

MINUTES

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 5:05 p.m.

Sector Representatives Present:

Rosie Vasquez, Vice Chair
Harry Baldwin
Roger Chandler
Bart Doyle
Bruce Heard
Henry Lopez
Sharon Martinez
Joseph Mosca

Officers:

Jack Gabig, General Manager
Michele Chau, Council Secretary



Metropolitan Transportation Authority

Metro

1. Introductions.
2. APPROVED **Minutes** of Regular Governance Council Meetings held September 26, 2006 and October 10, 2006.
3. RECEIVED **Public Comment** – Ken Ruben, Southern California Transit Advocates, thanked Mr. Gabig for inviting him to the America’s Best event. He commented on the recent Consent Decree ruling and mentioned that the departure of John Catoe, Metro’s Deputy Chief Executive Officer, will be a loss to the agency.

Vernal Virant, transit user, stated that she regularly rides Lines 76 and 487 and enjoys taking the bus. She commented that she is often unable to catch Line 376 due to lack of buses/infrequent service and suggested adding buses to this line. She mentioned that the “s”-shaped configuration of the route of Line 487 is convenient and that any changes to this route would result in a longer walk. Mr. Hillmer stated that the Sector is not proposing to change the “s”-shaped configuration of this route.

4. **Chair’s Remarks** – Representative Vasquez, who acted as Chair in the absence of Chair Spence, noted that the order of items 9 and 10 will be switched.
5. RECEIVED **report of the General Manager.**

Mr. Gabig reported that monthly Worker’s Compensation (WC) costs are trending above target; however, the Sector is under budget on total chargebacks. OSHA Recordable Incidents, New WC Indemnity Claims per 200,000 Exposure Hours, Complaints and Passenger Boardings trended above target for the month of September 2006. Bus Traffic Accidents and Road Calls were below target. On-Time Performance continues to hover at around 60%. Staff is addressing critical field issues in this area.

Representative Vasquez asked if the figure for Passenger Boardings represents an all-time high. Mr. Gabig responded that the Sector has reached this level in the past.

Mr. Gabig stated that complaint data for September is comparable to prior months.

“How You Doin’?” Program:

Transportation: Division 3 placed 3rd and Division 9 placed 4th.

Maintenance: Division 9 placed 1st and Division 3 placed 4th.

Final results for 1st Quarter FY07: Division 9 placed 1st and Division 3 placed 2nd.

Mr. Gabig presented progress slides of the new Division 9 operations building. Construction is now 60% complete.

He announced that John Catoe, Deputy Chief Executive Officer, has been chosen as general manager of the Washington Metropolitan Area Transit Authority and will be leaving the agency in January. He reported that Jill Smith, former Administrative Analyst, has moved on to a new role at California State University Northridge. He stated that Jill was a tremendous asset to the Sector.

Mr. Gabig mentioned that the Consent Decree has expired and that the judge decided not to consider an extension. In spite of the favorable ruling, there are ongoing responsibilities that the agency will continue to maintain for years to come.

The Sector held its annual Veteran’s Day celebration on November 11 to honor all veterans working at the San Gabriel Valley Sector.

Mr. Hillmer provided a briefing on Line 201. The Council had decided to shorten the route of this line approximately 1.5 years ago, and at the time, the city of Glendale requested that the Council defer action on the line. After deferring action on the line for one year, the Council recently reconsidered the proposal, at which time the city of Glendale again requested that the Council defer action for another three months until February or March 2007. Mr. Hillmer stated that the purpose of this update is to solicit feedback from the Council.

Representative Heard indicated that he wanted to work with Glendale and provide city officials with a timeline on when the Sector would discontinue the line if the city was unable to provide alternate service.

Mr. Hillmer noted that staff is continuing to work with the city on various options. He mentioned that the city is in a financial bind in the area of transit services, and that it hasn’t made significant progress in obtaining funds. He clarified that the Council had already taken formal action on this item several months ago, and that he is only soliciting general comments.

Mr. Hillmer announced that a public hearing will be held February 2007 at 6:00 p.m. to consider service changes to be implemented June 2007 or later. More details will be provided as the hearing date approaches.

