

Minutes/Proceedings

San Gabriel Valley Service Sector Governance Council

Regular Meeting

Metro San Gabriel Valley Sector Office
San Gabriel Valley Conference Room
3369 Santa Anita Avenue
El Monte, CA 91731

Called to Order at 5:09 P.M.

Council Members Present:

Sid Tyler, Vice Chair
Harry Baldwin
Emile Bayle
Bruce Heard
Henry Lopez
David Spence
Rosie Vasquez

Officers:

Jack Gabig, General Manager
Michele Chau, Council Secretary

1. APPROVED November 9, 2004 Governance Council Minutes.
2. RECEIVED Public Comment.
3. Chair's Remarks – Councilmember Tyler announced that he will act as chair in the absence of Chair Doyle.
4. RECEIVED report of the General Manager.
 - Mr. Gabig commented on the success of the Rose Bowl event on New Year's Day. The agency operated extensive Gold Line service on both New Year's Eve and New Year's Day, recording approximately 60,000 boardings.
 - Mr. Gabig gave an overview of key performance indicators for October and November of 2004. He noted that Worker's Compensation (WC) costs exceeded the monthly target of \$376,000 in almost every month of this fiscal year. Costs are over budget despite the Sector's commendable performance in the area of New WC Indemnity Claims per 200,000 exposure hours. Mr. Gabig explained that the Sector is working with a tight WC budget this fiscal year due to several serious claims that were filed as well as escalating medical costs. With respect to Passenger Boardings, the Sector is trending below the monthly target which reflects an agency-wide as well as nation-wide trend.

Councilmember Bayle inquired about the effect of rain on ridership levels.

Mr. Gabig responded that the Sector expects a significant impact for January. Referring to an attachment distributed to Councilmembers, Mr. Gabig pointed out that this year's boardings have consistently fallen below those of last year. The recent fare increase has also had a detrimental impact on boardings.

- "How You Doin'?" Program*:
For the month of October 2004, Division 3 Transportation ranked 1st place and Division 3 Maintenance ranked 3rd place. For the month of November, Division 3 Transportation ranked 1st place and Division 9 Maintenance ranked 2nd place.

*This Performance Incentive program is designed to increase productivity and efficiency and to provide internal recognition to Divisions with high rankings in various categories of performance. Transportation Division rankings are based on the sum of weighted scores for each of the following performance indicators: In-Service, On-Time Performance, Running Hot, Accident Rate, Complaints/100,000 Boardings, and New WC Claims per 100 Employees. Maintenance Division rankings are based on the sum of weighted scores for the following performance indicators: Miles Between Mechanical Failures, Attendance, New WC Claims/100 Employees, and Bus Cleanliness. Summed values are sorted from high to low and the Division with the highest score wins the program award for the month.

Financial Review:

Mr. Rosenberg gave an overview of FY 2005 financials through November 2004. Total Transportation is approximately \$500,000 over budget YTD, and total Maintenance is roughly \$365,000 over budget. Transportation Labor is 4.5% over budget for the month, which is partly due to increased reliance on OT in November. This trend should continue in December/January. Maintenance Labor is on budget for the month. WC allocation is 33% over YTD budget, and the Sector may carry an overrun throughout the fiscal year.

Sector Fringe Benefits is on budget YTD, but \$379,000 over for November. This should even out toward the end of the fiscal quarter. Fuel Expense is \$60,000 over budget for the month and \$555,000 over budget YTD. Parts Expense is \$114,000 under budget for the month. The Sector is pleased with this figure; however, Mr. Rosenberg noted that the agency is resolving an issue with the new computer system which may be the source of some of the underrun as some costs in this category may not have been included in the financials. Other Sector Support continues to carry an overrun which is primarily due to increased reserves for general liability.

Mr. Gabig mentioned that the Sector is facing the challenge of a shortage of bus operators, and this has been exacerbated by an increase in service requirements from the Consent Decree. The Sector anticipates that this situation will continue through January. Currently there is a shortage of 100+ operators. Mr. Gabig noted that the agency has had some difficulty recruiting bus operators as it is not offering a competitive starting wage. The current wage of \$10/hour for new operators is significantly below all other transit agencies in the region, with the exception of Foothill Transit. In addition, new operators are brought in under the lower tier BDOF system in which an operator may have to wait one or more years to attain normal full-time status. Mr. Gabig stated that there is no guarantee that operators will be placed in a certain location and that they may be assigned to any division depending on where there are vacancies.

