

ITEM 2

Wednesday, April 2, 2008, 6:30 PM

MINUTES

San Fernando Valley Service Sector
Governance Council

Regular Meeting

Marvin Braude Constituent Svc Center
6262 Van Nuys Blvd.
Van Nuys, CA 91401

Called to Order at 5:40 p.m.

Service Sector Representatives:

Coby King, Chair
Brad Rosenheim, Vice-Chair
Kymberleigh Richards
Richard Arvizu
Joan H. Leonard
Jesus R. Ochoa

Officers:

Richard Hunt, General Manager
William Walker, Council Secretary
Raynard V. Price, Council Secretary



Metropolitan Transportation Authority

Metro

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1. **Pledge of Allegiance** was conducted.
2. **APPROVED Minutes** of Regular Governance Council Meeting held on March 5, 2008 with correction on page 8, 4th paragraph, first line, should read “Richards” as opposed to “Richard.” Vice Chair Rosenheim abstained. The start time should read 6:40 p.m. instead of 5:40 p.m.
3. **RECEIVED PUBLIC COMMENT.**

Joan Diamond. Ms. Diamond spoke in support of Lines 92 and 94. She said the Minutes show that changes to Line 94 were opposed but Line 92 was not addressed. She asked the status of Line 92. The Chair referred Ms. Diamond to Mike Brewer, Metro San Fernando Valley Sector Service Development Manager who made himself available to provide assistance.

Ray D.Lopez. Mr. Lopez advised the public of the upcoming North/South Canoga Avenue Busway. He announced his birthday is April 6. The Council wished him a happy birthday.

Robert Chicha. Mr. Chicha says the parking meters on Ventura Boulevard near where he lives allow only for one hour. He suggests ten hour meters. Chair King informed Mr. Chicha this is a Los Angeles City issue. Representative Leonard advised Mr. Chicha to use the Orange Line for his stated destination as an alternate means of travel.

4. **RECEIVED Chair’s Remarks.** Chair King wished everyone a Happy Fifth Anniversary. The Sector originally met in a nearby library five years ago. Chair King said the Governance Council has had a positive impact on the San Fernando Valley public transportation systems.
5. **RECEIVED oral report of Richard Hunt, General Manager.** Mr. Hunt emphasized Worker’s Compensation Claims dropped significantly in February. While Traffic accidents were up for the month, the SFV is leading all the sectors with the lowest YTD monthly average of 2.64. Mr. Hunt thanked his staff who worked hard to lower the accident rate. On-Time-Performance is slightly above goal but staff is developing a strategy to raise it 10 points or higher. Operator assignment ratio is at 1.16 which positively affects the budget. Vice Chair Rosenheim asked if mechanical failures in the report are because of an aging

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fleet. The Valley does indeed have first generation CNG buses at Divisions 8 and 15. The Board asked staff to report back in April concerning the impact of various service changes. He added that the CEO, COO and the Board praised the work done by the Sector Councils particularly that of the San Fernando Valley Sector, being the first to meet the challenges. The Councils did a great job in understanding the needed adjustments in light of the financial difficulty and state funding short fall.

The Board appreciated the Councils' work in meeting and working with the public and making recommendations and changes reflecting the public's need for service. Implementation of the new Rapid Lines will be an item for consideration at the April Board meeting. Chair King responded that the Council appreciates the compliment on its work; it would not have been possible without the extremely hard work of the Metro Sector staff particularly in providing the information needed.

Public workshops are in progress for the Long Range Transportation Plan. Mr. Hunt encouraged public participation in the process. The meeting times and locations are at www.metro.net/longrangeplan or at <http://www.metro.net/imagine/>. Vice Chair Rosenheim requested the LRTP be agendaized for the next meeting. There was discussion in terms of how the Council might provide comments on the LRTP after the public comment period.

There will be a recommendation to the Board for the purchase of 260 new 45 ft. CNG 46 seat composite buses. The new buses will replace 260 older 40 seat buses.

The UTU and Metro Management began an employee wellness program to encourage employees to take care of their health as well as the health of their families.

Mr. Hunt shared that he will be supporting Metro's Division 8 Rodeo winner, Julio Flores, at the APTA Bus International Rodeo. Mr. Flores will be competing against the best Operators from around the Country. Mr. Flores is Metro's top Operator. Representative Richards asked staff to ensure that Mr. Flores know that the Sector is proud.

6. **RECEIVED** [update on Metro System Gating and SFV Joint Development](#) by Roger Moliere, Chief Real Property Management and Development. The Joint Development Program (JDP) is adjunct to the main mission of Metro - to get more riders onto public transportation contributing less pollution by promoting

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joint developments around station sites and transportation corridors.

