of ATU's objection to MST's federal grant application, MST staff was forced to plan for drastic emergency service and labor force reductions to take place on May 16, 2015, unless a resolution was reached by May 15. Late last week, the DOL informed MST that they found insufficient grounds to withhold funding and that \$4.5 million of the grant funds would be released within the week. Given this news, MST will not implement the emergency service and workforce reductions; however, since the issue is only temporarily resolved, MST must continue to negotiate a permanent resolution to this matter.

Chair Downey requested public comments before moving to closed session.

Public Comment

Bob Parks stated that the issue has been resolved for now, but ATU is still opposed to the State of California's PEPPRA legislation, and MST may face the same problem in the future. He has a letter from ATU offering advice as to how MST may

resolve the issue permanently. He believes the proposed service and workforce reductions were severe and unnecessary, and stated that administrative positions should have been included in the cuts to workforce.

Close Public Comment

Director Barrera stated that he would like to hear more from Mr. Parks regarding the letter he has from ATU.

MST General Counsel, Dave Laredo, stated that further discussion regarding the service and labor reductions could be provided during agenda item 9-1.

Director Armenta stated that since MST would not be implementing the reductions, there was no reason to hold the public hearing.

Chair Downey asked the board if anyone had any objection to allowing public comment during agenda item 9-1, and no one opposed. Chair Downey moved to closed session.

3-1. Conference with Labor Negotiators, Gov. Code § 54957.6. Amalgamated Transit Union (ATU), Monterey-Salinas Transit Employee Association (MSTEA) and MST. (D. Laredo, K. Halcon)

3-2. Conference with Legal Counsel – Anticipated Litigation, Gov. Code § 54956.9(b). (D. Laredo and C. Sedoryk)

4. RETURN TO OPEN SESSION

4-1. Report on Closed Session and possible action.

Dave Laredo stated that items 3-1 and 3-2 were discussed, but no reportable action was taken.

5. CONSENT AGENDA

5-1. Adopt Resolution 2015-35 recognizing Johnny Gray, Coach Operator, as Employee of the Month for May 2015.

5-2. Minutes of the regular meeting of April 13, 2015.

5-3. Financial Report – March 2015.

5-4. Disposal of Property left aboard buses.

5-5. Authorize the purchase of two solar-powered street signs.

5-6. Claim Rejection – Carter, Lorraine.

5-7. Approve budget increase for electric trolley project.

Director Barrera pulled item 5-2 and asked if staff had been in contact with the members of the public at Glenwood Circle who commented at the April board meeting. Lisa Rheinheimer stated that staff has been in contact and is conducting a survey to determine which additional services can be provided.

Jim Fink pulled items 5-2, 5-4, and 5-5. He stated that he did not hear back from staff on his comment regarding the Line 23 at the April meeting. Staff will speak directly to Mr. Fink to address his concern. He stated that he is missing a coin purse and would like MST staff to check the lost and found items to make sure the coin purse listed is not his. Staff will contact Mr. Fink to confirm the ownership of the coin purse. He asked about the reference to Line 84 in item 5-5, as he is not familiar with it. Staff clarified that Line 84 is scheduled to begin service in late July.

Director LeBarre made a motion to approve the consent agenda and was seconded by Director Pacheco. The motion passed unanimously.

6. SPECIAL PRESENTATIONS

6-1. May Employee of the Month – Johnny Gray.

Mr. Gray was not present.

7. COMMITTEE REPORTS

7-1. Minutes of the Legislative Committee – April 13, 2015.

8. MAJOR PROCUREMENTS

8-1. Award contract to Nelson/Nygaard Consulting Associates, Inc., for Measure Q 15-year plan.

Lisa Rheinheimer reviewed the results of the RFP scoring process and recommended awarding the contract to Nelson/Nygaard Consulting Associates, Inc. They received the highest score and were the low bid. The RFPs were scored without knowledge of price.

Director Armenta asked if MST staff had considered promoting someone from within MST to provide this service. Mr. Sedoryk stated that MST could not provide the amount of staff support or the technical skills to provide the level of service the consultant could offer for the same price.

Public Comment

Robert Jaques stated that he wrote a letter to Sam Farr requesting assistance in maintaining MST's funding. He thanked staff for all of the meetings they provided to the public about possible reductions in service.

Juan Lopez introduced himself as the Salinas representative on the Measure Q Oversight Committee.

Close Public Comment

Director Armenta made a motion to award Nelson/Nygaard Consulting Associates, Inc., the contract for developing the Measure Q 15-year plan and was seconded by Director Barrera. The motion passed unanimously.

9. PUBLIC HEARINGS

9-1. Conduct public hearing on potential Emergency Service and Labor Reductions.

Chair Downey opened public comment for all members of the public who wished to comment on the issue. Since MST will not be reducing service or workforce at this time, the public hearing will not be held.

Public Comment

Bob Parks stated that for the last three weeks, over 70 employees including coach operators, mechanics, and utility workers have worked under the extreme stress of possibly losing their jobs. He believes the reductions were extreme and unnecessary.

