

Wednesday, October 1, 2008

MINUTES

San Fernando Valley Service Sector
Governance Council

Regular Meeting

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

Called to Order at 6:30 P.M.

Service Sector Representatives Present:

Brad Rosenheim, Vice-Chair
Richard Arvizu
Michael Cano
Nury Martinez
Jesus Ochoa
Marsha Ramos
Kymberleigh Richards

Officers:

Richard Hunt, General Manager
William Walker, Council Secretary



Metropolitan Transportation Authority

Metro

Los Angeles County Metropolitan Transportation Authority
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1. Pledge of Allegiance

2. APPROVED minutes of the Regular Governance Council Meeting held on August 6, 2008 and minutes of the Governance Council Committee of the Whole Meeting held September 3, 2008.

3. RECEIVED Public Comment

Ray Lopez – Said that Rapid Line 750 needs new rapid stops at Tampa Avenue and Winnetka Avenue to connect with Lines 242 and 243. He wished everyone a Happy Halloween.

Vince Garafolo – Said he had a problem with a driver on Line 163 not letting him off the bus in front of Longs Drugs.

4. Chair's Remarks – None.

5. RECEIVED oral report of Richard Hunt, General Manager.

Observed a moment of silence for Metro Storekeeper Donna Remata, a 20-year employee, and for other lives lost in the Metrolink train collision in Chatsworth on September 12, 2008.

Metrolink Accident – The Metro Board received an update at its September meeting on safety measures being taken by Metrolink since the September 12 accident. The Metro Board and Metrolink Board passed a joint motion regarding safety that Mr. Hunt said he will forward to Council Representatives. Metro San Fernando Valley Service Sector supervisors and employees were among the first responders immediately following the Metrolink accident. Bus bridges were set up between Moorpark, Simi Valley and Chatsworth stations Monday morning. Divisions 8 and 15 sent buses, management, operators and supervisors who all pitched in to provide substitute service.

Measure R – Mr. Hunt informed council representatives that a fact sheet regarding Measure R was available and would be distributed to them if requested.

Union Division – Mr. Hunt reported that the Union Division project was approved at the September Board meeting. Bus storage space at the

division would also accommodate the acquisition and storage of additional buses required for the Metro congestion mitigation program.

Congestion Mitigation Program – Governor Schwarzenegger has signed a bill that allows for the final approval of a fee-based tollway on Interstates 10 (San Bernardino Freeway) and 110 (Harbor Freeway).

Orange Line Roadway Repairs – Permanent repairs to portions of the Orange Line roadway that have already been temporarily patched will begin October 6th. A map of affected areas and the construction notice has been distributed to council representatives. The Busway between Tujunga and Fulton Avenues will be closed. Temporary stop locations for Laurel Canyon and Valley College stations will be available on surface streets adjacent to the stations. It is estimated that repairs will be completed by mid-November. Repairs to sections of the Busway on select portions of the Busway between Valley College and Canoga Avenue stations will take place at various times during November and December.

Thanked Lorene Kelly, Assistant Transportation Manager-Division 15, for taking on the work of two positions while Transportation Manager Gary Spivack is on extended leave. Mr. Spivack asked that Mr. Hunt relay his thanks for the card sent from council representatives.

Accidents – San Fernando Valley Service Sector reported the lowest number of accidents per hub mile, 1.67 per 100,000 miles, in the entire Metro system. The Sector goal was 2.89 per 100,000 miles, the lowest of all Sectors. Mr. Hunt thanked Division Managers for their hard work.

In-Service On-Time Performance is moving up reaching slightly above the goal of 67.50% in September.

Manpower Ratio is 1.187 which means the divisions are currently fully staffed.

Mean Miles between Mechanical Failures is a struggle for the Sector considering San Fernando Valley has the oldest fleet in the system. Many of the older buses at Divisions 8 and 15 will be replaced with some of the 260 new composite buses on order.

Chief Operating Officer Carolyn Flowers presented Governance Council Representatives with letters of appreciation and Metro Years of Service Pins to commemorate the success of the Service Sector concept which is

integral to making Metro service safer, more expansive, and responsive to its riders. She thanked Governance Council Representatives for their commitment considering financial challenges that Metro may face in the upcoming fiscal year due to a revision to the state budget that eliminates \$133 million in State Transportation Assistance funds for Metro. She commended the council for their efforts in the June 2008 Service Change Public Hearing process and overall efforts to make Metro service more efficient.

Representative Richards thanked Ms. Flowers for acknowledging the difficult situation Governance Councils were faced with earlier this year and said it is comforting to know that Metro executive staff appreciates the effort Governance Councils go through to minimize inconvenience to Metro riders.

Representative Rosenheim acknowledged Metro staff and said it was great working with them.

6. RECEIVED AND FILED report on Budget Update by Kathy Drayton, Administration and Financial Services Manager.

FY 2008 ended with a positive balance variance of \$1.2 million, just one percent under budgeted expenses for the year.

