

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 5:12 P.M.

Council Members Present:

Bart Doyle, Chair
Sid Tyler, Vice Chair
Harry Baldwin
Emile Bayle
Henry Lopez
Sharon Martinez
David Spence
Rosie Vasquez

Officers

Jack Gabig, General Manager
Helen Ortiz, Community Relations Manager
Michele Chau, Council Secretary



Metropolitan Transportation Authority

1. APPROVED April 13, 2004 Governance Council Minutes.

2. RECEIVED Public Comment from Jose Melendez, Foothill Transit employee. Mr. Melendez expressed concern that implementation of the Metro Connections project would adversely impact services provided by Foothill Transit, and presented a list of service reductions currently taking place. Nancy Michali, Director of Service Performance and Analysis, stated that Metro Connections would most likely result in the channeling of more service and a greater number of routes to other transit operators and would therefore not be detrimental to services provided by these operators.

3. Safety Contact – General Manager Jack Gabig introduced new Sr. Safety Specialist Scott Boim. Mr. Boim previously operated three restaurants and has worked at Boeing, McDonnell Douglas and Rainbird in a managerial capacity. He recounted the story of “Fast Frank,” a former colleague who was not given timely feedback about unsafe behavior he exhibited while operating equipment. He stated that silence by co-workers implies consent, and this can lead to tragic results. Immediate feedback is instrumental in curtailing unacceptable behavior and increasing safety awareness.

4. RECEIVED report of the General Manager.

Mr. Gabig stated that performance measures showed mostly positive trends for the month of March. Worker’s Compensation Costs for March were \$298,000, which is considerably below the monthly target of \$376,000. Mr. Gabig stated that the Sector’s continuing efforts at reducing the costs of claims are paying off as indicated by the drop in costs.

There were 8 OSHA Recordable Incidents for March, which meets the target exactly. The Sector is trending fairly well in this category compared with last year.

Bus Traffic Accidents per 100,000 miles were 2.6 for March. This is well below the monthly target, last year’s figure, and the overall performance of the agency as a whole.

New Worker's Compensation Claims – The figure for March is slightly below the figure for last year at just under one claim per 100 employees.

Miles Between Mechanical Failures were 8,550 for March. The Sector performed well in this category relative to the agency as a whole.

Bus Cleanliness rating for March was 7.72. The target is 8. The Sector showed improvement over last year's figure. Mr. Gabig explained that the rating in this category is determined by not only a random inspection of buses, but also a variety of cleanliness factors both inside and outside of vehicles.

Complaints per 100,000 Boardings - The Sector is still struggling with 3.8 complaints for March. The target is 3.25. Mr. Gabig reported that complaints have spiked agency-wide and that the Sector's increasing visibility in the community and greater feedback by transit users have contributed to the increase in complaints.

Councilmember Vasquez asked about the nature of the complaints.

Mr. Rosenberg stated that the Sector does not have this information at the moment. Mr. Gabig added that a majority of complaints most likely involve no-show buses and pass-ups. He offered to provide more information if the Council is interested.

Passenger Boardings – The figure for this month parallels last year's ridership level. Mr. Gabig stated that the Sector is pleased with its performance in this category and that boardings are slowly bouncing back after the recent fare increase and strike.

Councilmember Tyler, referring to a chart in the attachment to Item 4, noted that boardings appear to be slightly lower after the strike compared with last year. He asked where the decline is occurring, and to what extent specific lines or time of day impacts ridership levels.

Mr. Gabig responded that the decline most likely occurs at peak periods, and that the fare increase had the greatest impact on ridership. However, he noted that increased Day Pass revenues more than offset the loss of cash revenues due to the slight dip in ridership. The Sector currently does not have line-specific, reliable ridership data. However, it will be able track revenues by line once the new fare collection system is in place.

Councilmember Tyler asked whether the agency expects an increase in ridership once new buses are added under the Consent Decree.

Mr. Gabig responded that the decline represents a nation-wide phenomenon and that the MTA's decline is mild compared with other transit agencies. He added that the new buses that will be added under the Consent Decree are primarily intended to reduce overcrowding and redistribute ridership on a broad basis.

Councilmember Baldwin inquired about the effect of the Gold Line on boardings.

Mr. Gabig stated that the Gold Line has had an impact on ridership and that there is currently a net loss in bus ridership due to transit users shifting away from bus service in favor of taking the Gold Line.

On-Time Performance for March was 70%. The target is 80%. Mr. Gabig noted that the Sector continues to outperform the agency as a whole but is still struggling to reach the target. It is currently placing greater emphasis on in-field supervision and service changes to make improvements in this area.

"How You Doin'?" Program – Mr. Gabig reported that Divisions 3 and 9 Transportation tied for first place in March. This is the 4th consecutive month that Division 3 has earned this ranking, and the 2nd month that Division 9 scored in the top two. Division 3 ranked 2nd place in the Maintenance division. It performed exceptionally well in the categories of Miles Between Mechanical Failures, New WC Claims, and Bus Cleanliness. Division 9 placed in the middle in the Maintenance division.

