

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 5:02 p.m.

Sector Representatives Present:

Rosie Vasquez, Chair
Roger Chandler, Vice Chair
Harry Baldwin
Ernest Gutierrez
Bruce Heard
Henry Lopez
Sharon Martinez

Officers:

Jack Gabig, General Manager
Michele Chau, Council Secretary



Metropolitan Transportation Authority

Metro

1. Introductions.
2. APPROVED **Minutes** of Regular Governance Council Meeting held Monday, August 13, 2007.
3. RECEIVED **Public Comment** – Andrew Featherston, transit user, inquired about additional public transportation options available to students attending the Pasadena Arts Center School near JPL. He indicated that two shuttles operated by the city of Pasadena currently serve this area, but do not run frequently. He asked if there are any plans to expand the use of hybrid buses in the Pasadena area. Mr. Hillmer stated that Line 177 is a contract line which uses smaller vehicles. A capital replacement plan for Line 177 buses has been deferred.

Representative Heard asked if Line 177 stops near the Arts Center. Mr. Hillmer stated that the Line does not run very close to the Arts Center. The city of Pasadena provides direct shuttle service to that facility. He added that Metro has initiated contact with city of Pasadena officials to work on enhancing service to the Arts Center.

Dae-Han Song, on behalf of the Bus Riders Union, urged the Council to reject the proposed service change recommendations put forth by staff. He stated that the service changes will result in a net decrease in revenue service hours and an increase in bus transfers. Mr. Song commented that the implementation of the new Rapid bus lines will undermine service on local lines. He stated that the staff report does not mention any actions the Sector will undertake to reduce the negative impact on current ridership. An increased burden will be placed on riders.

4. RECEIVED **Chair's Remarks** – Chair Vasquez reported that the California Transportation Commission (CTC) recently approved two allocations of State Transportation Improvement Program (STIP) funds benefiting Metro projects. The allocations include \$314 million for the Exposition Line Phase I project between downtown LA and Culver City. The total cost for this project is approximately \$640 million. The CTC also voted \$7.6 million for the westbound I-105 off-ramp at Sepulveda Boulevard, which is a key link to LAX. Chair Vasquez mentioned that undetermined but substantial reductions to the STIP are possible from the impact of the diminishing Federal Highway Trust fund. The CTC will adopt the 2008 STIP Fund Estimate in October.

Chair Vasquez announced that Metro plans to open two new bus operating divisions in 2011, one adjacent to LAX and another across from Metro Headquarters.

The agency recently put into service new 65' articulated buses on the Orange Line.

5. **RECEIVED report of the General Manager** – Mr. Gabig reviewed key performance indicators for July 2007. He reported that there was a slight increase in OSHA Recordable Incidents, most of which originated from Division 3. New Worker's Compensation (WC) Indemnity Claims is under target at 8.7 for July. Seven of these claims took place at Division 3. The number of Bus Traffic Accidents continues to trend downward. Mr. Gabig noted that staff is moving forward with accident initiatives at Division 3. The Bus Accident Severity Index for July is higher than the previous month, and this is driven primarily by one accident at Division 9 which resulted in the hospitalization of a bus patron.

Miles Between Total Road Calls is below target. A road call initiative to improve performance in this area is underway. Staff will provide a report on this program in the next few months. On-time Performance is right on target. Staff is focusing on the area of running hot. The Sector's Complaint data for July is generally consistent with the agency as a whole. Passenger Boardings is close to target.

"How You Doin'?" Program:

Transportation: Division 9 placed 1st and Division 3 placed 3rd.

Maintenance: Division 9 placed 1st and Division 3 placed 7th. Mr. Gabig noted that Division 9 had a commendable attendance record, low number of road calls, and no WC claims in July.

Mr. Gabig stated that the Sector will benefit from enhanced customer relations support, including public relations support, service development assistance, transit agency networking with various communities, a community events coordinator, and a single point of contact with all divisions within communications.

Mr. Gabig invited the Council to attend the annual Metro Bus Rodeo this Saturday beginning at 8 a.m. at the Santa Anita Racetrack. Winners in this competition will represent the agency at the APTA International Finals in Austin, Texas.

He presented a slide of the new Sector transportation building. The facility is essentially complete. Furnishings should be completely installed in 10 days. The target move-in date is October 6. The next Council meeting may be held at the new building. A formal dedication will not take place until January 2008.

