Board of Directors Regular Meeting

Monday, April 9, 2007

MST Conference Room
One Ryan Ranch Road, Monterey

10:00 a.m.

TRANSPORTATION: Ride the Peninsula DART to MST Office

1. CALL TO ORDER

1-1. Roll call.

1-2. Pledge of Allegiance.

2. CONSENT AGENDA

2-1. Review highlights of Agenda. (Carl Sedoryk)

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

2-2. Adopt Resolution 2007-17 recognizing Rafael Rosado, Coach Operator, as Employee of the Month for April 2007. (Robert Weber) (p. 1)

2-3. Disposal of property left aboard buses. (Danny Avina) (p. 3)

2-4. Minutes of the regular meeting of March 19, 2007. (Sonia Bannister) (p. 5)


2-6. Refer draft FY 2008 budget to Finance Committee. (Dave Sobotka) (p. 39)

2-7. Approve pollution legal liability insurance: Self-Insured retention agreement. (Hunter Harvath) (p. 71)

2-8. Approve contract amendment for Monterey Bay Bus Rapid Transit study contract with Wilbur Smith Associates. (Mary Archer) (p. 87)

2-9. 2006 Stakeholder survey. (Brigga Mosca) (p. 89)

2-11. Approve Resolution 2007-19 supporting the maintenance of public transit funding in the 2007-2008 California State budget. (Hunter Harvath) (p. 95)

End of Consent Agenda

3. SPECIAL PRESENTATIONS

3-1. April Employee of the Month – Rafael Rosado. (Robert Weber)


3-3. David D. Duckworth – 20 years of service. (Robert Weber)

3-4. Herbert T. Greer – 20 years of service. (Robert Weber)

4. 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.

5. COMMITTEE REPORTS

No action required unless specifically noted.

5-1. Finance Committee Minutes – March 19, 2006. (Dave Sobotka) (p. 97)


5-3. MST Board Strategic Planning Workshop minutes – (Carl Sedoryk) (p. 101)

6. BIDS/PROPOSALS

6-1. Award $377,025 to Creative Bus Sales for purchase of five AeroTech mini-buses. (Michael Hernandez) (p. 111)
7. PUBLIC HEARINGS

7-1. Conduct public hearing for FY 2007 Program of Projects; Adopt the amended FY 2007 Program of Projects; and Authorize the filing of an amended grant application with the Federal Transit Administration. (Hunter Harvath) (p. 113)

8. UNFINISHED BUSINESS

9. NEW BUSINESS

9-1. Approve MST Strategic Plan. (Carl Sedoryk) (p. 117)

10. REPORTS & INFORMATION ITEMS

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

10-1. General Manager/CEO Report. (p. 121)
10-2. TAMC Highlights – March 28, 2007. (p. 149)
10-5. Staff trip reports. (p. 155)

11. COMMENTS BY BOARD MEMBERS

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

12. ANNOUNCEMENTS

13. 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.

13-1. Performance of General Manager/CEO. (Lyn Owens) (p. 159)

14. RETURN TO OPEN SESSION

14-1. Report on Closed Session and possible action.
15. **ADJOURN**

**NEXT MEETING DATE:** May 14, 2007 in MST Conference Room.

**NEXT AGENDA DEADLINE:** May 2, 2007

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 5 days before the meeting. Requests should be sent to Sonia Bannister, MST, One Ryan Ranch Road, Monterey, CA 93940 or sbannister@mst.org
RAFAEL ROSADO
APRIL 2007
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, Rafael Rosado began his career with Monterey-Salinas Transit in October 1977 as a Coach Operator; and

WHEREAS, Rafael Rosado is highly respected and admired by his peers and throughout the transit community. He is recognized for having a positive effect on MST and its employees. His dedication to his job and his interest in MST customers is a statement of his professionalism; and

WHEREAS, Rafael Rosado has demonstrated exceptional skills in safety, customer service and leadership. Rafael has received numerous awards and nearly approaching 24 years of safe driving; and

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes Rafael Rosado as Employee of the Month for April 2007; and

BE IT FURTHER RESOLVED that Rafael Rosado is to be congratulated for his excellent work at Monterey-Salinas Transit.

THE BOARD OF DIRECTORS OF MONTEREY–SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2007-17 this 9th day of April 2007 by the following vote:

AYES: Armenta, Clark, Cunningham, Downey, Mancini, Russell, Stilwell, Wilmot

NOES: None

ABSENT: None

__________________________  __________________________
Fernando Armenta          Carl Sedoryk
Chairman                  Secretary
To: Board of Directors

From: Danny Avina, Customer Service Supervisor

Subject: Disposal of unclaimed property left on bus

St. Vincent De Paul (P.G.)

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 cell phones</td>
<td>1</td>
</tr>
<tr>
<td>3 binders</td>
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</tr>
<tr>
<td>1 candle</td>
<td>1</td>
</tr>
<tr>
<td>1 pair of shoes</td>
<td>1</td>
</tr>
<tr>
<td>1 camera w/case</td>
<td>1</td>
</tr>
<tr>
<td>3 hats</td>
<td>3</td>
</tr>
<tr>
<td>3 jackets</td>
<td>3</td>
</tr>
<tr>
<td>1 pair of pants</td>
<td>1</td>
</tr>
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<td>1 shirt</td>
<td>1</td>
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<tr>
<td>2 toys</td>
<td>2</td>
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<td>1</td>
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<td>1 spatula</td>
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<tr>
<td>1 key sets</td>
<td>5</td>
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<tr>
<td>1 gift card</td>
<td>1</td>
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<tr>
<td>5 jackets</td>
<td>5</td>
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<tr>
<td>1 candle</td>
<td>1</td>
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<tr>
<td>1 bag of food</td>
<td>1</td>
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<tr>
<td>2 sweaters</td>
<td>2</td>
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<tr>
<td>1 deck of cards</td>
<td>1</td>
</tr>
<tr>
<td>1 purse</td>
<td>1</td>
</tr>
<tr>
<td>1 scarf</td>
<td>1</td>
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</table>

To be disposed

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 picture ID</td>
<td>1</td>
</tr>
<tr>
<td>3 hats</td>
<td>3</td>
</tr>
<tr>
<td>1 bag of food</td>
<td>1</td>
</tr>
<tr>
<td>3 jackets</td>
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</tr>
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<td>1 backpack</td>
<td>1</td>
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<td>1 pair of pants</td>
<td>1</td>
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<tr>
<td>1 shirt</td>
<td>1</td>
</tr>
<tr>
<td>2 shirts</td>
<td>2</td>
</tr>
<tr>
<td>2 watches</td>
<td>2</td>
</tr>
<tr>
<td>1 mug</td>
<td>1</td>
</tr>
<tr>
<td>1 tin box</td>
<td>1</td>
</tr>
</tbody>
</table>

To be retained

$ 7.17 awarded 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.
1. CALL TO ORDER

Chairman Armenta called the meeting to order at 10:00 a.m. in the Monterey-Salinas Transit Conference Room.

Present: Michael Cunningham City of Carmel-By-The-Sea
         Kristin Clark City of Del Rey Oaks
         Libby Downey City of Monterey
         Vicki Stilwell City of Pacific Grove
         Robert Russell City of Salinas
         Thomas Mancini City of Seaside
         Fernando Armenta County of Monterey
         Lisa Senkir City of Gonzales (Ex-Officio)

Absent: Gary Wilmot City of Marina

Staff:   Carl Sedoryk General Manager/CEO
         Lyn Owens Director of Human Resources
         Hunter Harvath Director of Administration
         Michael Hernandez Chief Operating Officer
         Sonia Bannister Office Administrator
         Mary Archer Planner
         William Morris Contract Transportation Manager
         Dave Sobotka Controller
         Tonja Posey Human Resource Supervisor
         Carl Wulf Facilities/Capital Projects Manager
         Drew Salzborn Marketing/Planning Intern

Others: Dave Laredo DeLay & Laredo
        Paul Lopez Facilities Technician
        Jim Fink Salinas resident
        Herbert Higginbotham Connetics
        Lance Atencio MV Transportation

Apology is made for any misspelling of a name.
2-2. – 2-10. CONSENT AGENDA

The consent agenda items consisted of the following:


2-3. Disposal of property left aboard buses.


2-8. Schedule public hearings for federally funded Program of Projects.

2-9. Rejection of claim

2-10. Disposal of accountable property.

Director Mancini moved to approve the items on the consent agenda. Director Downey seconded and the motion carried with Director Russell abstaining on the minutes.

3. SPECIAL PRESENTATIONS

Michael Hernandez, Chief Operating Officer, introduced Paul Lopez, Facilities Technician, as MST Employee of the Month for March 2007. Paul has provided excellent support during a major service change within the Monterey Peninsula area, consisting of 322 different sign changes. With his vast knowledge of the routes, he was able to complete the task in a timely manner. Paul’s increasing technical skills and willingness to accept additional responsibilities are instrumental to the operational success of all support equipment.

4. PUBLIC COMMENTS

Jim Fink, Salinas resident, asked about the status of service to San Luis Obispo County. He is excited that the construction on the new transit center in Marina is starting. He said MST should lease buildings not currently being used for MST business to generate additional revenue. He complimented staff on the beautiful design of the 2007 passes. There needs to be additional training for VTA operators with regards to MST passes. He also supports having BRT on the Peninsula and he likes the new route design.
5-1. MST RIDES ADVISORY COMMITTEE MINUTES

The Board accepted and filed the MST RIDES Advisory Committee Minutes – January 17, 2007.

5-2. MST LOCAL TRANSPORTATION AD-HOC COMMITTEE MINUTES

The Board accepted and filed the MST Local Transportation Ad-Hoc Committee Minutes – February 20, 2007.

5-3. MST LEGISLATIVE COMMITTEE MINUTES

The Board accepted and filed the MST Legislative Committee Minutes – February 28, 2007.

6-1. ULTRA LOW SULFUR DIESEL FUEL AND UNLEADED GASOLINE CONTRACT

Director Mancini moved to: 1) Award a two-year contract to Falcon Fuels, Incorporated, to furnish Ultra Low Sulfur Diesel Fuel (ULSDF) and Unleaded Gasoline; and 2) Authorize staff to extend the contract for up to three one-year extensions under the same terms, conditions and prices provided the supplier has provided satisfactory service. Director Clark seconded and the motion carried unanimously.

6-2. HYBRID VEHICLES CONTRACT

None.

Director Downey moved to: 1) Award a $50,854.95 contract to Sam Linder Honda for the purchase of two hybrid sedans; and 2) Award a $55,679.92 contract to Serramonte Ford for the purchase of two hybrid Sport Utility Vehicles. Director Stilwell seconded and the motion carried unanimously.

7. PUBLIC HEARINGS

None.

8. UNFINISHED BUSINESS

None.
9-1. CONTINGENCY BUDGET FOR MARINA TRANSIT EXCHANGE

Mr. Sedoryk reported that electronic fare-payment systems are becoming more widely used throughout the public transit industry. These types of systems use cards that allow customers to store value to be used on buses as needed and have proven to be very popular for both customers and transit agencies alike. The credit card-sized TransLink card stores value in the form of electronic cash (e-cash) and transit passes. To pay a fare, a rider simply “tags” the card by touching it to one of the card readers installed on buses or at the entrance to transit stations or terminals and — in an instant — the card reader automatically deducts the correct fare and applies any appropriate discounts, including transfers. TransLink provides several convenient options for getting a card and loading value onto it. Customers can order TransLink cards — and add value to them — online, by phone or by mail, or pick up a card at participating retail locations and transit agency ticket offices. Customers also can add value at self-serve Add Value Machines located in transit stations, or through an employee transit benefit program (such as Commuter Check®). The demonstration to provide smart technology on eight coaches that are used on long distance routes would cost $200,000. The smart cards would provide interoperability with other regional systems like Santa Clara VTA, and Caltrain. Director Cunningham supports the project; however, he would like to see additional analysis that shows the initial $1.2 million investment will be recouped in the form of service efficiency and customer satisfaction. Santa Cruz Metro is looking to submit a regional project to Congressman Farr that would benefit both MST and Santa Cruz Metro. However, staff does not want this project to compete with money for buses. In fiscal years 2002 and 2003, MST received $1,244,446 in federal ITS grant funds. Of this amount, $676,035 remains uncommitted towards specific ITS projects. A portion of this money can be used to fund the smart card demonstration project. The Board suggested having staff evaluate and analyze other fare system alternatives currently being used in other transit systems and report back to the Board with a recommendation prior to proceeding with the demonstration project.

Jim Fink, Salinas resident, wants MST to explore BART+ tickets. Monterey Live (bus pass vendor) was closed when they were supposed to be open. He wants staff to revisit having a 1-day grace period at the beginning of the month on the previous month’s pass.

Director Downey moved to: 1) Authorize a contingency budget in the amount of $263,600 for the Marina Transit Exchange construction project; and 2) Authorize staff spending authority for the appropriate City/utility fees, permits and speciation inspections related to the project. Director Cunningham seconded and the motion carried unanimously.

