

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**Minutes- Board of Directors**

**May 17, 2002**

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A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, May 17, 2002, at the Capitola City Hall Council Chambers, 420 Capitola Road, Capitola, California.

Chairperson Ainsworth called the meeting to order at 9:10 a.m.

### **SECTION 1: OPEN SESSION**

#### **1. ROLL CALL:**

##### **DIRECTORS PRESENT**

Sheryl Ainsworth  
Jan Beautz  
Tim Fitzmaurice  
Michelle Hinkle  
Mike Keogh  
Christopher Krohn  
Dennis Norton  
Ana Ventura Phares  
Emily Reilly  
Ex-Officio Mike Rotkin  
Pat Spence

##### **DIRECTORS ABSENT**

Jeff Almquist

##### **STAFF PRESENT**

Bryant Baehr, Operations Manager  
John Daugherty, Access. Svcs. Coord.  
Mark Dorfman, Asst. General Manager  
Coco Faulk, Legal Secretary  
Marilyn Fenn, Asst. Finance Manager  
Terry Gale, IT Manager  
Laura Harrell, Bus Operator  
Margaret Gallagher, District Counsel

Tom Hiltner, Grants/Legis. Analyst  
David Konno, Fac. Maint. Manager  
Ian McFadden, Transit Planner  
Elisabeth Ross, Finance Manager  
Robyn Slater, Interim H.R. Manager  
Judy Souza, Base Superintendent  
Tom Stickel, Fleet Maintenance Manager  
Leslie R. White, General Manager

##### **EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT**

Wally Brondstatter, UTU  
Linda Clayton, SEA  
Pat Dellin, SCCRTC  
Dianna Dunn, SEIU  
Mary Ferrick, PSA  
Carmen Magdaleno, Interpreter

Steve Marcus, UTU  
Bonnie Morr, UTU  
Carolyn O'Donnell, TMA  
Will Regan, VMU  
Steve Paulsen, UTU  
Celia Scott, Consultant

2. **ORAL AND WRITTEN COMMUNICATION**

- a. Crista Cannariato RE: Service Reductions
- b. Jeanette Larkin RE: Service Reductions

3. **LABOR ORGANIZATION COMMUNICATIONS**

4. **METRO USERS GROUP (MUG) COMMUNICATIONS**

Director Hinkle reported that there is a new meeting place for the MUG meetings. It is downtown, next to the Metro Center where the TMA offices are located. There is no cost to the District for utilizing this meeting space.

5. **METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS**

Nothing to report.

6. **ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

**CONSENT AGENDA:**

- ADD TO ITEM #7-1** APPROVE REGULAR BOARD MEETING MINUTES OF 4/12/02 & 4/19/02 and Special Board Meeting Minutes of 4/26/02  
**(Insert Minutes)**
- ADD TO ITEM #7-3** ACCEPT AND FILE APRIL 2002 RIDERSHIP REPORT  
**(Insert Page 1 of Ridership Report)**
- ADD TO ITEM #7-4** CONSIDERATION OF TORT CLAIM: Deny the Claim of: Mercury Insurance Group, Claim #02-0015  
**(Insert Claim)**
- DELETE ITEM #7-8** ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR MARCH 2002  
**(Will be included in June Agenda Packet)**
- ADD TO ITEM #7-11** CONSIDERATION OF RENEWAL OF CONTRACT WITH COUNTY OF SANTA CRUZ FOR PAYROLL SERVICES  
**(Replace revised page)**
- ADD TO ITEM #7-13** CONSIDERATION OF PURCHASING ONE ADDITIONAL BUS FROM ORION BUS COMPANY  
**(Insert Staff Report under original numbering of Item 21)**
- ADD TO ITEM #7-17** ACCEPT AND FILE NOTIFICATION OF ACTIONS TAKEN IN CLOSED SESSION REGARDING THE CASE OF LISA GONZALES  
**(Insert Staff Report)**

