

# MINUTES

San Fernando Valley Service Sector  
Governance Council

## Regular Meeting

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

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Called to Order at 6:35 p.m.

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Service Sector Representatives Present:

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

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Officers:

Richard Hunt, General Manager  
William Walker, Council Secretary



Metropolitan Transportation Authority

**Metro**<sup>™</sup>

1. Pledge of Allegiance
  
2. APPROVED AMENDED **MINUTES** of the San Fernando Valley Service Sector Regular Governance Council Meeting held July 9, 2007. The minutes were amended to indicate that Malcolm Klugman did not support Item 8, a motion by Representative Richards and Westside Central Sector Governance Council Chair Jerard Wright to make changes to Metro Rapid Line 761 Van Nuys/Sepulveda.
  
3. RECEIVED Public Comment

Ray E. Lopez – Suggested Metro add higher capacity buses to Ventura Boulevard lines and operate a Metro Rapid Line 764 along Victory Boulevard.

Malcolm Klugman – Commended Line 750 as a great line that never has bus bunching, works rapidly and does a great job. He said Line 155 buses often leave as much as 20 minutes late from the Burbank Metrolink Terminal, and often drivers are pulled from other lines to operate Line 155. He said that Line 155 is not working, that it needs to be fixed before the December 2007 Service Changes, and that Line 183 should go from Sepulveda to Burbank Metrolink Station, while Line 155 would operate from Universal City Station to Downtown Burbank via the eastern part of Line 183. He said these lines could operate more efficiently with less running time under his recommended configuration. He suggested running Line 155 from Universal City Station to Downtown Burbank, and then routing it along the eastern portion of Line 183. He believes the running time on these suggested segments would improve on-time performance. He also mentioned frequently using Line 163 and wanted to know whether an improved, noticeable transit hub for Bob Hope Burbank Airport is still planned.

Rick Rofman – Said Metro should review its policy on placing food and drink vending machines near entrances to paid areas of transit stations, such as the Red Line, where it is illegal to consume food or drink.

Bart Reed – Suggested that Metro create a telephone number where riders can report delays and call for information about emergency reroutes and detours that are not formally posted. He also said drivers are not always aware of why a detour is activated. This is not beneficial to riders because riders, and often the driver, are unsure if or when the bus will return to its regular route. Recently, this occurred on Lines 94/394 and 4/704. He

hopes meetings can be held to address this and wants further deployment and marketing of Metro's Rapid bus arrival-time information via cellular phone.

Vince Garafolo – Said he did not agree with an unauthorized advertisement on a Metro bus that said riders would not tolerate the (new) fare(s). He said Bus #9417 deliberately passed him up because he was not at a bus stop, even though he called out several times to the driver to wait. He also said a driver on Line 163 told him on another trip that it was not his job to wait for him. He also mentioned a driver gave him a hard time at In and Out in Van Nuys on Line 233. The driver said he would not pick him up again. Mr. Garafolo did not appreciate this comment nor did he appreciate his intelligence being insulted.

4. RECEIVED Chair's Remarks.

None

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

A. FY08 Sector Performance Goals & Objectives

1. Mr. Hunt met with Metro Chief Executive Officer Roger Snoble and Chief Operations Officer Carolyn Flowers to discuss how the Metro San Fernando Valley Service Sector could better focus on attaining goals for service quality and improvement. Benchmarks for FY 2008 include decreasing both the number of complaints and bus incidents by 10 percent, increasing ridership by 3 percent despite a recent hike in fares, and finding other ways to reduce complaints and improve Sector performance. Mr. Hunt thanked Division Managers Gary Spivack and Maria Reynolds for their hard work. He said he will continue to challenge management and operations teams to improve service quality and ridership.
2. For FY 2008, the Sector has slightly increased goals for ridership growth and mechanical reliability. The Sector will continue to meet those goals and also continue to improve upon its highest bus appearance levels in the system, an honor that San Fernando Valley Service Sector has held consistently over the past four quarters.