9-2. MST TRANSIT FARE STRUCTURE ANALYSIS

None.
10-1. – 10-9. REPORTS & INFORMATION ITEMS

The reports consisted of the General Manager/CEO Report; TAMC Highlights – February 28, 2007; Washington D. C. Lobbyist Report – March 6, 2007; Sacramento Lobbyist report – March 1, 2007; Letter from Federal Transit Administration regarding participation on FTA’s Charter Bus Negotiated Rulemaking Advisory Committee; Frank J. Lichtanski scholarship recipients; Quarterly Performance Results report – 2nd Quarter FY 2007; Letter opposing public transportation funding cuts in the Governor’s proposed 2007-08 budget; and staff trip reports.

Mr. Sedoryk reported that ridership continues to grow. In January, Directors Armenta, Clark, and Sanchez accompanied Mr. Sedoryk and Mr. Harvath to Sacramento to meet with Assemblymembers Caballero and Maldonado, and Senators Laird and Denham.

11. COMMENTS BY BOARD MEMBERS

None.

12. ANNOUNCEMENTS

None.

13. ADJOURNMENT

There being no further business, Chairman Armenta adjourned the meeting at 11:57 a.m.

PREPARED BY: Sonia AR Bannister
To: Board of Directors

From: D. Sobotka, Controller


RECOMMENDATION:

1. Accept report of March cash flow presented in Attachment #1
2. Approve March disbursements listed in Attachment #2
3. Accept report of March treasury transactions listed in Attachment #3

FISCAL IMPACT:

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance March 1, 2007</td>
<td>$ 2,692,164.08</td>
</tr>
<tr>
<td>Revenues</td>
<td>449,504.46</td>
</tr>
<tr>
<td>Disbursements</td>
<td>&lt; 3,419,486.43&gt;</td>
</tr>
<tr>
<td>Ending balance March 23, 2007 (Note)</td>
<td>$ &lt; 277,817.89&gt;</td>
</tr>
</tbody>
</table>

(Note) LTF and STAF funds of $1,181,271 were received on March 30, 2007 to cover this deficit amount for checks included in this report released on March 30.

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.
<table>
<thead>
<tr>
<th>Date</th>
<th>Account</th>
<th>Confirm #</th>
<th>Deposit</th>
<th>Withdrawal</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Balance Forward at 3/1/07</td>
</tr>
<tr>
<td>Mar 3</td>
<td>LAIF</td>
<td>1112107</td>
<td>340,000</td>
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<td>2,233,870</td>
</tr>
<tr>
<td>Mar 6</td>
<td>LAIF</td>
<td>1112481</td>
<td>90,000</td>
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<td>2,143,870</td>
</tr>
<tr>
<td>Mar 12</td>
<td>LAIF</td>
<td>1112895</td>
<td>594,000</td>
<td></td>
<td>1,549,870</td>
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<tr>
<td>Mar 15</td>
<td>LAIF</td>
<td>1113453</td>
<td>200,000</td>
<td></td>
<td>1,349,870</td>
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<tr>
<td>Mar 16</td>
<td>LAIF</td>
<td>1113591</td>
<td>957,000</td>
<td></td>
<td>392,870</td>
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<tr>
<td>Mar 17</td>
<td>LAIF</td>
<td>1114421</td>
<td>100,000</td>
<td></td>
<td>$ 292,870</td>
</tr>
</tbody>
</table>

Local Agency Investment Fund:
(Earned 5.181% for February 2007) $ 292,870

Treasury Balance at 3/23/07: $ 292,870
To: Board of Directors

From: D. Sobotka, Controller

Subject: Draft Budget for FY 2008

RECOMMENDATION:

Refer the Draft Budget to the Finance Committee for review and recommendation.

FISCAL IMPACT:

The FY 2008 budget is $28,723,025, which is a 5.4 percent decrease from FY 2007. Two service centers comprise the budget, Fixed Route BUS and MST Rides.

<table>
<thead>
<tr>
<th></th>
<th>FY 2007</th>
<th>FY 2008</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Route BUS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td>$22,122,688</td>
<td>$23,599,162</td>
<td>6.7%</td>
</tr>
<tr>
<td>Capital</td>
<td>6,277,659</td>
<td>3,114,364</td>
<td>(50.4%)</td>
</tr>
<tr>
<td>Total</td>
<td>$28,400,347</td>
<td>$26,713,526</td>
<td>(5.9%)</td>
</tr>
<tr>
<td><strong>MST RIDES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td>$1,952,226</td>
<td>$1,839,549</td>
<td>(5.8%)</td>
</tr>
<tr>
<td>Capital</td>
<td>-0-</td>
<td>169,950</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total</td>
<td>$1,952,226</td>
<td>$2,009,499</td>
<td>2.9%</td>
</tr>
<tr>
<td>Total</td>
<td>$30,352,573</td>
<td>$28,723,025</td>
<td>(5.4%)</td>
</tr>
</tbody>
</table>

The entire draft budget, including each of these sub-budgets, is balanced. That is, revenues equal expenses. Staff, with input from the Finance Committee, will identify any necessary adjustments and/or program changes in order to submit a final balanced budget to your Board in May.
POLICY IMPLICATIONS:

This budget implements your Board’s intentions as indicated below:

**Fixed Route BUS.** Maintaining current levels of service including service to South Monterey County.

**MST RIDES.** This budget allows MST to comply with ADA-mandated paratransit service levels.

DISCUSSION:

The first section of the attached budget summarizes Operating and Capital budgets for each service center, Fixed Route BUS and MST RIDES. Following that are detailed sections for each service center.

This draft budget is balanced. Total revenues have been adjusted to identify the unfunded shortfall. Current payments for pay-down of Bus Replacement Financing will be drawn from the STAF budget.

Annually the draft budget is forwarded to the Finance Committee for review. The Finance Committee reviews this budget in detail and make appropriate recommendations to your Board. The final budget will be submitted for Board approval at the May meeting.

PREPARED BY

Dave Sobotka

REVIEWED BY

Carl G. Sedoryk
To: Board of Directors

From: Hunter Harvath, Director of Administration

Subject: Pollution Legal Liability Insurance: Self-Insured Retention Agreement

RECOMMENDATION:

Approve the Pollution Legal Liability Insurance: Self-Insured Retention (SIR) Agreement for MST’s properties on the former Fort Ord.

FISCAL IMPACT:

MST may be required to pay fees greater than $25,000 should claims be filed to do with the reuse of the Former Fort Ord.

POLICY IMPLICATIONS:

Your Board approves expenditures greater than $25,000.

DISCUSSION:

Changes to the SIR since its approval at the October 2006 MST Board meeting are reflected on page 2 of Attachment 1. For the past 27 months, FORA, its land use jurisdictions, and other property owners such as MST have been covered by Pollution Legal Liability Insurance for damages and injuries related to unexploded ordnances as well as other hazardous materials remaining on the former Fort Ord. To date, no claims have been filed. As the property of the former Fort Ord continues to be redeveloped, FORA legal counsel has advised the Named Insureds that there may be circumstances in which the SIR of the Pollution Legal Liability insurance policy must be allocated among the Named Insureds. Such a circumstance would affect multiple Named Insureds, requiring cooperation in paying for the $1 million [for Munitions and Explosives of Concern (“MEC”) claims] or $500,000 (for non-MEC claims) SIR before accessing insurance benefits.

Attachment: Revised Pollution Legal Liability Insurance: Self-Insured Retention Agreement.
To: Board of Directors

From: Mary Archer, Planner

Subject: Contract amendment for Monterey Bay Bus Rapid Transit (BRT) Study contract with Wilbur Smith Associates (WSA)

RECOMMENDATION:

Authorize staff to amend contract with Wilbur Smith Associates to reflect $58,000 in pass-through funds for additional work being done for Santa Cruz Metropolitan Transit District (METRO) and the University of California, Santa Cruz (UCSC) for the Monterey Bay BRT Study.

FISCAL IMPACT:

None. Additional funding for a project in Santa Cruz will require MST to bill METRO because MST is the lead agency.

POLICY IMPLICATIONS:

Your Board approves contract changes over $25,000.

DISCUSSION:

In the spring of 2006, MST and METRO applied for and were awarded $80,000 from the Monterey Bay Unified Area Pollution District (MBUAPCD) to study a variety of Bus Rapid Transit corridors in Monterey and Santa Cruz counties. In September of 2006 MST Board awarded a contract to Wilbur Smith Associates (WSA) to conduct the studies. Later that same month MST received an additional $40,000 of APCD funding to study an additional corridor in Monterey County. In February of 2007 METRO received an additional $58,000 from the University of California in Santa Cruz (UCSC) to study an additional corridor in Santa Cruz County. MST is acting as lead agency on this contract and is required to amend the Monterey Bay BRT Study contract with WSA for additional work to be performed by WSA in Santa Cruz County for an amount not to exceed $58,000.

Attachment: METRO letter regarding additional $58,000 contract amount.
To:       Board of Directors  
From:    Brigga Mosca, Marketing & Sales Manager  
Subject: 2006 Stakeholder Survey

RECOMMENDATION:

Receive report on the 2006 Stakeholder Survey.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

MST periodically surveys stakeholders in its service area to gauge knowledge of and opinions regarding this agency.

DISCUSSION:

In December of 2006, approximately 400 surveys were distributed to community stakeholders such as elected officials, governmental agencies, social service organizations, private citizens, and representatives from private industries, including hospitality, agriculture and construction. A total of 14 surveys were returned and yielded the following highlights:

- Familiarity with MST's services: Nearly all of the respondents were most familiar with regular fixed route service with MST Trolley next, Lines 23 Salinas-King City and Line 55 Monterey-San Jose Express being equal in third place. DART was in fourth place.

- A welcome change to this survey was that, unlike in previous years, the majority of respondents accurately believed MST’s annual ridership to be over 4 million

- When rating attributes of MST from “excellent” to “very poor”, the highest ranked item, by nearly 2/3 of respondents was Value of Service as excellent. The same number reported Staff Professionalism as excellent.
- When ranking priorities, nearly 2/3 were interested in “adding frequency to existing routes” with ½ requesting “new routes”.

- When asked how to meet local transportation needs, the following alternatives were rated on a scale of 1-5 (with one as low priority and 5 as high priority) as follows:

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buses</td>
<td>4.4</td>
</tr>
<tr>
<td>Bus Rapid Transit</td>
<td>4.3</td>
</tr>
<tr>
<td>Improved Roads</td>
<td>4.3</td>
</tr>
<tr>
<td>More Vanpools/Carpool Incentives</td>
<td>3.9</td>
</tr>
<tr>
<td>Rail</td>
<td>3.5</td>
</tr>
<tr>
<td>More Dedicated Bike Lanes</td>
<td>2.8</td>
</tr>
<tr>
<td>Improved Roads</td>
<td>2.8</td>
</tr>
</tbody>
</table>

PREPARED BY: _______________________  REVIEWED BY: ______________________
Brigga Mosca                             Carl Sedoryk

Attachment: 2006 Community Stakeholder Survey
To: Board of Directors

From: Brigga Mosca, Marketing & Sales Manager

Subject: Annual Stakeholder Survey

Following are highlights from MST’s Community Stakeholder Survey.

- Familiarity with MST’s services: Nearly all of the respondents were most familiar with regular fixed route service with MST Trolley next, Lines 23 Salinas-King City and Line 55 Monterey-San Jose Express being equal in third place. DART was in fourth place.

- A welcome change to this survey was that, unlike in previous years, the majority of respondents accurately believed MST’s annual ridership to be over 4 million.

- When rating attributes of MST from “excellent” to “very poor”, the highest ranked item, by nearly 2/3 of respondents was Value of Service as excellent. The same number reported Staff Professionalism as excellent.

- When ranking priorities, nearly 2/3 were interested in “adding frequency to existing routes” with ½ requesting “new routes”.

- When asked how to meet local transportation needs, the following alternatives were rated* as follows:

<table>
<thead>
<tr>
<th>Alternative</th>
<th>Score</th>
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<tbody>
<tr>
<td>Buses</td>
<td>4.4</td>
</tr>
<tr>
<td>Bus Rapid Transit</td>
<td>4.3</td>
</tr>
<tr>
<td>Improved Roads</td>
<td>4.3</td>
</tr>
<tr>
<td>More Vanpools/Carpool Incentives</td>
<td>3.9</td>
</tr>
<tr>
<td>Rail</td>
<td>3.5</td>
</tr>
<tr>
<td>More Dedicated Bike Lanes</td>
<td>2.8</td>
</tr>
<tr>
<td>Improved Roads</td>
<td>2.8</td>
</tr>
</tbody>
</table>

*Average Score
RESOLUTION 2007-18
AUTHORIZATION FOR THE EXECUTION OF A
MASTER AGREEMENT AND PROGRAM SUPPLEMENTS
FOR STATE FUNDED TRANSIT PROJECTS

WHEREAS, Monterey-Salinas Transit (MST) may receive funding from the California Department of Transportation (CALTRANS) now or sometime in the future for transit projects; and

WHEREAS, substantial revisions were made to the programming and funding process for the transportation projects programmed in the State Transportation Improvement Program (STIP), by Chapter 622 (SB45) of the Statutes of 1997; and

WHEREAS, these statutes related to state funded transit projects require a local or regional implementing agency to execute a cooperative agreement with CALTRANS before it can be reimbursed for project expenditures; and

THEREFORE BE IT RESOLVED by the Board of Directors of MST that the fund recipient agrees to comply with all conditions and requirements set forth in this agreement and the applicable statutes, regulations and guidelines for all state funded transit projects.