**REGULAR AGENDA:**

- ADD TO ITEM #9**                    CONSIDERATION OF AWARD OF CONTRACT FOR FURNISHING CNG FUEL STATION EQUIPMENT  
Presented by:        Tom Stickel, Fleet Maintenance Manager  
**(Insert Replacement Staff Report)**  
**(Staff Report distributed to Board at 05/10/02 Meeting)**
- DELETE ITEM #10**                CONSIDERATION OF RESOLUTION TO GRANT ANOTHER DESIGNATED PERIOD FOR TWO YEARS ADDITIONAL SERVICE CREDIT FOR ELIGIBLE DISTRICT EMPLOYEES ENROLLED IN THE PUBLIC EMPLOYEES RETIREMENT SYSTEM  
**(Action taken at the May 10 Board Meeting)**
- DELETE ITEM #11**                CONSIDERATION OF REVISING RETIREMENT FORMULA FOR DISTRICT EMPLOYEES ENROLLED IN THE PUBLIC EMPLOYEES RETIREMENT SYSTEM  
**(Action taken at the May 10 Board Meeting)**
- DELETE ITEM #12**                CONSIDERATION OF ISSUING A DECLARATION OF FISCAL EMERGENCY AND IMPLEMENTATION OF SERVICE REDUCTIONS  
**(Action taken at the May 10 Board Meeting)**
- ADD TO ITEM #13**                CONSIDERATION OF AWARD OF CONTRACT FOR AUTOMATED BUS STOP ANNOUNCEMENT SYSTEM  
Presented by:        Tom Stickel, Fleet Maintenance Manager  
**(Insert Staff Report)**
- DELETE ITEM #16**                CONSIDERATION OF DISPOSAL OF THE PROPERTY LOCATED AT 617 REDWOOD DR., FELTON, CALIFORNIA  
**(Deferred to the June 21, 2002 Board Meeting)**
- DELETE ITEM #17**                CONSIDERATION OF ADOPTING PROCEDURE FOR THIRD PARTIES TO FILE ADA/504 COMPLAINTS AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
**(Deferred to the June 21, 2002 Board Meeting)**
- ADD TO ITEM #26**                CONSIDERATION OF SITE ENHANCEMENT OPTIONS BY DIRECTORS KEOGH AND NORTON FOR THE METROBASE PROJECT  
Presented by:        Directors Keogh and Norton  
**(Insert Directors' Report)**  
**(Report distributed to Board at 05/10/02 Meeting)**

- ADD TO ITEM #27** CONSIDERATION OF AWARD OF CONTRACT FOR URBAN DESIGN CONSULTING SERVICES  
Presented by: Tom Stickel, Fleet Maintenance Manager  
**(Insert Staff Report)**
- ADD TO ITEM #28** PUBLIC HEARING ON DRAFT FINAL BUDGET FOR FY 02/03  
Presented by: Elisabeth Ross, Finance Manager  
**(Insert Staff Report)**
- ADD TO ITEM #29** CONSIDERATION OF FEASIBILITY OF OBTAINING AN OPTION TO PURCHASE THE PROPERTY OWNED BY SALZ TANNERY  
Presented by: Les White, General Manager  
**(Insert Staff Report)**
- ADD TO ITEM #30** CONSIDERATION OF REVISED SCHEDULE FOR THE METROBASE PROJECT  
Presented by: Les White, General Manager  
**(Insert Staff Report)**
- ADD TO ITEM #31** CONSIDERATION OF STATUS OF CONTRACT WITH WATERLEAF INTERIORS INC. FOR DESIGN/ENGINEERING SERVICES FOR THE METROBASE PROJECT  
Presented by: Les White, General Manager  
**(Insert Staff Report)**
- ADD TO ITEM #32** CONSIDERATION OF OPTIONS TO ENHANCE THE HARVEY WEST CLUSTER 1 SITE FOR THE METROBASE PROJECT  
Presented by: Les White, General Manager  
**(Insert Staff Report)**
- ADD TO ITEM #33** ACCEPT AND FILE REPORT EXPLAINING VEHICLE LIABILITY RATE INCREASES  
Presented by: Mark Dorfman, Assistant General Manager  
**(Insert Staff Report)**