This situation has resulted in greater costs for the Sector as it has had to provide increased OT for existing operators.

Councilmember Baldwin asked where the more seasoned operators are based.

Mr. Gabig responded that a large number of higher-seniority operators are based in the San Gabriel Valley Sector, especially Division 9.

Mr. Rosenberg gave an overview of mid-year inter-divisional budget adjustments resulting from Consent Decree-driven service changes. Due to service reallocations, Revenue Service Hours in the SGV Sector were reduced 0.5%, and Vehicle Miles were reduced 3.7%, resulting in a 1.6% reduction in Operator Labor and a 3.5% reduction in budgeted Fuel expenses. Mr. Rosenberg stated that the Sector is experiencing a reduction in budget in the areas noted above in proportion to service provided.

Councilmember Vasquez asked if other Divisions are experiencing an increase in their budgets resulting from Consent Decree-driven service changes.

Mr. Rosenberg responded in the affirmative. He explained that the Sector does not have as many Consent Decree requirements as some of the other Sectors. Mr. Gabig added that these adjustments represent a positive action to more efficiently address the service shifts between the Sectors.

Councilmember Tyler asked for clarification on the Sector's obligations in adhering to the Consent Decree.

Mr. Hillmer responded that the Sector is adding 10 additional bus assignments (roughly 100 buses will be added agency-wide); however, the Sector is physically only gaining four buses with 6 buses drawn from the spare bus fleet. The Sector also added 24,000 hours of service on lines that present the greatest need. Mr. Gabig cautioned that it would not be wise for the Sector to try to reduce costs by cutting back on bus service. The Sector should adhere closely to the Consent Decree, which expires in October 2006. Mr. Gabig stated that focusing on overhead and operating efficiencies represent more feasible ways to reduce costs in the next budget cycle.

Councilmember Tyler asked how the Sector will fare fiscally as well as in the quality and frequency of service provided in light of these developments.

Mr. Gabig stated that the Sector will experience a shortfall by the end of the fiscal year due to the stagnation in ridership trends, and the increase in WC and fuel costs. He stated that the agency as a whole has attempted to address the deficit through a number of strategies, some of which are outlined in the CEO memo distributed to Councilmembers. The most significant potential impact to the San Gabriel Sector would involve delay or, in the worse case scenario, cancellation of the Division 9 Transportation Building project. The Sector is proceeding with the procurement process and is now soliciting cost proposals. The cost proposal process has been extended 45 days due to a change in funding for the project. Sector staff intends to select a viable contractor team by April and make the contract effective July 1, 2005. Mr. Gabig noted that deferring the project would not be desirable as the project would have to be re-bid. Further, the longer the project is delayed, the more construction costs will increase.

Councilmember Baldwin asked if the current budget situation would delay opening of the Gold Line Eastside Extension.

Mr. Gabig responded that the Eastside Extension is moving forward as planned.

Mr. Gabig introduced Lieutenant Leo Norton, who recently joined the Sector's Sheriff Department. He will be serving in both the San Gabriel and Gateway Sectors.

5. RECEIVED an oral report on progress of Governance Council Strategic Initiatives by Jack Gabig, General Manager.

Emma Nogales, Sr. Administrative Analyst, gave an overview of the status of each of the Sector's Strategic Initiatives. With respect to Initiative One, developing a plan for building relationship and trust with the Metro Board and staff, contact assignments were made for each Councilmember and discussed at the November 2004 Council meeting. Councilmember Spence has met with Frank Roberts, MTA Board Chair, as well as Michael Cano, Transportation Deputy for Supervisor Antonovich. In addition, Councilmember Vasquez is making arrangements to meet with Supervisor Molina. With respect to Initiative Two, developing a long-term strategic transit plan, Mr. Hillmer has prepared a draft scope of work for the San Gabriel Valley Transit Restructuring Study with the aid of a Technical Advisory Committee. Ms. Nogales noted that the Study will provide a framework for implementation of Metro Connections in San Gabriel Valley. Staff has met with representatives from 14 core cities in the West San Gabriel Valley as well as deputies for Supervisor Molina, Supervisor Antonovich, and Councilman Villaraigosa, all of whom were supportive of the Sector's efforts. With respect to Initiative Four, improving customer communications resulting in higher customer satisfaction, a Sector Marketing and Communications Plan was included in the Restructuring Study.