BE IT FURTHER RESOLVED that the MST General Manager/CEO be authorized to execute the Master Agreement and all Program Supplements for State funded transit projects and any Amendments there to with CALTRANS.

THE BOARD OF DIRECTORS OF MONTEREY–SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2007-18 this 9th day of April 2007 by the following vote:

AYES: Armenta, Clark, Cunningham, Downey, Mancini, Russell, Stilwell, Wilmot

NOES: None

ABSENT: None

_______________________  _________________________
Fernando Armenta      Carl Sedoryk
Chairman               Secretary
RESOLUTION 2007-19
SUPPORTING THE MAINTENANCE OF PUBLIC TRANSIT FUNDING IN THE 2007-2008 CALIFORNIA STATE BUDGET

WHEREAS, Monterey-Salinas Transit (MST) is responsible for providing public transit services in Monterey County; and

WHEREAS, Monterey County’s population has grown by over 20% since 1990 and is projected to grow by an additional 15% in the next 10 years, creating new pressures on MST to provide public transit services; and

WHEREAS, high gas prices continue in California, making vehicle travel more expensive for local residents and creating more demand for transit services; and

WHEREAS, transit ridership on MST peaked at over 5 million passengers for the first time in 2006; and

WHEREAS, there is a growing need to increase investment in public transit operations to meet the needs of Monterey County; and

WHEREAS, MST would lose up to $2.74 million if the Governor’s STA funding proposal were adopted; and

WHEREAS, the Governor in January 2007 proposed eliminating altogether state “spillover” revenues for transit agencies; and

WHEREAS, the California Transit Association is in strong opposition to the Governor’s 2007-08 budget proposals for transit funding, and views these proposals as reducing critically needed resources for California transit agencies and services; and

THEREFORE BE IT RESOLVED by the Board of Directors of MST that the agency hereby expresses its opposition to the Governor’s budget proposals for transit funding, and supports maintaining public transit funding in the 2007-08 state budget.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT PASSED AND ADOPTED RESOLUTION 2007-19 this 9th day of April 2007 by the following vote:

AYES: Armenta, Clark, Cunningham, Downey, Mancini, Russell, Stilwell, Wilmot

NOES: None

ABSENT: None

_______________________  ____________________
Fernando Armenta                 Carl Sedoryk
Chairman                      Secretary
Finance Committee

Minutes

March 19, 2007

Present: Director Fernando Armenta, County of Monterey
         Director Michael Cunningham, City of Carmel-By-The-Sea
         David Laredo, Counsel
         Carl Sedoryk, General Manager/CEO
         David Sobotka, Controller
         Hunter Harvath, Director of Administration

Absent: Director Libby Downey, City of Monterey

1. **Called to order 9:05 a.m.**
   
   Director Armenta chaired the meeting.

2. **No Public Comment on matters on the agenda.**

3. **FY 2005 Budget Transfers.**
   
   Mr. Sobotka presented the summary of budget transfers of Federal Section 5310 that increased by $21,922. The adjustment of Federal funds was due to a change in vehicle type, which provided additional funding.

   The Committee recommended approval of the budget transfers to your Board.

4. **Fiscal 2007 Year-To-Date Financial Status and Mid-Year Budget Transfers.**
   
   Mr. Sobotka reviewed the year to date results for Operations and provided recommendations for budget transfers for FY 2007 for Fixed-Route BUS. Federal New Freedom funds of $57,500 for the addition of a Mobility Manager and transfers of Local Transportation Funds (LTF) from RIDES and Section 5311 funds from the Capital for Carmel Valley and Big Sur service were identified. New State Transit Assistance Funds (STAF) replaced the LTF in RIDES. The LTF transfer was used to provide additional workers compensation insurance reserves.
STAF of $2,433,019, State Transit Improvement Funds of $2,500,000 and CMAQ funds of $375,000 were added and provided funding for Bus Lease payments, construction of the Marina Transit Exchange and 900-series Bus replacement, respectively.

The Committee recommended approval of the budget transfers to your Board.

5. Update on FY 2007-2008 Grant Programs.

Mr. Sedoryk briefly discussed the funding made available by the State of California and the jeopardy that they could be “raided” by the Governor.

STIP Allocation funds of $7,500,000 and Proposition funds of $2,000,000 would be available for the next fiscal year, assuming that the Governor does not divert them.

Mr. Harvath explained that State Bond funds of $20,000,000 over the life of the State Bond Issue would be spread over several years, and that these were the funds that the Governor was interested in. These funds would be required to be spent quickly and that was the reason paying off bus financing debt rather than starting new capital projects.

Meeting Adjourned at 9:36 a.m.

SUBMITTED BY: Dave Sobotka
Marketing Committee  
March 30, 2007  
Minutes

Present:  
Director Armenta  
Director Stilwell  
Director Downey  
David C. Laredo, MST Counsel  
Hunter Harvath, AICP, Director of Administration

Absent:  
Director Wilmot

1. Call to order

Director Armenta called the meeting to order at 11:00 a.m.

2. Public Comment

There were no public comments on matters not on the agenda.

3. Discuss bus advertising policy, particularly the part of the policy that prohibits the image of elected officials to be used in conjunction with an ad.

Mr. Harvath highlighted MST’s bus advertising program and explained the various types of advertising that are prohibited by its advertising policy, adopted by the board July 19, 2004. Mr. Laredo explained the legal implications of allowing political and election-related advertising on buses. Director Armenta explained the specific issue related to the Steps to Healthier Salinas ads that featured Mayor Dennis Donhaue in one of the photos. Director Stilwell asked if the ads were on the bus now. Mr. Harvath responded that they had been produced but had never been installed on the buses. Mr. Laredo indicated that the campaign was already in various media. Director Armenta stated that they are currently running on television and asked if the policy had been sent to the Steps to a Healthier Salinas campaign. Mr. Harvath said that it had not, but that it was now being sent to all ad clients with their contracts, on which they must indicate that they had read the policy. Because of this fact, MST has offered to re-produce the ads at no charge to the Steps to a Healthier Salinas client.

Director Stilwell asked what the implications were if the ads did not go up. Mr. Harvath indicated that it would not have an adverse budgetary impact overall, but that MST wanted to be a good community partner with this program. Director Armenta stated that it is important for healthy messages to be displayed in addition to the fast
food ads that are also on MST buses. Director Downey asked whether the campaign
cared if Mayor Donahue was in the ad or not. The committee declined to make
changes to the advertising policy and recommended that staff request that the ad be
reproduced without the Mayor’s image and installed on the buses.

Mr. Harvath asked Mr. Laredo about any potential AB1234 implications of
elected officials on bus advertising. He indicated that if this ad were in MST’s Rider’s
Guide or on the back of an annual report and it was mailed out to over 200 to 300
households, it would be subject to AB1234 restrictions. However, simply having the
image on our buses did not violate AB1234.

4. Adjourn

Chair Armenta adjourned the meeting at 11:19 a.m.
Call to Order

Chairman Armenta called the meeting to order at 8:40 am.

Comments from the public on matters not on the agenda

Mr. Fink thanked everyone for having the workshop and expressed satisfaction that he was able to observe the process. He encouraged staff to pursue a public transit link between Monterey County and San Luis Obispo County.

Board Strategic Planning Workshop

Mr. Armenta welcomed participants and thanked them for their participation.

Mr. Sedoryk introduced the workshop facilitator, Will Scott, of Professional Transit Management, Ltd. Mr. Sedoryk then shared the purpose of the workshop, which was to develop the foundation for MST’s strategic direction over the next several years.

1 Alternate for the City of Salinas; Sergio Sanchez was not in attendance.
Mr. Scott asked each participant to introduce himself or herself, and to share his or her occupation or position with MST, the number of years affiliated with MST, and something unique about himself or herself.

The facilitator then provided a summary of workshop expectations, which were shared by Board members in an advance workshop survey. Following are those expectations:

- Brainstorm strategies to achieve high-return objectives
- Develop strategies to increase ridership and raise efficiencies
- Setting timelines and process for new operations center
- Identify and agree on the highest-return objectives
- Develop no less than five achievable action plans/objectives
- Specific and clear objectives to move us to being an even better system
- Come with a solid plan to implement:
  - BRT
  - SMART card technology
  - Lifts on all buses.

The facilitator then reviewed the day’s agenda and shared some ground rules for the workshop.

**Situational Analysis**
Mr. Sedoryk provided a PowerPoint presentation on the current status of MST, including:

- Mission statement
- Recent achievements
- 2007 goals
  - Operate safe, effective, efficient services
  - Grow ridership
  - Increase customer satisfaction
  - Strengthen employment development and satisfaction
  - Secure stable sources of funding by advocating the value of transit
  - Enhance support by MST members and other stakeholders
  - Advocate transit-friendly land-use planning
  - Develop MST properties to benefit the communities MST serves.
- Performance based on the goals
- Current challenges.

He shared that the “bottom line” of MST’s performance for the past year has been:

- More passengers
- Less hours of service
- Better on-time performance
- Fewer accidents.
Mr. Sedoryk then cited the current challenges of MST:

- Proposed Federal charter bus rules
- State funding raids
- Increased costs
- Paying off debt on MST fleet
- Traffic congestion
- Coping with growth
  - Throughout the region
  - Within MST.

Board members expressed their satisfaction of MST’s overall performance.

**SWOT Analysis**

Two breakout groups were formed to assess the strengths, weaknesses, opportunities and threats of MST. Mr. Cunningham and Ms. Stilwell agreed to serve as spokesperson for his or her group. The two breakout groups reached the following conclusions:

<table>
<thead>
<tr>
<th>Group A</th>
<th>Group A</th>
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<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td><strong>Weaknesses</strong></td>
</tr>
<tr>
<td>Staff; employees</td>
<td>Technology; statistics</td>
</tr>
<tr>
<td>Board</td>
<td>Management team</td>
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<tr>
<td>Legislative representatives/governmental relations/FTA</td>
<td>Experienced workforce</td>
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<tr>
<td>New fleet; technology on new buses</td>
<td>New fleet</td>
</tr>
<tr>
<td>Employee relations</td>
<td>Raw land potential</td>
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<tr>
<td></td>
<td>Fiscally responsible</td>
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<tr>
<td></td>
<td>Good ridership base—growing</td>
</tr>
<tr>
<td></td>
<td>Good community image</td>
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<tr>
<td></td>
<td>Good brand</td>
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<tr>
<td></td>
<td>Good service planning</td>
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<tr>
<td></td>
<td>Long term funding—core service cuts</td>
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<tr>
<td></td>
<td>Funding/revenue sources</td>
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<tr>
<td></td>
<td>Funding restrictions</td>
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<tr>
<td></td>
<td>Maxed out facilities</td>
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<tr>
<td>Measure A failure</td>
<td>Two transit facilities – Monterey and Salinas</td>
</tr>
<tr>
<td>Lack of physical capacity</td>
<td>Mixed fuel fleet</td>
</tr>
<tr>
<td>Public transit industry weak</td>
<td>Labor/management divide</td>
</tr>
<tr>
<td>Geography/development patterns</td>
<td>Extended service area</td>
</tr>
<tr>
<td>Labor relations</td>
<td>Charter limitations</td>
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<tr>
<td>Lack of PM and weekend service, especially on Sunday night</td>
<td>Recruitment and hiring of professional management</td>
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<td></td>
<td>Non-participation of South County cities</td>
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<td></td>
<td>Aging population—requiring door-to-door service</td>
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<td></td>
<td>Increasing bilingual population</td>
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<td></td>
<td>Low urban density</td>
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</tbody>
</table>
### Opportunities

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of MST properties</td>
<td>Transit tax</td>
</tr>
<tr>
<td>State bond dollars</td>
<td>Extended service area</td>
</tr>
<tr>
<td>Public/private partnerships</td>
<td>Untapped customer base</td>
</tr>
<tr>
<td>Change habits—new customer types</td>
<td>Public/private partnerships – sharing costs, e.g., colleges, etc.</td>
</tr>
<tr>
<td>Congestion</td>
<td>Expanded service hours</td>
</tr>
<tr>
<td>Bus rapid transit (BRT)</td>
<td>New transit stations</td>
</tr>
<tr>
<td>Specialized paratransit—DART, elderly</td>
<td>Large land owning</td>
</tr>
<tr>
<td>Technology</td>
<td>South County participation, e.g., Hollister</td>
</tr>
<tr>
<td>Global warming</td>
<td>Mixed use development</td>
</tr>
<tr>
<td>Biodiesel</td>
<td>Fort Ord development/FORA corridor</td>
</tr>
</tbody>
</table>

### Threats

<table>
<thead>
<tr>
<th>Threats</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety/security</td>
<td>High cost of living</td>
</tr>
<tr>
<td>Fuel cost</td>
<td>Roadway congestion</td>
</tr>
<tr>
<td>Congestion</td>
<td>Ford Ord development</td>
</tr>
<tr>
<td>General Plan</td>
<td>Raiding of transportation funds</td>
</tr>
<tr>
<td>Carb rules/carbon dioxide</td>
<td>Monterey/Castroville Corridor—light rail threat</td>
</tr>
<tr>
<td>Demographics; aging</td>
<td>Fuel costs</td>
</tr>
<tr>
<td>Medi-Cal trips shift to RIDES</td>
<td>Labor costs</td>
</tr>
<tr>
<td></td>
<td>Labor relations</td>
</tr>
<tr>
<td></td>
<td>Liability – maintenance/operations of bus stops</td>
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</tbody>
</table>

### MST Major Challenges

Participants were asked to share what they perceive as the top major challenges facing MST. Following are their responses:

- Long term funding
- Politics—making the case for transit (advocate value)
- Growth
- Growing ridership
- Maintaining the quality of service
- Increased service (with technology)
- Changing the service model (more European style of service)
- Inadequate facilities
- Traffic congestion.