CEO Roger Snoble mentioned in late August, while visiting the Sector, that he was happy to see that buses were clean. Mr. Hunt also congratulated staff for their successful completion of Metro Bus Division CHP inspections.

3. Other goals include reducing workers compensation claims to about 5% below FY 2007 levels by implementing wellness programs, improving interagency and inter-sector planning and teamwork, and developing new leadership within the Sector to fill voids when people begin to retire.
4. Mr. Hunt invited Governance Council Representatives to submit comments and recommendations regarding the upcoming goals and objectives for FY 2008. He also mentioned one of the former goals of the Council was to create a customer service center at the North Hollywood Station. Metro continues working on this project and thanks the Council for its support.
5. Mr. Hunt announced the 32nd Annual Metro Bus Roadeo, to be held Saturday, September 15, 2007 at the Santa Anita Race Track. The Bus Roadeo is a competition where bus operators from each division demonstrate their driving skills. Over 200 operators are expected to participate. Managers will also compete and a number of cars and buses will be on display, including the 65-foot Orange Metro Liner “Stretch Bus.” Mr. Hunt extended an invitation to all.
6. Mr. Hunt bid farewell to John Roberts, recently promoted from his position at the San Fernando Valley Service Sector to Deputy Executive Officer of the Support Services Center (formerly RRC). Hunt commended Roberts for his work over the past several years at the Sector. Mr. Hunt announced that Jim Pachan would be joining the Sector as the new Maintenance Manager at Division 15 and that Calvin Wade joined the Sector as the new labor relations representative.

Representative Richards said she has known John Roberts for a long time and will miss having him in the Sector. She said she cannot think of anyone as qualified

for the new position as he is and that she sees him at Metro for a long time.

B. Orange Line Update

1. Mr. Hunt reported that June was an all time record for passenger boardings on the Orange Line which increased more than 5,000 from the previous June. Previous projections for the Orange Line anticipated 22,000 riders by the year 2020. That goal has been exceeded in only 20 months time. Mr. Hunt thanked Gary Spivack, Maria Reynolds, Mike Brewer and Governance Representatives as well as employees from operations, planning and maintenance for supporting the Orange Line. Staff will continue moving forward with plans to extend the Orange Line along Canoga Avenue since funding is available. The Orange Line continues to be a cornerstone of the continuing success of transit development in the San Fernando Valley.
2. Ridership reached 24,800 passengers for June 2007 and approximately 24,300 for July. Metro deployed the 65-foot stretch bus which has 16% more seating capacity than the standard 60-foot Metro Liner buses currently in service on the Orange Line. The stretch bus operates on a special permit from Caltrans until legislation is passed at the state level allowing vehicles to operate on public rights-of-way. The new vehicles have more intense interior lighting, better drive, tinted windows, and a more durable interior and exterior. The Council and general public are both encouraged to provide feedback on the new stretch bus.
3. Other developments on the horizon for the Orange Line include an Orange Line Express study and a signal preemption study being done in partnership with the Los Angeles Department of Transportation.
4. Three major accidents have occurred on the Orange Line over the past few months, caused by motorists running red lights. Most of the damage has been to the vehicles that caused the accidents.

C. Regular Board Meeting Update

1. Mr. Hunt reported that Santa Monica City Councilwoman Pam O'Connor took over as Chair of the Metro Board of Directors at the July meeting and attended the dedication of the 65-foot articulated "stretch bus" Orange Line Metro Liner that was recently unveiled at Union Station's Gateway Transit Plaza. Mayor Antonio Villaraigosa and Supervisor Don Knabe were elected as Board officers – First Vice Chair and Second Vice Chair, respectively. Mr. Hunt also mentioned the recent appointments of Carolyn Flowers as permanent Chief Operating Officer and Mike Cannell as the new Metro Rail Operations General Manager.
  2. At the July meeting, the Board adopted conceptual development guidelines for the Sepulveda Park and Ride site. The development guidelines are now posted on the metro.net website. The Metro Board continues to discuss real estate and development options around the Sepulveda, Reseda and Canoga Orange Line stations and Mr. Hunt will keep the Council informed. The August Board meeting was not held, but a Special Board Workshop on the Long Range Transportation Plan was held and attended by all members. This workshop covered the need for more transit funding and how Metro plans to use those funds in the long term.
- D. APPROVED Motion to move the October Governance Council Meeting to Monday, October 1, 2007, at 6:30pm, at the same location (Van Nuys Constituent Service Center, 6162 Van Nuys Boulevard).