#### CONSENT AGENDA

- 7-1. APPROVE REGULAR BOARD MEETING MINUTES OF 4/12/02 & 4/19/02 and Special BOARD MEETING MINUTES OF 4/26/02
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
- 7-3. ACCEPT AND FILE April 2002 RIDERSHIP REPORT
- 7-4. CONSIDERATION OF TORT CLAIM: Deny the Claim of: Mercury Insurance Group, Claim #02-0015
- 7-5. ACCEPT AND FILE MINUTES OF MASTF COMMITTEE MEETING OF 4/18/02
- 7-6. ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF 4/17/02
- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR MARCH 2002 AND APPROVAL OF BUDGET TRANSFERS

- 7-8. ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR MARCH 2002
- 7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR MARCH 2002
- 7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 7-11. CONSIDERATION OF RENEWAL OF CONTRACT WITH COUNTY OF SANTA CRUZ FOR PAYROLL SERVICES
- 7-12. CONSIDERATION OF AMENDING BROWN, ARMSTRONG, RANDALL, REYES, PAULDEN & MC COWN ACCOUNTANCY CORPORATION CONTRACT FOR AUDIT AND TAX SERVICES  
(Moved to Consent Agenda at the May 10, 2002 Board Meeting. Staff Report retained original numbering as Item #18)
- 7-13. CONSIDERATION OF PURCHASING ONE ADDITIONAL BUS FROM ORION BUS COMPANY  
To be included in the Add-On Packet  
(Moved to Consent Agenda at the May 10, 2002 Board Meeting. Staff Report will retain original numbering as Item #21)
- 7-14. CONSIDERATION OF A RESOLUTION AUTHORIZING A JOINT GRANT APPLICATION WITH MONTEREY-SALINAS TRANSIT TO THE AIR DISTRICT FOR AB 2766 FUNDS FOR A PUBLIC RELATIONS CAMPAIGN  
(Moved to Consent Agenda at the May 10, 2002 Board Meeting. Staff Report retained original numbering as Item #22)
- 7-15. CONSIDERATION OF AMENDING THE TRANSIT INFORMATION PRODUCTS CONTRACT FOR THE PRINTING OF HEADWAYS  
(Moved to Consent Agenda at the May 10, 2002 Board Meeting. Staff Report retained original numbering as Item #23)
- 7-16. CONSIDERATION OF A LEASE AGREEMENT BETWEEN SANTA CRUZ METROPOLITAN TRANSIT DISTRICT AND GIL CANALES FOR LEASING OFFICE SPACE AT THE WATSONVILLE TRANSIT CENTER  
(Moved to Consent Agenda at the May 10, 2002 Board Meeting. Staff Report retained original numbering as Item #24)
- 7-17. ACCEPT AND FILE NOTIFICATION OF ACTIONS TAKEN IN CLOSED SESSION REGARDING THE CASE OF LISA GONZALES

**ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR PHARES**

Approve Consent Agenda.

Motion passed unanimously.

#### REGULAR AGENDA

#### 8. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

The following employees were acknowledged with longevity certificates for their years of service:

**TEN YEARS**

Melanie Richards, Sr. Accounting Technician

**TWENTY-FIVE YEARS**

Denise Bridinger, Transit Supervisor  
Laura Harrell, Bus Operator

**9. CONSIDERATION OF AWARD OF CONTRACT FOR FURNISHING CNG FUEL STATION EQUIPMENT**

**Summary:**

Tom Stickel reported that eight (8) CNG buses would arrive in early July 2002. The equipment for the CNG fueling station had been ordered ahead of time so the facility would be close to completion upon arrival of these first CNG buses. Two bids were received for the fuel station equipment and one compressor. CARB approved the District to move forward with the purchase of a second compressor for which the District has an approved grant.

**Discussion:**

Director Spence inquired about the gas line that is needed to be extended to this CNG fueling station. Tom Stickel met with PG&E to coordinate this so it will be ready for the electric pumps. He added that the compressors would be inside individual enclosures and should be fairly quiet.

**ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR HINKLE**

**Authorize the General Manager to enter into a contract with Allsup Corporation for the purchase of CNG fuel station equipment with one compressor at a cost of \$186,503.04. Authorize the General Manager to exercise the option for the second compressor at a cost of \$82,998.00 at the time the District receives and executes the grant agreement from the California Energy Commission.**

**Motion passed unanimously.**

**10. DELETED**

**11. DELETED**

**12. DELETED**

**13. CONSIDERATION OF AWARD OF CONTRACT FOR AUTOMATED BUS STOP ANNOUNCEMENT SYSTEM**

**Summary:**

Tom Stickel reported that this is a request for the Board to award the contract to Digital Recorders for equipment that is necessary to equip sixty-three (63) buses with the Talking Bus System. There will be approximately four (4) spare units.

**Discussion:**

Director Ainsworth asked various questions about the technology and was informed that specific features, such as the routing system, hardware and software, route mapping, microphones and spare parts, were requested in the specifications when the District went out to bid. There is a one-year warranty on this equipment and technological support will be available on an on-going basis. The 40' buses will have six speakers and the 35' buses will have four speakers. There will also be external speakers. It was added that the stealth microphones are mounted near the steering column and operated with a foot button.

**ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR NORTON**

**Authorize the General Manager to enter into a contract with Digital Recorders for the purchase and installation of an automated bus stop announcement system for up to sixty-three (63) buses including on-site recording system, route mapping system, stealth microphones and spare parts.**

**Motion passed unanimously.**

**14. CONSIDERATION OF A RESOLUTION APPROVING A PROGRAM OF PROJECTS AND AUTHORIZING APPLICATION AND EXECUTION OF FTA GRANTS FOR URBANIZED AREA FORMULA FUNDS FOR FY 2002 AND AMENDING THE PROGRAM OF PROJECTS FROM FY 1999  
**PUBLIC HEARING****

**Summary:**

Mark Dorfman stated that this is a result of the talking bus system award and is the administrative proof that is needed in order to receive the FTA Urbanized Area Formula Funds. This is the final process of moving funds from the allocation for two buses to purchase the talking bus technology.

**CHAIRPERSON AINSWORTH OPENED THE PUBLIC HEARING AT 9:25 A.M.**

There were no speakers to this issue.

**THE PUBLIC HEARING WAS CLOSED AT 9:26 A.M.**

**ACTION: MOTION: DIRECTOR REILLY SECOND: DIRECTOR BEAUTZ**

**Adopt the resolution approving the Program of Projects and authorizing an application, an amendment and the execution of grants for FTA Urbanized Area Formula Funds.**

**Motion passed unanimously.**

**ACTION: MOTION: FITZMAURICE SECOND: DIRECTOR PHARES**

**Move unanimous roll call vote.**

**Motion passed unanimously.**

**15. CONSIDERATION OF RECOMMENDATION TO APPROVE ASSESSMENT FOR COOPERATIVE RETAIL MANAGEMENT DISTRICT**

**Summary:**

Mark Dorfman informed the Board that this is an annual issue for assessment fees for the downtown property. Assessment cost is \$2,547.75, which is the same as last year's assessment.

**ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR KROHN**

**Approve the assessment on property owners for the support of the Cooperative Retail Management District in downtown Santa Cruz.**

**Motion passed unanimously.**

**16. DEFERRED TO THE JUNE 21, 2002 BOARD MEETING**

**17. DEFERRED TO THE JUNE 21, 2002 BOARD MEETING**

**18. MOVED TO CONSENT AGENDA AS ITEM #7-12**

**19. CONSIDERATION OF MODIFYING THE DISTRICT'S BUS STOP SHELTER SPECIFICATIONS AND APPROVE BUS STOP ADVISORY COMMITTEE (BSAC) RECOMMENDATIONS**

**Summary:**

David Konno reported that there are several issues regarding bus shelters: 1) District currently has only one type of shelter and would like a variety of types; 2) Staff wants to modify the shelter specification to address the vandalism issue and to enter into a mentor program with local businesses; 3) Staff wants to purchase a steam cleaner to maintain the shelters and shelter areas; 4) Staff would like to install the remaining Columbia shelters that are in stock this fiscal year. A handout was distributed at the May 10<sup>th</sup> Board Meeting outlining possible locations of shelters.



