1. CALL TO ORDER

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

Present: Karen Sharp City of Carmel-By-The-Sea
Kristin Clark City of Del Rey Oaks
James Ford City of Marina
Libby Downey City of Monterey
Alan Cohen City of Pacific Grove
Sergio Sanchez City of Salinas
Thomas Mancini City of Seaside
Fernando Armenta County of Monterey
Maria Orozco City of Gonzales (Ex-Officio)

Absent: None

Staff: Carl Sedoryk General Manager/CEO
Hunter Harvath Asst. General Manager/Finance & Administration
Robert Weber Director of Transportation Services
Sonia Bannister Office Administrator/Marketing & Sales Specialist
Lyn Owens Director of Human Resources
Michael Hernandez Asst. General Manager/COO

Others: Dave Laredo DeLay & Laredo
Alex Lorca DeLay & Laredo
Rex Sacayanan MST

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

2-1. – 2-9. CONSENT AGENDA

The consent agenda items consisted of the following:


2-3. Disposal of property left aboard buses.

2-4. Minutes of the regular meeting of April 12, 2010.

2-6. Adopt Resolution 2010-17 recognizing Thomas Mancini for serving as Vice-Chair.

2-7. Nicol Sanks claim rejection.

2-8. Schedule public hearing for active-duty military discount fare.

2-9. Approve capital budget transfers.

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

3. SPECIAL PRESENTATIONS

Chairman Armenta presented Thomas Mancini, Vice-Chair, Resolution 2010-17 Appreciation for services rendered. Mr. Mancini has been on the MST Board of Directors since January 1999 and has served as Vice-Chair from February 2004 to April 2010. During his tenure as Vice-Chair, Mr. Mancini has been a staunch advocate of public transportation and continues to make a substantial and lasting contribution to the improvement of public transportation throughout Monterey County.

4. PUBLIC COMMENT

None.

5-1. – 5-5. COMMITTEE MINUTES

The Board accepted and filed the Strategic Planning Ad-Hoc Committee Minutes – March 1, 2010; Transition Ad-Hoc Committee Minutes – March 1, 2010; Strategic Planning Ad-Hoc Committee Minutes – April 6, 2010; Transition Ad-Hoc Committee Minutes – April 6, 2010; and Planning/Operations Committee Minutes – April 12, 2010.

6-1. SOUTH COUNTY AREA SERVICE ANALYSIS

Mr. Harvath, Assistant General Manager for Finance & Administration, reported that the South County Area Service Analysis is designed to evaluate transit demand in the south Monterey County cities of Gonzales, Soledad, Greenfield, King City, and the neighboring unincorporated areas, including Chualar. Currently, MST serves these areas with Line 23 Salinas-King City and will be introducing a general public dial-a-ride service in the community of Gonzales this summer. In addition, the cities of Soledad, Greenfield, and King City operate municipal dial-a-ride taxi services.
Director Clark moved to authorize staff to award a contract for $42,798 to Moore & Associates to perform the South County Area Service Analysis. Director Ford seconded and the motion carried unanimously.

7. PROGRAM OF PROJECTS PUBLIC HEARING

Mr. Hunter Harvath, Assistant General Manager for Finance & Administration, reported that the Program of Projects (POP) allocates federal funds to specific projects each fiscal year. The POP becomes part of MST’s application for federal grant funding that is submitted to the Federal Transit Administration via Association of Monterey Bay Area Governments (AMBAG).

Director Sanchez suggested having meeting with public hearings at locations that are more accessible to the public.

Chairman Armenta opened the public hearing at 10:25 to receive public comments on the Program of Projects. Seeing no one wishing to comment, the public hearing was closed at 10:26.

Director Downey moved to: Board: 1) adopt the FY 2010 Program of Projects; and 2) authorize the filing of the appropriate grant applications with the Federal Transit Administration and Caltrans. Director Ford seconded and the motion carried unanimously.

