Board of Directors Regular Meeting

Monday, December 8, 2008

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. CLOSED SESSION

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

   2-1. General Manager/CEO Performance ($54954.2). (No enclosure) (Lyn Owens)

   2-2. Conference with property negotiators (Parcel # L.2.3, L.2.4.1, L.2.4.2, L.2.4.3, L.2.2.1, L.2.2.2). (No enclosure) (Carl Sedoryk)

   2-3. Conference with Legal Counsel – Existing Litigation
        (Gov. Code Section 54956.9 (a))
        Name of Case: Terry Brown v. MST
        Worker’s Compensation Claim

3. RETURN TO OPEN SESSION

   3-1. Report on Closed Session and possible action.
4. **CONSENT AGENDA**

4-1. 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.

| 4-3. | Disposal of property left aboard buses. (Danny Avina) (p. 3) |
| 4-4. | Minutes of the regular meeting of November 17, 2008. (Sonia Bannister) (p. 5) |
| 4-6. | Adopt 2009 meeting calendar. (Sonia Bannister) (p. 31) |
| 4-7. | Authorize Chair to appoint ad-hoc Nominating Committee. (Carl Sedoryk) (p. 33) |

End of Consent Agenda

5. **SPECIAL PRESENTATIONS**

5-1. December Employee of the Month – Raul Estrada, Coach Operator. (Robert Weber)

6. **PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

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

7. **COMMITTEE REPORTS**

No action required unless specifically noted.

| 7-1. | MST Legislative Committee Minutes – November 17, 2008. (Hunter Harvath) (p. 35) |

8. **BIDS/PROPOSALS**
9. **PUBLIC HEARINGS**

9-1. Conduct public hearing on proposed fare increase and/or service change to fixed route and MST RIDES. (Hunter Harvath) (p. 37)

10. **UNFINISHED BUSINESS**

10-1. Adopt staff recommendation on proposed fare increases for MST fixed-route bus and RIDES and/or service reductions to fixed-route bus. (Hunter Harvath) (p. 65)

10-2. Receive update on status of Frank J. Lichtanski Monterey Bay Operations project. (No enclosure) (Michael Hernandez)

10-3. Update on Line 55 and on-board passenger survey highlights. (Michael Gallant) (p. 69)

11. **NEW BUSINESS**

11-1. Receive draft Monterey-Salinas Transit 2009 Legislative Program. (Hunter Harvath) (p. 85)

12. **REPORTS & INFORMATION ITEMS**

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

12-1. General Manager/CEO Report. (p. 97)


12-3. Letters rejecting the Governor’s proposal to eliminate the 2008-09 State Transit Assistance program. (p. 121)

12-4. Board referrals. (p. 127)

12-5. Staff trip report. (p. 129)

13. **COMMENTS BY BOARD MEMBERS**

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

14. **ANNOUNCEMENTS**

15. **ADJOURN**
NEXT MEETING DATE: January 12, 2009 in MST Conference Room.

NEXT AGENDA DEADLINE: December 30, 2008

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

Upon request, MST will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least 5 days before the meeting. Requests should be sent to Sonia Bannister, MST, One Ryan Ranch Road, Monterey, CA 93940 or srbannister@mst.org
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, Raul Estrada began his career as a Coach Operator with Monterey-Salinas Transit on April 8, 2008; and

WHEREAS, on October 23, 2008, Raul Estrada performed the Heimlich Maneuver, on a co-worker who was choking on a food item. The employee had a fully obstructed airway and was in severe distress; and

WHEREAS, Raul Estrada’s intervention helped to dislodge the obstruction – avoiding what could have been a truly tragic event.

THEREFORE BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit recognizes Raul Estrada as Employee of the Month for December 2008; and

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

THE BOARD OF DIRECTORS OF MONTEREY–SALINAS TRANSIT
PASSED AND ADOPTED RESOLUTION 2009-11 this 8th day of December 2008 by the following vote:

AYES: Armenta, Clark, Downey, Ford, Mancini, Sharp, Stilwell

NOES: None

ABSENT: Sanchez

Fernando Armenta
Chairman

Carl G. Sedoryk
Secretary
To: Board of Directors

From: Danny Avina, Marketing and Customer Service Manager

Subject: Disposal of unclaimed property left on bus

St. Vincent De Paul (P.G.)

1 book      2 trousers
1 key ring  1 radio
1 eyeglasses 3 cell phones
1 hat       1 watch
2 jackets   1 plate
3 sunglasses

To be disposed

2 wallets   2 hats
1 thermos   1 eyeglass
1 diaper bag 3 keys
3 credit cards 1 apron
2 shirts

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.

PREPARED BY: ___________________ REVIEWED BY: ___________________

Danny Avina               Carl Sedoryk
1. CALL TO ORDER

Chair Armenta called the meeting to order at 10:00 a.m. in the MST Conference Room.

Present:  Kristin Clark  City of Del Rey Oaks
          James Ford  City of Marina
          Libby Downey  City of Monterey
          Vicki Stillwell  City of Pacific Grove
          Thomas Mancini  City of Seaside
          Fernando Armenta  County of Monterey

Absent:  Karen Sharp  City of Carmel-By-The-Sea
          Sergio Sanchez  City of Salinas
          Maria Orozco  City of Gonzales (Ex-Officio)

Staff:  Carl Sedoryk  General Manager/CEO
        Hunter Harvath  Asst. General Manager/Finance & Administration
        Michael Hernandez  Asst. General Manager/Chief Operating Officer
        Mark Eccles  Director of Information Technology
        Tom Hicks  CTSA Manager
        Bill Morris  Contract Transportation Manager
        Lyn Owens  Director of Human Resources
        Kelly Halcon  Human Resources Manager
        Sonia Bannister  Office Administrator/Marketing & Sales Specialist
        Michael Gallant  Planning Manager
        Kathy Williams  Accounting Manager
        Zoe Smallwood  Marketing Analyst

Others:  Dave Laredo  DeLay & Laredo
         Heidi Quinn  DeLay & Laredo
         Zoe Smallwood  Marketing Analyst
         Lance Atencio  MV Transportation
         Dawn Withers  Salinas Californian
         Bob Parks  ATU Local 1225
         John Arriaga  JEA & Associates
         James Wright  Marina resident
         Marye McCarthy  Monterey resident
         John Slobodin  Pacific Grove resident
         Carmelita Garcia  Asilomar resident
         RJ Adams  Monterey County Office of Education

*Apology is made for any misspelling of a name.*
2-1. – 2-8. CONSENT AGENDA

The consent agenda items consisted of the following:


2-3. Disposal of property left aboard buses.


Director Mancini moved to approve the items on the consent agenda. Director Stilwell seconded and the motion carried unanimously.

3. SPECIAL PRESENTATIONS

Robert Weber, Director of Transportation Services introduced Fred Simkins, Coach Operator, as Employee of the Month for November 2008. Fred began his career with Monterey-Salinas Transit in March 2003 as a Coach Operator. Since his date of hire, Fred has been the recipient of multiple commendations and awards as he has continued to perform his duties and responsibilities in an exceptional manner. In April of 2005, Fred was selected as MST's Employee of the Month for professionally managing a critical situation that occurred on his coach in December of that year.

Carl Sedoryk, General Manager/CEO presented a 20-year Service Award to Sonia A.R. Bannister, Office Administrator & Marketing/Sales Specialist.

4. PUBLIC COMMENTS

None.

5. COMMITTEE REPORTS

The Board accepted and filed the MST RIDES Advisory Committee Minutes – September 15, 2008, and the Finance Committee Minutes – October 13, 2008.

6. BIDS/PROPOSALS

None.
7. PUBLIC HEARINGS

Mr. Harvath, Assistant General Manager for Finance & Administration gave a brief presentation on the proposed fare increase and possible service adjustments. He reported that in response to severe reductions in state funding and local transportation funding uncertainties, MST is proposing to increase fares for both its fixed-route and MST RIDES paratransit services as follows. These changes, if adopted by the Monterey-Salinas Transit Board would go into effect in January 2009.

Proposed Service Reductions & Route Eliminations
**Effective January 2009**

<table>
<thead>
<tr>
<th>Route</th>
<th>Service Reduction or Route Elimination</th>
<th>Affected Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peninsula DART</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 1x Asilomar/Lovers Point Express</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>OR</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Lines 1 &amp; 2 Pacific Grove</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 7 Monterey-Carmel via CHOMP</td>
<td>Route Elimination</td>
<td>Weekdays</td>
</tr>
<tr>
<td>Line 9 Fremont-Hilby</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 10 Fremont-Ord Grove</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 11 Edgewater-Carmel</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 20 Monterey-Salinas</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 27 Watsonville-Marina</td>
<td>Route Elimination</td>
<td>Weekdays</td>
</tr>
<tr>
<td>Line 28 Watsonville-Salinas</td>
<td>Service Reduction</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 29 Watsonville-Salinas</td>
<td>Service Reduction</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 41 East Alisal-Northridge</td>
<td>Service Reduction</td>
<td>Sundays</td>
</tr>
<tr>
<td>Line 42 East Alisal-Westridge</td>
<td>Service Reduction</td>
<td>Sundays</td>
</tr>
<tr>
<td>Line 43 Memorial Hospital</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 49 Northridge</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
</tbody>
</table>

Proposed Fare Increases
**Effective January 2009**

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>MST Fixed Route Bus</td>
<td>$2.00</td>
<td>$2.50</td>
</tr>
<tr>
<td>Base Fare (per zone)</td>
<td>$1.00</td>
<td>$1.25</td>
</tr>
<tr>
<td>Discount Fare</td>
<td>$2.00</td>
<td>$0.25</td>
</tr>
<tr>
<td>Transfer</td>
<td>$0.25</td>
<td>Change</td>
</tr>
<tr>
<td>Discount Transfer</td>
<td>$0.10</td>
<td></td>
</tr>
</tbody>
</table>
DayPasses
Single Zone $4.50 $6.00
Single Zone Discount $2.25 $3.00
All Zone $9.00 $12.00
All Zone Discount $4.50 $6.00

Monthly Passes
Single Zone $62.00 $75.00
Single Zone Discount $31.00 $37.00
All Zone $124.00 $150.00
All Zone Discount $62.00 $74.00

Book of 20 Tickets
Regular $40.00 $50.00
Discount $20.00 $25.00

MST RIDES Paratransit
Base Fare (Per Zone) $2.50 $3.50
Book of 10 Tickets $25.00 $35.00

Chair Armenta opened the public hearing at 10:48 a.m. to receive public comments on the proposed changes.

RJ Adams, Monterey County Office of Education, spoke on behalf of the students in the Monterey Transition Program. The DART is the only route that provides service to their center. His students are mentally-challenged and they rely on the bus to get to their center located at Franklin and High Street in Monterey. He urged the Board to consider keeping the DART intact for the 24 students currently in the program. They use fixed-route.

Jim Wright, Marina resident, doesn’t want to see the DART discontinued. He said bus service to Ryan Ranch where some medical doctors offices are located, is a joke. He also uses lines 7 and 27 to Castroville. He wants the Board to consider the people on fixed income and how the proposed changes would affect them.

Jim Fink, Salinas resident, wants the Board to consider a fare increase instead of looking at service cuts. The proposed $2.50 base fare is not keeping up with inflation. He noted that Santa Cruz Metro’s daypass is three times the price of the regular fare. He suggested running 60-minute headways on all MST lines everyday, eliminating transfers, charge passengers each time they board a bus, and to increase the minimum fare to $2.60.