Representative Gutierrez commented that he was impressed by the current issue of Metro Quarterly. He stated that the agency should highlight as many front-line employees as possible in these publications.

Mr. Gabig stated that the Sector occasionally showcases rail operations staff. Management would like to profile employees in this publication more often.

Financials:

Ms. Faust reviewed FY07 Financials through June. She stated that Total Sector budget was approximately \$2.7 million under budget YTD, and the total YTD actual amount was \$133 million. This is attributed in part to fuel undercharges and credits in UTU labor. Total Transportation was approximately \$2.7 million under budget YTD. Savings in this area are due primarily to a credit in Public Liability/Property Damage. Total Maintenance was on budget YTD, due to overtime cost containment measures by management. Aggressive case management and a solid return to work program have led to reductions in WC costs.

Chair Vasquez asked if cost savings are rolled over into the next fiscal year.

Ms. Faust responded that excess operational funds go back into the general fund.

6. **RECEIVED update on Budget** by Paula Faust, Administration and Finance Manager.

Ms. Faust reported that with regard to the Maintenance budget, there was a slight increase in staffing due to a reallocation of service from the Westside/Central Sector. Ten Bus Operators, four Mechanics, and two Electronic Communications Technicians were added to this year's budget. Fuel costs for FY08 were budgeted 11% below the FY07 budgeted amount. Ms. Faust stated that a new hedging contract will be used this fiscal year. She provided a comparison of San Gabriel Valley Sector FY08 adopted budget and FY07 budget by function and reviewed composite data. The budgeted amounts for Labor and Fringe Benefits increased by approximately 10% this fiscal year.

There was a 9% decrease in the Fuel budget and a 21% decrease in the WC Charegeback budget for FY08. The budgeted amount for Public Liability/Property Damage Insurance increased 23%. Although the number of claims is trending flat, the cost per claim is increasing. Other Sector Support budget increased 23% this fiscal year due to CNG compression costs being shifted to the Sectors. Ms. Faust presented a slide showing the five-year expense and budget trend, and noted that the increase in costs over the years is due mainly to a rise in fuel, labor, and WC costs.

Chair Vasquez asked for clarification on the fuel hedging contract.

Ms. Faust responded that this involves entering into a contract with a third party to purchase fuel at a set cost. Such an action is similar to buying “insurance” on fuel costs to reduce the agency’s susceptibility to fluctuations in fuel prices. Mr. Gabig added that a hedging contract involves pre-purchasing fuel at a hedge price regardless of market price. This type of contract results in a guaranteed fuel cost over a specified period.

Representative Chandler asked if the hedging company purchases the fuel or only processes the paperwork.

Ms. Faust responded that the hedging company is the middleman between Metro and the fuel supplier.

7. **RECEIVED report of Findings of August 07 Public Hearing** by Jon Hillmer, Service and Development Manger.

Mr. Hillmer noted that approximately 25 people attended the August 13 San Gabriel Valley Sector public hearing. Goals and objectives of the proposed service changes include continued implementation of the Metro Connections Program, improving on-time performance, and better matching bus line ownership with the appropriate Service Sector. Mr. Hillmer provided a summary of the Sector’s revised December 2007 service change program, which includes four Rapid Bus packages and one local line route extension requested by the Gateway Cities Sector.

Mr. Hillmer reviewed ridership profile and passenger impacts for the West Olympic Rapid package (Lines 28/328, 83, 84, 68 and 728), Garvey/Chavez Rapid package (Lines 70, 71, 370 and 770), Atlantic/Fair Oaks Rapid package (Lines 260, 262, 361 and 762), Pasadena/Hollywood Rapid package (Line 780), and El Sereno/Hollenbeck package (Line 252).

8. **APPROVED findings of August 2007 Public Hearing and ADOPTED Revised Service Program for December 2007 or later.**

Representative Heard, referring to the Council report language for proposed Line 780 changes, asked why “consider” was used in the recommendation rather than a more definitive action (e.g., operate or not operate service).

Mr. Hillmer responded that staff is proposing to take an actual action. The word “consider” was not deleted from the report prior to printing.

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

10. RECESSED to Closed Session at 6:11 p.m.

Personnel Matters – G.C. 54957:
Public Employee Performance Evaluation
Jack Gabig, General Manager

No Report.

ADJOURNED at 6:45 p.m.

Michele Chau

Michele Chau, Council Secretary