RECEIVED Comment from Representatives on the General Manager's Report

Chair King requested a report on where major accidents have occurred along the Orange Line – which intersections had the most accidents, data to distinguish accidents that occurred before and after the slow down order. This report will be used to select one or two intersections to study for upgrades, which might include a new gate system.

Chair King also asked if the Sector Council could discuss some of the developments being proposed for vacant parcels surrounding Orange and Red Line stations in the San Fernando Valley. Chair King

mentioned that the public may want to have an opportunity to submit comments on development proposals being considered.

Representative Richards said as Chair of the Sector Council last fiscal year that she had discussions with Metro Real Property and Management Chief Roger Moliere about how to keep the Sector Council more informed of development issues on the Orange and Red Lines. Representative Richards suggested that Chair King continue pursuing that strategy and invite Roger Moliere to a future meeting.

Vice Chair Rosenheim met with Gail Goldberg, Los Angeles City Planning Director, and suggested that as the City of Los Angeles revises its community plan that it meet with Metro as a part of that planning process to ensure that as the City of Los Angeles pursues more intense development that Metro is capable of providing additional services in areas with more developments. Mr. Hunt said that Mr. Moliere of Real Estate could give a presentation for a future meeting and that Metro CEO Roger Snoble planned to meet with Los Angeles City Planning Director Gail Goldberg to give her a tour of Metro properties and find more ways for Metro and the City of Los Angeles to collaborate.

Representative Leonard asked if the presentation would involve development proposals on property in general along Metro Red and Orange Line Corridors or just Metro-owned property. Mr. Hunt responded that Metro is primarily interested in property that it owns along its own Red and Orange Lines. Metro planners have worked in conjunction with cities and developers to ensure that any new development does not impact Metro transit operations.

Representative Leonard said that public comment was not solicited widely for the huge plans in North Hollywood to develop Laurel Canyon Boulevard. She said she did not understand how Metro was not party to the discussion of these plans.

Representative Leonard asked what happens if we continue to further increase the capacity of the Orange Line. She asked at what point the increase in ridership diminishes returns in efficiency. Mr. Hunt said he would place the item on a future meeting agenda.

Representative Richards said she always thought the Orange Line should be a light rail line, which would not necessarily increase capacity, but would bring signals, gates and other added safety features that would improve efficiency and running time.

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

FY 2007 Update

Ms. Drayton reported that the San Fernando Valley Service Sector Budget for FY 2007 ended with an overall negative variance of \$3.3 million due to an accounting change that caused a \$4.1 million one-time charge and a \$1.5 million negative variance in the ATU labor budget due to a shortage of labor and additional campaigns to add ATMS to buses received by the divisions, to replace etched and defaced windows, and to maintain an aging fleet.

The fuel budget experienced a positive variance. CNG fuel was budgeted at one dollar per therm, but actual costs averaged 66 to 86 cents per therm. Services had a positive variance of \$604,000 due to the Orange Line Code Enforcement Camera System and there was a savings of \$300,000 from the Personal Liability/Property Damage item.

Bus operations experienced a \$4.7 million negative variance while Orange Line operations had a \$1.4 million positive variance. The cost per revenue service hour for regular bus operations was \$102.29, \$4.69 over budget. Orange Line cost per revenue service hour was \$197.37, under budget by \$32.37. Because parts and labor in some instances were not separated out by bus and Orange Line, total costs for the Orange Line should be a bit higher and for bus operations a bit lower. Overall, the bus operations budget has a \$3.3 million negative variance. Combined services (bus/Orange Line) operate at a cost of \$108.61 per revenue service hour, which is \$2.91 over budget. Total revenue for the Sector totaled \$145,516,000.