Jean Donohue, Pacific Grove resident, commented that the MST RIDES Program should be subsidized by the medical profession. Asilomar residents should subsidize line 1X. She noted that there is no service to CHOMP on weekdays and that CHOMP should subsidize the service to the hospital. She rides the line 4.
Marye McCarthy, Monterey resident, volunteers at CHOMP. She wants the DART to stay as well. She uses it to get to work at the hospital.

Seeing no one wishing to comment, Chairman Armenta closed the public hearing at 11:03 a.m.

The Board thanked the public for their comments and noted that their suggestions would be taken into consideration. It was noted that additional public hearings are currently scheduled for the following:

**Tuesday, December 2, 2008**
6:00 p.m.
Boy’s & Girl’s Club – Community Room
1332 La Salle Avenue
Seaside

**Wednesday, December 3, 2008**
7:00 p.m.
Gonzales Council Chambers
147 Fourth Street
Gonzales

**Wednesday, December 3, 2008**
5:30 p.m.
Soledad Council Chambers
248 Main Street
Soledad

**Thursday, December 4, 2008**
6:00 p.m.
Salinas Community Center
940 N. Main Street
Salinas

**Monday, December 8, 2008**
10:15 a.m.
Monterey-Salinas Transit
One Ryan Ranch Road
Monterey

Director Mancini commented that it is hard for him to suggest raising the fares higher than proposed because the proposed fare increase is already going to make his constituents pay more than what they can afford.

8-1. 2008 MST TROLLEY SEASON

Mr. Harvath provided the results of the 2008 MST Trolley passenger survey. When asked how they knew about the MST trolley, most of the passengers responded that they either saw the trolley or saw the trolley bus stop. The majority of the riders had never been on the trolley before. If the trolley was not available, most of the respondents would have either driven or walked to get around Monterey.

In the areas of driver courtesy, safety, cleanliness of the bus, convenience, and their overall experience, the majority of the respondents rated their experience as Excellent and they would all recommend the trolley to others. Most of the riders do not regularly use public transportation and they noted that as a result of their experience on the MST Trolley, they would try using public transit in their local area.
Director Stilwell would like to see the MST Trolley extended to serve Pacific Grove in the fall.

9. NEW BUSINESS

None.

10-1. – 10-7. REPORTS & INFORMATION ITEMS

The reports consisted of the General Manager/CEO Report; TAMC Highlights – October 22, 2008; Washington DC Lobbyist Report – October 28, 2008; Sacramento Lobbyist report – November 1, 2008; Letter from Monterey Jazz Festival; Board Referrals; and Staff trip reports.

11. COMMENTS BY BOARD MEMBERS

Directors Downey and Mancini commented that they attended some of the sessions during the CTA/CalACT Conference.

12. ANNOUNCEMENTS

Mr. Harvath introduced Kathy Williams as the new Accounting Manager.

13. CLOSED SESSION

The Board adjourned to Closed Session to meet with legal counsel regarding General Manager/CEO performance.

14. RETURN TO OPEN SESSION

Upon returning to open Session, General Counsel Laredo announced that no reportable action was taken by the Board.

15. ADJOURNMENT

There being no further business, Chair Armenta adjourned the meeting at 11:45 a.m.

Prepared by: ______________________________
Sonia A.R. Bannister
To: Board of Directors  
From: H. Harvath, Assistant General Manager for Finance & Administration  

RECOMMENDATION:  
1. Accept report of November cash flow presented in Attachment #1  
2. Approve October disbursements listed in Attachment #2  
3. Accept report of November treasury transactions listed in Attachment #3  

FISCAL IMPACT:  
The cash flow for November is summarized below and is detailed in Attachment #1.  

- Beginning balance October 25, 2008: $9,453,999.42  
- Revenues: 1,723,971.67  
- Disbursements: <2,505,278.44>  
- Ending balance November 21, 2008: $8,672,692.65  

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.  

Prepared by: ______________________  Reviewed by: ______________  
Hunter Harvath  Carl Sedoryk
### Treasury Transactions
#### For November 2008

<table>
<thead>
<tr>
<th>Date</th>
<th>Account</th>
<th>Confirm #</th>
<th>Bank</th>
<th>Deposit</th>
<th>Withdrawal</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 15</td>
<td>LAIF</td>
<td>INTEREST</td>
<td>FNB</td>
<td>46,249</td>
<td></td>
<td>9,408,771</td>
</tr>
<tr>
<td>Oct 29</td>
<td>LAIF</td>
<td>1197585</td>
<td>FNB</td>
<td>414,000</td>
<td></td>
<td>9,822,771</td>
</tr>
<tr>
<td>Nov 5</td>
<td>LAIF</td>
<td>1198394</td>
<td>WF</td>
<td></td>
<td>1,019,000</td>
<td>8,803,771</td>
</tr>
<tr>
<td>Nov 6</td>
<td>LAIF</td>
<td>1198589</td>
<td>FNB</td>
<td>250,000</td>
<td></td>
<td>9,053,771</td>
</tr>
<tr>
<td>Nov 19</td>
<td>LAIF</td>
<td>1199913</td>
<td>FNB</td>
<td>800,000</td>
<td></td>
<td>8,253,771</td>
</tr>
</tbody>
</table>

Local Agency Investment Fund:
(Earned 2.709% for Oct. 2008) $ 8,253,771

Treasury Balance at 11/21/08: $ 8,253,771
To: Board of Directors
From: S. Bannister, Office Administrator
Subject: 2009 Meeting Schedule

RECOMMENDATION:

Adopt the attached meeting schedule for 2009.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

None.

DISCUSSION:

Board meetings are usually scheduled for the second Monday of the month at 10:00 a.m. Certain meetings deviate from the normal schedule in order to avoid holidays and conflicts with out-of-town meetings.
MST BOARD MEETING SCHEDULE  
and  
CALENDAR FOR 2009

January 12  BOARD MEETING
February 9  REGULAR MEETING
March 8-10  American Public Transportation Association Legislative Conference, Washington, DC
March 16  REGULAR MEETING
April 13  REGULAR MEETING
May 11  REGULAR MEETING
May 19-20  California Transit Association Legislative Conference, Sacramento, CA
June 8  REGULAR MEETING
July 13  REGULAR MEETING
July 18-21  American Public Transportation Association Transit Board Members Conference, Cincinnati, OH
August 10  REGULAR MEETING
September 14  REGULAR MEETING
October 4-7  American Public Transportation Association Annual Meeting, Orlando, FL
October 12  REGULAR MEETING
October 26-29  California Transit Association Annual Conference, Pasadena, CA
November 9  REGULAR MEETING
December 14  REGULAR MEETING

December 8, 2008 Board Meeting
To: Board of Directors
From: C. Sedoryk, General Manager/CEO
Subject: Ad hoc Nominating Committee

RECOMMENDATION:

Authorize the Chair to appoint an ad-hoc Nominating Committee.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

None.

DISCUSSION:

Election of officers is conducted each February. In the past, your Board has authorized the Chair to appoint an ad hoc Nominating Committee to develop a slate of officers. A list of the current officers and appointments is attached.

Attachment: 1. MST Officers an Appointments
MST Officers and Appointments
As of August 18, 2008

Officers elected by the Board:

Chair
Fernando Armenta
Vice-Chair
Tom Mancini

Non-elected officers and appointments:

Secretary to the Board
Carl G. Sedoryk
Deputy Secretary to the Board
Sonia A. R. Bannister
Treasurer
Carl G. Sedoryk
Deputy Treasurer
Hunter Harvath
General Counsel
David C. Laredo
Representative to TAMC
Carl G. Sedoryk
Alternate to TAMC
Hunter Harvath
Alternate to TAMC
Michael Gallant
Representative to FORA
Hunter Harvath
Alternate to FORA
Carl G. Sedoryk
Representative to California Transit
Insurance Pool (CalTIP)
Carl G. Sedoryk
Alternate to CalTIP
Lyn Owens
Legislative Committee
November 17, 2008
Minutes

Present: Director Armenta
Director Clark
Director Downey
Carl Sedoryk, General Manager/CEO
Hunter Harvath, AICP, Assistant General Manager – Finance & Administration
John Arriaga, JEA & Associates
Don Gilchrest, Walters & Associates (Via Telephone)

Absent: Director Sanchez

1. Call to order

Director Armenta called the meeting to order at 9:06 a.m.

2. Public comment

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

3. Federal legislative and transportation authorization update

Mr. Gilchrest provided an update of federal legislation and funding matters. The Fiscal Year 2009 Appropriations bills are stalled. A continuing resolution is effective through March 2009. During the lame duck session, Congress will be considering an economic stimulus bill, which would include funds for transit and highway projects. If passed, the economic stimulus funds would flow through existing Federal Transit Administration programs to MST with direction to be spent quickly. The House will be taking the lead on the next multi-year transportation authorization bill. Efforts are being made to try to get it passed before the current authorization expires at the end of September 2009 because of the weak economy. Mr. Sedoryk asked if the stimulus funds would be capital or operating. Mr. Gilchrest responded that they would be 5307 funds, but would have strings attached to them that would most likely restrict them to capital projects. Director Armenta stated that at various APTA meetings he had been to, the transportation authorization discussion focused on “starting from scratch” in an attempt to simplify and streamline the federal transportation program. Mr. Sedoryk
agreed that efforts were underway to reduce the number of programs and funds from nearly 200 down to approximately 10.

4. State legislative and budget update

Mr. Arriaga introduced the state update by revealing that the current deficit estimate had again swelled by another $5 to $10 billion in just the few weeks since the Legislature and Governor agreed to a FY 2009 budget in September. Under current procedures, the Legislature has until November 23rd to introduce changes to the budget and must complete work by November 30th. The new Legislature is sworn in on December 1st. The Governor is proposing to cut transit by approximately $230 million in FY 2009 and $300 million the following year. On Friday, the state budget committee met, with Assemblymember John Laird leading the effort to get an agreement adopted before he is termed out at the end of November. Mr. Sedoryk indicated that the Governor’s proposal to eliminate the State Transit Assistance program completely beginning in 2010 would be devastating to MST’s budget. Director Downey recommended sending a letter to the Governor regarding this issue. Director Armenta suggested making calls to legislators. Mr. Sedoryk indicated that MST was looking for outside partners such as Hartnell, Monterey Peninsula College and CSUMB for funding assistance, as well as to TAMC for stop gap measures to address the 90% reduction proposed this year for State Transit Assistance funds. Director Downey mentioned that the local colleges are suffering from budget cuts, too.

Mr. Arriaga also gave an update of climate change issues related to SB375 and recommended that incoming state Assemblymember Bill Monning be invited to MST for a tour and an orientation meeting. Mr. Sedoryk added that there will be a draft legislative agenda presented to the Board at its December 8, 2008 meeting.

5. Adjourn

Chair Armenta adjourned the meeting at 9:45 a.m.

Prepared by: ____________________________________________

Hunter Harvath
To: Board of Directors

From: H. Harvath, Assistant General Manager – Finance & Administration

Subject: Public hearings for possible fare increases, MST RIDES fare increases and other possible service adjustments

RECOMMENDATION:

Hold a public hearing for possible fare increases, MST RIDES fare increases and other possible service adjustments

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board holds hearings to receive public input on major changes to routes and fares.

DISCUSSION:

With the adoption of the California FY 2009 Budget in September, over $1.7 billion of funds designated for transit purposes were shifted to other General Fund programs resulting in a $2.9M loss of expected revenue to MST. The MST revenues that were shifted were State Transit Assistance funds, which are used, in part, to pay for MST’s RIDES Paratransit program. Compounding this issue is that MST is experiencing a dramatic growth in usage of the MST RIDES program due to changes in local Medi-Cal policies that have resulted in a surge of dialysis related trips on the MST RIDES service. At the same time, Congress has declined to pass a new federal transportation budget for the federal fiscal year that began October 1, 2008 and has passed a continuing resolution that calls for freezing federal public transportation funding at last year’s level.