### Feedback Regarding Service Needs

Board members were asked to provide feedback regarding service in each of their respective areas. Following are the comments they shared:

- Marina – Lack of local service
- Monterey – Traffic congestion
- Del Rey Oaks – Lack of local fixed route service (DART only)
- Pacific Grove – Change of service; some happy
- County of Monterey – Need more information from the community
• Seaside – Fares too high; overcrowding; non-riders
• Salinas – Need more shelters; fares too high; serve and ________ more
• Carmel – Traffic congestion; parking; San Francisco Bay/Carmel connection.

Staff thanked the Board members (or designates) for their feedback regarding service in the areas they represent.

Discussion of Strategic Versus Tactical
Participants discussed the difference between strategic and tactical planning. The facilitator provided the following list of differences:

<table>
<thead>
<tr>
<th>Strategic</th>
<th>Tactical</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Big picture&quot;; longer term</td>
<td>More day-to-day; operational</td>
</tr>
<tr>
<td>Broader</td>
<td>More narrow</td>
</tr>
<tr>
<td>More conceptual</td>
<td>Tools of execution</td>
</tr>
<tr>
<td>Doing the right thing</td>
<td>Doing things right</td>
</tr>
<tr>
<td>Where we want to be</td>
<td>How to get there</td>
</tr>
</tbody>
</table>

Board’s Role and Structure
There was a discussion regarding MST’s Board committee structure, and whether the current structure is appropriate for the Board to focus on more strategic governance. Some member expressed that the Board needs to be more strategic and less tactical in its governance. There was a consensus that the Board would review its current committee structure after the strategic goals have been finalized to determine if any changes should be made.

Top Strategic Priorities
Participants were asked to jot down their top strategic priorities during the next three years. Their responses were:
• Address future community growth and ridership patterns, e.g., South County
• Change the Board committee structure to be more strategic
• Agree on a vision of Monterey County 2015 and a service structure that matches it
• Increase ridership
• Enhance the rider experience
• Greater collaboration with other transit agencies and other organizations to pursue financial support (lobbying)
• More public/private and public/public partnerships
• Better leverage technology
• Increase farebox recovery to 60 percent and tie future fare increases to CPI and fuel differentials
• Obtain a fare collection system that provides an incentive to use
• Research alternative fuels
• Try new service model.
Based upon the responses from participants, the strategic priorities were ranked as follows based on participants' votes:

1. Redesign services and build the necessary infrastructure to accommodate growth and to meet individual community needs (12 votes).

2. Pursue long-term sources of revenues to ensure MST’s viability and to meet growing mobility needs (11 votes). Added to this priority was the leveraging of public/private and public/public partnerships.

3. Leverage technology and other amenities to attract new riders and improve MST/transit's image and the overall riding experience (10 votes).

4. Research and if appropriate, utilize alternative fuels to reduce emissions (one vote).

5. Reduce or eliminate subsidy while maintaining a fare cost fare riders.

6. Focus on continual improvements to maintain or increase the quality of service delivery. (Initially, it was suggested that this priority be combined with #3; however, it was later suggested that the two priorities be kept separate.)

7. Improve the Board committee structure and process to enhance its strategic governance.

**Next Steps**

It was agreed that the next steps in developing the strategic plan are:

1. The executive team will develop a more description framework of each of the strategic priorities and present it to the Board at its April meeting. The Board will review the information and make changes, if needed.

2. The action plan to achieve each of the strategic goals will be presented to the Board at its May meeting. The action plan will include the following components:
   a. Strategic goal
   b. Objectives
   c. Major actions
   d. Timeline
   e. Responsibility
   f. Resource allocation

   The plan should follow the SMART concept:
   a. Specific
   b. Measurable
   c. Attainable
   d. Realistic
   e. Time-oriented
Wrap-up of Morning Session
Each of the participants was asked to comment on the morning session. Chairman Armenta then adjourned the morning session at approximately 1:15 pm. Board members (and their designees) left at this point and the executive team remained during the afternoon to focus on the development of an action plan.

Afternoon Session

Members of the executive team reconvened at 2:00 pm to work on the development of an action plan to address the strategic priorities.

Vision
It was suggested that a vision of transit in the region be developed, and that the vision would dovetail with the strategic priorities agreed upon during the morning session. The group went through an exercise to develop a vision of what MST would look like in 12 years. They came up with the following vision:

- More frequent service in South County
- Articulated coaches in East Salinas, Seaside, South County (Routes 9, 10, 41, 42, 20 and 23)
- Bus rapid transit (BRT)
  - Lighthouse Avenue
  - East Alisal
  - FORA corridor
  - Monterey Branch Line
- Neighborhood circulators in every jurisdiction
- Transit centers
  - North Salinas
  - East Salinas
  - South County
  - Monterey
  - Salinas
  - University Village
- Intelligent Transportation System program fully implemented
- SMART card technology implemented
- FJL Operations Center built and occupied
- Increased fleet size
- Hybrids or other alternatively-fueled coaches
- Workforce housing
- College/university partnerships
- Development of existing properties
- Fort Ord developments
**“Champions” to Develop Action Plans**
The following executive team members agreed to serve as “champions” to develop action plans:

- Twelve-year vision – Mr. Sedoryk
- Service redesign/infrastructure development – (H. Harvath, R. Weber)
- Long-term sources of revenue - (H. Harvath, R. Weber)
- Leverage technology – (M. Eccles)
- Alternative fuels – (M. Hernandez)
- Quality of service – Ms. Owens and Mr. Laredo
- Reduce or eliminate subsidy while maintaining a fare cost fare riders - (it was discussed during the afternoon session that it is not feasible that MST will ever be in position in which it can operate service without some level of subsidy, however reduction of subsidy per passenger will be included as an objective under the development of long-term revenue sources)
- Board committee structure – the Board will determine if its current committee structure is appropriate after the strategic plan has been finalized (Mr. Scott to provide an example of a model that is more focused on strategic governance).

**“Brainstorming” Ideas**
The executive team “brainstormed” ideas pertaining to three of the strategic priorities:

**Service Redesign/Infrastructure Development**

- Neighborhood circulators (hub and spoke system)
- Bus Rapid Transit
- Flex services
- Outreach – Spanish speaking community
- Infrastructure – facilities, fleet, IT
- (See ideas included in what the system will look like in 12 years).

**Long-term Revenues**

- Local sales tax assessment
- Develop properties to produce revenue
- Public/private and public/public partnerships
- Advertising revenue
- Taxing authority
- Private financing
- Legislative advocacy
- Special events revenue.
Technology
- GPS/AVL
- SMART card
- WiFi to allow internet connectivity onboard MST buses.
- Google Online Trip Planning
- PayPal or other online sales of passes
- On-street real-time information—stops and stations
- Web-based customer information
- Traffic signal prioritization (TSP)
- New telecommunications system

Weaknesses Not Addressed in List of Strategic Priorities
The executive team reviewed the conclusions of the SWOT analysis conducted during the morning session, and suggested that two areas that were not addressed in the list of strategic priorities are labor/management relations and recruiting and hiring qualified employees. It was suggested that these two weaknesses be addressed in the strategic plan as priorities under Goal 6 – Focus on continual improvement to increase the quality of service.

Adjournment
Mr. Armenta adjourned the meeting at approximately 3:45 pm.
To: Board of Directors
From: M. Hernandez, Director of Maintenance and Transportation
Subject: Mini-Bus Procurement

RECOMMENDATIONS:

1. Authorize the purchase of five (5) AeroTech mini-buses from Creative Bus Sales.

2. Authorize the option to purchase up to six (6) additional vehicles in FY2008.

3. Authorize disposal of the retired vehicles.

FISCAL IMPACT:

$377,025 for the five mini-buses, or $75,405 per bus. Funding is available in the capital budget. Funding for up to an additional six vehicles, not to exceed $78,087 each, will be available in FY2008.

POLICY IMPLICATIONS:

Your Board approves purchases greater than $25,000. Your Board authorizes the disposal of assets/buses that have been depreciated.

DISCUSSION:

In February 2006, your Board authorized the purchase of seven mini-buses to replace our aging fleet through the State of California, Department of General Services (DGS), with options to purchase up to three additional vehicles. The DGS contracted with another vehicle supplier, BusWest instead of Creative Bus Sales, and the three vehicles options approved in 2006 have not been executed.

After the Creative Bus Sales vehicles were no longer available through the State contract, San Mateo County Transit (SamTrans) solicited bids for a multi-year contract. MST is a designated purchaser on this contract. MST compared the SamTrans – Creative Bus contract price to the State DGS - BusWest contract price and determined that Creative Bus is priced lower. The SamTrans/Creative Bus contract price per vehicle,
based on MST's options, is $75,405 and the State of California/DGS price is $76,401 per vehicle, including DGS fees. The minor price increase for vehicles in FY2008 allows MST the option to move to a slightly larger mini-bus if we select this option.

MST's contractor, MV Inc, operates fifteen mini-buses for DART and other fixed route services. The initial purchase will replace five (5) of the highest mileage 2002 vehicles, ranging in mileage from 200,000 to over 243,000 miles. FTA guideline for replacing this medium sized, light duty transit vehicles is 5 years or 150,000 miles. The remaining three 2002 vehicles will be replaced after funding is available in fiscal 2008. Three additional new vehicles will be used for expansion service on the Peninsula and South County.

MST is responsible for the repair/replacement of all major components. These vehicles have high repair costs, with operating costs of about 41 cents per mile, versus 24 cents per mile for newer vehicles.

Of the 15 mini-buses MV operates, there is a peak vehicle requirement of 12 vehicles during the summer. This allows only three spare vehicles for routine maintenance and unexpected breakdowns, and does not account for several major component failures. During the past 4-6 weeks, two of MV’s vehicles were removed from service due to major engine problems, leaving minimal spare vehicles to meet daily service and maintenance requirements, given the age/condition of the fleet. Replacing the 2002 mini-bus fleet will avoid the anticipated repair costs of four wheelchair lifts and two transmissions. Without new replacement vehicles, we can expect some these older vehicles to breakdown, potentially impacting service delivery.

The first five vehicles are fully funded through a Regional Surface Transportation Program (RSTP) grant in the amount of $415,000. Funding for the additional six vehicles will be available later this year through a $375,000 Congestion Mitigation Air Quality (CMAQ) grant, and approximately $79,000 in State Transit Assistance (STA) funds.

Approval of this item will authorize the purchase of five vehicles now; the purchase of up to six additional vehicles in FY2008, and the disposal of all retired vehicles associated with this procurement, which have no book value and are considered fully depreciated. The retired vehicles will be sent to auction and have an estimated salvage value of between $800 and $3,000 each.
To:                Board of Directors
From:            H. Harvath, Director of Administration
Subject:        FY 2007 Program of Projects

RECOMMENDATION:

1. Conduct public hearing for FY 2007 Program of Projects;

2. Adopt the amended FY 2007 Program of Projects; and

3. Authorize the filing of the appropriate grant applications with the Federal Transit Administration.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board must conduct a public hearing for and approve MST’s Program of Projects to comply with federal regulations.