**Discussion:**

Mr. Konno addressed the outbound Crestview stop and reported that he has been working with the City of Watsonville for two years on this location. Director Spence asked for a shelter across from Target. Mr. Konno will put this request on the list of locations to consider although since this is a Caltrans highway, Staff would need to go through the Caltrans permitting process. Currently, the specifications allow for brown only in shelter colors. There have been requests for the shelters in front of certain businesses to reflect the same architecture as their surroundings. Regarding advertising in the shelters, the County signage and billboard requirements preclude METRO from doing this. Director Phares asked about public service messages being placed in the shelters. Staff had not looked into this type of advertising. Director Rotkin added that when the City won the decision to ban billboards, it included both political and business advertising.

**ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR REILLY**

**Approve BSAC recommendations:**

- 1) **Modify shelter specifications to include options for a variety of structural configurations, sizes, panel materials and colors.**
- 2) **Adopt Facilities Maintenance's shelter maintenance program.**
- 3) **Enter into a mentor program with several public agencies or non-profit organizations. Participants will assist in the removal of graffiti and vandalism at shelters and bus stops.**
- 4) **Purchase a trailer-mounted steam cleaner to improve the cleanliness of the bus stops.**
- 5) **Finish installing the five remaining Columbia shelters purchased in FY 2001.**

Director Spence asked for a complete list of all bus stops and what is currently at each stop, i.e. bench, shelter, etc. David Konno has this list and will provide it to Director Spence. Director Krohn asked District Counsel to submit a report on placing public service announcements in the bus shelters. Director Ainsworth suggested that a company policy be written to determine where a shelter should be placed utilizing criteria of the number of riders at a specific stop and the length of the wait for riders. Wally Brondstatter stated that BSAC has developed criteria for this purpose and will give this information to the Board. Mr. Brondstatter added that he would return to the Board with information on all shelter types available as well.

**Motion passed unanimously.**

**20. CONSIDERATION OF ELIMINATION OF PERFORMANCE BOND FOR NEW FLYER BUS ORDER (RFP 01-16)**

**Summary:**

Mark Dorfman reported that there is a requirement in the contract for a 25% performance bond. New Flyer has requested relief from providing this bond in exchange for providing remote keypads at no cost. The total cost of the remote keypads would be \$49,010.

**Discussion:**

Director Rotkin asked if staff has confidence that a performance bond is not needed. He was informed that the 8 buses arriving in July have no performance bond. Since the District does not pay for the buses until delivery, there is no downside if New Flyer should default on the bus order, plus since federal funds are involved, New Flyer would have to answer to the FTA in the case of defaulting.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR PHARES**

**Approve the elimination of a Performance Bond for the New Flyer bus order (RFP 01-16) in exchange for the provision of remote keypads at no cost.**

**Motion passed with Director Fitzmaurice voting no and Director Almquist being absent.**

21. **MOVED TO CONSENT AGENDA AS ITEM #7-13**
22. **MOVED TO CONSENT AGENDA AS ITEM #7-14**
23. **MOVED TO CONSENT AGENDA AS ITEM #7-15**
24. **MOVED TO CONSENT AGENDA AS ITEM #7-16**
25. **CONSIDERATION OF AMENDING BYLAWS TO CHANGE THE NUMBER OF BOARD OF DIRECTORS MONTHLY MEETINGS FROM TWO TO ONE**

**Summary:**

Margaret Gallagher stated that this item is on the agenda at the request of several Directors. She outlined several alternatives to the 2<sup>nd</sup> and 3<sup>rd</sup> Fridays for Board Meetings. If a change to the meeting days is approved at today's meeting, Ms. Gallagher will return to the Board in June with the updated Bylaws.