8-1. BRT AND REGIONAL TRANSIT COORDINATION IN MONTEREY BAY

Mr. Harvath, Assistant General Manager for Finance & Administration, reported that MST and Santa Cruz Metropolitan Transit District (METRO) collaborated on a joint grant application to the Monterey Bay Unified Air Pollution Control District (Air District) for funding from the AB2766 Motor Vehicle Emission Reduction Program to study Bus Rapid Transit (BRT) for congested corridors in Monterey and Santa Cruz counties. The Air District awarded a grant of $80,000 in FY06 AB2766 funds to MST and METRO for the Monterey Bay Bus Rapid Transit Study Project. As the lead agency, MST executed the grant agreement with the Air District in January 2006. The scope of work of the BRT project had three goals: 1) an overview of BRT feasibility as a public transit option in the Monterey Bay area; 2) a report for MST to serve as the basis for their application to the Federal Transit Administration (FTA) for funding from the Very Small Starts program; and 3) a preliminary feasibility study to identify BRT corridors in the METRO service area.
8-2. FY 2011 – 2013 STRATEGIC PLAN

Mr. Sedoryk, General Manager/CEO, reported that the strategic goals adopted by the Board will drive MST staff activities for the next several years. The MST Board has identified seven strategic goals that include: 1) Developing adequate and stable long term revenues; 2) Providing quality transit and mobility management services; 3) Implementing new transit district governance; 4) Researching, implementing, and promoting policies and practices that encourage environmental sustainability and resources conservation; 5) Educating the public on MST services through promotion, communication and advocacy; 6) Actively promoting organizational values to maintain high quality relationships with MST employees, contractors, vendors and community stakeholders; and 7) Attaining industry leadership for like-sized agencies within California and the United States.

The plan includes a narrative explaining the importance of public transit to the community, MST priorities, objectives and outcomes desired, indicators of success, and action plans that staff will employ towards the completion of the strategic priorities.

Director Sanchez moved to adopt the FY 2011-2013 Strategic Plan and recommended adoption of the plan by the future Monterey-Salinas Transit District Board. Director Clark seconded and the motion carried unanimously.

8-3. MONTEREY-SALINAS TRANSIT DISTRICT BY-LAWS

Mr. Sedroyk, General Manager/CEO, presented the By-laws for the future Monterey-Salinas Transit District.

The Board discussed the need for term limits of no more than three years.

Director Clark moved to refer this item back to the ad-hoc District Transition Committee for further discussion and will be brought back at the June meeting. Director Sanchez seconded and the motion carried unanimously.

8-4. FREMONT/LIGHTHOUSE BUS RAPID TRANSIT PROJECT

Mr. Harvath, Assistant General Manager for Finance & Administration reported that staff met with representatives from the Monterey Jazz Festival. MST staff will be working on a collaboration with the Jazz Festival to incorporate some of their themes and poster designs and incorporating them into the identity and station locations on the Bus Rapid Transit corridor. The Jazz Festival is excited about this partnership. It is expected to have the BRT route operational by Jazz Festival 2011.

9-1. FY 2011 BUDGET

Mr. Harvath, Assistant General Manager for Finance & Administration, reported that given the continued state budget deficits, prolonged world-wide economic downturn, and the expiration of federal stimulus funds, the FY 2011 budget will require
significant cost reductions in the face of reduced revenues. Among the new fiscal realities facing MST are: Expiration of American Recovery and Reinvestment Act (federal stimulus) funds; Ongoing 75% cut to State Transit Assistance; 17% Reduction in Local Transportation Funds; 40% increase in costs for MST RIDES; and Federal Operating funds frozen at FY 2009 levels.

Director Sanchez inquired about opportunities for increasing bus advertising revenue.

Director Sharp commented that the Sunset Cultural Center in Carmel has events throughout the year and this might be a possible revenue source.

Director Sanchez commented that service should be spared and cuts need to be made elsewhere in order to help balance the budget.