Mr. Gabig introduced Pat Wallach, Councilwoman representing the city of El Monte .

Financials:

Mr. Rosenberg mentioned that September marks the end of the first fiscal quarter. He reported that Total Transportation is slightly over budget both for the month and YTD. Total Maintenance is slightly under budget both for the month and YTD. Total Sector Office is nearly at budget both for the month and YTD. The accounting error which previously resulted in an overrun in Other Sector Support has now been resolved, and this line item is now close to budget. Total San Gabriel Valley Sector is slightly over budget YTD. Mr. Rosenberg reviewed significant items shown on page 4 of the Council report.

Representative Chandler inquired about the overage in Total Transportation.

Mr. Rosenberg responded that the overrun in Total Transportation is due to Public Liability/Property Damage for accidents in which the Sector's buses have been involved.

Mr. Gabig explained that the Sector focuses on bringing expenses within budget by the end of the year. Individual line items may not be on budget on a month-to-month basis.

Representative Mosca inquired about who establishes the budget.

Mr. Rosenberg responded that the Office of Management and Budget establishes the budget for Transit Operations, from which budgets are allocated to each Sector.

6. **APPROVED new regular Governance Council Meeting date.**

The Council agreed to move the Council meeting date from the second Tuesday of each month to the second Monday of each month and to continue meeting at the same time for all regular meetings.

APPROVED cancellation of the December regular Council meeting.

7. APPROVED **Chair's Report on Director Antonovich's Motion** Regarding Sector Effectiveness by David Spence, SGV Governance Council Chair.

Representative Doyle mentioned that he spoke with Michael Cano, Transportation Deputy for Supervisor Antonovich, regarding the motion. He stated that Representatives' concerns regarding the motion will not be handled through the normal chain of command.

Representative Heard reported that he met with Representatives Doyle and Spence to review the motion, and that four major topics were discussed: effectiveness of Sector organizational structure, effectiveness of Sector community-based service and outreach, effectiveness of attracting increased ridership, and effectiveness of service improvements. Representative Doyle mentioned the possibility of contacting former Representative Sid Tyler to gain additional input.

Representative Martinez asked if this report will be presented to the MTA Board, and Representative Heard responded affirmatively.

8. RECEIVED briefing on **Customer Satisfaction Survey** by Jeff Boberg, Transportation Planning Manager, Communications.

Mr. Boberg provided a brief overview of results of the Spring 2006 Customer Satisfaction Survey. He reviewed survey design, and reported that most analysis occurs at the system and Sector levels rather than at the line level. Mr. Boberg stated that at the system-wide level, satisfaction remains high, agency image is improving, choice riders are using the system, operator courtesy is improving, and more seats are available. He reported that the San Gabriel Valley and San Fernando Valley Sectors have higher results in some areas (e.g., on-time performance, driver courtesy, and perception of safety).

Representative Heard asked who constitutes choice riders.

Mr. Boberg responded that choice riders are those who have a car available for the trip.

Representative Vasquez asked when the surveys are conducted.

Mr. Boberg responded that the survey is generally administered during the daytime (morning or afternoon) on weekdays. He added that the survey is self-administered and the agency has achieved a 50% response rate, which is generally considered high.

Representative Heard asked on which contract lines the survey was administered.

Mr. Boberg responded that three contract lines were surveyed, all of which operate in the Westside: Lines 96, 232, and 603.

9. RECEIVED briefing on **Ten-Year Financial Forecast & FY08 Budget Kickoff and Schedule** by Michelle Caldwell, Deputy Executive Officer, Finance (this item was presented after item 10).

Ms. Caldwell stated that the purpose of the ten-year forecast is to ensure that all plans are synchronized and constrained within the expected financial resources. She reviewed assumptions in the areas of revenues, expenses, capital program, major construction projects, and regional programs. Ms. Caldwell revealed that the bus operating deficit is projected to be \$1.8 billion over 10 years, and that General Fund and Proposition C 40% fund reserves are less than the projected deficit. She stated that resolving the deficit must include a strategy of decreasing costs through service reshaping and increasing revenues. Adoption of the Financial Stability Policy will set the framework for deficit reduction recommendations.