Labor ended with a positive variance of \$547,000. ATU expenses exceeded budget by \$1.5 million because unfilled mechanic positions result in the use of overtime spending and because the older fleet of buses require a greater number of hours of service.

Non-contract labor expenses ended with a negative variance of \$100,000 because of the method used for recording expenses.

UTU Labor expenses were \$600,000 under budget which helped to offset the ATU labor costs.

Non-labor expenses ended with a \$1.3 million negative variance. Parts spending was over budget by \$1.6 million because of an aging fleet that required a higher number of repairs and new parts. \$1 million was recouped because of warranty claims reimbursements leaving a net negative variance of \$600,000.

Fuel costs were over budget by \$367,000.

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Personal Liability/Property Damage costs ended the year under budget by \$2.6 million which also offset negative variances in labor and non-labor categories.

Workers' Compensation claims were over budget by \$400,000. Claim costs have been higher than the previous fiscal year.

San Fernando Valley Service Sector operated service at \$112 per revenue service hour, about \$1.76 higher than planned because the Sector did not run all of the revenue service hours scheduled for the fiscal year.

The Sector received \$151 million in total revenue for FY 2008; seventy percent from taxes and grants; 15 percent from farebox receipts; 12 percent from passes; and three percent from miscellaneous and other. Average revenue per boarding was 65.8 cents, just below the target of 67 cents.

For FY 2009, as of August 31, the sector has an overall positive variance of \$500,000, two percent under budget.

ATU labor costs are over by \$222,000. Labor overall is over by \$283,000. Labor overages will continue until older buses are replaced. Preventative maintenance measures are in place to keep buses in good shape which also contributes to the overage.

San Fernando Valley Service Sector is operating at a cost of \$116.80 while the budget is \$118.39 per revenue service hour. The Sector has received \$28 million in revenue this fiscal year; seventy percent from taxes and grants; 15 percent from farebox receipts; 11 percent from passes; and the balance from tokens and miscellaneous.

RECEIVED QUESTIONS regarding Budget Update:

Representative Rosenheim asked how warranty reimbursements were tracked if they are not included in the Sector Financial Summary and whether all funds were recouped. Mr. Hunt said all reimbursements are received and the Sector has a very substantial warranty effort. The goal for warranty reimbursements for FY 2008 was \$2 million. Actual reimbursements were \$4.5 million.

Representative Rosenheim said the Sector budget covers costs of work but does not credit the Sector's warranty reimbursement effort, which penalizes the Sector with the costs but does not reward the Sector with the credit.

Representative Arvizu asked where labor portion of warranty reimbursements is charged. Mr. Hunt said that warranty work and the cost of the actual parts is what is billed to manufacturers.

Representative Cano asked:

- Why is the Orange Line farebox recovery rate (25%) lower than regular bus farebox recovery rate (28%)?
- Why is the average revenue per boarding for the Orange Line (.681) higher than the average revenue per boarding for regular Bus (.655)?
- Why is there no advertising listed as a miscellaneous income source on the Orange Line?

Mr. Hunt said that exterior advertising was excluded from the Orange Line advertising contract because advertising on Orange Line buses detracted from the line's appearance to the public. Representative Cano suggested defraying costs by advertising at Orange Line stations and inside buses to raise more revenue. Mrs. Drayton said she will direct that request to Marketing. Mr. Hunt said that farebox recovery tends to be lower on the Orange Line because Orange Line riders often initially pay their fare on other lines in the system. A day pass rider that boards the Red Line and uses their pass on the Orange Line will cause a revenue count for the Orange Line to be lower. Mr. Hunt added that once Orange Line TAP gates are fully operational the farebox recovery ratio will likely increase. Mrs. Drayton said the farebox recovery ratio for the Orange Line is also based on a higher operational cost for such a premium service. The cost of maintaining an exclusive right-of-way, the cost of cleaning and maintaining stations, as well as the cost of the security presence are costs that other regular bus services do not incur. Costs per revenue service hour on the Orange Line are upwards of \$230 whereas regular bus service costs about \$101 per revenue service hour.

Representative Cano asked whether any trends in regard to higher gas prices and increased transit ridership might factor into budget calculations for FY 2009. Mrs. Drayton responded that higher ridership might cause a negative effect because more riders will necessitate an increase in service delivered, an increase in overtime hours, thereby causing an overall increase in costs. Revenue may increase slightly as well, but not enough to keep up with increased costs.

Representative Ochoa asked what year-to-date spending was in FY 2008 versus FY 2007 and whether the Sector made more money or spent more money in FY 2008. Mrs. Drayton said FY 2007 ended with a larger positive variance than FY 2008 due to higher ATU and Parts costs in FY 2008.

7. ADOPTED Schedule for June 2009 Service Changes Public Hearing and RECEIVED update on Rapid Lines 724 and 794 by Michael Brewer, Service Development Manager.