On Monday, October 27, 2008, the Sacramento Bee reported that the Governor was calling the legislature back into special session on Wednesday, November 5th – the day after election day – to address a new $3 billion to $10 billion hole that has appeared in the state’s FY 2009 budget in recent weeks. Subsequently, MST was informed that only its first quarter of FY 2009 State Transit Assistance (STA) payment of $514,458 would be paid, putting the remaining $1.5 million of STA funds at risk of
elimination. As of November 26th, the special session failed to come to a budget agreement, and any action to balance the budget will fall to the next legislature, which is sworn in December 1, 2008. To balance the budget, the Governor has proposed eliminating the STA program entirely, which would result in MST losing millions of dollars each year into the future. Further exacerbating the budgetary shortfalls, state sales taxes, of which ¼ percent flows to public transit agencies like MST through the Local Transportation Fund program, are expected to decline for the remainder of the year and into the following year due to the economic recession.

Given these recent fiscal setbacks and the uncertainty of the state’s budget situation, other measures need to be considered to raise revenues and/or reduce costs to ensure MST budgets remain balanced into the future. In October, your Board authorized staff to begin holding public hearings. Two public hearings were held in the community during October – one in Seaside on October 28th and a second in Salinas on October 30th. A third public hearing was held at the November 17th meeting of your Board. An additional four public hearings were held during the first week in December in the communities of Seaside, Soledad, Gonzales and Salinas. A final public hearing is scheduled for the December 8th meeting of your Board. If approved by your Board, these fare and/or service changes would be scheduled for implementation in January 2009.

Attachment 1 contains a chart showing a proposed 25% fare increase, which would yield an estimated $2 million in additional fare revenue over the course of a year. Attachment 2 contains a series of service reductions and route eliminations offered by staff to seek input from the public and consideration by your Board. While all of the proposed service reductions and route eliminations presented in Attachment 2 could not happen simultaneously, the maximum amount of money that could be saved is estimated to be approximately $1.5 million. Attachment 3 is a copy of the Power Point presentation that has been given at the public hearings.

Attachment 1: MST Proposed Fare Increases
Attachment 2: MST Proposed Service Reductions
Attachment 3: Public Hearing Power Point Presentation
# Fare Increase

*Effective January 3, 2009*

<table>
<thead>
<tr>
<th>MST Fixed Route Bus</th>
<th>Current</th>
<th>Proposed</th>
<th>Monthly Passes</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Fare (per zone)</td>
<td>$2.00</td>
<td>$2.50</td>
<td>Single Zone</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>Discount Fare</td>
<td>$1.00</td>
<td>$1.25</td>
<td>Single Zone Discount</td>
<td>$31.00</td>
<td>$37.00</td>
</tr>
<tr>
<td>Transfer</td>
<td>$0.25</td>
<td>$0.25</td>
<td>All Zone</td>
<td>$124.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>Discount Transfer</td>
<td>$0.10</td>
<td>$0.10</td>
<td>All Zone Discount</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Day Passes</th>
<th></th>
<th></th>
<th>Book of 20 Tickets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Zone</td>
<td>$4.50</td>
<td>$6.00</td>
<td>Regular</td>
<td>$40.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>Single Zone Discount</td>
<td>$2.25</td>
<td>$3.00</td>
<td>Discount</td>
<td>$20.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>All Zone</td>
<td>$9.00</td>
<td>$12.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Zone Discount</td>
<td>$4.50</td>
<td>$6.00</td>
<td>MST RIDES Paratransit</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

|                      |         |          | Base Fare (Per Zone)| $2.50   | $3.00    |
|                      |         |          | Book of 10 Tickets  | $25.00  | $35.00   |
## MST Proposed Service Reductions and Route Eliminations
### Effective January 2009

<table>
<thead>
<tr>
<th>Route</th>
<th>Aug. 08 Ridership</th>
<th>Affected Days</th>
<th>Description</th>
<th>Hours Saved</th>
<th>Cost Saved Per Year</th>
<th>Cost Saved Eff. Jan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 43 Memorial Hospital</td>
<td>12,630</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>260</td>
<td>$11,700</td>
<td>$5,850</td>
</tr>
<tr>
<td>Line 42 East Alisal-Westridge</td>
<td>43,414</td>
<td>Sundays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>480</td>
<td>$21,600</td>
<td>$10,800</td>
</tr>
<tr>
<td>Line 9 Fremont-Hilby</td>
<td>35,257</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>546</td>
<td>$24,570</td>
<td>$12,285</td>
</tr>
<tr>
<td>Line 10 Fremont-Ord Grove</td>
<td>43,566</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>546</td>
<td>$24,570</td>
<td>$12,285</td>
</tr>
<tr>
<td>Line 20 Monterey-Salinas</td>
<td>60,318</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>624</td>
<td>$28,080</td>
<td>$14,040</td>
</tr>
<tr>
<td>Line 41 East Alisal-Northridge</td>
<td>65,318</td>
<td>Sundays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>720</td>
<td>$32,400</td>
<td>$16,200</td>
</tr>
<tr>
<td>Line 7 Monterey-Carmel via CHOMP</td>
<td>3,035</td>
<td>Weekdays</td>
<td>Reduce service between Monterey and Carmel from every 30 mins. to every 60 mins.</td>
<td>1,875</td>
<td>$75,038</td>
<td>$37,519</td>
</tr>
<tr>
<td>Line 27 Watsonville-Marin</td>
<td>1,858</td>
<td>Weekdays</td>
<td>Force Watsonville to Marina passengers to transfer in Salinas</td>
<td>3,500</td>
<td>$140,070</td>
<td>$70,035</td>
</tr>
<tr>
<td>Line 28 Watsonville-Salinas</td>
<td>12,067</td>
<td>Daily</td>
<td>Reduce service between Salinas-Castroville-Watsonville from every 60 mins. to every 120 mins.</td>
<td>4,366</td>
<td>$196,470</td>
<td>$98,235</td>
</tr>
<tr>
<td>Line 29 Watsonville-Salinas</td>
<td>21,529</td>
<td>Daily</td>
<td>Reduce service between Salinas-Prunedale-Watsonville from every 60 mins. to every 120 mins.</td>
<td>4,366</td>
<td>$196,470</td>
<td>$98,235</td>
</tr>
<tr>
<td>Line 1x Asilomar/Lovers Point Express OR Line 1 &amp; 2 Pacific Grove</td>
<td>7,140 OR 19,889</td>
<td>Daily</td>
<td>Service to Lovers’ Point/Asilomar eliminated OR Reduce service on Lines 1 &amp; 2 from every 60 mins. to every 90 mins.</td>
<td>4,926 OR 3,993</td>
<td>$197,139 OR 179,685</td>
<td>$98,569 OR 89,842</td>
</tr>
<tr>
<td>Line 49 Northridge</td>
<td>11,626</td>
<td>Daily</td>
<td>Delete route; service along N. Main Street would decrease from every 30 mins. to every 60 mins; Northridge to Westridge Connector eliminated</td>
<td>5,140</td>
<td>$231,300</td>
<td>$115,650</td>
</tr>
<tr>
<td>Line 11 Edgewater-Carmel</td>
<td>16,070</td>
<td>Daily</td>
<td>Force transfers at MTP for Seaside to Carmel trips</td>
<td>7,278</td>
<td>$327,488</td>
<td>$163,744</td>
</tr>
<tr>
<td>Peninsula DART</td>
<td>2,326</td>
<td>Daily</td>
<td>Eliminate line completely</td>
<td>9,608</td>
<td>$384,512</td>
<td>$192,256</td>
</tr>
</tbody>
</table>

FOR DISCUSSION PURPOSES ONLY
Public Hearings on
Proposed Fare Increases, Service
Reductions & Route Eliminations

Tuesday, December 2, 2008
6:00 p.m.
Boy’s & Girl’s Club – Community Room
1332 La Salle Avenue
Seaside

Wednesday, December 3, 2008
5:30 p.m.
Soledad Council Chambers
248 Main Street
Soledad

Wednesday, December 3, 2008
7:00 p.m.
Gonzales Council Chambers
147 Fourth Street
Gonzales

Thursday, December 4, 2008
6:00 p.m.
Salinas Community Center
940 N. Main Street
Salinas

Monday, December 8
10:00 a.m.
Monterey-Salinas Transit – Board Room
One Ryan Ranch Road
Monterey
FY 2009 Budget (5/2008)

Operating $28.0 Million
Capital $4.0 Million

Total $32.0 Million
MST Budget (9/2008)

- **LTF**: $11,636,108
- **Fares**: $5,686,263
- **Federal**: $8,576,380
- **State**: $2,527,935
- **Other**: $768,523
$2.9 MILLION STATE DIVERSION

- LTF, $11,636,108
- State, $2,527,935
- Other, $768,523
- Fares, $5,686,263
- Federal, $8,576,380
How Does This Happen?
State Transit Funds Diverted: $4.6 Billion (FY 01 to 09)
Where Did It Go?
Where Did It Go? (FY08/09)

$1,805 million:
New permanent expense: G.O. bond debt service

$ 688 million
New permanent expense: home-to-school transportation

$ 267 million
New permanent expense: regional center transportation

$ 166 million
New permanent expense: Prop. 42 loan repayment
## Public Transportation Account
### Revenue Losses Since 2000-01

<table>
<thead>
<tr>
<th>Year</th>
<th>$ Loss</th>
<th>Where PTA $’s Went</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>$ 70 million</td>
<td>Loan to Toll Bridge Seismic Retrofit Program</td>
</tr>
<tr>
<td></td>
<td>$ 275 million</td>
<td>Loan to the Traffic Congestion Relief Fund</td>
</tr>
<tr>
<td>2002-03</td>
<td>$ 100 million</td>
<td>Loan to the General Fund</td>
</tr>
<tr>
<td>2003-04</td>
<td>$ 88 million</td>
<td>Transfer “spillover” to General Fund</td>
</tr>
<tr>
<td></td>
<td>$ 93 million</td>
<td>Suspension of the PTA’s share of Proposition 42</td>
</tr>
<tr>
<td>2004-05</td>
<td>$ 108 million</td>
<td>Divert revenue from sale of Caltrans property</td>
</tr>
<tr>
<td></td>
<td>$ 106 million</td>
<td>Suspension of the PTA’s share of Proposition 42</td>
</tr>
<tr>
<td></td>
<td>$ 140 million</td>
<td>Transfer “spillover” to other programs</td>
</tr>
<tr>
<td>2005-06</td>
<td>$ 380 million</td>
<td>Transfer “spillover” to other programs</td>
</tr>
<tr>
<td>2006-07</td>
<td>$ 200 million</td>
<td>Transfer “spillover” to the General Fund</td>
</tr>
<tr>
<td></td>
<td>$ 125 million</td>
<td>Transfer “spillover” to the Bay Bridge Toll Account</td>
</tr>
<tr>
<td>2007-09</td>
<td>$1,805 million</td>
<td><strong>New permanent expense</strong>: G.O. bond debt service</td>
</tr>
<tr>
<td></td>
<td>$ 688 million</td>
<td><strong>New permanent expense</strong>: home-to-school transportation</td>
</tr>
<tr>
<td></td>
<td>$ 267 million</td>
<td><strong>New permanent expense</strong>: regional center transportation</td>
</tr>
<tr>
<td></td>
<td>$ 166 million</td>
<td><strong>New permanent expense</strong>: Prop. 42 loan repayment</td>
</tr>
</tbody>
</table>

**Total** $4.611 billion to-date
Gov. Arnold Schwarzenegger announced today that he will call a special legislative session Nov. 5 to wrestle with a projected shortfall that is "much worse" than the $3 billion previously projected.