Ms. Drayton said that a major part of funding for the Sector comes from taxes and grants, which total 72 percent of the budget. Fifteen percent of the budget is generated from farebox revenue, and 11% comes from passengers in the form of passes and tokens. The remaining 2% of the budget is from advertising and miscellaneous income. The fare revenue per boarding estimate for FY 2007 is 58.589 cents. The agency budgeted the Sector at 59 cents per boarding, which puts the Sector slightly below the goal.

Representative King asked about the allocated fringe benefit charge that caused the Sector to exceed the FY 2007 budget. He wanted to know what the benefits were and if all the sectors experienced the same negative impact.

Ms. Drayton reported that all sectors were impacted by the allocated fringe benefit accounting change. She said that \$28 million of this charge was applied to Metro Operations, systemwide, due to a governmental accounting change that took place throughout the public and private sectors. Non-pension related obligations were estimated and recorded in order to conform to the requirement. Because the adjustment was a one-time charge, it should not cause the Sector to have a negative variance in the future.

Mr. Hunt added that Metro has one of the strongest pension funds in the public sector. In 1996, the fund was at \$300 million. Now it exceeds \$800 million. It is well funded with annual contributions and a periodic actuarial assessment to ensure growth targets are met. CalPERS funds, which also covers some employees, is equally strong.

#### July 2007 Update

Ms. Drayton reported that some formatting changes were made to financial updates for this year to make it more efficient to produce the report.

At the end of July, the Sector had a positive variance of \$647,000, putting the Sector at 5 percent below budget. All categories - labor, non labor and other - reflect a net positive variance, including fringe benefits, which is 4% above budget.

ATU has a negative variance of \$73,000 due to overtime costs attributed to vacant positions, an aging fleet and special campaigns. Four additional mechanics and an electronic communications technician were added to the FY08 budget to relieve a portion of the overtime experienced last year, but these positions will not be filled until January. The line item for this area will continue to exceed budget until those positions are filled.

There is a negative variance for parts because there was no increase in that budget area. Unless new buses are acquired, the line items for parts will continue to exceed budget. As the fleet ages, buses will require more maintenance, and additional parts for maintenance and upkeep.

Materiel and Supplies is below budget due to a credit from the previous fiscal year. By the end of the year, this line is expected to be depleted.

Regular bus service has a positive variance of \$89,000, but a negative variance of \$1.21 cost per revenue service hour. This is because all of the

budgeted money was not spent but the number of revenue service hours not delivered was at a greater rate than the funds not spent.

Orange Line service has a positive variance of \$557,000. The cost per revenue service hour is also under budget at \$147.31, versus the budgeted \$206.99.

Overall bus service has a positive variance of \$647,331, with cost per revenue service hour of \$106.76, which is below the target of \$110.15, and represents a positive variance of \$3.39 per revenue service hour.

Revenue reports have changed a bit. There are now three pie charts that give information on Regular Bus, Orange Line, and the Total Sector. A comparison for the Orange Line will be given under the new format whenever possible.

Total Revenue for the Sector is \$11.8 million; \$10 million is for regular bus service and \$1.8 million for the Orange Line. Revenue for these services comes primarily from taxes and grants. As of July 31, the estimated fare revenue per boarding is 66 cents. One month trends are not a good estimate for this indicator. As the year progresses, this estimate will average much closer to what is actually being received.

7. Service Sector Representatives Closing Remarks.

Representative Rosenheim requested a report on creating an annual pass for residents.

Representative Richards announced the California Transit Association (CTA) Fall Conference, November 12-14, at the Anaheim Convention Center. She said that CTA Chairman Shaw will give a keynote speech and that he is probably the most politically astute person on transportation issues at the State Capitol.

Representative Ochoa suggested that Metro ensure that bus shelters are in good condition for Metro patrons.

ADJOURNED at 7:56 p.m.