Mr. Brewer reported that 2 new rapid lines were introduced in the San Fernando Valley on June 29:

- Line 724 – North Hollywood to Sylmar via Lankershim Boulevard and San Fernando Road
- Line 794 – Downtown Los Angeles to Burbank via San Fernando Road and Brand Boulevard

Both rapid lines operate weekdays with 10 minute peak headways and 20 minute off-peak headways.

Line 94 (San Fernando Road) was extended to Sylmar Metrolink Station to replace canceled Line 394 service (that was also reallocated to Line 94) between Sylmar and Downtown Los Angeles. Line 94 operates with 12 minute peak and 25 minute off-peak headways.

Some Line 224 (Lankershim Boulevard) service was reallocated to fund new Line 724 service. After reallocation, Line 224 peak headways are 10 to 15 minute and off-peak headways are 30 minute..

Governance Council Representatives asked for the following status update on Lines 724 and 794 at a future meeting.

Since the service change, there has been no patronage growth in the corridor served by Lines 92 (Brand Boulevard) and 94 (San Fernando Road). In the Line 224 (Lankershim Boulevard – San Fernando Rd.) corridor there has been a 2% decrease in ridership. Moreover, there has been no growth or change in ridership resulting from the introduction of the two new Rapid Bus lines.

Line 794 is operating at 60 percent capacity during peak periods with a lot of available seats throughout the day.

Line 94 added additional service to prevent passenger overcrowding. Meanwhile, Line 794 trips are carrying up to 50% fewer passengers.

Line 724 also carries fewer passengers than Line 224 trips, which , operate at about 80 to 100 percent capacity. Line 724 only operates at 60 percent capacity.

Lines 724 and 794 productivity ranks 28th and 30th out of 35 San Fernando Valley Service Sector lines.

Strategies to improve performance on Lines 724 and 794 are listed below:

- Relocate Line 794 in Glendale from Brand Boulevard to San Fernando Road, which is the original recommendation of the San Fernando Valley Sector Governance Council and staff recommendation from March 2008.
- Cancel Line 724 on Lankershim Boulevard and extend Line 794 along San Fernando Rd from Burbank to Sylmar.
- Retain Lines 724 and 794 as currently operated and adjust service frequencies to fit demand.

Next Steps:

Schedule – Schedule for June 2009 Service Changes Public Hearing	
Date	Action
11/5/2008	Discuss service options for Lines 724 and 794
12/3/2008	Approve February 4, 2009 public hearing date, prepare hearing notice for newspaper publishing.
1/4/2009	Notice published in area newspapers
2/4/2009	Public Hearing Date for Line 724/794 Service Changes
3/4/2009	Governance Council action on staff recommendation
6/28/2009 or later	Implement service changes on lines 724 and 794

RECEIVED QUESTIONS regarding update on Rapid Lines 724 and 794:

Representative Richards asked how many riders from Line 92 are using Rapid Line 794 and whether any riders from Lines 353 or 363 have switched to Line 724. Mr. Brewer said the number of Line 92 riders on Line 794 is not known

at this time. Ridership for Lines 353 and 363 are stable; introduction of Line 724 did not impact those lines.

Representative Cano asked what happens typically when a rapid line is introduced. Mr. Brewer said it takes about a month for riders to become acquainted and decide whether the new service meets their needs. Mr Brewer said that staff did all that it could to attract ridership to the new lines. Rapid Line 794 trips take longer than Local Line 94 trips.

Representative Richards said she would like to revisit changes to Lines 237 and 168 proposed at the March 2008 public hearing. Mr. Hunt said those two lines would be included in a February 2009 hearing as well as possible changes to Rapid Line 761.

8. RECEIVED Service Sector Representatives' Closing Remarks.

Representative Cano suggested discussing how the Governance Council public hearing process can be formalized.

Representative Ochoa expressed sympathy for Metro staff and other families who suffered losses, and others indirectly affected by the Metrolink accident on September 12. He said he appreciated their work of Metro staff who responded to the accident.

Representative Richards apologized for leaving the room during public comment and said she could not respect those who do not respect the Council Agenda. She added that meeting participants are responsible for arriving at the meeting on-time.

Representative Arvizu thanked Metro staff for its great work amidst the tragedy that occurred on September 12.

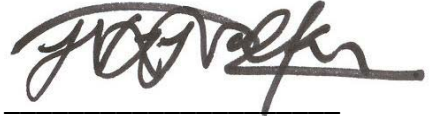
Representative Rosenheim suggested the Sector and Governance Council debrief how the Sector responded and an overall briefing on the Sector's emergency response plan. Mr. Hunt said that Deputy Executive Officer of System Security and Law Enforcement Jack Eckles be included and that the Sector be given about 3 months to put this meeting together. This meeting would also illustrate Metro's integral role of emergency preparedness within the Los Angeles County structure.

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Representative Ochoa recommended that departments responsible for maintaining bicycle trails and paths throughout the county communicate and collaborate more frequently.

ADJOURNED at 8:05 P.M. in memory of lives lost in Metrolink train accident on September 12, 2008.

Prepared by:



William L. Walker
Council Secretary