Financial Review:

Steve Rosenberg noted that March marked the end of the third quarter of the fiscal year.

Transportation is \$3.1 million under budget. Maintenance is \$1.3 million under budget. Total Sector Office is \$400,000 over budget. Subtotal Sector Operations is \$4 million under budget based on a YTD budget of \$72.8 million. Estimated "Strike Savings," based on Sector operations only, is running \$4.7 million over budget. Other Sector Support is \$3.5 million over budget, and most of this amount is due to costs directly related to the strike.

Total SGV Sector for the past nine months is \$500,000 under budget based on a YTD budget of \$83.8 million. After adjusting for strike savings, Total SGV Sector is \$1.7 million over budget based on a strike-adjusted YTD budget of \$81.7 million. Revenue Service Hours delivered were approximately 801,000 based on a YTD budget of 929,000 hours. The YTD variance of approximately 127,000 hours under budget is primarily due to the strike period.

Labor Overruns were significant in March (+9.9% for Bus Operations and +8.5% for Maintenance), and this is partly due to March being a long month. YTD WC Charges are \$1.3 million under budget. Mr. Rosenberg stated that the Sector could stand some improvement in this area.

Councilmember Baldwin asked if WC Charges include incurred claims during the nine-month period.

Mr. Rosenberg responded that all WC costs come from the agency and are allocated based on case reserves. He explained that a decreased allocation of WC claims may be due to a fewer number of cases and/or a lower severity of cases.

YTD Fuel Expense is \$206,000 over budget (\$501,000 over budget after strike adjustment). YTD Parts Expense is \$72,000 under budget (\$444,000 over budget after strike adjustment). Mr. Rosenberg stated that the overrun in YTD Parts after strike adjustment is due in large part to a huge campaign undertaken by the Sector to remove graffiti from buses. Overhead took a jump due to MTA restating December Overhead during the strike. Mr. Rosenberg explained that there was little labor to allocate against during the strike and that the impact to the Sector was \$648,000. MTA Fringe Rate was adjusted to actuals and resulted in an impact to the Sector of \$590,000. There was an extraordinary increase in YTD Security Charges, both Sector and agency-wide. Mr. Rosenberg hopes to provide more details about this in the future.

Update on the FY05 Budget Process:

Mr. Rosenberg announced that the draft Budget Book should be available this week. He mentioned that there will be a public hearing at the Finance and Budget Committee on May 20th at 10:30 A.M, in the Gateway Building. Additionally, a Special Board meeting will be held on June 7. Items to be discussed include adoption of the budget and a Consent Decree budget amendment.

The draft San Gabriel Sector budget is estimated to increase by approximately 1.6%. Labor and Fringe is expected to increase by 4.3%, and this is partly due to an anticipated increase in bus driver labor to account for the structural deficit. The budget for Fuel is expected to increase by 19% and Parts is expected to decrease by 1%. This will pose a major challenge for the Sector next year. Worker's Compensation Chargeback is expected to decrease 28% and Overhead and Other Sector Support is expected to decrease 7%, reflecting agency-wide cuts in administrative personnel.

In response to an inquiry at the April Council meeting regarding the agency's use of hedging to reduce its financial exposure to volatile natural gas prices, Mr. Rosenberg provided the following response: He stated that the agency does not use hedging because doing so would have required that MTA become a non-core customer, which would subject the agency to supply cut-off in the event of shortages. He mentioned that the agency is consulting with Sempra Energy Strategies, and that in the future the agency may be able to use hedging price strategies without supply risk.

5. RECEIVED an oral report on Community Relations by Helen Ortiz, Community Relations Manager.

Ms. Ortiz reported participation in the following Community Outreach activities for March: attendance at the League of Women Voters Pasadena Chapter, the Cherry Blossom Festival in Pasadena, a School Safety Outreach Meeting with a high school Asst. Principal, grand opening of the Alta Med Medical Center in East Los Angeles, a Health and Worklife Fair at Caltech, a Family Fun Festival in La Puente, a So. Pasadena Arts and Crafts Festival, a Monrovia Old Town Preservation Group Gold Line Tour, the Gold Line Community Advisory Committee meeting at the Audubon Center, and a Hollenbeck Middle School Career Day in Boyle Heights.

Ms. Ortiz introduced intern Sebastian Hernandez, who gave a brief overview of a pilot project that he helped coordinate, Children and Mothers Initiating Opportunities for Success (CAMINOS). The program is designed to assist Plaza Community Center clients in minimizing dependence factors in abusive relationships by providing victims of abuse with the tools they need to gain independence. The program will consist of bilingual transportation workshops which will offer information resources and instruct participants in the use of various modes of transportation to reach destinations such as hospitals, courthouses, and police stations.

Ms. Ortiz noted that she is identifying ways to tailor the program in such a way as to encourage adoption of the program by other Service Sectors. She announced that she will report back next month on the progress of the workshops.

