BOARD OF DIRECTORS
MINUTES OF THE REGULAR MEETING
MONTEREY-SALINAS TRANSIT
May 14, 2012

1. CALL TO ORDER

Chair Armenta called the meeting to order at 10:00 a.m. in the MST Conference Room. Roll call was taken and the Pledge of Allegiance followed.

Present: Fernando Armenta County of Monterey
Victoria Beach City of Carmel-by-the-Sea
Kristin Clark City of Del Rey Oaks
Alan Cohen City of Pacific Grove
Libby Downey City of Monterey
Susan Kleber City of King
Frank O’Connell City of Marina
Maria Orozco City of Gonzales
David Pendergrass City of Sand City
Patricia Stephens City of Soledad

Absent: Alvin Edwards City of Seaside
John Huerta, Jr. City of Greenfield
Sergio Sanchez City of Salinas

Staff: Carl Sedoryk General Manager/CEO
Zoe Shoats Marketing Analyst
Lou Doll Safety/Training Officer
Carl Wulf Facilities Manager
Kathy Williams General Accounting & Budget Manager
Rosemary Bayles Human Resources Generalist
Sandra Amorim Purchasing Manager
Ben Newman Risk & Security Manager
Mike Gallant Planning Manager
Kelly Halcon Director of Human Resources & Risk Management
Hunter Harvath Asst. General Manager/Finance & Administration
Tom Hicks Mobility Manager
Deanna Smith Executive Assistant to the GM/CEO
Robert Weber Director of Transportation Services
Sonia Bannister Office Administrator
Dave Laredo General Counsel/De Lay & Laredo

Others: Lance Atencio MV Transportation
Jim Fink Citizen, MST Customer
Chris Rubrecht Salinas Resident
Pete Torrecillas MST Employee
Tony Valladares          MST Employee
Roger Vandevert          MST Employee
Randy Ascencio           MST Employee
Dolores McDaniels        Monterey Resident
Margaret Osborne         Seaside Resident

*Apology is made for any misspelling of a name.*

2. **CONSENT AGENDA**

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

Mr. Sedoryk read the highlights of the agenda.


2-3 Disposal of property left aboard buses.

2-4 Minutes of the regular meeting of April 9, 2012.


2-6 Review Current Committee Assignments and Receive Proposed Committee Meeting Schedule.

2-7 Receive updated 2012 State Legislative Program.

2-8 Receive Draft FY 2013 Budget.

Public Comment – None

**Director Clark made a motion to approve the Consent Agenda and was seconded by Director Orozco. The motion carried unanimously.**

3. **SPECIAL PRESENTATIONS**

3-1 May Employee of the Month – Randy Ascencio, Intermediate Mechanic.

Mr. Vandevert recognized Randy Ascencio, Intermediate Mechanic, as the May Employee of the Month for his positive contribution to MST and the entire community; for his dedication, high energy level, excellent work ethic and superior technical skills. Mr. Ascencio recently repaired several buses at the Wright Division thereby insuring sufficient vehicles were available to early morning service.

3-2 25 Years of Service – Dave Duckworth, Coach Operator.

Mr. Duckworth was not present to receive his award.
3-3  20 Years of Service – Grace Casey, Coach Operator.

Ms. Casey was not present to receive her award.

3-4  20 Years of Service – Pawel Ziolkowski, Coach Operator.

Mr. Ziolkowski was not present to receive his award.

3-5  Receive APTA Bus Safety Gold Award.

Mr. Sedoryk announced that MST had been awarded APTA’s highest Safety Award. He commended MST employees for their dedication, hard work, and commitment to making MST the safest transit district among its peers.

4. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Mr. Fink announced that he has been riding MST buses for 15 years. He requested donations for the Norcal AIDS Cycle event, in which he will be riding.

5. COMMITTEE REPORTS

5-1  Human Resources Committee Minutes from April 9, 2012.

6. BIDS/PROPOSALS

6-1  Award Contract for the Construction of BRT Bus Stops.