DISCUSSION:

The Program of Projects (POP) allocates Section 5307 federal funds to specific projects each fiscal year. The POP becomes part of MST’s application for federal grant funding that is submitted to the Federal Transit Administration via AMBAG. According to federal regulations, MST is required to develop, publish and afford an opportunity for a public hearing on and submit for approval a POP that are funded by Section 5307 funds.

In addition, the projects listed in the POP will be submitted to AMBAG for inclusion in the Metropolitan Transportation Improvement Program (MTIP). AMBAG will be amending the MTIP in May to ensure compliance with the provisions of SAFETEA-LU, the current federal transportation authorization legislation, before the July 1, 2007 deadline.
It is appropriate for your Board to conduct a public hearing to receive comments on the POP and then consider its adoption. A hearing notice (Attachment 1) will be published in the Herald, the Californian and El Sol in advance of the April 9th Board meeting.

Attachments: 1. Public Hearing Notice
PUBLIC HEARING NOTICE

Monterey-Salinas Transit (MST) will hold a public hearing on MST’s proposed program of Section 5307 federally funded projects on April 9, 2007 at 10:00 a.m. at Monterey-Salinas Transit, One Ryan Ranch Road, Monterey.

Sources of funding are Section 5307 of the Federal Transit Equity Act for the 21st Century (TEA-21) and Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The proposed program of federally funded 5307 projects is shown below and depicts the level of federal funding for the previous fiscal years and that planned for Fiscal Year 2007.

Interested businesses, persons, or private operators wishing to comment but who are unable to attend the public hearing may submit written comments to: Carl Sedoryk, General Manager / CEO, Monterey-Salinas Transit, One Ryan Ranch Road, Monterey, CA 93940. The Program of Projects may be examined at MST at Ryan Ranch Road, Monterey. The deadline to receive written comments is April 6, 2007.

If there are no comments on this proposed Program of Projects as a result of soliciting public comments, then this publication will serve as the final Program of Projects.

Monterey-Salinas Transit
Final Program of
Section 5307 Federally Funded Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>FY 2005</th>
<th>FY 2006</th>
<th>FY 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed-Route Bus Planning &amp; Operations</td>
<td>$4,581,515</td>
<td>$5,306,000</td>
<td>$5,551,655</td>
</tr>
<tr>
<td>RIDES (Paratransit) Operations</td>
<td>$259,000</td>
<td>$259,000</td>
<td>$259,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$4,840,515</td>
<td>$5,565,000</td>
<td>$5,810,655</td>
</tr>
</tbody>
</table>
To: Board of Directors

From: C. Sedoryk, General Manager/CEO

Subject: Draft Strategic Plan

RECOMMENDATION:

Receive draft FY 2008 – 2010 Strategic Goals and provide direction to staff.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Strategic goals adopted by your Board will drive MST staff activities for the next several years. The attached document summarizes the strategic goals discussed at the Board Strategic Planning workshop on March 22, 2007.

DISCUSSION:

At your meeting of November 13, 2006, your Board directed staff to hire a consultant to facilitate board discussion and decision-making regarding MST strategic goals and objectives and developing performance goals for the General Manager/CEO. On March 22, 2007 a Board Strategic Planning Workshop was held (See Agenda Item 5-3). From the meeting minutes staff has attempted to summarize six strategic goals as follows:

1. Improve service design and infrastructure
2. Develop stable, long term funding sources
3. Enhance information technology
4. Improve Service Quality
5. Leverage Alternative Fuels
6. Improve Board Structure and Process

Staff has attempted to craft a definition of what each goal entails and has proposed objectives and action plans relating to each of the strategic goals in the draft FY 2008 budget (See Agenda Item 2-6).

Once there is consensus on the strategic goals to pursue, staff will provide a more detailed Strategic Plan that will include a narrative explaining the importance of public transit to our community, MST goals, objectives and outcomes desired, indicators of success, and a menu of tactics that staff will employ towards the completion of the strategic plan.

PREPARED BY: Carl G. Sedoryk
Mission:

Leading, advocating and delivering quality public transportation.

Vision:

A fully funded public transit system providing high quality and valued services within a balanced transportation network.

Six Strategic Goals

The following are the six strategic goals that Monterey Salinas Transit will pursue over the next three to five years:

1. Improve Service Design and Infrastructure:

   *Develop and implement changes to MST’s existing services and infrastructure to accommodate future growth, while attracting new riders by utilizing effective marketing techniques and by applying greater focus in meeting individual community needs.*

2. Develop Stable Long Term Funding Sources:

   *Through education – encourage policy makers and the general public 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.*

   *Pursue public/private partnerships, fare-pricing strategies, and revenue generation from the use of MST assets as means to generate the funds required to construct needed capital facilities, purchase vehicles, and sustain both current and future transit services.*

3. Enhance Information Technology:

   *Continue to explore and implement new technologies that enhance the overall customer experience, reduce costs, attract new customers, retain existing customers, and improve the image of MST in the community.*
4. Improve Service Quality

Continue MST commitment to Service Quality through implementation of the MST Business Model and focus on Key Business Drivers including safety, efficiency, effectiveness, customer satisfaction, employee satisfaction, and stakeholder satisfaction.

5. Leverage Alternative Fuels:

Implement an economically sound and environmentally friendly fuel strategy, with a renewable alternative fuel component, which meets California Air Resources Board (CARB) emission standards and maximizes fuel efficiency.

6. Improve Board Structure and Process:

Redirect the MST Board’s structure, processes, and oversight to provide greater emphasis to long-term strategic focus in support of the MST Business Model.
To: Board of Directors

From: C. Sedoryk, General Manager/CEO

Subject: Monthly Report

Attached are the most recent monthly statistics and the reports from the Administration and Operations/Maintenance Departments.

Monthly ridership showed a significant decrease of 7.29% over February 2006. Staff attributes this difference to two major causes. First, MST did not operate special event service during the AT&T Pebble Beach tournament this year, which accounted for approximately 10,000 passenger boardings in 2006. Also, the Peninsula Area Service Change that went into effect January 27th provides more direct service between Seaside and Carmel on the Line 11, and Carmel Valley and Monterey on the Line 24. As a result less transfers were required on these lines resulting in approximately 9,000 fewer boardings tallied compared to February 2006. Overall ridership has increased 4.3% over the past year.

Attachment #1 – Fixed Route Bus – Monthly Boardings
Attachment #2 – Fixed Route Bus – Comparative Statistics
Attachment #3 – MST RIDES Monthly Boardings
Attachment #4 – MST RIDES Comparative Statistics
Attachment #5 – Operations Department Report February 2007
Attachment #6 – Facilities & Maintenance Department Report February 2007
Attachment #7 – Administration Department Report February 2007

PREPARED BY: ____________________________
Carl G. Sedoryk
To: M. Hernandez, Chief Operating Officer
From: R. Weber, Director Of Transportation Services
Subject: Transportation Department Monthly Report, February 2007

FIXED ROUTE BUS OPERATIONS:

System Wide Service:

Preliminary boarding statistics indicate that ridership decreased by 7.29% in February 2007 (326,903), as compared to February 2006 (352,595). A large part of the decrease is due to the fact that MST did not operate any supplemental service this past February. In February 2006 MST operated supplemental service for the AT&T golf tournament accounting for an additional 9,672 passenger boardings. Despite this variance, year-to-date system wide boardings have increased by 4.33% over the same period in 2006.

February productivity fell slightly from 23.10 passengers per hour last year, to 20.5 passengers per hour for February of 2007.

Seasonal Service:
None

Supplemental Service:
None

System Wide Statistics:

- Ridership: 326,903
- Vehicle Revenue Hours: 15,972.46
- Vehicle Revenue Miles: 253,344
- System Productivity: 20.50 Passengers Per Vehicle Revenue Hour
- Scheduled One-Way Trips: 22,882

On-Time Compliance: Of 74,459 total time-point crossings sampled for the month of February, the TransitMaster™ system recorded 12,381 delayed arrivals to MST’s published time-points system-wide. This denotes that 83.81% of all scheduled arrivals at published time-points were on time.

Buses arriving later than 5 minutes beyond the published schedule are considered late. The on-time compliance chart (attached) reflects system wide “on-time performance” as a percentage to the total number of sampled time-point crossings.

Trips With 10 or More Standees: There were 35 reported overcrowded trips for the month of February. (See Operations Summary report for further information)

Cancelled Trips: There were a total of 22 cancelled trips for the month of February for both directly operated and contracted services representing less than one tenth of one percent of all scheduled trips for the month. Cancelled trips for February were attributed to the following:
<table>
<thead>
<tr>
<th>Reason</th>
<th>Cancelled Trips</th>
<th>% Of All Missed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident</td>
<td>2</td>
<td>9.09%</td>
</tr>
<tr>
<td>Detour</td>
<td>1</td>
<td>4.55%</td>
</tr>
<tr>
<td>Mechanical</td>
<td>7</td>
<td>31.82%</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>13.64%</td>
</tr>
<tr>
<td>Traffic</td>
<td>7</td>
<td>31.82%</td>
</tr>
<tr>
<td>W/C Boardings</td>
<td>2</td>
<td>9.09%</td>
</tr>
</tbody>
</table>

**Documented Occurrences:** Coach Operators are required to complete an occurrence report for any unusual incident that may occur during their work day. The information provided within these reports is used to identify trends, which often may drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the month(s) of February 2006 and 2007:

<table>
<thead>
<tr>
<th>Occurrence Type</th>
<th>Feb-06</th>
<th>Feb-07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Medical Emergency</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Passenger Conflict</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Passenger Fall</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Passenger Injury</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

**CONTRACTED SERVICES:**

**MST RIDES Program:**

- Preliminary boarding statistics for the MST RIDES program reflect that for the month of February there were 5,397 passenger boardings. This represents a 1.70% **increase** in passenger trips from February of 2006.

- For the month of February, 84.10% of all scheduled trips for the MST RIDES Program arrived on time, **increasing** from 83.61% in February of last year.

- February productivity **increased** from 1.8 passengers per hour last year, to 1.9 passengers per hour for February of 2007.

**Other:**

- 2/13/2007 MV Transportation Inc satisfactorily passed the annual CHP terminal inspection.

- MV was involved in one (1) preventable minor non-injury accident involving an MST owned fixed-route vehicle.
COMMUNICATIONS:

In February, the Communications Department summoned public safety agencies on six (6) separate occasions to MST’s transit vehicles and facilities:

<table>
<thead>
<tr>
<th>Agency Type</th>
<th>Incident Type</th>
<th>Number Of Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>Passenger Incident</td>
<td>4</td>
</tr>
<tr>
<td>Emergency Medical Services</td>
<td>Medical Emergency</td>
<td>1</td>
</tr>
<tr>
<td>Fire Department</td>
<td>Vehicle Fire</td>
<td>1</td>
</tr>
</tbody>
</table>

Robert Weber

## MST FIXED ROUTE
### ON-TIME COMPLIANCE FY 2007

<table>
<thead>
<tr>
<th>MONTH</th>
<th>FY06 ON-TIME PERFORMANCE</th>
<th>FY07 TIME POINT COUNT</th>
<th>FY07 DELAYED ARRIVALS 3 + MINUTES *</th>
<th>FY07 ON-TIME PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>July</td>
<td>74.38%</td>
<td>87,405</td>
<td>13,494</td>
<td>84.56%</td>
</tr>
<tr>
<td>August</td>
<td>74.16%</td>
<td>89,442</td>
<td>16,890</td>
<td>81.12%</td>
</tr>
<tr>
<td>September</td>
<td>74.95%</td>
<td>84,134</td>
<td>15,816</td>
<td>81.20%</td>
</tr>
<tr>
<td>October</td>
<td>76.71%</td>
<td>86,471</td>
<td>13,643</td>
<td>84.22%</td>
</tr>
<tr>
<td>November</td>
<td>77.21%</td>
<td>80,559</td>
<td>13,083</td>
<td>83.76%</td>
</tr>
<tr>
<td>December</td>
<td>81.52%</td>
<td>87,779</td>
<td>11,492</td>
<td>86.91%</td>
</tr>
<tr>
<td>January</td>
<td>81.97%</td>
<td>86,608</td>
<td>11,780</td>
<td>86.40%</td>
</tr>
<tr>
<td><strong>February</strong></td>
<td><strong>76.63%</strong></td>
<td><strong>76,459</strong></td>
<td><strong>12,381</strong></td>
<td><strong>83.81%</strong></td>
</tr>
<tr>
<td>March</td>
<td>89.06%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td>86.82%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>83.42%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>85.54%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* On time= Arrival within 5 minutes of the published schedule

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>678,857</th>
<th>108,579</th>
<th>77.27%</th>
<th>84,857</th>
<th>13,572</th>
<th>84.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Average</td>
<td>77.27%</td>
<td>84.857</td>
<td>84.00%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

### On-Time Compliance

- **Goal 87%**

- **FY06**
- **FY07**

![On-Time Compliance Chart](chart.png)
System Wide Service:
Direct comparison between January 2006 and January 2007 shows a 5.5% increase in boardings this month, with a 5.2% increase in revenue hours. Productivity, measured in passenger boardings per vehicle revenue hour rose 0.2%, from 20.87 last January to 20.92 for January 2007.