Copies of the budget schedule were distributed to all Representatives.

Representative Doyle asked about the likelihood of money being programmed to enlarge the Sector's maintenance facility given the size of the deficit.

Mr. Gabig responded that there hasn't been a formal proposal to expand this building, and that the Sector will need an improved redevelopment plan, including developing master plan concepts that are part of the Transit Village project.

Representative Doyle asked if the redevelopment plan is included in the Long Range Transportation Plan (LRTP).

Ms. Caldwell responded affirmatively.

10. RECEIVED briefing on **Metro Structural Deficit** by Terry Matsumoto, Executive Officer, Finance (this item was presented before item 9).

Mr. Matsumoto reported that 3 core business units (Bus and Rail Operations and Capital Programs, Countywide Planning and Development, and Major Construction Program) comprise Metro's total annual budget.

He stated that there are no deficits in Planning or Construction, and that operating and capital expenses exceed fares, advertising and formula subsidies. Mr. Matsumoto provided a brief overview of impacts to the annual budget from the Consent Decree, transit improvements, fuel price, and employee healthcare and pension costs.

In response to Representative Heard's query regarding the impact of the Consent Decree on rail service, Mr. Matsumoto stated that the agency had to remove one hour from the span of service several years ago. Mr. Gabig indicated that the Consent Decree limited the agency's ability to alter the fare structure, leading to an all-time low in farebox recovery. He stated that a fare restructuring is imperative to address the structural deficit.

Mr. Matsumoto reviewed ways in which the agency is addressing the structural deficit. He stated that the agency needs to obtain more funding and/or spend less money, defer capital, and identify efficiencies. He added that the agency is not only operating more service, but it is also carrying more passengers.

11. RECEIVED briefing on **Line Ridership Trends** by Jon Hillmer, Service Development Manager.

Mr. Hillmer discussed line ridership trends from July 2005 through September 2006. He reported that weekday ridership on San Gabriel Valley operated and managed lines was 208,600 as of September 2006, an increase of 8% from September 2005. In addition, the San Gabriel Valley Sector is attracting an estimated 27,000 passengers per weekday on service operated for other Sectors. Total Metro system ridership increased by 4% during the same period. Several lines showed significant increases in ridership, including lines 780, 489, 484, and 751. Lines with significant ridership decreases include lines 170, 255, and 684.

Mr. Hillmer presented a slide showing San Gabriel Valley average weekday ridership on all San Gabriel Valley lines.

Representative Heard asked if the data presented includes any contract lines.

Mr. Hillmer responded that the data doesn't include contract lines, only lines that the Sector operates directly.

12. RECEIVED update on **Customer Service Evaluation** by Jon Hillmer, Service Development Manager.

Mr. Hillmer stated that the purpose of the evaluation is to collect informative data on how the operators of the San Gabriel Valley Sector are performing from a customer's perspective, and provide an unbiased view of the condition of the Sector's buses and bus stops.

The contractor T.E.M.P.S. Inc. provided the evaluators who rode buses undercover. Mr. Hillmer gave an overview of areas of training (including bus operator instruction, standard operating procedures, rule book violations, and condition of the bus stop area and bus), San Gabriel Valley customer service quality evaluation survey, operator data, and bus and bus stop data. He stated that overall, service in the Sector has been rated positively.

Representative Martinez asked if the operators are aware of this program, and Mr. Hillmer responded affirmatively.

Representative Vasquez asked if operators know if an evaluator is on board their bus.

Mr. Hillmer responded that operators have no knowledge of the presence of an evaluator.

Representative Vasquez inquired about the number of operators from Divisions 3 and 9 who received an outstanding rating.

Mr. Hillmer stated that the number of operators rated as outstanding is split evenly between the two Divisions.

Representative Lopez noted that the windshields of some Line 487 buses tend to be very dirty, and it may be difficult for operators to see clearly.

Mr. Hillmer requested that Representatives bring to his attention any issues in which safety may be in question.

13. Consideration of Items not on the Posted Agenda – none.

ADJOURNED at 6:47 p.m.

Michele Chau

Michele Chau, Council Secretary