In the absence of Mr. Hernandez, Mr. Wulf requested the Board’s authorization to enter into a contract with Pavex Construction.

Public Comment

Mr. Fink requested that the construction prevent private autos from parking at bus stops. Mr. Sedoryk acknowledged the ongoing problem, and stated that MST continues to work with local law enforcement to ticket those parking illegally.

Director Clark made a motion to authorize staff to enter into a contract with Pavex Construction for the construction of bus stops, installation of passenger shelters, and installation of other bus stop amenities for MST’s Bus Rapid Transit service, not to exceed $3,157,000, and was seconded by Director Downey. The motion carried unanimously.

6-2  Award a Security Gate Contract to Fence Corporation.

Mr. Wulf requested the Board’s authorization to award a contract to Fence Corporation.

Public Comment – none.
Directors Kleber made a motion to award a contract to Fence Corporation of Sacramento for the purchase & installation of three (3) each, Speed Bi-fold Gates at CJW, not to exceed $169,161.40, and was seconded by Director Clark. The motion carried unanimously.

7. PUBLIC HEARINGS

7-1 Proposed spring 2012 Fare Increase.

Mr. Harvath informed the Board that three (3) public hearing have been held seeking input from the public regarding proposed fare increases to be implemented May 26, 2012. Rising fuel costs are the primary driver of the increase, having more than doubled since 2009. Fares have not been increased since January of 2009. At that time, riders paid an average fare of $1.45, while the average fare to date is only $1.39. The average fare increase is 25%.

Director Beach asked if fare increases could be reduced for the lines that tend to carry lower income riders, and asked if any analysis had been done to identify such routes. Mr. Harvath stated that an in-depth analysis had been conducted, and fare increases were made with attention to equity. If fares are adjusted to affect only one segment of the population at the expense of another, MST runs the risk of violating certain federal guidelines.

Director Cohen asked if fares for shorter routes could be lowered and fares for longer routes increased. Mr. Harvath stated that MST used to base their fares geographically, but actually found this system to be less equitable that the current fares, which are based on route type: local, primary, regional, and commuter. This eliminated transfer fees and other confusing route structures.

Director O’Connell asked if RIDES passengers pay an application fee. Mr. Harvath stated that MST is not allowed to charge a fee.

Public Comment

Mr. Fink asked the Board to refer to an email he submitted. He recommends tying fares to inflation, raising fares annually based on inflation, and keeping fares an even dollar amount.

Margaret Osborne of Seaside stated that she is fine with the fare increase, but she represents the senior community at Villa Del Monte and is concerned with a few of the bus schedules. She asked that Mr. Harvath email her answers to the following:
- Can she get a day pass to cover her fare on Line 55 San Jose Express
- Is there a fee for applying to RIDES
- Can MST use smaller buses for routes with few passengers and are the costs the same for large and small buses
- She does not like having to wait one hour for Lines 9, 10, and 5

Dolores McDaniels is on Social Security and has not had a cost of living increase in over two (2) years. The increases will be too costly for her. She thanked MST for providing free transportation to the Board meeting.
Chris Rubrecht of Salinas stated that the one (1) hour wait time for the buses is inconvenient.

Liz Corpuz works with Interim, Inc. and serves many of the low income residents in the 93905 zip code area. She stated that the fare increases will negatively affect those whom she serves.

Close Public Comment

Mr. Harvath stated that one can purchase a Day Pass and pay an additional two dollars ($2.00) to use the Line 55 San Jose Express. MST uses small buses when ridership is low, but sometimes there are no small buses available, so large buses are used to provide service rather than discontinue it. The Salinas Area Analysis being presented later in the agenda provides some recommendations for route changes that would provide more frequent service for Lines 9 and 10. Line 8 was discontinued because of extremely low ridership. He reminded those on fixed incomes that most qualify for the MST 50% Discounted Fare program.

Director Downey stated that she wanted everyone to be aware that the General Manager did not request a raise this year. MSTEA employees received a 2% cost of living increase.