**Director Sanchez moved to refer the draft budget to the Finance Committee for further review. Director Mancini seconded and the motion carried unanimously.**

**9-2. MONTEREY COUNTY LTF**

Mr. Sedoryk, General Manager/CEO, reported that Local Transportation Funds (LTF) comprise MST’s single largest source of operating and capital revenue and accounting for about 35% of total revenue. The act creating Local Transportation Funds, known as the Transportation Development Act (TDA) of 1971 was enacted by the state legislature to improve existing public transportation services. By state statute, LTF funds are designated to be used for bicycle, pedestrian, and transit programs before being allocated to streets and roads programs. The current MST Joint Powers Agreement and AB644 which will create the Monterey-Salinas Transit District states that with regard to the County of Monterey, the minimum amount of these funds allocated to MST would be calculated according to a ratio of unincorporated population served by MST to the total unincorporated population of the County. The unincorporated population served is that within three-quarter mile of the MST transit routes.

State TDA law requires the Transportation Agency for Monterey County (TAMC) to make a finding on unmet transit needs prior to allocating Local Transportation Funds to any jurisdiction for other miscellaneous purposes including streets and roads projects or other eligible purposes. The California Department of Transportation (Caltrans) has informed TAMC that it must fund any reasonable unmet transit need before allocating funds to streets and roads projects, regardless of whether or not the need is identified in an existing service area where Local Transportation Funds are already allocated to public transit. This interpretation will most likely significantly reduce the streets and roads funding allocated to the County.
MST staff believes that Local Transportation Funds should be first allocated to MST to prevent reductions in transit service throughout Monterey County before they are allocated to streets and road projects, or other miscellaneous uses. County of Monterey staff has expressed concerns that loss of these funds for streets and road projects will result in the loss of jobs within Monterey County Public Works. MST staff has responded that cuts of transit service will result in the loss of jobs for MST employees, and will negatively impact the ability of transit dependent members of our communities to go to work, school, and medical appointments.

Director Downey moved to: 1) direct the General Manager/CEO to send a letter to TAMC jurisdictions requesting full allocation of Local Transportation Funds from TAMC to MST to fund current and emerging unmet transit needs and sustain current levels of MST service to the Monterey County communities served by transit; and 2) draft a Resolution requesting full allocation of LTF to MST. Director Ford seconded and the motion carried unanimously.

10-1. – 10-4. REPORTS & INFORMATION ITEMS

The reports consisted of the General Manager/CEO Report; TAMC Highlights – April 28, 2010; Washington DC Lobbyist Report – April 28, 2010; and staff trip reports.

Mr. Sedoryk reported that ridership is increasing due to service to Presidio of Monterey. He also reported that the Legislative Committee attended meetings in Washington, DC in March. Since those meetings, MST has been included on the short list of projects for appropriations. He is scheduled to attend the California Transit Association Lobby Day later this week. Staff is also trying to get Assemblymember Caballero to attend the July 12, 2010 Board meeting to kick-off the new transit district. Her attendance is still not confirmed.

11. COMMENTS BY BOARD MEMBERS

Director Downey suggested a meeting between taxi drivers and MST staff to discuss the taxi cab program.

12. ANNOUNCEMENTS

None.

13. CLOSED SESSION

The Board adjourned to Closed Session to meet with legal counsel regarding potential and existing litigation, and labor negotiations.
14. RETURN TO OPEN SESSION

Upon returning to open session, General Counsel Laredo reported that a status report was provided regarding the potential and existing litigation. There was no reportable action of this item.

With regard to labor negotiations, Mr. Laredo reported that Director Mancini moved to designate Mr. Laredo as lead negotiator with Lyn Owens and Kelly Halcon as second chair. Director Downey seconded and the motion carried unanimously.

15. ADJOURNMENT

There being no further business, Chairman Armenta adjourned the meeting at 12:15 p.m.

Prepared by: ______________________________

Sonia Bannister