There were 55 overcrowded trips this month, compared to 26 last January. Nevertheless this is an 18% decrease from December 2006. The largest part of the overcrowding continues to be on line 10 and line 20, together representing 58% of the overcrowded trips reported. The number of canceled trips dropped to a fiscal year low of only 10 canceled trips this month, compared to 15 cancellations in January 2006.

Seasonal Service:
None.

Supplemental Service:
None.
Fixed Route & DART Monthly Operations Summary Report
January 2007

Overcrowded Trip Reports by Line - FY 07 YTD

- Line 10: 91 trips (30%)
- Line 9: 34 trips (11%)
- Line 5: 10 trips (3%)
- Line 1: 9 trips (3%)
- Other Lines: 23 trips (7%)
- Line 42: 26 trips (8%)
- Line 41: 40 trips (13%)
- Line 20: 78 trips (25%)

Cancelled Trips by Month - FY 07 YTD

- July: 14 trips
- August: 19 trips
- September: 17 trips
- October: 24 trips
- November: 11 trips
- December: 11 trips
- January: 10 trips

Cancelled Trips by Reason - FY 07 YTD

- Traffic: 25 trips (24%)
- Employee Error: 15 trips (14%)
- Mechanical Failure: 33 trips (30%)
- Non-MST Accident: 20 trips (19%)
- MST Accident: 8 trips (8%)
- Other: 5 trips (5%)
January 2007

Systemwide Ridership: 352,979
Systemwide Revenue Hours: 16,871.50
Systemwide Revenue Miles: 263,042.8

### Primary Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Asilomar</td>
<td>16,109</td>
<td>713:30:00</td>
<td>7,332.1</td>
<td>22.58</td>
<td>4.6%</td>
<td>4.2%</td>
</tr>
<tr>
<td>9 Fremont-Hilby</td>
<td>32,576</td>
<td>957:14:00</td>
<td>9,397.8</td>
<td>34.03</td>
<td>9.2%</td>
<td>5.7%</td>
</tr>
<tr>
<td>10 Fremont-Ord Grove</td>
<td>42,686</td>
<td>1092:39:00</td>
<td>11,322.7</td>
<td>39.07</td>
<td>12.1%</td>
<td>6.5%</td>
</tr>
<tr>
<td>41 East Alisal - Northridge</td>
<td>49,785</td>
<td>1624:19:00</td>
<td>17,678.4</td>
<td>30.65</td>
<td>14.1%</td>
<td>9.6%</td>
</tr>
<tr>
<td>42 East Alisal - Westridge</td>
<td>40,508</td>
<td>1297:57:00</td>
<td>13,521.4</td>
<td>31.21</td>
<td>11.5%</td>
<td>7.7%</td>
</tr>
</tbody>
</table>

**Total** 181,664 5685:39:00 59,252.4 31.95 51.5% 33.7%

### Neighborhood Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Pacific Grove</td>
<td>7,481</td>
<td>509:00:00</td>
<td>5,308.2</td>
<td>14.70</td>
<td>2.1%</td>
<td>3.0%</td>
</tr>
<tr>
<td>16 Edgewater-Marina</td>
<td>2,389</td>
<td>524:26:00</td>
<td>9,116.8</td>
<td>4.56</td>
<td>0.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>17 Edgewater-Marina</td>
<td>1,940</td>
<td>385:16:00</td>
<td>6,607.6</td>
<td>5.04</td>
<td>0.5%</td>
<td>2.3%</td>
</tr>
<tr>
<td>45 East Market-Creekbridge</td>
<td>5,992</td>
<td>405:30:00</td>
<td>5,474.6</td>
<td>14.78</td>
<td>1.7%</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

**Total** 17,802 1824:12:00 26,507.2 9.76 5.0% 10.8%

### Local Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Carmel Rancho</td>
<td>11,662</td>
<td>592:40:00</td>
<td>6,698.0</td>
<td>19.68</td>
<td>3.3%</td>
<td>3.5%</td>
</tr>
<tr>
<td>5 Carmel Rancho</td>
<td>13,970</td>
<td>506:43:00</td>
<td>5,651.8</td>
<td>27.57</td>
<td>4.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>6 Edgewater - Ryan Ranch</td>
<td>44</td>
<td>7:12:00</td>
<td>158.4</td>
<td>6.11</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>11 Carmel-Edgewater</td>
<td>4,805</td>
<td>162:46:00</td>
<td>2,652.9</td>
<td>29.52</td>
<td>1.4%</td>
<td>1.0%</td>
</tr>
<tr>
<td>43 Memorial Hospital</td>
<td>10,558</td>
<td>304:05:00</td>
<td>3,537.3</td>
<td>34.72</td>
<td>3.0%</td>
<td>1.8%</td>
</tr>
<tr>
<td>44 Westridge</td>
<td>8,479</td>
<td>339:27:00</td>
<td>3,618.2</td>
<td>24.98</td>
<td>2.4%</td>
<td>2.0%</td>
</tr>
<tr>
<td>46 Natividad</td>
<td>2,405</td>
<td>176:24:00</td>
<td>1,669.8</td>
<td>13.63</td>
<td>0.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td>48 East Salinas - Airport Business Center</td>
<td>1,232</td>
<td>240:48:00</td>
<td>4,298.7</td>
<td>5.12</td>
<td>0.3%</td>
<td>1.4%</td>
</tr>
<tr>
<td>49 Northridge</td>
<td>5,746</td>
<td>427:48:00</td>
<td>2,996.0</td>
<td>13.43</td>
<td>1.6%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

**Total** 58,901 2757:53:00 31,281 21.36 16.7% 16.3%

### Regional Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Monterey-Salinas</td>
<td>49,286</td>
<td>1789:06:00</td>
<td>34,574.8</td>
<td>27.55</td>
<td>14.0%</td>
<td>10.6%</td>
</tr>
<tr>
<td>21 Monterey-Salinas</td>
<td>1,617</td>
<td>165:33:00</td>
<td>2,734.2</td>
<td>9.77</td>
<td>0.5%</td>
<td>1.0%</td>
</tr>
<tr>
<td>23 Salinas-King City</td>
<td>7,841</td>
<td>747:06:00</td>
<td>22,352.1</td>
<td>10.50</td>
<td>2.2%</td>
<td>4.4%</td>
</tr>
<tr>
<td>24 Carmel Valley-Carmel Rancho</td>
<td>1,811</td>
<td>589:15:00</td>
<td>12,989.4</td>
<td>3.07</td>
<td>0.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>27 Watsonville-Monterey</td>
<td>1,160</td>
<td>314:21:00</td>
<td>7,548.0</td>
<td>3.69</td>
<td>0.3%</td>
<td>1.9%</td>
</tr>
<tr>
<td>28 Watsonville-Salinas</td>
<td>10,790</td>
<td>710:10:00</td>
<td>19,830.7</td>
<td>15.19</td>
<td>3.1%</td>
<td>4.2%</td>
</tr>
<tr>
<td>29 Watsonville-Salinas</td>
<td>16,986</td>
<td>924:10:00</td>
<td>15,805.5</td>
<td>18.38</td>
<td>4.8%</td>
<td>5.5%</td>
</tr>
<tr>
<td>53 South County Express</td>
<td>461</td>
<td>128:30:00</td>
<td>4,488.0</td>
<td>3.59</td>
<td>0.1%</td>
<td>0.8%</td>
</tr>
<tr>
<td>54 Monterey - Airport Business Center</td>
<td>136</td>
<td>54:00:00</td>
<td>1,846.8</td>
<td>2.52</td>
<td>0.0%</td>
<td>0.3%</td>
</tr>
<tr>
<td>55 San Jose - Monterey Express</td>
<td>1,356</td>
<td>408:12:00</td>
<td>15,084.6</td>
<td>3.32</td>
<td>0.4%</td>
<td>2.4%</td>
</tr>
</tbody>
</table>

**Total** 91,444 5830:23:00 137,254.1 15.68 25.9% 34.6%

### DART

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monterey Peninsula DART</td>
<td>3,130</td>
<td>762:03:00</td>
<td>8,456.0</td>
<td>4.11</td>
<td>0.9%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

**Total** 3,130 762:03:00 8,456.0 4.11 0.9% 4.5%

### Seasonal / Supplemental Service

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 Big Sur</td>
<td>38</td>
<td>11:20:00</td>
<td>292.0</td>
<td>3.35</td>
<td>0.0%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

**Total** 38 11:20:00 292.0 3.35 0.0% 0.1%
Operations Summary Report

Fixed Route and DART Service

July 2006 – February 2007
Fixed Route & DART Monthly Operations Summary Report
February 2007

<table>
<thead>
<tr>
<th>Service Delivered</th>
<th>Service Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ridership</td>
<td>On-time</td>
</tr>
<tr>
<td>326,903</td>
<td>Time Points</td>
</tr>
<tr>
<td>Passengers / Vehicle Revenue Hour</td>
<td>Delayed Time Points</td>
</tr>
<tr>
<td>20.47</td>
<td>12,381</td>
</tr>
<tr>
<td>One-way Trips Scheduled</td>
<td>Schedule Adherence</td>
</tr>
<tr>
<td>22,882</td>
<td>83.81%</td>
</tr>
<tr>
<td>Cancelled Trips</td>
<td>Overcrowded Trips</td>
</tr>
<tr>
<td>22</td>
<td>85</td>
</tr>
</tbody>
</table>

**System Wide Service:**

Direct comparison of February 2006 versus February 2007 shows a 7.3% decrease in boardings, with a 4.7% increase in revenue hours. Consequently productivity, measured in passenger boardings per vehicle revenue hour, dropped 11.4%, from 23.11 last February to 20.47% for February 2007.

However, the majority of the boarding decrease can be attributed to two items: 1) supplemental service for the AT&T in February 2006 had 9,672 boardings, but was not operated in 2007; 2) the January 27th service change increased direct service between Seaside and Carmel, reducing the number of boardings required to complete those trips and thus reducing the total number of boardings. Taking all factors into account, ridership is estimated to be within 2 - 3% of last February's ridership.

**Seasonal Service:**

Line 22-Big Sur, currently operating weekends only, had 229 boardings, resulting in 4.5 passengers per revenue hour. This route did not operate last February.

**Supplemental Service:**

None.

---

No supplemental service was operated this month.
Fixed Route & DART Monthly Operations Summary Report
February 2007

Overcrowded Trip Reports by Line - FY 07 YTD
- Line 1 - 17 trips (4%)
- Line 5 - 10 trips (3%)
- Line 9 - 42 trips (11%)
- Line 10 - 103 trips (26%)
- Line 20 - 118 trips (29%)
- Line 41 - 47 trips (12%)
- Line 42 - 33 trips (8%)
- Line 47 - 33 trips (8%)
- Other Lines: 28 trips (7%)

Cancelled Trips by Month - FY 07 YTD
- July: 14 trips
- August: 19 trips
- September: 11 trips
- October: 17 trips
- November: 24 trips
- December: 11 trips
- January: 10 trips
- February: 22 trips
- March: 0 trips
- April: 0 trips
- May: 0 trips
- June: 0 trips

Cancelled Trips by Reason - FY 07 YTD
- Traffic: 32 trips
- Employee Error: 15 trips
- Mechanical Failure: 40 trips
- on-MST Accident: 20 trips
- MST Accident: 10 trips
- Other: 9 trips

Routes accounting for less than 2% of all overcrowding are consolidated as "other"
Schedule Adherence by Line - February 2007

Percent On-time Timepoints

- 92.6% adherence standard

16 Edgewater-Marina
  1 Asilomar
  9 Fremont-Hilby
10 Fremont-Ord Grove
20 Monterey-Salinas
  4 Carmel Rancho
23 Salinas-King City
21 Monterey-Salinas
  5 Carmel Rancho
2 Pacific Grove
11 Carmel-Edgewater
41 East Alisal - Northridge
42 East Alisal - Westridge
28 Watsonville-Salinas
27 Watsonville-Monterey
29 Watsonville-Salinas
55 San Jose - Monterey Express
48 East Salinas - Airport Business Center
53 South County Express
45 East Market-Creekbridge
44 Westridge
43 Memorial Hospital
22 Big Sur
24 Carmel Valley-Carmel Rancho
6 Edgewater - Ryan Ranch
46 Natividad
49 Northridge

87% adherence standard
**February 2007**

- Systemwide Ridership: 326,903
- Systemwide Revenue Hours: 15,972.47
- Systemwide Revenue Miles: 253,344.0