6. RECEIVED an update on December Service Changes by Jon Hillmer, Service Development Manager.

Mr. Hillmer gave an overview of new service, route modifications, and line cancellations that were implemented in December 2004. Highlights of these service changes include: addition of new Rapid line 780 (Pasadena-Glendale-Hollywood) and new Limited line 378 (LA-Huntington Dr.-Main St.-Las Tunas Dr.); replacement of line 491 (LA-El Monte-Santa Anita Ave.-Sierra Madre) with the extension of line 487(LA-San Gabriel-Sierra Madre) from Sierra Madre to El Monte; cancellation of Limited line 380(Pasadena-Glendale-Hollywood Limited); and rescheduling of line 180/181. Route modifications were made to line 687 (Los Robles Shuttle) and line 267 (El Monte-Temple City Blvd.-Del Mar Blvd.-Lincoln Ave.).

The Sector added a total of 10 buses and 24,000 annualized hours of service compared to June 2004 service levels.

Staff began efforts to notify passengers of the changes, including placing new timetables and Rider Alert cards on buses, ads in local newspapers, and bus stop hoods on most bus stops impacted by significant service changes.

Councilmember Heard mentioned that the service changes to line 687 were not included in the newspaper ads. He contacted corporate MTA but the issue was not resolved.

Mr. Hillmer stated that in the future, both a general service ad as well as specific service change ads would need to be reviewed and proofed in advance.

Councilmember Tyler asked if the Sector has received any complaints with regard to the service changes.

Mr. Hillmer responded that the three major complaints include passenger overload on local buses, complaints regarding the replacement of line 491 service with extension of line 487, and no-show buses. He added that there were a few positive comments on the newly created Rapid line 780.

7. RECEIVED a report on proposed June Service Changes by Jon Hillmer, Service Development Manager.

Mr. Hillmer stated that major service changes in the Sector occur two times per year, in December and June. The Sector intends to focus on the following areas for the June 2005 service changes: improving service quality by reducing inter-lining (when a bus operates on multiple lines in a given period of time), adjusting running time, and modifying service levels; improving operating efficiencies by investigating minor route changes on lower performing bus lines to allow for redeployment of saved resources to major lines, reducing layover times as needed, reducing out-of-service time, and reducing service levels. Some of the service reductions (10,600 bus hours) will be made to offset the increase in service to be dedicated to the Metro Orange Line.

Mr. Hillmer announced that the Sector will not hold a public hearing for June 2005 as the proposed service changes do not meet the major change threshold. The other Service Sectors will hold public hearings in early to mid-February.

Councilmember Tyler asked when the Council will be informed of the specific service changes.

Mr. Hillmer responded that a report on the exact changes should be available in February or March as the Sector needs more time to gather data. Most changes will involve scheduling adjustments.

8. RECEIVED AND FILED oral report on the San Gabriel Valley Transit Restructuring Study Draft Scope of Work by Jon Hillmer, Svc. Development Mgr.

The Restructuring Study is designed to integrate transit service with multiple San Gabriel Valley operators, increase ridership and connectivity, enhance efficiency, and create a transit network partially based on the framework of Metro Connections. MTA intends to focus on higher-demand regional travel in integrating service with other operators. Mr. Hillmer noted that the study is a draft and that the Sector is seeking feedback from the MTA Board. He gave an overview of the goals of the study, the study area, scope of work, deliverables, and potential funding sources and sponsors.

Mr. Hillmer explained that a Technical Advisory Committee consisting of representatives from Metro San Gabriel Valley, Foothill Transit, Montebello Bus Lines, Pasadena, LADOT, Alhambra, and Metro Connections, among others, assisted in the completion of the draft scope of work for the Restructuring Study. He stated that the TAC is not a closed group and that anyone is welcome to join. The TAC meets every other week, and the next meeting is on January 19 beginning at 1:30 P.M. The Sector hopes to complete the Restructuring Study by December. Mr. Hillmer stated that the Study may be expanded to include other cities in the East San Gabriel Valley area in order to better interface MTA service with fixed-route service in these areas.