Senate President Pro Tem Don Perata later said the budget gap has stretched to $10 billion.

---- Sacramento Bee, 10/27/2008

Up to $2 million more in MST’s state transit funding is now at risk.
GOVERNOR’S 11/6/08 PROPOSAL

- **LTF; $11,636,108**
- **State; $916,000**
- **Fares; $5,686,263**
- **Other; $769,321**
- **Federal; $8,576,380**

$514,000 in State money available for MST RIDES Operations
GOVERNOR’S 11/6/08 PROPOSAL
$4.5 MILLION STATE DIVERSION

Federal; $8,576,380
State; $916,000
LTF; $11,636,108
Fares; $5,686,263
Other; $769,321

$514,000 in State money available for MST RIDES Operations
GOVERNOR’S FY 2010 PROPOSAL - NO STA

- Fares: $5,686,263
- Federal: $8,576,380
- State: $402,000
- LTF: $11,636,108
- Other: $769,321

Prop 1B Safety & Security Capital Projects ONLY
How Does It Affect MST?
ADA Accessible Services - Budget $1.8M STA Funds Annually

- MediCAL cuts → increase boardings 2x
- 120,000 Passenger FY 09
- FY 09 Costs Increase to $2.5M
- Every vehicle is being used
- No additional operating dollars
- Subsidy per trip: Approx. $20
- Paratransit: Unfunded Federal Mandate through the Americans w/Disabilities Act.
Scope of the problem

- MST RIDES Budget $2.0M
- MST RIDES projected actual $2.6M
- State Transit Assistance Funds Budget $1.8M
- State Transit Assistance Funds Projected $ .5M
- LTF Shortfalls $ .5M

Budget Deficit By June 30, 2009 Appx. $2.5M

Ongoing Deficit FY 2009 – 2010 Appx $4.0M
## Potential Solutions

<table>
<thead>
<tr>
<th>Solution</th>
<th>FY 2008-09</th>
<th>FY 2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Deficit</td>
<td>$2,500,000</td>
<td>$4,000,000</td>
</tr>
<tr>
<td>Fare Increase</td>
<td>$1,000,000</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Abandon BioFuel</td>
<td>$165,000</td>
<td>$330,000</td>
</tr>
<tr>
<td>Staff Reductions</td>
<td>$218,000</td>
<td>$416,000</td>
</tr>
<tr>
<td>CCAH Funds</td>
<td>$117,000</td>
<td>$0</td>
</tr>
<tr>
<td>New County LTF</td>
<td></td>
<td>$135,000</td>
</tr>
<tr>
<td>South County STA</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>Potential Service Cuts</td>
<td>$0</td>
<td>$1,200,000</td>
</tr>
</tbody>
</table>
Proposed Fare Increase

*Effective January 2009*

<table>
<thead>
<tr>
<th>MST Fixed Route Bus</th>
<th>Current</th>
<th>Proposed</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Fare (per zone)</td>
<td>$2.00</td>
<td>$2.50</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>Discount Fare</td>
<td>$1.00</td>
<td>$1.25</td>
<td>$31.00</td>
<td>$37.00</td>
</tr>
<tr>
<td>Transfer</td>
<td>$0.25</td>
<td>$0.25</td>
<td>$124.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>Discount Transfer</td>
<td>$0.10</td>
<td>$0.10</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Passes</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Zone</td>
<td>$62.00</td>
<td>$75.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single Zone Discount</td>
<td>$31.00</td>
<td>$37.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Zone</td>
<td>$124.00</td>
<td>$150.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All Zone Discount</td>
<td>$62.00</td>
<td>$75.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Day Passes</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Zone</td>
<td>$4.50</td>
<td>$6.00</td>
<td>$40.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>Single Zone Discount</td>
<td>$2.25</td>
<td>$3.00</td>
<td>$20.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>All Zone</td>
<td>$9.00</td>
<td>$12.00</td>
<td>$12.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>All Zone Discount</td>
<td>$4.50</td>
<td>$6.00</td>
<td>$25.00</td>
<td>$35.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Book of 20 Tickets</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>$40.00</td>
<td>$50.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discount</td>
<td>$20.00</td>
<td>$25.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| MST RIDES Paratransit                                     |            |            |            |            |
| Base Fare (Per Zone)                                      | $2.50      | $3.50      |            |            |
| Book of 10 Tickets                                        | $25.00     | $35.00     |            |            |

Eliminate Youth Discounts
Proposed Fare Increase

Effective January 2009

% Increase MST Fares vs Minimum Wage
# Proposed Service Reductions

**Effective January 2009**

<table>
<thead>
<tr>
<th>Route</th>
<th>Aug. 08 Ridership</th>
<th>Affected Days</th>
<th>Description</th>
<th>Hours Saved</th>
<th>Cost Saved Per Year</th>
<th>Cost Saved Eff. Jan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 43 Memorial Hospital</td>
<td>12,630</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>260</td>
<td>$11,700</td>
<td>$5,850</td>
</tr>
<tr>
<td>Line 42 East Alisal-Westridge</td>
<td>43,414</td>
<td>Sundays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>480</td>
<td>$21,600</td>
<td>$10,800</td>
</tr>
<tr>
<td>Line 9 Fremont-Hilby</td>
<td>35,257</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>546</td>
<td>$24,570</td>
<td>$12,285</td>
</tr>
<tr>
<td>Line 10 Fremont-Ord Grove</td>
<td>43,566</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>546</td>
<td>$24,570</td>
<td>$12,285</td>
</tr>
<tr>
<td>Line 20 Monterey-Salinas</td>
<td>60,318</td>
<td>Saturdays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>624</td>
<td>$28,080</td>
<td>$14,040</td>
</tr>
<tr>
<td>Line 41 East Alisal-Northridge</td>
<td>65,318</td>
<td>Sundays</td>
<td>Reduce from every 30 mins. to every 60 mins.</td>
<td>720</td>
<td>$32,400</td>
<td>$16,200</td>
</tr>
<tr>
<td>Line 28 Watsonville-Salinas</td>
<td>12,067</td>
<td>Daily</td>
<td>Reduce service between Salinas-Castroville-Watsonville from every 60 mins.</td>
<td>4,366</td>
<td>$196,470</td>
<td>$98,235</td>
</tr>
<tr>
<td>Line 29 Watsonville-Salinas</td>
<td>21,529</td>
<td>Daily</td>
<td>Reduce service between Salinas-Prunedale-Watsonville from every 60 mins.</td>
<td>4,366</td>
<td>$196,470</td>
<td>$98,235</td>
</tr>
</tbody>
</table>
## Proposed Route Eliminations

**Effective January 2009**

<table>
<thead>
<tr>
<th>Route</th>
<th>Aug. 08 Ridership</th>
<th>Affected Days</th>
<th>Description</th>
<th>Hours Saved</th>
<th>Cost Saved Per Year</th>
<th>Cost Saved Eff. Jan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Line 7 Monterey-Carmel via CHOMP</td>
<td>3,035</td>
<td>Weekdays</td>
<td>Eliminate line. Service would be reduced between Monterey and Carmel from 30 mins. to 60 mins.</td>
<td>1,875</td>
<td>$75,038</td>
<td>$37,519</td>
</tr>
<tr>
<td>Line 27 Watsonville-Marina</td>
<td>1,858</td>
<td>Weekdays</td>
<td>Eliminate line. Force Watsonville to Marina passengers to transfer in Salinas</td>
<td>3,500</td>
<td>$140,070</td>
<td>$70,035</td>
</tr>
<tr>
<td>Line 1x Asilomar/Lovers Point OR Lines 1 &amp; 2 Pacific Grove</td>
<td>7,140 OR 19,889</td>
<td>Daily</td>
<td>Eliminate line. Service to Lovers' Point/Asilomar eliminated OR Reduce service on Lines 1 &amp; 2 from every 60 mins. to every 90 mins.</td>
<td>4,926 OR 3,993</td>
<td>$197,139 OR $179,685</td>
<td>$98,569 OR $89,842</td>
</tr>
<tr>
<td>Line 49 Northridge</td>
<td>11,626</td>
<td>Daily</td>
<td>Eliminate line. Service along N. Main Street would decrease from every 30 mins. to 60 mins; Northridge to Westridge Connector eliminated</td>
<td>5,140</td>
<td>$231,300</td>
<td>$115,650</td>
</tr>
<tr>
<td>Line 11 Edgewater-Carmel</td>
<td>16,070</td>
<td>Daily</td>
<td>Eliminate line. Force transfers at MTP for Seaside to Carmel trips.</td>
<td>7,278</td>
<td>$327,488</td>
<td>$163,744</td>
</tr>
<tr>
<td>Peninsula DART</td>
<td>2,326</td>
<td>Daily</td>
<td>Eliminate line completely.</td>
<td>9,608</td>
<td>$384,512</td>
<td>$192,256</td>
</tr>
</tbody>
</table>
Please submit written comments to:

MST Board of Directors
One Ryan Ranch Road
Monterey, CA 93940

Fax to 899-3954 or email: mst@mst.org

Deadline for written comments is 10:00 a.m. December 5, 2008. Visit www.mst.org for more information.
1. CALL TO ORDER

Mr. Harvath, Assistant General Manager for Finance & Administration called the public hearing to order at 6:10 p.m. in the Salinas Community Center Gabilan Room.

Present: Hunter Harvath Asst. General Manager/Finance & Administration
Sonia Bannister Office Administrator/Marketing & Sales Specialist
Maria Amezquita Translator
Michael Gallant Planning Manager
Kathy Medina Human Resource Assistant

Others: Tony Paredes Salinas resident
Nancy Hamilton Monterey resident
Alma Almanza Salinas resident
Gwen Foote Salinas resident
Dennis Hickman Pacific Grove resident

Apology is made for any misspelling of a name.

2. PUBLIC HEARING

Mr. Harvath, Assistant General Manager/Finance & Administration, reported that in response to severe reductions in state funding and local transportation funding uncertainties, MST is proposing to increase fares for both its fixed-route and MST RIDES paratransit services as follows. These changes, if adopted by the Monterey-Salinas Transit Board would go into effect in January 2009.