**Discussion:**

There was discussion regarding the pros and cons of holding one meeting per month and of holding two separate meetings, with separate agendas, per month. Mr. White spoke to the advantage of maintaining two meetings per month, with two weeks between each meeting. This two-week period would allow time for the staff to respond to questions that the Board might have from the workshop meeting. Director Keogh stated that he feels that not all agenda items need to be dealt with at the Board level. Director Norton agreed with Director Keogh and expressed concern about the amount of staff members who attend both meetings. Director Spence asked how it would affect the MASTF meeting if the Board meetings moved to the 2<sup>nd</sup> and 4<sup>th</sup> Fridays. She would also like the Board meetings to be on the "off" week from the Transportation Commission meetings. Director Rotkin suggested that the Chairperson play a larger roll in putting agenda items onto the Consent Agenda. Director Phares would like the meetings to be more centrally located and would like the Board to consider a more mid-county location more often. Director Hinkle is in favor of two meetings per month and stated that either the Santa

Cruz City Council Chambers or the County Board of Supervisor Chambers are appropriate as they are both on bus lines and are mid-county. Bonnie Morr stated her preference for two meetings per month with two weeks in between meetings.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY**

**Continue with two Board meetings per month on the 2<sup>nd</sup> and 4<sup>th</sup> Fridays. Request that the Chairperson review the agenda items more carefully to move items to the Consent Agenda prior to the first meeting. The start time will remain at 9:00 a.m. for both meetings.**

**Motion passed with Directors Almquist, Krohn, Spence and Reilly being absent.**

ITEM #28 WAS TAKEN OUT OF ORDER. A SHORT RECESS WAS TAKEN.

**28. PUBLIC HEARING ON DRAFT FINAL BUDGET FOR FY 02/03**

**Summary:**

Elisabeth Ross reported that no action was needed at today's meeting and this draft contains detailed line items and how the budget has been balanced. The final adoption of the budget will take place in June. The operating budget is approximately \$32 million and the draft capital improvement program approximately \$19.4 million. The budget will be updated to include any actions taken today. Staff is recommending use of reserves and carrying over funds from the current year in order to balance the budget. Staff is recommending that the Board take public input at today's meeting, and authorize staff to proceed with the layoff process, effective June 6<sup>th</sup> and July 1<sup>st</sup>.

**CHAIRPERSON AINSWORTH OPENED THE PUBLIC HEARING AT 10:25 A.M.**

Dianne Dunn, SEIU

Ms. Dunn spoke regarding the layoff of 12 SEIU workers and that SEIU members have been asked to give up the 6<sup>th</sup> step. She asked the Board to give the following direction to staff:

1. Meet with SEIU and its members to discuss and consider alternatives to the layoffs.
2. Meet with SEIU to discuss how layoffs would affect sick and vacation time of those affected employees.
3. Discuss other cost savings measures.
4. Advise SEIU how layoff decisions were made.
5. Advise how management can reduce costs in their own ranks.
6. Present the above-mentioned information back to the Board for further discussion.

John Daugherty, Accessible Services Coordinator

Mr. Daugherty asked the Board for their help in directing staff to meet with SEIU representatives to work on and review a list of options to laying off staff. There are two SEIU employees at the Metro Center who would be affected by the layoffs.

Lucia Gong, Customer Service Representative

Ms. Gong asked the Board not to approve the current layoff proposal. Look into other alternatives and measures for cost savings and job savings.

Maria Hernandez, Customer Service Representative

Ms. Hernandez asked the Board to investigate if other departments could look into its own costs. She suggested that the printing of the *Headways* be decreased and that the Spanish *Headways* be eliminated since the English version also contains Spanish language.

**THE PUBLIC HEARING WAS CLOSED AT 10:45 A.M.**

Director Rotkin pointed out that when decisions are delayed about layoffs, it impacts more employees than making a decision now. He addressed some of the proposed cost savings measures outlined in the letter of May 8<sup>th</sup> as follows:

1. A new *Headways* is needed every time service is changed.
2. Eliminating the Legal Dept. would result in 2-3 layoffs of SEIU members in that department. Contracting legal services to an outside firm would not save money.
3. Twice the percentage of staff is being cut from the management group than from SEIU employees.
4. He supports management meeting with SEIU representatives about cost savings.

Elisabeth Ross confirmed that the UTU Labor Agreement offers options to the members of keeping accrued sick leave on the books for a period of time. There is no such clause in the SEIU Memorandum of Understanding (MOU). Director Fitzmaurice asked that staff talk with SEIU about the impact of amending the MOU to stipulate accrued sick and vacation time options. Mr. Dorfman will find out the cost of printing the Spanish *Headways*.

**ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR BEAUTZ**

**Discuss with SEIU representatives the accrual of vacation and sick time, amend the contract at the appropriate time, and discuss other ways of working with those employees in the layoff status. Proceed with the layoff process for the recommended list of unfunded positions for layoffs effective June 6, 2002 and July 1, 2002.**

Ms. Ross commented that UTU should also be offered this amendment to their labor contract since it currently only addresses the sick leave and not the annual leave. Director Ainsworth expressed concern over the tone of Ms. Dunn's letter regarding management. She stated that management and SEIU need to make a commitment to work together to be more constructive.

Director Fitzmaurice stated that the letter reflects exactly what the unions should be doing; however, he disputes the letter's conclusions.

**Motion passed unanimously.**

ITEM #27 WAS TAKEN OUT OF ORDER.

**27. CONSIDERATION OF AWARD OF CONTRACT FOR URBAN DESIGN CONSULTING SERVICES**

**Summary:**

Tom Stickel reported that METRO entered into a Memorandum of Understanding (MOU) with the City of Santa Cruz Redevelopment Agency to develop the Metro Center and surrounding property. Mr. Stickel outlined the various phases involved. Staff recommends that the contract be awarded to the ROMA Design Group.

**Discussion:**

Director Rotkin would like the final motion to include housing opportunities above the Metro Center. Director Reilly asked if childcare would be considered as part of this project. Director Phares will give Mr. Stickel information on the combination of housing and childcare facilities that Watsonville has implemented. Mr. White added that staff is exploring other grant funding and are in contact with private developers to bring in the housing component. Director Norton stated that he thinks the City of Santa Cruz should be the lead agency in this project.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY**

**Authorize the General Manager to enter into a contract with ROMA Design Group for urban design consulting services for the Santa Cruz Metro Center mixed use redevelopment project.**

**Motion passed unanimously.**

ITEM #26 AND #32 WERE DISCUSSED AS ONE ITEM.

**26. CONSIDERATION OF NEW SITE CLUSTER FOR THE METROBASE PROJECT BY DIRECTORS KEOGH AND NORTON**

**32. CONSIDERATION OF OPTIONS TO ENHANCE THE HARVEY WEST CLUSTER 1 SITE FOR THE METROBASE PROJECT**

**Summary:**

Les White reviewed the sites proposed as Harvey West Cluster 1 and the sites proposed by Directors Keogh and Norton in their report. If the Board wants a Phase 2 site enhancement

component for the preferred alternatives, the enhancement sites should be identified as part of the May 22 Scoping Meeting in order to inform the public of all properties being considered.

**Discussion:**

Director Fitzmaurice asked if the property owners were notified that they would be on the enhancement list and was told that they were, except for 140 Dubois and Plantronics, and the property owners along River St. since he wanted to discuss this with the Board first. He added that both the property owners and the tenants would be notified. Celia Scott spoke regarding the preliminary environmental analysis that was conducted a few years ago and that some of the proposed enhancement properties were included in that analysis. She also mentioned that if the properties proposed by Directors Keogh and Norton were turned into the preferred project rather than as Phase 2, the process would need to be started over again. Les White confirmed that METRO has the financial capability to build the preferred site as it is now. However, staff does not know at this time if METRO has the ability to enhance it with funding for the Directors' suggestions.

Director Ainsworth asked if the EIR that is currently being conducted needs to have a complete final design or should it wait until the Board decides to expand the site? Mr. White responded that for EIR purposes, there is a detailed design to analyze traffic, etc.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR NORTON**

**Identify properties to be included as a Phase 2 enhancement of the MetroBase Harvey West Cluster 1 preferred alternative, including sites outlined in Director Keogh's and Norton's report. Move forward with the core property as defined previously as Harvey West Cluster 1. Include the enhancements in the May 22, 2002 Scoping Meeting but not as part of the preferred site.**