6. RECEIVED an oral presentation on Metro Connections by Nancy Michali, Director of Service Performance and Analysis.

Ms. Michali stated that the first step in implementation of the Metro Connections Project involves working with Sector Councils to introduce project purpose, process and service concepts, and to solicit feedback from Councilmembers. She explained that a county-wide restructuring of bus service is necessary due to significant population and job growth, County densification and expansion, more service providers, and changing travel needs. The last major systemwide change took place in 1980. Future service strategies would involve a change in how the agency delivers service, including elimination of duplication, placing service where it's needed, using the appropriate vehicle type/size, and improving service to customers. The agency intends to serve the County's communities and destinations with a Centers and Corridors service concept which would roughly parallel the Hub and Spoke concept. Centers would consist of community-oriented destinations offering connections between local and regional transit services, and corridors would connect centers with speed and reliability. Focus will be on two-way travel and destination-based service.

Ms. Michali differentiated between regional, subregional, community, and on-street transit centers, and presented slides showing examples of each transit center type. Regional transit centers are characterized by higher density, a mix of land uses, significant levels of bus service, and off-street service. Subregional transit centers exhibit medium density with a mix of land uses and provide on- and off-street service. An example in the San Gabriel Valley is the Gold Line Sierra Madre Villa Station. Community transit centers include neighborhood centers with local retail and residential uses and provide primarily on-street bus service. On-Street transit centers encompass a variety of densities and land uses and provide on-street bus service only. Ms. Michali stated that a list of 81 possible community centers throughout the County is being refined and analyzed to identify possible regional and subregional centers.

Councilmember Tyler asked for further clarification on what is being mapped.

Ms. Michali responded that once a destination is selected, a projection of travel patterns is done based on census and other data and the most appropriate transit mode for that destination is determined.

Councilmember Tyler asked what is meant by travel patterns. Ms. Michali stated that SCAG (Southern California Association of Governments) makes projections about travel patterns based on travel diaries submitted by a cross-section of the population.

Chairman Doyle inquired about the criteria being used to define a center.

Ms. Michali explained that possible transit centers are ranked based on data such as level of travel demand, population and employment density, and whether the center serves as both an origin and destination, among other factors. She noted that Old Town Pasadena would qualify as a regional transit center based on these criteria and that nearly 90% of cities analyzed in the San Gabriel Valley qualify for further evaluation as possible transit centers.

Chairman Doyle expressed his concern that important distinctions between SCAG and other transportation plans need to be taken into consideration in implementing Metro Connections. In addition, he mentioned that the SCAG model calls for increasing densification in the Southwest portion of the San Gabriel Valley based on a subregional growth forecast, and there appears to be an unmet need in this area. He also cautioned that populations may shift to areas other than those previously anticipated.

Ms. Michali stated that the first phase of the project, initial stakeholder outreach, is complete and that the agency hasn't yet decided which Service Sectors will be the first to implement the project. MTA hopes to initiate phased implementation by June 2005.

Ms. Michali emphasized the importance of including municipal operators and local transit service providers in discussions of project implementation.

Councilmember Spence asked if the agency is working with a consultant to evaluate the project. Ms. Michali responded in the affirmative.

Ms. Michali noted that emerging travel patterns may warrant further analysis, and that the agency may need to consider a hybrid restructuring of services.

Councilmember Tyler stated that the Council needs more information about where people want to go, both those who are transit-dependent and those who rely on personal automobiles. He emphasized the importance of better identifying the needs of the public.

Ms. Michali affirmed that Sector staff should be intimately involved in project implementation.

7. Chair's Remarks

Chairman Doyle reminded Councilmembers that the Sector policy and by-laws call for an annual election of officers at the June 8th Governance Council meeting.

Additionally, Councilmembers will take part in an annual planning retreat in June. The retreat will be open to the public and will consist of a 5-6 hour meeting to discuss budgetary concerns, an update of the Sector's strategic plan, and marketing and community relations, among other issues.

Councilmembers agreed on a tentative meeting date of Friday, June 18 at 7:30 A.M., at the Monrovia Canyon Nature Center. Chairman Doyle stated that he will need to check on the availability of a meeting place in the Center.

Mr. Gabig mentioned that the agenda for the planning retreat should be available at the June 8 meeting for the review of the Council and that Councilmembers should decide on a work plan for the Sector at that point.

Chairman Doyle commented on the feedback he provided during public comment at the Board of Directors Operations Committee last month. The Committee was generally impressed by the progress reported by Sector staff. Chairman Doyle stated that reducing the number of Council meetings would destroy the value of the Sectors and limit the ability to deal with issues in a timely manner. He also mentioned that the Council ought to be given greater discretion over how best to use stipends allocated for attendance of local and national educational seminars and meetings.

Chairman Doyle announced that the Executive Management and Audit Committee will further discuss issues concerning the Service Sectors at the May 19th meeting and that he intends to be present at the meeting to represent the Sector and provide additional feedback.

Mr. Gabig mentioned that Karen Ruben, staff writer for the San Gabriel Valley Tribune, was present at the Council meeting.

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

ADJOURNED at 7:00 P.M.

Michele Chau, Council Secretary