Proposed Service Reductions & Route Eliminations
Effective January 2009

<table>
<thead>
<tr>
<th>Route</th>
<th>Service Reduction or Route Elimination</th>
<th>Affected Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peninsula DART</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 1x Asilomar/Lovers Point Express</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 7 Monterey-Carmel via CHOMP</td>
<td>Route Elimination</td>
<td>Weekdays</td>
</tr>
<tr>
<td>Line 9 Fremont-Hilby</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 10 Fremont-Ord Grove</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 11 Edgewater-Carmel</td>
<td>Route Elimination</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 20 Monterey-Salinas</td>
<td>Service Reduction</td>
<td>Saturdays</td>
</tr>
<tr>
<td>Line 27 Watsonville-Marina</td>
<td>Route Elimination</td>
<td>Weekdays</td>
</tr>
<tr>
<td>Line 28 Watsonville-Salinas</td>
<td>Service Reduction</td>
<td>Daily</td>
</tr>
<tr>
<td>Line 29 Watsonville-Salinas</td>
<td>Service Reduction</td>
<td>Daily</td>
</tr>
</tbody>
</table>
Proposed Fare Increases
Effective January 2009

<table>
<thead>
<tr>
<th>Service</th>
<th>Current</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>MST Fixed Route Bus</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Base Fare (per zone)</td>
<td>$2.00</td>
<td>$2.50</td>
</tr>
<tr>
<td>Discount Fare</td>
<td>$1.00</td>
<td>$1.25</td>
</tr>
<tr>
<td>No Transfer</td>
<td>$0.25</td>
<td>$0.25</td>
</tr>
<tr>
<td>Discount Transfer</td>
<td>$0.10</td>
<td>$0.10</td>
</tr>
</tbody>
</table>

Eliminate Youth Discounts

<table>
<thead>
<tr>
<th>DayPasses</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Zone</td>
<td>$4.50</td>
<td>$6.00</td>
</tr>
<tr>
<td>Single Zone Discount</td>
<td>$2.25</td>
<td>$3.00</td>
</tr>
<tr>
<td>All Zone</td>
<td>$9.00</td>
<td>$12.00</td>
</tr>
<tr>
<td>All Zone Discount</td>
<td>$4.50</td>
<td>$6.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Monthly Passes</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Zone</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>Single Zone Discount</td>
<td>$31.00</td>
<td>$37.00</td>
</tr>
<tr>
<td>All Zone</td>
<td>$124.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>All Zone Discount</td>
<td>$62.00</td>
<td>$75.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Book of 20 Tickets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>$40.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>Discount</td>
<td>$20.00</td>
<td>$25.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MST RIDES Paratransit</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Fare (Per Zone)</td>
<td>$2.50</td>
<td>$3.50</td>
</tr>
<tr>
<td>Book of 10 Tickets</td>
<td>$25.00</td>
<td>$35.00</td>
</tr>
</tbody>
</table>

Mr. Harvath opened the public hearing at 6:35 p.m. to receive public comments on the proposed changes.

Gwen Foote, Salinas resident, lives in the Senior Apartments comprised of 124 units occupied by 200 people at Bernal and Main. The residents use lines 29 and 49. They don’t want their routes cut. They rely on the buses to get around and they cannot survive without bus service along Main Street. She also asked about the possibility of adding a bus stop bench near Bernal.
Nancy Hamilton, Monterey resident, chose to ride the bus this past year. She believes the environment is in trouble and more people need to think about the environment. MST needs to make the buses more user-friendly. If service is cut, people are forced to stay at home if they don’t have a car or are unable to walk far distances. Other alternatives need to be formed instead of cutting or eliminating service. She suggested combining line 1X with the lines 1 and 2. She wants to see line 1X kept intact. She wants MST staff to look at the effect it would have on bus riders when the lines they rely on are eliminated. There are many people who use line 1X – hospitality workers, elderly and the disabled need this line to get around. Look at the people and their needs. She commented that MST relied on funding from the state that wasn’t sturdy or reliable. In the past, the State had already diverted transit funds to other projects and this should have raised some concern among staff. She supports the fare increase. She noted that it’s better to raise the fares than to eliminate bus service.

Dennis Hickman, Pacific Grove resident, suggested looking at interlining between the routes, specifically during the commute hours. In the past, line 1X didn’t exist. Line 1 used to cover a portion of the route currently covered by line 1X. Look at bringing this back as a means of providing service to Asilomar.

Alma Almanza, Salinas resident, uses RIDES. She said it was unimaginable to even think that the State would cut state funding for public transit. MST’s wasn’t relying on the Central Coast Alliance for Health to suddenly stop providing rides to dialysis patients to get to their treatments, which caused a sudden influx of new passengers onto the RIDES program. She urged other passengers to write to their legislators and to urge them to stop taking public transit funds. She is outraged that the legislators aren’t thinking about the disabled community.

The fare increase for the RIDES program will be hard on the disabled community because of them are on a fixed income. However, she supports the fare increase rather than having bus service cut.

Ms. Foote commented that MST is missing large blocks of people that aren’t being represented at the meetings – specifically the Spanish-speaking community, the poor, etc. There is no one in the audience representing the youth and the poor.

Ms. Hamilton noted that state funding is discretionary. It can be taken away as quickly as it is granted. There should always be a backup plan. Measure Z was poorly presented to the public.

Mr. Harvath replied that MST’s backup plan was Measure Z. Over 62% of Monterey County voters approved this measure; however, it needed 67% to pass.

Regarding the biodiesel program, Ms. Hamilton commented that she chooses to ride the bus because it’s running on biodiesel. She supports eliminating the youth discount and keeping the biodiesel fuel program.
Tony Paredes, Salinas resident and a deaf college student, is concerned about the decrease of service on line 41 on Sunday. He uses this line on Sundays to get to Northridge Mall, then transfer to line 29 to the Prunedale Park & Ride, to transfer to the San Jose Express to the San Jose Station and then on to San Francisco CalTrain to get to San Francisco City College. He wants to keep line 41 intact. He also uses line 20 on Saturdays to get to Hartnell College. Without this bus, he will be forced to walk to Hartnell from his home. He wants to keep the Saturday bus service for line 20.

He supports having his service cut rather than having to pay a higher fare.

It was explained to him that if the fare increase is adopted by the MST Board, bus service would not be cut.

Mr. Hickman suggested modifying the discount fares. He suggested raising the regular monthly pass to $80 and making the discount passes $40. He would like to see a bigger discount offered to gold pass holders, who theoretically, are on a fixed income and the increase in pass prices would make it harder for them to absorb.

He also suggested offering a student fare which would be slightly higher than the regular discount fare but lower than the base fare – add 25 cents to the discount fare making a student price of $1.50.

3. ADJOURNMENT

Seeing no one else wishing to comment, Mr. Harvath adjourned the public hearing at 7:15 p.m.

Prepared by: ______________________________

Sonia A.R. Bannister
To: Board of Directors

From: H. Harvath, Assistant General Manager – Finance & Administration

Subject: Adopt staff recommendation on proposed fare increases for MST fixed-route bus and RIDES and/or service reductions to fixed-route bus.

RECOMMENDATION:

Adopt fixed-route fare increases, MST RIDES fare increases and/or other possible service reductions. The final staff recommendation will be submitted to your Board at the December 8th meeting after all public comment is gathered and analyzed through the public hearing process scheduled for the week of December 1st.

FISCAL IMPACT:

Fare increases would yield as much as $2 million annually in additional revenues. Service cuts would yield as much as $1.5 million annually in reduced costs.

POLICY IMPLICATIONS:

Your Board approves major changes to routes and fares.

DISCUSSION:

As highlighted in the memo for item 9-1, MST is facing a severe fiscal crisis due to the proposed elimination of most – if not all – State Transit Assistance funding as well as a sharp increase in demand for the heavily subsidized MST RIDES services. MST was able to absorb the first $2.9 million in STA cuts announced in September through delaying or cancelling capital projects, administrative staffing reductions and other money saving efforts that did not affect passenger fares or hours of service. The additional $1.5 million cut to MST’s STA funds proposed by the governor in November would have to be addressed by changes to MST fares and/or services. In addition, Local Transportation Funds, which are funded through ¼% of the state sales taxes, are expected to come in lower than originally predicted for the foreseeable future due to the economic recession currently impacting the country.

In order to bridge the resulting gap between revenues and expenditures for the remainder of this fiscal year, MST requires additional funds and/or must operate fewer hours of bus service. For example, staff reductions and layoffs are currently being implemented, including not filling three positions that will soon be vacated. These steps
are expected to generate $218,000 over the course of the rest of the fiscal year. In addition, staff is working with TAMC to secure approximately $1 million in unused State Transit Assistance funds from previous years in order to help MST with its $958,163 bus payment due in March 2009 as well as to cover budget overruns on the MST RIDES program. However, these steps are not sufficient to address the estimated $2.5 million budget hole that has developed primarily as a result of additional state cuts to public transit funds and increased demand for RIDES paratransit services.

Eight public hearings have been scheduled to solicit input from the public on increases to fares and reductions in transit services that have been proposed in order to balance MST’s budget. In addition, passengers and stakeholders have been submitting public comments via email, phone, fax and U.S. Mail. This input will be summarized for your Board at its December 8th meeting so that it can make an informed decision as to what measures MST will take to address the severe reductions in state transit assistance funding and lower sales tax revenues as a result of the economic slowdown.

Staff is also recommending the following measures to assist with MST’s current budget crisis:

- **Eliminate youth discount:** According to recent surveys, approximately 6% of MST’s ridership is under 18. In that regard, eliminating the youth discount could yield approximately $200,000 annually if the fare remained at $2.00 and $270,000 if the fare was raised to $2.50.
- **Replace free fares under age 5 with height-based fares:** Coach operators would be able to measure a child’s height against a standardized line marked on the farebox or grab-rails to determine whether or not he or she should ride free. Coach operators currently must rely on the honesty of parents/guardians regarding the age of their children. The amount of additional revenue this would generate would be nominal; however, this change would reduce the possibility of abuse of MST’s free fare policy for very small children.
- **Discontinue use of bio-diesel:** At current prices, bio-diesel costs 59 cents more than ultra low-sulfur clean diesel – a premium of 37%. Staff estimates that approximately $330,000 could be saved over the course of a year by switching back to ultra-low-sulfur clean diesel.
- **Fast-track procurement of new “smart-card” fareboxes:** Staff will be attempting to conduct a procurement in the first quarter of 2009 to purchase new fareboxes with “smart card” technology that would facilitate a more equitable fare structure for our customers. In addition, MST would be able to offer multi-ride cards, weekly passes, and other flexible fare rates that would potentially benefit our passengers and provide incentives for people to ride MST – and ride MST more often. Staff has identified restricted capital funds to pay for the new farebox system; unfortunately, these funds cannot be used for operating purposes (i.e., deploying hours of service, subsidizing fares, etc.)
Staff estimates that, along with implementing most if not all of the measures mentioned above, increasing the base fare from $2.00 to $2.50 (with similar increases for other passes, tickets and fare media) for fixed-route and from $2.50 to $3.50 per zone for MST RIDES would be sufficient so as to avoid service reductions at this time. However, staff will provide a final recommendation to your Board at its December 8th meeting which is based on the input received through the entire public hearings process.
To: Board of Directors
From: M. Gallant, Planning Manager
Subject: Line 55 Monterey-San Jose Express

RECOMMENDATION:

Receive report on Line 55 Monterey-San Jose Express.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

Your Board approved the implementation of Line 55 Monterey-San Jose Express. This presentation will report on the progress of Line 55 and a recent customer satisfaction survey conducted on-board Line 55 buses.

DISCUSSION:

On August 28, 2006, MST implemented Line 55 Monterey-San Jose Express, which connected the Monterey Peninsula with the Bay Area for the first time with public transit service. This service was a partnership between MST, Santa Clara Valley Transportation Authority, the Capitol Corridor Joint Powers Authority, and AMTRAK. Line 55 ridership data for 2008 is presented below. Ridership on Line 55 has been growing exponentially and reached its highest level in August 2008, more than double the ridership in January 2008 and substantially more than any month in 2007.