Metro has 34 projects in development. Metro does not invest money, instead it leases land to private developers to build transportation oriented projects. Most of the land leased by Metro has been sitting dormant for years.

Mr. Moliere reviewed some of the completed joint projects such as the Kodak Theater at Hollywood and Highland Red Line Station, and the 400 unit apartment complex with retail space at Wilshire and Vermont. He also spoke of projects under construction such as that located at Hollywood and Vine Metro Red Line Location that will include a 300 room "W" hotel; 180 condominiums; 300 apartments and retail space. This project spurred other development in the area.

Mr. Moliere noted that many of Metro's projects provide not only transportation elements but stimulates the local economy in difficult areas. He shared with the council several upcoming developments and presented artist renderings. A handout provided more project details including conceptual layouts of the Taylor Yard 295 condominium project with 108 affordable senior apartments and 68 affordable apartment units with recreation and pool.

In response to a question from Representative Rosenheim, Mr. Moliere spoke of Mayor Villaraigosa's Housing and Economic Development Cabinet that includes the heads of all the City departments. He works closely with the cabinet and City Planning in developing Metro projects within the City of Los Angeles.

In discussing Metro's Gating and TAP program, Mr. Moliere announced that the universal fare system will convert all fare media to a contact-less technology card which has multiple applications similar to some of the functions of a credit or debit card. The program will include all regional transit systems including Metrolink.

The Metro Board voted to gate all subway systems and part of the light rail system to: 1) collect fares and prevent fare evasion (\$3M per year) and; 2) eliminate the costs of fare checking (approximately \$7M per year) which equals \$10M. The contract for the gating is \$7M per year. The TAP system will allow for effective distance based fares and the collecting of real-time data for patrons who will be tapping into and out of the system.

He said that gating is the most effective way to check fares. Gating is universal throughout the United States and Europe. Metro received a grant from the

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Department of Homeland Security of \$16M a year for ten years for technological security enhancements.

Visa will issue a Metro Visa Card that will be both a TAP card and Debit card.

The re-loadable card will allow customers to pay bills and to make purchases. The card will be a revenue opportunity for Metro. Representative Richards expressed a concern that gating will involve an on-going operating cost. She said she will not support service cuts at the Sector level to pay for the operation of the gates. Mr. Moliere noted that gating money does not come from money that can be used for bus operations. He is convinced from his research gating is best for the system.

Chair King asked if others were using the TAP system. Mr. Moliere identified similar systems in Boston, Atlanta, New York and the Bay Area BART system. Europe and Japan use a similar chip in cell phones. Metro's TAP will allow customers to check balances on the internet or installed readers. He did not go into full detail of technologies associated with TAP. The card can be registered to an individual or purchased anonymously as monthly or day passes.

Public member Glen Wilson asked about the status of Balboa Park and the Canoga Park and Ride. Mr. Moliere indicated negotiations are ongoing for Victory and Balboa which is a project across from the Balboa Park and Ride. The Canoga Park and Ride is going through the process of evaluating the area for the most transportation oriented development that fits into the community.

7. RECEIVED [Budget Update](#) from Kathy Drayton, Finance and Administration Manager. Ms. Drayton discussed the period from July 1, 2007 through February 29, 2008. Overall the variance for the San Fernando Valley Sector is positive at \$2.8M which is 3% under budget. There is an overall negative variance in Labor of \$92K. A negative variance of \$825,114 for the maintenance department is offset by positive variances in other labor categories. This negative variance is due to union labor overtime for special maintenance projects, to maintain an aging bus fleet and to cover vacant positions.

Non-labor is over budget at 1% with a negative variance at \$564K and is mostly attributed to parts for an aging fleet. There is an off-set of \$388K received in warranty reimbursements reducing the negative variance that was not included in the report distributed. Fuel is over at \$25K with the recent climb in fuel prices.

For "Other Items" a positive variance of \$3.4M was realized largely due to lower

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claims of public liability and property damage attributed to a lower rate of bus accidents. Workers Compensation costs have a negative variance of \$480K due to higher employee injuries. The Sector delivered 890K Revenue Service Hours at a cost of \$109.73 per Revenue Service Hour which is budgeted at \$110.78 providing a savings of \$1.05 per Revenue Service Hour. Total revenue for the Sector is \$101.8M, with 70% from taxes and grants; 14.52% from fare boxes and; 12% from passes with the balance from tokens and miscellaneous. Fare revenue per boarding is an average of .669 cents.

8. RECEIVED Service Sector Representatives Closing Remarks.

Representative Richards reiterated that the Sector has been in existence for five years. Five of the current Governance Council Representatives were at the first meeting.

Representative Ochoa said the last five years have been put to good use and stated much has been done to improve the Sector. He thanked everyone for their help and assistance.

Adjourned 7:34 p.m.

Prepared by:



Raynard V. Price