**Motion passed unanimously.**

**29. CONSIDERATION OF FEASIBILITY OF OBTAINING AN OPTION TO PURCHASE THE PROPERTY OWNED BY SALZ TANNERY**

**Summary:**

Les White reported that staff met with Geoffrey Eisenberg of Salz Tannery on the feasibility of including this site as part of Phase 2. Mr. Eisenberg's intention is to sell the property as soon as possible, for as much as possible, and to sell it for a use that will enhance the City of Santa Cruz. Under both FTA and CEQA guidelines, METRO cannot enter into an acquisition process prior to completion of the environmental work. Mr. White feels that to include the Salz property in the environmental process today would be premature. Staff recommends that the Board step back from the Salz property, allow the City to complete their feasibility study, and if there is a possibility of "site sharing", METRO should have these discussions at that time. Staff recommends that the Board go on record that they do not have an interest in the Salz Tannery property for the preferred alternative or for the Phase 2 enhancement.

**Discussion:**

Director Fitzmaurice asked if there was a downside to putting this site on the list of Phase 2 enhancements. Mr. White responded that by doing so, we would enter into a 4F process that would slow the process down considerably. Celia Scott ~~stated that if only a portion of this site was considered as part of Phase 2, the District would need to go through the 4F process~~ **raised a question regarding whether the 4F process was applicable if only a portion of the site was used.**

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR PHARES**

**Staff should work with the City of Santa Cruz to determine whether or not an acquisition by the City for the multi-cultural arts center could result in some surplus property which could be added to the Harvey West Cluster 1 alternative.**

**Motion passed unanimously.**

**30. CONSIDERATION OF REVISED SCHEDULE FOR THE METROBASE PROJECT**

**Summary:**

Mr. White stated that this is a revised schedule which the Board had requested when it approved the Harvey West Cluster I site at last month's meeting. He also pointed out that the last item of the timeline "Phase I Construction Completed" should have a date of October 21, 2005, not 2006. This refined timeline reflects a completion date that is four months sooner than the previously submitted timeline.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY**

**Approve the revised schedule of events for the MetroBase project.**

**Motion passed with Directors Almquist, Krohn and Norton being absent.**

**31. CONSIDERATION OF STATUS OF CONTRACT WITH WATERLEAF INTERIORS INC. FOR DESIGN/ENGINEERING SERVICES FOR THE METROBASE PROJECT**

**Summary:**

Since the outcome of the EIR will be a very different project than what WaterLeaf originally signed on for, Mr. White suggested that WaterLeaf Interiors might no longer be the best firm for this project. However, he further suggests that METRO leave the WaterLeaf contract and the sub-consultant in place until the completion of the EIR. Staff has entered into negotiations with WaterLeaf to alter their contract to only do tasks necessary to the completion of the EIR. WaterLeaf is also asking for a rate increase. At the completion of the EIR, the Board will consider a new Request For Proposal (RFP) for either design build or design bid build. The result of the negotiations will come back to the Board as a contract amendment.

**ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR REILLY**

**Continue the current contract with WaterLeaf Interiors, Inc. for design/engineering services through the completion of the MetroBase Environmental Impact Report phase.**

**Motion passed with Directors Almquist and Norton being absent.**

**ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR PHARES**

**Extend the meeting past 12:00 noon.**

**Motion passed with Directors Almquist and Norton being absent.**

**ACTION: MOTION: DIRECTOR PHARES SECOND: DIRECTOR BEAUTZ**

**Defer Item #33 to the June Board meeting.**

**Motion passed with Directors Almquist and Norton being absent.**

**33. ACCEPT AND FILE REPORT EXPLAINING VEHICLE LIABILITY RATE INCREASES**

Deferred to June Board Meeting.

**34. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION: District Counsel**

Margaret Gallagher reported that the case of Mary McDonald vs. METRO and a class action case of Cargill vs. Metropolitan Water District of So. California, et al would be discussed.

**35. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION**

None

**SECTION II: CLOSED SESSION**

Chairperson Ainsworth adjourned to Closed Session at 12:05 p.m. and reconvened to Open Session at 12:15 p.m.

**SECTION III: RECONVENE TO OPEN SESSION**

**36. REPORT OF CLOSED SESSION**

There was nothing to report at this time.



**ADJOURN**

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

Respectfully submitted

DALE CARR  
Administrative Services Coordinator