### Primary Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Asilomar</td>
<td>9,689</td>
<td>663:18:00</td>
<td>6,795.2</td>
<td>14.61</td>
<td>3.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>9 Fremont-Hilby</td>
<td>31,226</td>
<td>880:41:00</td>
<td>8,623.3</td>
<td>35.46</td>
<td>9.6%</td>
<td>5.5%</td>
</tr>
<tr>
<td>10 Fremont-Ord Grove</td>
<td>37,274</td>
<td>1005:46:00</td>
<td>10,408.9</td>
<td>37.06</td>
<td>11.4%</td>
<td>6.3%</td>
</tr>
<tr>
<td>41 East Alisal - Northridge</td>
<td>47,943</td>
<td>1499:57:00</td>
<td>16,270.8</td>
<td>31.96</td>
<td>14.7%</td>
<td>9.4%</td>
</tr>
<tr>
<td>42 East Alisal - Westridge</td>
<td>36,831</td>
<td>1205:55:00</td>
<td>12,552.2</td>
<td>30.54</td>
<td>11.3%</td>
<td>7.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>162,963</strong></td>
<td><strong>5255:37:00</strong></td>
<td><strong>54,650.4</strong></td>
<td><strong>31.01</strong></td>
<td><strong>49.9%</strong></td>
<td><strong>32.9%</strong></td>
</tr>
</tbody>
</table>

### Neighborhood Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Pacific Grove</td>
<td>13,034</td>
<td>630:51:00</td>
<td>7,117.9</td>
<td>20.66</td>
<td>4.0%</td>
<td>3.9%</td>
</tr>
<tr>
<td>16 Edgewater-Marina</td>
<td>6,146</td>
<td>863:44:00</td>
<td>17,334.8</td>
<td>7.12</td>
<td>1.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>45 East Market-Creekbridge</td>
<td>5,908</td>
<td>372:30:00</td>
<td>5,029.4</td>
<td>15.86</td>
<td>1.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25,088</strong></td>
<td><strong>1867:05:00</strong></td>
<td><strong>29,482.1</strong></td>
<td><strong>13.4%</strong></td>
<td><strong>7.7%</strong></td>
<td><strong>11.7%</strong></td>
</tr>
</tbody>
</table>

### Local Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 Carmel Rancho</td>
<td>1,744</td>
<td>354:51:00</td>
<td>4,184.2</td>
<td>4.91</td>
<td>0.5%</td>
<td>2.2%</td>
</tr>
<tr>
<td>5 Carmel Rancho</td>
<td>9,265</td>
<td>322:28:00</td>
<td>4,280.2</td>
<td>28.73</td>
<td>2.8%</td>
<td>2.0%</td>
</tr>
<tr>
<td>6 Edgewater - Ryan Ranch</td>
<td>377</td>
<td>45:36:00</td>
<td>1,003.2</td>
<td>8.27</td>
<td>0.1%</td>
<td>0.3%</td>
</tr>
<tr>
<td>11 Carmel-Edgewater</td>
<td>11,467</td>
<td>557:23:00</td>
<td>9,516.6</td>
<td>20.57</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>43 Memorial Hospital</td>
<td>9,369</td>
<td>280:55:00</td>
<td>3,266.1</td>
<td>33.35</td>
<td>2.9%</td>
<td>1.8%</td>
</tr>
<tr>
<td>44 Westridge</td>
<td>7,699</td>
<td>316:21:00</td>
<td>3,368.0</td>
<td>24.34</td>
<td>2.4%</td>
<td>2.0%</td>
</tr>
<tr>
<td>46 Natividad</td>
<td>2,698</td>
<td>163:48:00</td>
<td>1,550.2</td>
<td>16.47</td>
<td>0.8%</td>
<td>1.0%</td>
</tr>
<tr>
<td>48 East Salinas - Airport Business Center</td>
<td>1,131</td>
<td>217:52:00</td>
<td>3,889.3</td>
<td>5.19</td>
<td>0.3%</td>
<td>1.4%</td>
</tr>
<tr>
<td>49 Northridge</td>
<td>5,723</td>
<td>396:20:00</td>
<td>2,784.0</td>
<td>14.44</td>
<td>1.8%</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,473</strong></td>
<td><strong>2655:34:00</strong></td>
<td><strong>33,842</strong></td>
<td><strong>18.63</strong></td>
<td><strong>15.1%</strong></td>
<td><strong>16.6%</strong></td>
</tr>
</tbody>
</table>

### Regional Routes

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>20 Monterey-Salinas</td>
<td>45,028</td>
<td>1549:26:00</td>
<td>29,923.0</td>
<td>29.06</td>
<td>13.8%</td>
<td>9.7%</td>
</tr>
<tr>
<td>21 Monterey-Salinas</td>
<td>1,269</td>
<td>149:47:00</td>
<td>2,473.8</td>
<td>8.47</td>
<td>0.4%</td>
<td>0.9%</td>
</tr>
<tr>
<td>23 Salinas-King City</td>
<td>8,468</td>
<td>695:56:00</td>
<td>20,821.7</td>
<td>12.17</td>
<td>2.6%</td>
<td>4.4%</td>
</tr>
<tr>
<td>24 Carmel Valley-Carmel Rancho</td>
<td>3,364</td>
<td>672:07:00</td>
<td>14,436.8</td>
<td>5.01</td>
<td>1.0%</td>
<td>4.2%</td>
</tr>
<tr>
<td>27 Watsonville-Monterey</td>
<td>986</td>
<td>265:41:00</td>
<td>7,049.0</td>
<td>3.71</td>
<td>0.3%</td>
<td>1.7%</td>
</tr>
<tr>
<td>28 Watsonville-Salinas</td>
<td>9,540</td>
<td>660:04:00</td>
<td>18,433.3</td>
<td>14.45</td>
<td>2.9%</td>
<td>4.1%</td>
</tr>
<tr>
<td>29 Watsonville-Salinas</td>
<td>16,078</td>
<td>866:00:00</td>
<td>14,824.5</td>
<td>18.57</td>
<td>4.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td>53 South County Express</td>
<td>332</td>
<td>119:56:00</td>
<td>4,188.8</td>
<td>2.77</td>
<td>0.1%</td>
<td>0.8%</td>
</tr>
<tr>
<td>55 San Jose - Monterey Express</td>
<td>1,348</td>
<td>429:12:00</td>
<td>13,624.8</td>
<td>3.14</td>
<td>0.4%</td>
<td>2.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>86,413</strong></td>
<td><strong>5408:09:00</strong></td>
<td><strong>125,775.7</strong></td>
<td><strong>15.98</strong></td>
<td><strong>26.4%</strong></td>
<td><strong>33.9%</strong></td>
</tr>
</tbody>
</table>

### DART

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monterey Peninsula DART</td>
<td>2,737</td>
<td>735:03:00</td>
<td>8,280.0</td>
<td>3.72</td>
<td>0.8%</td>
<td>4.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,737</strong></td>
<td><strong>735:03:00</strong></td>
<td><strong>8,280.0</strong></td>
<td><strong>3.72</strong></td>
<td><strong>0.8%</strong></td>
<td><strong>4.6%</strong></td>
</tr>
</tbody>
</table>

### Seasonal / Supplemental Service

<table>
<thead>
<tr>
<th>Line</th>
<th>Ridership</th>
<th>VRHrs</th>
<th>VRMi</th>
<th>Pax/Hr</th>
<th>% Riders</th>
<th>% Hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 Big Sur</td>
<td>229</td>
<td>51:00:00</td>
<td>1,314.0</td>
<td>4.49</td>
<td>0.1%</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>229</strong></td>
<td><strong>51:00:00</strong></td>
<td><strong>1,314.0</strong></td>
<td><strong>4.49</strong></td>
<td><strong>0.1%</strong></td>
<td><strong>0.3%</strong></td>
</tr>
</tbody>
</table>
Date: February 28, 2007

To: C. Sedoryk, General Manager/CEO

From: Lyn Owens, Director Human Resources; Hunter Harvath, Director of Administration; Brigga Mosca, Marketing & Sales Manager; Mark Eccles, Director Information Technology

Subject: Administration Department Monthly Report February 2007

The following significant events occurred in Administration work groups for the month of February 2007:

Human Resources

Employment activity for the month of February 2007 is summarized as follows:

<table>
<thead>
<tr>
<th>Department</th>
<th>Title</th>
<th>Transaction</th>
<th>Hire Date</th>
<th>Term Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations</td>
<td>Safety/Training Officer</td>
<td>Resigned</td>
<td></td>
<td>02/02/07</td>
</tr>
<tr>
<td>Administration</td>
<td>Intern</td>
<td>New Hire</td>
<td>02/21/07</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Coach Operator</td>
<td>Resigned</td>
<td>02/22/07</td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>Coach Operator</td>
<td>Resigned</td>
<td>02/28/07</td>
<td></td>
</tr>
</tbody>
</table>

Total employment levels for February 2007 is summarized as follows:

<table>
<thead>
<tr>
<th>Positions</th>
<th>Budget</th>
<th>Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coach Operators / Trainees</td>
<td>126</td>
<td>127</td>
<td>1</td>
</tr>
<tr>
<td>C/O on Long Term Leave</td>
<td>10</td>
<td>4</td>
<td>-6</td>
</tr>
<tr>
<td>Coach Operators Limited Duty</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Operations Staff</td>
<td>22</td>
<td>21</td>
<td>-1</td>
</tr>
<tr>
<td>Maintenance &amp; Facilities</td>
<td>42</td>
<td>41</td>
<td>-1</td>
</tr>
<tr>
<td>Administration (Interns 2 PT)</td>
<td>21.5</td>
<td>21</td>
<td>-.05</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>222.5</strong></td>
<td><strong>215</strong></td>
<td><strong>-7.5</strong></td>
</tr>
</tbody>
</table>

Workers Compensation statistics are as follows:

<table>
<thead>
<tr>
<th>February 2007</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenses</td>
<td>$48113</td>
</tr>
<tr>
<td>Reserves</td>
<td>$1,133,068</td>
</tr>
<tr>
<td># Open cases</td>
<td>61</td>
</tr>
<tr>
<td># Closed cases</td>
<td>8</td>
</tr>
<tr>
<td>Average Reserves per Open claim</td>
<td>$18,575</td>
</tr>
<tr>
<td># Open with no financial activity</td>
<td>22</td>
</tr>
</tbody>
</table>
Training

<table>
<thead>
<tr>
<th>Description</th>
<th>Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Workshop – Strategic Planning</td>
<td>7</td>
</tr>
<tr>
<td>CARS users fueling – Annual Training</td>
<td>33</td>
</tr>
<tr>
<td>Family Medical Leave Act</td>
<td>2</td>
</tr>
</tbody>
</table>

Risk Management Update

<table>
<thead>
<tr>
<th>Description</th>
<th>February 2006 Preventable</th>
<th>February 2007 Preventable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Collision with vehicle</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

Totals

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collision with vehicle</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

Liability Claims Paid/Recovered – Property and Personal Injury

$2,962.75 was recovered. There were no claims paid.

Customer Services Update

Customer Service received 107 customer comments during the month as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>February 07</th>
<th>%</th>
<th>February 06</th>
<th>%</th>
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<tbody>
<tr>
<td>Employee Compliment</td>
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<td>3</td>
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</tr>
<tr>
<td>Service Compliment</td>
<td>9</td>
<td>8.41%</td>
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<tr>
<td>Request To Add Service</td>
<td>31</td>
<td>28.97%</td>
<td>9</td>
<td>15.25%</td>
</tr>
<tr>
<td>Improper Employee Conduct</td>
<td>10</td>
<td>9.35%</td>
<td>9</td>
<td>15.25%</td>
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<tr>
<td>Passed By</td>
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<td>8.41%</td>
<td>4</td>
<td>6.78%</td>
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<tr>
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<td>5</td>
<td>8.47%</td>
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<tr>
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<td>1</td>
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<tr>
<td>Improper Driving</td>
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<td>9</td>
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<td>Late Arrival</td>
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<td>3</td>
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<tr>
<td>Inaccurate Public Information</td>
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<td>3</td>
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<td>3</td>
<td>5.08%</td>
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<tr>
<td>Passenger Injury</td>
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<td>1.87%</td>
<td>3</td>
<td>5.08%</td>
</tr>
<tr>
<td>Fare / Transfer Dispute</td>
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<td>1.87%</td>
<td>2</td>
<td>3.39%</td>
</tr>
<tr>
<td>Passenger Conduct</td>
<td>2</td>
<td>1.87%</td>
<td>0</td>
<td>0.00%</td>
</tr>
</tbody>
</table>
We received 107 overall comments, which is the highest number of service reports on record for one month. It was expected that the January 27, 2007 PASS service change would generate the majority (35.5%) of overall reports (Request to add service/Routing). It is common, after a service change, for some customers to struggle with the changes and ask for accommodations. Thorough training prior to the service change helped us prepare for these calls.

The customer service staff did an admirable job of fielding a high volume of calls in January and February. The majority involved explaining the new routes, and clarifying the specific changes. Hunter’s preemptive training, and diligence on the part of the CS staff, allowed us to deal with the increased phone volume.