Director Pendergrass made a motion to approve the proposed fare increases for MST fixed-route, OnCall and RIDES services and was seconded by Director Stephens. The motion carried with a vote of 8-2.

Ayes: Directors Armenta, Beach, Clark, Cohen, Kleber, Orozco, Pendergrass, and Stephens

Noes: Directors Downey and O’Connell

8. UNFINISHED BUSINESS

8-1 Approve revised line of credit in the amount of $1 million from Rabobank.

Mr. Harvath explained that the increased credit line will provide MST with more financial security as government funding is consistently delayed by 2-5 months. MST has gone to TAMC for short term loans, and can continue to do so, but the Rabobank credit line will provide an extra measure of security for MST’s short term cash flow issues. The loans from TAMC cannot be guaranteed and are based on their own capital program expenditures. He confirmed the loan fees were $500 and the interest rate would be set at a variable prime rate with a floor of 4.25%.

Public Comment – none.

Director Downey made a motion to approve a line of credit in the amount of $1,000,000 for operating expenditures to address short-term cash flow difficulties and was seconded by Director Clark. The motion carried unanimously.
Receive presentation on the preliminary results of the Salinas Area Service Analysis – II and authorize staff to conduct public hearings on proposed route and schedule changes.

Mr. Harvath stated that Service Area Analyses are conducted every 5-7 years. This analysis was paid by an Air District grant. He introduced Mr. Thomas Whitman of Nelson/Nygaard to present the findings and recommendations.

Director Stephens requested a copy of the complete area analysis.

Mr. Harvath stated that staff would continue to study the recommendations, which he finds very useful, and will return to the Board and the Planning and Operations Committee in June after holding Public Hearings on proposed changes. If approved, the proposed changes would be implemented in September 2012.

Public Comment

Mr. Fink requests increasing service on Line 43 serving San Joaquin and Pajaro Streets in Salinas on Sunday mornings. He stated that the analysis should reference Salinas Valley Memorial Hospital, not Valley Hospital.

Director Downey made a motion to authorize staff to hold public hearings soliciting input on proposed route and schedule changes recommended by the SASA-II study and was seconded by Director O’Connell. The motion carried unanimously.

9. NEW BUSINESS

10. REPORTS & INFORMATION ITEMS


10-2 TAMC Highlights – April, 2012.


10-4 State Lobbyist report – April, 2012.

10-5 Staff trip reports.

10-6 Correspondence.

Mr. Sedoryk directed the Board to several letters of correspondence. He stated that he has met with the cities of Seaside, Marina, and Soledad, and will soon meet with the City of Salinas to discuss possible locations for MST facilities.

Public Comment – none.

Close Public Comment
11. COMMENTS BY BOARD MEMBERS

None.

12. ATTACHMENTS


13. ANNOUNCEMENTS

Director Cohen asked the Board to contact Deputy Secretary, Deanna Smith, if they are unable to serve as an officer for FY 2013. The Nominating Committee will meet again in June to make their recommendations to the Board.

Director Armenta stated that Supervisors Salinas and Calcagno have been asked to respond to a letter requesting reimbursement for fees paid by MST related to the Whispering Oaks project. Mr. Sedoryk stated that as soon as the letter is received, the Whispering Oaks Subcommittee will be contacted to meet.

14. CLOSED SESSION

14-1 Conference with Labor Negotiators, Gov. Code § 54957.6: (Agency Negotiator; Kelly Halcon, Carl Sedoryk. Negotiating Parties; MSTEA/ATU, non-represented employees.

14-2 General Manager Performance Evaluation, Gov. Code § 54957 (b)

Public Comment - none.

Chair Armenta moved to Closed Session at 12:11 p.m.

15. RETURN TO OPEN SESSION

15-1 Report on Closed Session and possible action.

No reportable action taken.

16. ADJOURN

There being no further business, Chair Armenta adjourned the meeting at 12:30 p.m.

Prepared by: Deanna Smith, Deputy Secretary