<table>
<thead>
<tr>
<th>Line 55 Service</th>
<th>Passengers</th>
<th>Vehicle Revenue Hours</th>
<th>Vehicle Revenue Miles</th>
<th>Passengers Per Hour</th>
<th>Amtrak Tickets Collected</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>1,738</td>
<td>475:21:00</td>
<td>15,038.1</td>
<td>3.70</td>
<td>64</td>
</tr>
<tr>
<td>February</td>
<td>1,884</td>
<td>444:39:00</td>
<td>14,067.9</td>
<td>4.22</td>
<td>35</td>
</tr>
<tr>
<td>March</td>
<td>1,748</td>
<td>476:30:00</td>
<td>15,038.1</td>
<td>3.70</td>
<td>73</td>
</tr>
<tr>
<td>April</td>
<td>1,888</td>
<td>450:12:00</td>
<td>14,553.6</td>
<td>4.11</td>
<td>84</td>
</tr>
<tr>
<td>May</td>
<td>2,411</td>
<td>476:30:00</td>
<td>15,009.3</td>
<td>5.10</td>
<td>108</td>
</tr>
<tr>
<td>June</td>
<td>3,105</td>
<td>460:21:00</td>
<td>14,445.0</td>
<td>6.75</td>
<td>109</td>
</tr>
<tr>
<td>July</td>
<td>3,260</td>
<td>475:21:00</td>
<td>14,926.5</td>
<td>6.86</td>
<td>165</td>
</tr>
<tr>
<td>August</td>
<td>3,531</td>
<td>476:30:00</td>
<td>14,926.5</td>
<td>7.42</td>
<td>190</td>
</tr>
</tbody>
</table>
In mid May of 2008, an on-board passenger survey was conducted to measure the satisfaction of customers as well as key demographic and user characteristics. Overall, 90% of passengers surveyed reported that they were very or somewhat satisfied with Line 55. Only 4% of respondents were somewhat or very dissatisfied. The primary trip purpose for passengers on Line 55 is to visit friends and family. If Line 55 were not available, 37% of passengers would not have made the trip at all. This demonstrates a significant demand for this connection between Monterey and the Bay Area. Also, 18% of passengers said they would have driven alone and 22% said they would have traveled in someone else’s car if Line 55 were not available. This indicates that Line 55 is reducing congestion on the Highway 101 corridor by eliminating auto trips. Additional survey data results are presented in Attachment 1.

PREPARED BY: ___________________________ REVIEWED BY: ___________________________
   Michael Gallant                        Carl G. Sedoryk

Attachment 1: Line 55 Passenger Survey Highlights
To: Board of Directors

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

Subject: 2009 Legislative Program

RECOMMENDATIONS:

Review the Monterey-Salinas Transit 2009 Legislative Program and provide feedback.

FISCAL IMPACT:

None. The 2009 Legislative Program would advocate preservation of existing transportation funding and increased funding for priority projects.

POLICY IMPLICATIONS:

Your board adopts an annual legislative program. The recommended legislative program for 2009 (Attachment 1) is consistent with our mission to lead and advocate and deliver quality public transportation. The 2009 Legislative Program will be presented to state and federal legislators and will guide MST positions on legislative matters throughout the year. The Legislative Program is also used as a guideline for supporting, opposing, or watching legislation when time does not permit official MST Board action on specific legislation.

DISCUSSION:

In addition to participating in the California Transit Association (CTA) and American Public Transportation Association (APTA), MST is represented by John Arriaga (JEA & Associates) in Sacramento and by Walters & Associates in Washington, D.C. These firms provide analysis, advice, staff support, and advocacy on our behalf. They have also assisted MST in seeking additional state and federal funding.

At the federal level, Congress will continue to implement the final year of the Transportation Authorization bill (SAFETEA-LU) including provisions related to funding transit operations and capital programs, as well as programs designed to fund transit in rural areas, to increase access for the disabled, to protect transit vehicles and facilities, and to support intelligent transportation systems. MST has enjoyed an excellent relationship with its federal legislators as evidenced by the recent congressional appropriations for facilities, buses, and ITS (Intelligent Transportation Systems).
projects. Federal dollars continue to be crucial to the MST capital program, particularly for the replacement of buses and development of transit centers and the Frank J. Lichtanski Monterey Bay Operations and Fueling facility on the former Fort Ord. In addition, staff will continue participating in discussions with fellow APTA members regarding funding and program priorities to be included in the next transportation authorization legislation, scheduled to take effect with FY 2010.

At the state level, MST will focus on ensuring that its projects are funded through the state transportation bond approved by voters in November of 2006. MST will continue to push for the restoration of transit funds that have been diverted to other purposes and identification of legislative remedies that enhance the efficiency and effectiveness of transit service. Overarching issues of concern at the state level continue to include another projected budget shortfall for FY 2010 and potential AB32 restrictions on greenhouse gasses. In particular, the Governor’s proposed elimination of the State Transit Assistance program is of grave concern to MST with regards to financial support for the RIDES paratransit program, currently experiencing a substantial growth in demand.

In order to maximize our legislative effectiveness, MST will continue to work closely with CTA at the state level and APTA at the federal level. Additionally, MST shares a number of the same legislative objectives as TMC, the Fort Ord Reuse Authority and the County of Monterey. It should be noted that JEA & Associates also represents TMC, FORA and the County of Monterey in Sacramento. In addition, MST’s 2009 legislative program includes supporting the federal Transportation Authorization of 2009 principals put forth by the California Alliance for Leadership in Mobility led by Governor Arnold Schwarzenegger, the California Business, Transportation and Housing agency, and Caltrans. These principals are profiled in Attachment 2.

Attachment 1: Proposed MST 2009 Legislative Program
Attachment 2: California Consensus on Federal Transportation Authorization for 2009

Cc: J. Arriaga, JEA & Associates
    T. Walters, Walters & Associates
Proposed

MST 2009 Legislative Program

State Issues

1S. Engage in cooperative support among partner organizations.
   
a. Support the 2009 California Transit Association (CTA) Legislative Program.

b. Support the 2009 State Legislative Programs for the Transportation Agency for Monterey County (TAMC), the Fort Ord Reuse Authority, and Monterey County.

c. Support other partner agency legislative efforts where common interests exist.

d. Ensure state legislative efforts are consistent with and coordinated with the MST federal legislative program.

2S. Support transit-related legislation.
   
a. Support legislation and polices that enable transit supportive development.

b. Introduce and/or support legislation creating pilot programs to fund public transit buses and support vehicles with bio-fuel-powered and other alternative-powered engines, including hybrids.

c. Support legislation that increases safety for transit employees and customers by increasing penalties against those that commit crimes against an operator of a transit vehicle, against the transit riding public, or against property of transit agencies.

d. Support legislation to reduce the requirement of a two-thirds supra-majority vote for enactment or continuation of local county sales taxes for transportation purposes and to remedy the impact of the decision in the Santa Clara County Local Transportation Authority vs. Guardino case.

e. Support legislation to reduce the liability exposure of transit agencies related to the placement of bus stops to remedy the impact of the California Supreme Court Bonanno vs. Central Contra Costa Transit Authority decision.
3S. Encourage the state to restore, preserve and augment transportation and transit funding.

a. Oppose any transfer or expenditure of Transportation Development Act, Public Transportation Account, Traffic Congestion Relief Fund, and other transit funds to state and local agencies for purposes other than those specified in the Act and existing transit funding law. Seek repayment for the transfer of these same funds from previous years including interest, including a permanent payback of Public Transportation Account “spillover” funds.

b. Support and advocate for the development of legislation that provides fair and equitable transportation program funding and project criteria and allocation formulas for funds from transportation and housing bond measures that were passed on the 2006 General Election Ballot. Ensure that such legislation maximizes funds for MST and retains the region’s authority to decide how to program any new funds. Work with the Governor’s Administration, the Legislature, the California Transportation Commission, Caltrans and others in key decision-making processes. Seek bond funding for the Frank J. Lichtanski Bus Operations Center, new bus purchases, transit stations in Monterey and Salinas, security improvements to property and buses, Bus Rapid Transit and mixed-use transit oriented developments (TODs).

c. Seek state funding for critical transit capital projects, including but not limited to bus and bus replacement, the Monterey Bay Operations and Fueling Facility, Monterey Transit Center, Intelligent Transportation System (ITS), Security and other transit facilities.

d. Support enactment of comprehensive long-term transit funding programs to: increase operating revenue; create new transit capital funding programs; enact transit-supportive development funding; add revenue needed to comply with air quality requirements, including a cap and trade system for greenhouse gasses with funding for transit; index the gas tax to inflation; and protect and recover from state budget actions that shift of transit revenue to non-transit purposes.

4S. Support reductions in burdensome legal and/or regulatory requirements.

a. Support exemptions for small operators from financially burdensome new legal or regulatory requirements, or to minimize their impact on small operators.

b. Oppose efforts to mandate benefits or other specific working conditions that should more appropriately be addressed through the local collective bargaining process.
5S. Raise MST’s profile and role in state legislative issues.

a. Continue to bring Legislators, key Governor Schwarzenegger staff and others to MST for a facilities tour and presentation.

b. Continue having MST Board and staff participate in transit-related meetings with elected representative, key transportation and budget committee members and other officials.

December 8, 2008 Board Meeting
Proposed

MST 2009 Legislative Program

Federal Issues

1F. Engage in cooperative support among partner organizations.
   a. Support the 2009 American Public Transportation Association (APTA) Legislative Program.
   b. Support the 2009 Federal Legislative Programs for the Transportation Agency for Monterey County, the Fort Ord Reuse Authority and Monterey County.
   c. Support other partner agency legislative efforts where common interests exist, including the California Alliance for Leadership in Mobility.
   d. Participate in TAMC efforts to gain funding from New Starts Program for fixed-guideway service within the Monterey Bay region.

2F. Ensure short-term and long-term transit funding stability and expansion.
   a. Seek federal funding for critical transit projects, including but not limited to new buses, bus facilities, Bus Rapid Transit, and Intelligent Transportation System (ITS) technology.
   b. Seek maximum annual appropriations for transit programs and maintain the guaranteed funding levels and “firewalls” established in current legislation that match transportation revenue to transportation expenditures.
   c. Protect funding levels according to existing formulas of SAFETEA-LU federal reauthorization and seek funding from all authorized funding sources including New Freedoms, Jobs Access Reverse Commute (JARC), New Freedoms (NF), ITS, Homeland Security and other programs.
   d. Participate in planning, discussions and negotiations for the next federal transportation reauthorization and support the APTA Recommendations on Federal Public Transportation Authorizing Law.
   e. In the federal reauthorization legislation, stabilize and increase transportation funding sources in light of the potential bankruptcies of the federal highway trust fund and transit trust fund within the coming years, including raising or indexing the gas tax to inflation.
   f. Support California receiving its fair share of its contribution to federal transportation funding.
g. Oppose efforts to place a statewide funding cap or limit on formula or discretionary federal transit funds.

h. Retain eligibility for Department of Homeland Security grants for transit security.

i. Promote Intelligent Transportation System (ITS) programs and research, as a cost-effective means of addressing transportation needs.

j. Seek additional funding for elderly and disabled transportation, including additional funding for the federal Section 5310 elderly and disabled transit capital funding program and New Freedoms Program.

k. Oppose any efforts to shift transit funds to other programs or projects.

l. Include transit capital and operating funds as part of economic stimulus bills and relieve local agencies from funding match requirements.

3F. Support reductions in burdensome legal and/or regulatory requirements.

   a. Encourage legislative and regulatory efficiency.

   b. Work to streamline regulations and improve the ability of local and regional agencies to deliver transportation projects in a timely, cost-effective manner.

4F. Raise MST’s profile and role in federal legislative issues.

   a. Continue to bring Legislators, key staff and others to MST for a facilities tour and presentation.

   b. Continue having MST Board and staff participate in transit-related meetings with elected representative, key transportation and budget committee members and other officials.

December 8, 2008 Board Meeting
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. Overall ridership continues to rise on both fixed route and MST Rides programs.

During October 4 - 8 I travelled to San Diego, CA. to attend the APTA Annual conference and triennial APTA EXPO trade show. As an elected member of the APTA Board of Directors, I attended APTA Board of Directors, Small Operations and Legislative Committee Meetings. I also attended sessions with Senator Barbara Boxer, FTA Administrator James Simpson, and other national leaders to discuss the challenges faced by the public transit industry. At the meeting I was honored to see Frank Lichtanski posthumously inducted into the APTA Hall of Fame. At the EXPO I was able to meet with dozens of vendors to discuss the latest in bus manufacturing and technology development.