Councilmember Heard asked if the Study includes rail service in addition to bus service.

Mr. Gabig responded in the affirmative. He noted that he is pleased that various stakeholders for the study area have embraced the Study and that the agency may end up as a coordinator with municipal operators to fulfill unmet needs in local communities.

Councilmember Spence suggested that the Sector urge Glendale to participate in the Study.

Mr. Hillmer stated that the Study does include Glendale as well as other areas adjacent to the San Gabriel Valley. He noted that the scope of work includes reviewing the issues of all recent major transportation analyses in the study area, including Arroyo Verdugo studies.

He stated that local operators tend to provide better community-based service and that the agency would work with local operators to implement route changes and frequency of service changes. The big issue involves funding as the study involves many cities.

Councilmember Tyler, referring to a list of potential funding sources, asked where Metro's \$50,000 contribution will originate.

Mr. Gabig stated that this will come from the Sector's budget. He explained that the Study should result in significant long-term benefits for the Sector. The agency has evolved from a grid-based system to a system designed to serve a broader geographic area in which transfers are the norm. The agency is currently moving toward a center-based radial system which includes multiple centers throughout the County. Over the long term, Metro Connections will represent a significant restructuring effort. He added that the \$50,000 contribution from the Sector is below the figure originally budgeted.

Councilmember Vasquez asked if an update on the Restructuring Study will be an ongoing agenda item.

Mr. Gabig responded that the Sector will report back periodically on the progress of the Study. The Sector would like to hire a consulting firm within the next 60-90 days.

9. RECEIVED an oral report on Graffiti program by John McBryan, Division 9 Maintenance Manager.

Mr. McBryan reported that MTA spent over \$5.3 million to clean graffiti in FY04, and that the Sector spent \$1.5 million. He reviewed three major program elements in the Graffiti Program. These include prevention and Sheriff support, mitigation (e.g., cleaning buses), and communication (reporting results). Sheriff support involves surveillance, sting operations, and community involvement. Mr. McBryan showed a tape of a sting operation conducted on December 15, 2004 which appeared on Channel 11 news. The bus cleaning program consists of scheduled deep cleans, daily cleans, a zero tolerance policy in which no bus with painted-on graffiti is allowed to go out, installation of sacrificial window guards in buses, and cleaning seats that have been vandalized. The communication element of the Program includes auditing and reporting, quality assurance, supervisor inspections, bus ride reports, and monthly graffiti expense reports.

Councilmember Heard asked if the glass on buses can be scratched.

Mr. McBryan responded that the agency started using safety glass, then switched to spall shield, and is now using glass again. He noted that taggers have found a way to use paint with acid on the outside of the buses.

10. RECEIVED report on Community Relations by Liz Armijo-Holbrook Community Relations Officer.

Ms. Armijo-Holbrook gave an overview of community outreach efforts for the months of November and December. These include a California Transit Association Annual Fall Conference and Expo at the Sheraton Universal Hotel November 2-4, a 66th annual Northeast L.A. Holiday Parade and Festival in Cypress Park on December 5, a Mobility 21 Coalition meeting at the Pacific Palms Resort in the City of Industry on December 14, a Winter Blood Drive at the Sector office on December 15, and a Holiday Food and Toy Drive at Divisions 3 and 9 and the Sector office in December.

Ms. Armijo-Holbrook showed slides of the Blood Drive and Sector Toy Drive. She presented a few of the new marketing materials, including a quarterly Rider Alert update and car cards to be placed on buses depicting exemplary employees throughout the Sector. In addition, a website for the Sector is up and running. The link to the site can be found on metro.net under Board of Directors information. The website is a work in progress and will include links to agendas and other materials. The Sector will be able to control the content of the site but not the design or format.

11. RECEIVED AND FILED correspondence from Council in response to Draft Transit Service Policy.

Mr. Gabig noted that a copy of the correspondence is included in the agenda packets that were distributed to Councilmembers.

12. Consideration of Items not on the Posted Agenda – None.

ADJOURNED at 6:50 P.M.

Michele Chau, Council Secretary