Close Public Comment

Director Beach asked how MST determined the amount of service and number of employee reductions necessary to maintain a balanced budget. Mr. Harvath stated that page 39 of the agenda provides a detail of reductions by job description; purchased transportation costs; and fuel, parts, and other administrative costs in order to reduce MST's budget by the equivalent loss of \$6.8 million dollars in funding. The service and workforce reductions were not arbitrarily determined, but represent years of planning and analysis of MST's routes and service levels as well as labor costs.

Director Beach asked if there was a way to keep coach operators and other employees informed of this detailed information. Carl Sedoryk stated that MST staff and ATU representatives meet quarterly to discuss labor issues. Additionally, the DOL places restrictions on the type of communication that can be provided, and to whom that information can be provided, once an objection has been made and funds have been withheld.

Director LeBarre thanked all of those who were issued layoff notices for continuing to come to work each day, acknowledging how stressful the situation was.

Chair Downey allowed Mr. Parks to provide additional public comment upon request.

Bob Parks stated that when MST and ATU met on April 14, it was not a "meet and confer" as required, but a "meet and inform." He believes the pink slips were illegally issued. MST also did not provide the financial data requested by ATU.

Dave Laredo stated that a series of meet and confer meetings were held, and in compliance with all laws and guidelines, notices informing staff of possible layoffs were issued – not the actual layoff action. MST asked ATU to prioritize their requests for financial data and met all requests in a timely manner. If the proposed reductions were approved at today's board meeting, a second request to meet and confer would have been scheduled. He stressed that to meet and confer is not the same as to meet and agree. MST followed all requirements and remained in compliance.

Director Armenta thanked all MST staff and employees, staff from all participating jurisdictions, and legislators for their support. At the end of the day, the MST Board has a responsibility to its constituents, the riders, to maintain the fiscal integrity of the agency. If MST had not moved forward to plan for reductions, it may have gone bankrupt within months. He believes the board made the right decision to allow staff to prepare for the threatened loss of funding.

10. UNFINISHED BUSINESS

11. NEW BUSINESS

- 11-1. Authorize public hearing to approve Monterey Bay Operations and Maintenance Facility project and agendaize final CEQA Initial Study/Mitigated Negative Declaration.

Lisa Rheinheimer provided an update on the facility renovation project at One Ryan Ranch Rd., and summarized the remaining project timeline.

Public Comment

Mr. Fink asked for clarification of the project and stated that the Whispering Oaks project never should have been opposed.

Close Public Comment

Director LeBarre made a motion to authorize a public hearing to approve the Monterey Bay Operations and Maintenance Facility project and to agendaize the final CEQA Initial Study/Mitigated Negative Declaration. The motion was seconded by Director O'Connell and passed unanimously.

12. REPORTS & INFORMATION ITEMS

- 12-1. General Manager/CEO Report – March 2015.

Chair Downey requested information on why RIDES on time compliance and miles between preventable collisions are both down. Director LeBarre requested information on why MST's fixed route ridership goal is set at a minimum level while RIDES is set at a maximum level. Mr. Sedoryk explained that MST is in direct communication with MV to address on time compliance and preventable collision statistics. He explained that RIDES services are far more costly to operate than fixed-route; therefore, disabled individuals who might be able to ride fixed route buses are

first trained to do so in an effort to ensure that RIDES services are provided only for those who are truly unable to utilize fixed-route buses and, under the ADA, require ADA-paratransit service. The strategy is to grow fixed-route ridership as much as possible, and to limit RIDES ridership to those clients who qualify under the ADA for this very expensive paratransit service, which is an unfunded mandate by the federal government.

12-2. Washington D. C. Lobbyist Report – April 2015.

12-3. State Legislative Advocacy Update – April 2015.

12-4. TAMC Highlights – April 2015.

12-5. Staff Trip Reports.

12-6. Correspondence.

12-7. Staff Announcements.

13. COMMENTS BY BOARD MEMBERS

13-1. Reports on meetings attended by board members at MST expense (AB1234).

Chair Downey provided a summary of her attendance at the APTA Legislative Conference in March. The focus of her sessions was on legislative dysfunction in Congress.

13-2. Board member Comments and Announcements.

Director Armenta thanked MST staff for their support for the Veteran's Cemetery groundbreaking event and the recent veterans event at the Presidio. He will be requesting \$70,000 in support for next year's veterans "Stand Down" event from the County of Monterey as the Board of Supervisors approves their FY 2016 budget.

Director Barrera thanked all MST employees, stating that the Board of Directors job is to work on behalf of all employees.


13-3. Board member Referrals for future agendas.

14. ATTACHMENTS

14-1. Detailed monthly Performance Statistics and Disbursement Journal, March 2015. *(This item is located online within the GM Report at: <http://www.mst.org/about-mst/board-of-directors/board-meetings/>)*

15. ADJOURN

There being no further business, Chair Downey adjourned the meeting at 11:51 a.m.

Prepared by 
Deanna Smith, Deputy Secretary