On October 15-16, I was a featured presenter at the first Transit Capital Summit between public transit leaders and the appointed Board members of the California Transportation Commission (CTC). Also in attendance were numerous transportation professionals, advocates and state legislative staff. After the presentations were completed the entire group went through brainstorming exercise in attempts to develop mutually agreeable solutions to funding state transportation projects in the future. This meeting was very successful and those in attendance agreed that more meetings between transit leaders and CTC Board members should occur.

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 October 2008
Attachment #6 – Facilities & Maintenance Department Report October 2008
Attachment #7 – Administration Department Report October 2008

PREPARED BY: Carl G. Sedoryk
To: M. Hernandez, Assistant General Manager/OOO

From: R. Weber, Director of Transportation Services

Subject: Transportation Department Monthly Report – October 2008

FIXED ROUTE BUS OPERATIONS:

System Wide Service: (Fixed Route & DART Services)

Preliminary boarding statistics indicate that ridership increased by 3.73% in October 2008, (425,763), as compared to October 2007, (410,451).

Productivity decreased slightly from 22.3 passengers per hour (October 2007), to 22.0 PPH in October of this year.

Seasonal Service:

Throughout October the new MST Trolley Service in Salinas serving Hartnell College and downtown Salinas was in service weekdays from 1:00 AM – 3:00 PM. Preliminary boarding statistics for this service are unavailable at this time.

Supplemental Service:

October 18-19: MST provided supplemental service on lines 37, 38, & 39 for the 2008 U.S. Sports Car Championship at Laguna Seca. Preliminary boarding statistics for this event are unavailable at this time.

System Wide Statistics:

- Ridership: 425,763
- Vehicle Revenue Hours: 19,336
- Vehicle Revenue Miles: 308,500
- System Productivity: 22.0 Passengers Per Vehicle Revenue Hour
- Scheduled One-Way Trips: 27,869

On-Time Compliance: Of 100,339 total time-point crossings sampled for the month of October, the TransitMaster™ system recorded 20,475 delayed arrivals to MST’s published time-points system-wide. This denotes that 79.6% of all scheduled arrivals at published time-points were on time. (See MST Fixed-Route Bus ~ On Time Compliance Chart FY 2009.)

Service 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 reported time-point crossings.

Trips With 10 or More Standees: There were 96 reported trips with 10 or more standees for the month of October. (See Operations Summary report for further information)
Cancelled Trips: There were a total of 4 cancelled trips for the month of October for both directly operated and contracted services.

<table>
<thead>
<tr>
<th>Reason</th>
<th>MST</th>
<th>MV Transportation</th>
<th>% Of All Missed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Boarding Delay</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Traffic</td>
<td>2</td>
<td>0</td>
<td>50%</td>
</tr>
<tr>
<td>Mechanical</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Insufficient Run Time</td>
<td>2</td>
<td>0</td>
<td>50%</td>
</tr>
<tr>
<td>Totals</td>
<td>4</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Documented Occurrences: MST Coach Operators are required to complete an occurrence report for any unusual incident that occurs during their work day. The information provided within these reports is used to identify trends, which often drive changes in policy or standard operating procedures. The following is a comparative summary of reported incidents for the month(s) of October 2007 and 2008:

<table>
<thead>
<tr>
<th>Occurrence Type</th>
<th>October-07</th>
<th>October-08</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident: MST Involved</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Medical Emergency</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Object Thrown @ Coach</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Passenger Conflict</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Passenger Fall</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Passenger Injury</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Unreported Damage</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Total Occurrences</td>
<td>20</td>
<td>18</td>
</tr>
</tbody>
</table>

CONTRACTED SERVICES:

MST RIDES ADA Paratransit Program:

- Preliminary boarding statistics for the MST RIDES program reflect that for the month of October there were 10,793 passenger boardings. This represents a 39.64% increase in passenger trips from October of 2007. Fiscal year-to-date passenger boardings for this service have increased by 50.97% over the same period last year.

- For the month of October, 85.28% of all scheduled trips for the MST RIDES Program arrived on time, decreasing from 88.81% in October of 2007.

- Productivity increased from 1.8 passengers per hour in October of 2007, to 2.1 passengers per hour for October of 2008.

- For the month of October, 108 applications were reviewed, resulting in 102 approvals and 6 denials. Of the approvals, 64 were new clients, and 38 were recertified.

- 11 clients were deactivated in October.

- There are 3,238 total program participants as of November 30, 2008.
- October 17th, RIDES vehicle 5203 was involved in minor, non-injury preventable accident. This accident resulted in no damage to the MST Vehicle and minor damage to a privately owned vehicle.

- October 19th, RIDES vehicle 5045 was involved in minor, non-injury preventable accident resulting in minor damage to the vehicle.

COMMUNICATIONS CENTER:

In October, the Communications Center summoned public safety agencies on *eight* (8) 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>6</td>
</tr>
<tr>
<td>Emergency Medical Services</td>
<td>Medical Emergency</td>
<td>2</td>
</tr>
</tbody>
</table>

Robert Weber

MST FIXED ROUTE
ON-TIME COMPLIANCE FY 2009

<table>
<thead>
<tr>
<th>MONTH</th>
<th>FY08 ON-TIME PERFORMANCE</th>
<th>FY09 TIME POINT DELAYED ARRIVALS 5 + MINUTES</th>
<th>FY09 ON-TIME PERFORMANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul</td>
<td>82.66%</td>
<td>105,748</td>
<td>16,401</td>
</tr>
<tr>
<td>Aug</td>
<td>81.15%</td>
<td>105,498</td>
<td>19,827</td>
</tr>
<tr>
<td>Sept</td>
<td>81.75%</td>
<td>93,173</td>
<td>17,314</td>
</tr>
<tr>
<td>Oct</td>
<td>84.26%</td>
<td>100,339</td>
<td>20,475</td>
</tr>
<tr>
<td>Nov</td>
<td>84.29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td>85.61%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan</td>
<td>89.11%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb</td>
<td>86.44%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td>86.64%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td>86.05%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>84.69%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>June</td>
<td>85.37%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>N/A</td>
<td>404,758</td>
<td>74,017</td>
</tr>
<tr>
<td>Monthly Average</td>
<td>81.85%</td>
<td>101,190</td>
<td>18,504</td>
</tr>
</tbody>
</table>

On-Time Compliance FY 2009

Goal 87%
November 26, 2008

To: Carl G. Sedoryk, General Manager/CEO
From: Michael Hernandez, Assistant General Manager/COO
Subject: Monthly Maintenance Report for October 2008

This monthly summary report highlights fuel, fleet and facilities information for the month of October. Detailed statistical information is also attached.

Fuel Prices:
Fuel prices dropped dramatically during the month as noted below:

<table>
<thead>
<tr>
<th></th>
<th>October Low</th>
<th>October High</th>
<th>September Average</th>
<th>October Average</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel</td>
<td>$2.72</td>
<td>$4.49</td>
<td>$4.03</td>
<td>$3.38</td>
<td>-16.1%</td>
</tr>
<tr>
<td>Gasoline</td>
<td>$2.26</td>
<td>$4.65</td>
<td>$3.45</td>
<td>$2.65</td>
<td>-23.2%</td>
</tr>
</tbody>
</table>

Fleet Status:

<table>
<thead>
<tr>
<th>Road Call Rate Goal: 7,000 Miles or More</th>
<th>Miles Between Road Calls:</th>
<th>Operating Cost Per Mile:</th>
</tr>
</thead>
<tbody>
<tr>
<td>October</td>
<td>9,530</td>
<td>October</td>
</tr>
<tr>
<td>Past 12 Months:</td>
<td>17,869</td>
<td>FY09 Year To Date:</td>
</tr>
</tbody>
</table>

In October there were a total of 28 road calls, of which 22 were maintenance related. Of the 22 road calls, eight were attributed to exhaust systems, a reduction from the past two months, with seven road calls due to electrical issues.

In October MST passed a DMV audit reviewing smog certificate compliance on our non-revenue vehicles. In-processing efforts began on four new medium buses and several Prius’ intended to replace relief unit vans. Fork lift training was also conducted this past month.

Facilities:
Facility repairs included a water leak on the irrigation system at the Marina Transit Exchange and a roof leak repair at the Salinas Transit Center. A newly designed bus stop flag was installed at about 20 locations in downtown Monterey. The new flag condenses multiple signs on one bus stop pole, into one smaller bus stop flag.

Michael Hernandez
Date: October 31, 2008

To: C. Sedoryk, General Manager/CEO

From: Lyn Owens, Director Human Resources & Risk Management; Hunter Harvath, Assistant General Manager Finance & Administration; Mark Eccles, Director Information Technology

Subject: Administration Department Monthly Report October 2008

The following significant events occurred in Administration work groups for the month of October 2008:

Human Resources

Employment activity for the month of October 2008 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>Administration</td>
<td>General Accounting Manager</td>
<td>New Hire</td>
<td>10/27/08</td>
<td></td>
</tr>
</tbody>
</table>

A total employment level for October 2008 is summarized as follows:

<table>
<thead>
<tr>
<th>Positions</th>
<th>Budget FY09</th>
<th>Actual</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coach Operators / Trainees</td>
<td>124</td>
<td>122</td>
<td>-2</td>
</tr>
<tr>
<td>C/O on Long Term Leave *</td>
<td>10</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Coach Operators Limited Duty</td>
<td>1</td>
<td>0</td>
<td>-1</td>
</tr>
<tr>
<td>Operations Staff</td>
<td>24</td>
<td>24</td>
<td>0</td>
</tr>
<tr>
<td>Maintenance &amp; Facilities</td>
<td>44</td>
<td>44</td>
<td>0</td>
</tr>
<tr>
<td>Administration (Interns 2 PT)</td>
<td>22.5</td>
<td>22.5</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>225.5</strong></td>
<td><strong>222.5</strong></td>
<td><strong>-3</strong></td>
</tr>
</tbody>
</table>

October Worker's Compensation Costs

| Indemnity (paid to employees)    | $21,207     |
| Legal                           | $1,3689     |
| Medical (included Medical Case Mgmt) | $11,1664 |
| Other (includes bill review)    | $28,751     |
| TPA Administration Fee          | $7,000      |
| Excess Insurance                | $4,413      |
| **Total Expenses September 2008** | **$77,194** |
| Reserves                        | $1,602,342  |
| # Ending Open Claims            | 50          |
| # Ending Closed Claims          | 0           |
| # New Claims or Reopened        | 0           |
Training

<table>
<thead>
<tr>
<th>Description</th>
<th>Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sitting Safe</td>
<td>25</td>
</tr>
<tr>
<td>Accident Causes, Prevention and Control Annual</td>
<td>20</td>
</tr>
<tr>
<td>Verification of Transit Annual</td>
<td>8</td>
</tr>
<tr>
<td>Hydraulics, Steering and PM sheets Annual</td>
<td>17</td>
</tr>
<tr>
<td>Management Excellence Series</td>
<td>1</td>
</tr>
</tbody>
</table>

Risk Management Update

<table>
<thead>
<tr>
<th>Description</th>
<th>October 2008 Preventable</th>
<th>October 2007 Preventable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus/vehicle hits object</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Car hits bus</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

Accident Statistics

Liability Claims Paid/Recovered – Property and Personal Injury

Total claims paid $1,953.07 for property damage. Total claim recoveries $32,739.00
Customer Services Update

Customer Service received 59 customer comments during the month as follows:

<table>
<thead>
<tr>
<th>Service Report Type</th>
<th>Oct '08</th>
<th>%</th>
<th>Oct '07</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Compliment</td>
<td>1</td>
<td>1.69%</td>
<td>5</td>
<td>8.06%</td>
</tr>
<tr>
<td>Improper Employee Conduct</td>
<td>16</td>
<td>27.12%</td>
<td>10</td>
<td>16.13%</td>
</tr>
<tr>
<td>Request To Add Service</td>
<td>11</td>
<td>18.64%</td>
<td>7</td>
<td>11.29%</td>
</tr>
<tr>
<td>Improper Driving</td>
<td>8</td>
<td>13.56%</td>
<td>3</td>
<td>4.84%</td>
</tr>
<tr>
<td>Passed By</td>
<td>5</td>
<td>8.47%</td>
<td>4</td>
<td>6.45%</td>
</tr>
<tr>
<td>Bus Stop Amenities</td>
<td>4</td>
<td>6.78%</td>
<td>10</td>
<td>16.13%</td>
</tr>
<tr>
<td>Overcrowding</td>
<td>3</td>
<td>5.08%</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Fare / Transfer Dispute</td>
<td>2</td>
<td>3.39%</td>
<td>4</td>
<td>6.45%</td>
</tr>
<tr>
<td>Late Arrival</td>
<td>2</td>
<td>3.39%</td>
<td>3</td>
<td>4.84%</td>
</tr>
<tr>
<td>Early Departure</td>
<td>2</td>
<td>3.39%</td>
<td>3</td>
<td>4.84%</td>
</tr>
<tr>
<td>No Show</td>
<td>1</td>
<td>1.69%</td>
<td>3</td>
<td>4.84%</td>
</tr>
<tr>
<td>Passenger Injury</td>
<td>1</td>
<td>1.69%</td>
<td>2</td>
<td>3.23%</td>
</tr>
<tr>
<td>Agency Policy</td>
<td>1</td>
<td>1.69%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Passenger Conduct</td>
<td>1</td>
<td>1.69%</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Service Schedule</td>
<td>1</td>
<td>1.69%</td>
<td>0</td>
<td>0.00%</td>
</tr>
<tr>
<td>Routing</td>
<td>0</td>
<td>0.00%</td>
<td>2</td>
<td>3.23%</td>
</tr>
<tr>
<td>Late Departure</td>
<td>0</td>
<td>0.00%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Service Other</td>
<td>0</td>
<td>0.00%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Unsafe Conditions</td>
<td>0</td>
<td>0.00%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Inaccurate Public Information</td>
<td>0</td>
<td>0.00%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td>Facilities Vandalism</td>
<td>0</td>
<td>0.00%</td>
<td>1</td>
<td>1.61%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>59</td>
<td>100.00%</td>
<td>62</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

“Improper Employee Conduct” reports (16) represent 27% of overall service reports in October ’08. A review of these reports showed that 6 of 16 incidents involved rude behavior by an MST coach operator. The remainder included a wide variety of incidents involving priority seating, refused boardings due to fare or transfer issues, refused wheelchair lift, and refused bike boardings.

A review of the 8 “Improper Driving” reports showed that 4 involved an MST vehicle speeding and the remaining 4 were various driving complaints. “Overcrowding” was reported on lines 9, 11, and 23.
Customer Service staff represented MST at the following outreach events:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/6/2008</td>
<td>Monterey County Commute Fair</td>
<td>Mo. Co. Admin Building</td>
</tr>
<tr>
<td>10/13/2007</td>
<td>Kidfest</td>
<td>Monterey Fairgrounds</td>
</tr>
<tr>
<td>10/14/2007</td>
<td>Kidfest</td>
<td>Monterey Fairgrounds</td>
</tr>
</tbody>
</table>

Marketing and Sales Update

MST donated advertising space to First Night Monterey worth $1,440. Press releases sent include: “Free Bus Service to Monterey Sports Car Championships at Laguna Seca Provided by Monterey-Salinas Transit” (10/16/08); “MST to Hold Public Hearings on Proposed Fare Increase & Service Reductions Effective 2009” (10/27/08)

Published news stories included: “Anti-tax group supports increase for road projects” (Carmel Pine Cone, 10/3/08); “State raids transit kitty” (Salinas Californian, 10/6/08); “MST to consider fare increases, service cuts” (10/8/08); “Chamber recommends support of Measure Z” (Salinas Valley Chamber of Commerce Business Journal, 10/2008); “Monterey-Salinas Transit to run buses on local mustard-seed oil: B20 biodiesel will power entire 80-bus fleet” (Capital Press Agriculture News, 10/09/08); “An opposing view on Measure Z” (Monterey County Herald, 10/12/08); “tired of legging it” (Monterey County Herald, 10/13/08); “Measure Z is needed for tough times” (Monterey County Herald, 10/13/08); “Salinas’ trolley part of solution” (Salinas Californian, 10/17/08); “Bus service shrinks” (Monterey County Weekly, 10/30/08); “Measure Z could ease traffic congestion” (Monterey County Herald, 10/30/08); “Caffeine of wheels” (Carmel Pine Cone, 10/31/08); “Measure Z ensures money” (Monterey County Herald, 10/31/08)

Marketing activities: Designed and saw through completion new bus stop flags integrating specialty lines into one sign per stop; managed vendor and group discount programs; created display for biofuel program; submitted CTA small operator award nomination for biofuel project; designed and printed 2009 monthly pass; started working on design and content of annual report; post event recap with Monterey Jazz Festival; CTA/CalACT conference planning.

Planning Update

Staff attended the APTA Annual Meeting and Expo in San Diego. Staff presented the FJL Monterey Bay Operations Center project to the Monterey County Board of Supervisors Fort Ord Reuse Authority subcommittee. Staff met with representatives of TMC and the City of Soledad to discuss transportation funding issues. Staff worked with representatives of the Monterey County Hospitality Association on TMC’s taxi study. Staff made a presentation on MST’s mustard seed biofuel project at an environmental conference in Monterey. Staff worked with TMC, FORA, and County staff on developing complementary legislative programs for 2009. Staff attended regularly scheduled meetings of TMC, MCHA, MCBC and Competitive Clusters. Staff
appeared on the “Your Town” radio and television program with the Executive Director of the California Transit Association to discuss funding and budgetary challenges facing MST and the Tomorrow Matters radio program to highlight the environmental benefits of public transit. Staff conducted public hearings on proposed fare increases and service reductions. Staff participated as a presenter for a “RailVolution” Conference mobile workshop to highlight future development projects on the former Fort Ord.

**Information Technology Update**

Staff worked on the Continental Transitmaster system additional functionality. Staff continued to configure software and hardware for the Maximus Maintenance system. Staff continued to configure software for the ongoing implementation of the FAMIS Payroll system. Staff were developing timelines for the implementation of the FAMIS Human Resources Module. Staff continued to configure software for the ongoing implementation of the GIRO DDAM Timekeeping system. Staff updated software components of MST workstations. Staff continued developing functionality of the Payroll and Customer Service databases. Staff kept the MST web page updated and made the appropriate changes as required. Staff conferred with Google Transit for the configuration of the MST Bus Schedules to for the Trip Planning on the Google Transit site. Staff continued to support MST staff as needed, proactively ensuring MST staff were supported fully with their IT needs.
TO: Carl Sedoryk
FROM: Thomas P. Walters

The following report summarizes recent actions taken on behalf of Monterey-Salinas Transit:

- Participated in MST Legislative Committee meeting to review and plan Federal agenda. Provided updates on appropriations legislation and discussed potential 2009 legislative initiatives.

- Worked with MST staff to develop proposals for funding through economic stimulus legislation.

- Began advance planning for 111th Congress advocacy meetings for MST staff and Board Members, including potential meetings with committees, agencies and Congressional delegation.

- Discussed Lame Duck Session with Congressional staff and the need for funding for MST projects in economic stimulus legislation.

- Provided updates on legislation affecting MST programs and initiatives.

TPW:dwg
## Monterey Salinas Transit Board of Directors

### MEETING:
December 8, 2008

### SUBJECT:
Receive Board Referrals Update

<table>
<thead>
<tr>
<th>DATE</th>
<th>BY</th>
<th>TO</th>
<th>ITEM</th>
<th>REPORT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/10/07</td>
<td>Downey</td>
<td>Harvath</td>
<td>Transit access to Presidio of Monterey</td>
<td>This item was discussed at the Board meeting on January 14, 2008. City of Monterey to schedule meeting with DLI. MST staff met with City of Monterey and DLI staff. MST staff met on June 12th and on July 8th with Bob Guidy from the Presidio. Mr. Guidy will forward MST staff times of day classes begin and end so schedules accessing Presidio can be developed. Transit access into and/or through the Presidio is still under discussion. Mike Gallant has had further discussions with the Internal Review/Compliance Officer in regards to implementing a number of shuttle/express trips from outside one of the Presidio gates sometime in mid-late 2009. Also discussed was identifying potential ways for DLI to fund this bus service (namely, the federal DOT transportation benefit program which completely funds the Line 12-NPS Express bus route for the Navy Postgraduate School).</td>
<td>Ongoing</td>
</tr>
<tr>
<td>2/11/08</td>
<td>Ford</td>
<td>Harvath</td>
<td>Marina Library</td>
<td>Director Ford asked to add a fixed route bus stop to serve the Marina Public Library. MST currently offers MST On-Call demand response service to the library as well as Line 16 Monterey-Marina service on Reservation Road adjacent to the library. On September 2, 2008, MST’s Line 27 Watsonville-Marina began serving the library directly on Seaside Court in both the northbound and southbound directions for a total of 14 times each weekday. Because Line 27 does not operate on weekends, residents need to take MST On-call or Line 16 to the library on weekends.</td>
<td>Completed 9/2/08</td>
</tr>
</tbody>
</table>
**Monterey Salinas Transit Board of Directors**

**MEETING:** December 8, 2008  
**SUBJECT:** Receive Board Referrals Update  

<table>
<thead>
<tr>
<th>DATE</th>
<th>BY</th>
<th>TO *</th>
<th>ITEM</th>
<th>REPORT</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>9/8/08</td>
<td>Downey</td>
<td>Monterey Trolley Service</td>
<td>Director Downey asked for ridership information on the Trolley Service.</td>
<td>Completed 11/17/08</td>
</tr>
<tr>
<td>4</td>
<td>10/17/08</td>
<td>Stilwell</td>
<td>PG Trolley Service</td>
<td>Director Stilwell asked staff to develop a plan and a cost estimate for Trolley Service in PG. The concept is to develop service starting at the Aquarium down Ocean View to Asilomar, the Lighthouse and to Downtown PG and back.</td>
<td>Staff will provide estimate by February meeting</td>
</tr>
<tr>
<td>5</td>
<td>11/17/08</td>
<td>Armenta</td>
<td>Carmel Valley, Incorporation</td>
<td>Analyze input of Carmel Valley, Incorporation and consider related issues to its potential membership to MST JPA.</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
November 26, 2008

To: Carl Sedoryk

From: H. Harvath, Assistant General Manager for Finance & Administration

Subject: TRIP REPORT

From October 4th to 7th, I traveled to San Diego for the 2008 American Public Transportation Association’s 2008 Annual Conference and Expo. While at the conference I participated in the Small Operators Committee meeting as well as the Legislative Committee to discuss the upcoming transportation authorization process. I attended the opening session featuring FTA’s Administrator, James Simpson, as well as the APTA Awards ceremony, at which MST’s late General Manager/CEO, Frank Lichtanski, was inducted into the APTA Hall of Fame. In addition, I attended the EXPO trade show, which contained bus vehicle manufacturers, equipment suppliers and computer software vendors from around the world. In addition, I looked at several farebox companies, as MST will be purchasing new fare boxes during 2009.

Hunter Harvath