**Marketing and Sales Update**

Bus ad sales for the month of February totaled $7,743. Clients included: Monterey Regional Waste Management, AT&T, Extreme Learning, Northern California Toyota Dealers, Kinship Center and Monterey Bay Horticultural Supply.

Press releases sent include: Announcement of New MST Board Member and Election of Officers and President’s Day Bus Schedule. Marina Transit Exchange Groundbreaking story written and sent to trade publications. Published news stories included: January service changes, election of officers, editorial on bus shelter for King City (The Rustler, Feb 21, 2007), letter to editor regarding the virtues of Line 55 San Jose Express (Monterey County Weekly Feb. 8-14, 2007), letter to editor re: new service change (The Herald, Feb. 2, 2007).

Marketing activities: Began branding projects for Line 22 Big Sur and for DART with the ultimate goal of increasing ridership on both specialty lines. Continuing public information projects for the January service change. Attended APTA Marketing Conference (see report in this month’s agenda),
Planning Update

Staff worked on minor tweaks and improvements to the January 27, 2007, service change and addressing signage issues. Staff met with Steve Packer of CHOMP to discuss transit access to the hospital. Staff attended meetings with AMBAG on the South County Short Range Transit Study and conducted an informational presentation to the city council and mayor of King City. Staff met with tasting room representatives of the Monterey County Vintners and Growers Association to brief them on the expansion of the Grapevine Express to 7-days a week and met with Carmel Valley tasting room representatives to brainstorm ways of cross promoting the Grapevine Express. Staff met with city of Monterey representatives to discuss the proposed Monterey Intermodal Transit Center at the parking garages.

Work continued on the Monterey Bay Bus Rapid Transit Study and the MST Fare/Zone Analysis. Staff welcomed Assemblymember Anna Caballero to MST for a presentation and site visit. Staff attended meetings with TAMC, SSTAC, FORA, MCHA, and Competitive Clusters, Staff attended training in San Francisco for the FTA Triennial Review and continued participation in the Leadership Monterey Peninsula program.

Information Technology Update

Staff continued working on outstanding warranty claims with the Siemens Transitmaster system. Staff continued to configure software for the ongoing implementation of the Maximus Maintenance system. Staff continued to configure hardware and software for the ongoing implementation of the FAMIS Accounting system. Staff upgraded software for the Hastus Runcutting and Ddam software. Staff updated software components of MST workstations. Staff continued developing functionality of the Payroll and Customer Service databases. Staff were working on upgrading servers and reconfiguring the network infrastructure of the MST computer system. Staff continued to support MST staff as needed, proactively ensuring MST staff were supported fully with their IT needs.
TRANSPORTATION AGENCY PREPARES TO BRING HALF CENT SALES TAX TO VOTERS IN NOVEMBER 2008

Conducting public workshops, surveys, focus groups, and individual stakeholder meetings were among the many public outreach efforts discussed by the Transportation Agency on Wednesday. Over the next year and a half public outreach efforts will be increasing for the Transportation Agency for Monterey County. The purpose of the outreach efforts is to learn from the public what transportation issues are important to them as well as increasing awareness of the transportation-funding crisis at the state and federal level.

Input gathered from the public will be used to prepare a new transportation expenditure plan for a proposed ½ cent transportation sales tax to be placed on the November 2008 ballot. Other key public outreach efforts will include meeting with environmental and taxpayer groups, building a stakeholder advisory committee, developing an annual report to be sent to all residents, and emphasizing how the new projects funded with the sales tax will help the commuters, the environment and air quality.

The next steps for this year include conducting a public opinion survey and developing the draft expenditure plan and bringing it to the public for comment.

STATE FUNDING REQUESTED FOR MONTEREY COUNTY TRANSPORTATION PROJECTS

The Transportation Agency approved a request to the California Transportation Commission for $28 million in state bond funds to cover project cost increases, new transit projects and design work. These new state funds do not pay the full cost of all these projects; however, they are the last piece in the funding puzzle for many of them. Given the long list of projects seeking funding, those projects already in the design or environmental review stage will receive highest priority. Many projects have experienced cost increases due to construction market forces including high oil and concrete costs.

Projects that will benefit if this funding is granted by the State Transportation Commission include:

- Highway 1 – Salinas Road new interchange
- US 101 – Airport Boulevard interchange improvements (east)
No new road projects will be initiated with this funding due to the limited amount of money available. Finding a stable source of local funding is still needed to fund the growing list of projects to support future mobility in the Monterey County region.

**WELCOME NEW PRINCIPAL PLANNER**

The Transportation Agency welcomed Todd Muck as a new Principal Transportation Planner starting March 15, 2007. Mr. Muck has 14 years of experience with the Association of Monterey Bay Area Governments where he supervised the demographic, geographic information systems and rideshare program staff, managed the Monterey Bay Region Metropolitan Transportation Improvement Program and the Land Use Compatibility Plan for the four public airports in the County. With the Transportation Agency he will take on the duties as project funding and local project delivery liaison, Technical Advisory Committee organizer and coordinate the implementation of certain bicycle facilities. Mr. Muck has a Bachelor of Science degree in Urban and Regional Planning from Cal Poly Pomona and is an American Institute Certified Planner.
The following report summarizes recent actions taken on behalf of Monterey-Salinas Transit:

- Assisted MST staff with development of requests for Federal funding support.
- Consulted with MST on 2007 Federal agenda and advised on lobbying strategies.
- Arranged and attended meetings for Board members and staff to lobby on FY 2007 projects and legislation.
- Contacted Congressional delegation to follow up advocacy meetings.
MEMO

DATE: April 1, 2007

TO: Carl Sedoryk, General Manager/CEO
Monterey-Salinas Transit

FROM: John E. Arriaga, President

SUBJ: March 2007 Activity Report

Week of March 5, 2007
- Attended Housing and Community Development Workshop in Sacramento on the Transit Oriented Development Funding contained in Prop. 1C.
- Met with Senator Cox’s Office to discuss concerns with SB 684 (Cox) regarding bus feeder service and possible indirect consequences for MST
- Prepared Matrix of introduced transit-transportation related legislation of potential interest for review, consideration and possible position taking.
- Conducted “Meet & Greets” with new members of the Legislature
- Monitored gubernatorial appointments
- Monitored and tracked Infrastructure informational hearings at the Capitol
- Provided Weekly Capitol Update Report

Week of March 12, 2007
- Attended APTA Legislative Reception in Washington, DC
- Coordinated the scheduling of meetings for Hunter Harvath on March 20th in conjunction with the CTA Conference in Sacramento
- Conducted “Meet & Greets” with new members of the Legislature
- Monitored and tracked Infrastructure informational hearings at the Capitol
- Monitored gubernatorial appointments
- Prepared Capitol Weekly Update Report

Week of March 19, 2007
- Participated in meetings with Hunter Harvath and MST’s regional Legislative Representatives and others regarding MST’s State Priorities and infrastructure projects
- Attended CTA Conference meetings and reception.
- Attended Assembly Budget Sub. # 5 hearing on transit funding
- Monitored and tracked Infrastructure informational hearings at the Capitol
- Monitored gubernatorial appointments
- Prepared Capitol Weekly Update Report
- Conducted “Meet & Greets” with new members of the Legislature
- Monitored gubernatorial appointments
- Monitored introduction of Legislation
Week of March 26, 2007

- Attended Senate Transportation and Housing Committee hearing to monitor action and movement of Prop. IB and Prop. IC infrastructure issues and legislation
- Prepared Capitol Weekly Update Report
- Monitored and tracked Infrastructure informational hearings at the Capitol
- Monitored gubernatorial appointments

Please feel free to contact me at (916) 669-1340 with any questions or concerns you may have regarding information contained in this report.
March 29, 2007

To: Carl Sedoryk

From: H. Harvath, Director of Administration

Subject: FTA TRIENNIAL REVIEW TRIP REPORT

On February 26-27, I attended an FTA-sponsored training session in San Francisco. The subject of the training was to help prepare transit agency staff for their upcoming triennial reviews. As a part of MST’s triennial review, which is currently scheduled for April 24-25, 2007, I will be coordinating the responses and document requests. During the two-day class, a total of 23 subject areas were covered:

1. Legal
2. Financial
3. Technical
4. Satisfactory Continuing Control
5. Maintenance
6. Procurement
7. Disadvantaged Business Enterprise
8. Buy America
9. Suspension/Debarment
10. Lobbying
11. Planning/Program of Projects
12. Title VI
13. Public Comment Process for Fare and Service Changes
14. Half Fare
15. ADA
16. Charter Bus Protections
17. School Bus Protections
18. National Transit Database
19. Safety and Security
20. Drug-Free Workplace
21. Drug and Alcohol
22. Equal Employment Opportunity
23. ITS Architecture

Hunter Harvath
To: Carl Sedoryk

From: Brigga Mosca, Marketing & Sales Manager

Subject: APTA Marketing & Communications Workshop 2007
        Las Vegas, Nevada

This conference, held in mid-February, was the second that I’ve attended as a representative of MST. Overall, the sessions are packed with a wide spectrum of information relative to transit marketing and public information.

The highlight of the event for me was the keynote speaker, Steve Yastrow, marketing/advertising professional and author, who spoke on the subject of “branding”. I use quotations because it is hardly a new concept as we who have been in the business for a while used to refer to this term as “identity” or “I.D.”. He put into words what has long been my own philosophy regarding marketing, the sum of which is this: the essence of branding is not what you say you are but rather what your customer thinks you are. What they think about you then drives their actions, and ultimately drives the results of your business. Anyone whose actions affect your results can be considered a customer. Thus, marketing starts within an organization and includes attitudes and actions toward staff and customers alike.

How do we apply this viewpoint to marketing MST? By keeping in mind that everything we do is marketing. What the customer experiences when they use our service is at the crux of how well we have met the marketing challenge. It is in the details and not necessarily the broad strokes. Saturating the market with loud, frequent messages is not good marketing. It just becomes part of the noise that is prevalent in our society today – especially in media. Good marketing is not based on who can shout the loudest or the most often. Good marketing is based on consistently delivering a quality product or service that customers can depend upon.

Here are highlights of some of the informal group sessions I attended:

**Increasing Ridership**

This seminar was interesting with case studies based on FTA Evaluations. The FTA created ridership initiatives for several agencies following comprehensive system reviews. Although a worthwhile endeavor, the evaluations were, in my opinion, flawed. While the results focused heavily on seniors, they offered nothing whatsoever for youth or students. Having said this, their plan for increasing senior ridership was outstanding and included: outreach to and partnerships with senior centers as well as senior organizations and senior-based special events along with travel & mobility training, advertising in senior publications, generating senior-targeted news stories and pass sales at senior centers.
I posed the question to the group about experiences with youth and student marketing and received some good responses from the agencies. Despite the lack of direction from the FTA Evaluation process, these agencies value the youth market and are actively marketing to them. Some ideas include: partnership with malls, coffee shops and schools, demonstration projects at schools, ambassadors at school sites (peer-to-peer a popular solution) and special youth and/or student pass – especially a summer pass.

**Transit Websites**

A seminar on Transit Websites was interesting in that so many agencies are bereft with their website presence. It is generally not treated as a priority in transit marketing, mainly due to lack of dedicated resources. It is time for the industry to be more progressive with their website marketing and MST in no exception to this. Online pass and ticket sales is an area where some agencies are utilizing this resource to their advantage. One agency is using their website for online surveys. With internet sales growing at approximately 30% per year, it is a medium we cannot afford to put in last place. Another new trend in transit websites: partnerships and advertising sales.

**Transit Revenue/Advertising Working Group:**

There is increasing activity with LCD paid messaging, interior digital billboards and on-board video. One major metropolitan agency is partnering with major networks for on-board video, much like you would see on an airplane. There is also some experimentation with backlit bus ads to increase visibility at night thereby increasing exposure and impressions for bus ad clients. There was considerable discussion about ad content – what is allowable and what is not. It is all over the place with no standard for our industry. For example, in Las Vegas the buses are wrapped with liquor advertising. Probably appropriate for that unusual market but inappropriate for the rest of us. Something else to consider with regard to Las Vegas is that it is the only public transit system in this country that is entirely privately funded.

Research is currently being done to assist agencies with this growing media segment. One area of research which will be helpful covers First Amendment principles as applied to public transportation messaging. A mobility and traffic audit is still another two years away from being complete but will be meaningful information for bus ad sales since now there is no sales support that other mediums have, such as circulation for print, ratings for broadcast or site visits for websites. Out Of Home (OOH) marketing is growing rapidly at 8% per year with growth projected at 16% the next two years. Presently OOH is a $1 billion a year enterprise.

**Low Cost Marketing**

Ideas: customer appreciation events, email blasts to customers (holiday schedules, service disruptions, etc.), transportation fairs (“lunch and learn”), partnerships with destinations on routes, prize drawings, utilize free/cheap mediums such as church or school bulletins, invite media aboard the bus to take a ride once a year, partner with youth and senior centers, speak to groups (boy scouts, environmental groups).