

MINUTES

San Gabriel Valley Service Sector Governance Council

Regular Meeting

Metro San Gabriel Valley Sector Office
3449 Santa Anita Avenue
El Monte, CA 91731
3rd Floor, Council Chambers Room

Called to Order at 5:03 p.m.

Sector Representatives Present:

Rosie Vasquez, Chair
Roger Chandler, Vice Chair
Harry Baldwin
Ernest Gutierrez
Henry Lopez
Joseph Mosca

Officers:

Jack Gabig, General Manager
Michele Chau, Council Secretary



Metropolitan Transportation Authority

Metro

1. Introductions.

APPROVED **Minutes** of Regular Governance Council Meeting held March 17, 2008.

2. **Public Comment** – none.

3. RECEIVED **Chair's Remarks**.

- In an effort to check on vandals released on probation, the Transit Services Bureau led a probation compliance inspection on March 26 at 56 locations in the San Gabriel Valley. Nineteen offenders were arrested for violating probation or for outstanding arrest warrants. Most of these offenders have vandalized Metro property. Chair Vasquez presented a slide showing items seized during the search.

Representative Gutierrez inquired about when the search was conducted, and the agencies involved in the inspection.

Chair Vasquez responded that the search was conducted on March 26 only. Mr. Gabig stated that the Los Angeles Sheriff's Department was the primary agency involved in the inspection.

- The draft 2008 Long Range Transportation Plan (LRTP) was released on March 12, marking the beginning of the 45-day public comment period. Seven community meetings held in March and April provided opportunities for the public to provide testimony on the draft LRTP. Over 200 participants attended the San Gabriel Valley meeting on April 8 at Potrero Heights Elementary School in Rosemead. The draft LRTP charts what transportation improvements are necessary to keep Los Angeles county moving to the year 2030. Once the LRTP is adopted by the Metro Board of Directors later this year, priorities will be established for funding a balanced transportation system. Chair Vasquez presented a slide showing the draft LRTP website which includes more information on the plan and the community meetings.

4. RECEIVED report of the General Manager.

February 2008 Performance Report (Jack Gabig)

- OSHA Recordable Incidents – There were 5 incidents in February. This is below the monthly target. Injuries were relatively minor.
- New Workers' Compensation Indemnity Claims per 200,000 Exposure Hours is trending below target. There were 9.9 claims in February. The Sector continues to perform well at both Divisions, particularly on the Transportation side.
- Bus Traffic Accidents increased to 3.6 for the month. The monthly target is 2.9. Most accidents fell in the category of Side Swipe by Other Vehicle Hitting Metro Bus. The bus accident severity index indicates that most accidents were relatively minor. Division 3 leads the Sector in vehicle accidents.
- Miles Between Total Road Calls remains stagnant at 1,465. Staff is not optimistic that the target will be reached anytime soon.
- On-time Performance is 65%. Staff is not optimistic that this figure will reach the target within the fiscal year.
- Complaints increased to 3.2 for the month. Construction activities on the route of several major lines may have contributed to the increase in complaints. For example, construction on the Garvey Avenue bridge near Rosemead and construction on the 1st Street bridge in downtown may have negatively impacted on-time performance on Lines 70 and 30, respectively.

Chair Vasquez asked if more information is available regarding where the complaints originated.

Mr. Gabig responded that staff has not yet disaggregated the data. Schedule Adherence and Passed Up represent the largest complaint categories.

- Ridership continues to follow previous trends. The agency has not yet recovered from the impact of the fare increase in July 2007. Fare revenue is higher than both last year's actual and budgeted amounts. The average fare per boarding is \$.71.
- "How You Doin'?" Results:
 - Division 9 Transportation placed 3rd. This is the first time this fiscal year that Division 9 Transportation did not place 1st.
 - Division 3 Transportation placed 4th.
 - Division 9 Maintenance placed 1st.
 - Division 3 Maintenance placed 2nd.

Representative Gutierrez asked if rising gas prices have impacted ridership levels.

Mr. Gabig responded that ridership has increased on longer express lines, particularly those traveling on the busway, but system-wide ridership remains below target.

February Financial Report (Paula Faust)

- The financial report this month continues to remain consistent with previous months.
- Total San Gabriel Valley (SGV) Sector is \$6.95 million under budget YTD.
 - 87% of the savings are on the Transportation side, particularly in the areas of operator labor, effective management of Workers' Compensation claims, and Public Liability/Property Damage.
 - Total Maintenance is approximately \$1.3 million under budget YTD due to savings in mechanic and service attendant labor, fringe benefits, Workers' Compensation and fuel.
- Workers' Compensation costs are \$2.5 million under budget YTD. However, there was a slight increase in costs in this category in February due to an increase in reserves for 1 case.

Representative Gutierrez indicated that he saw an article regarding Southern California Edison's efforts to provide refunds to various customers.

Mr. Gabig stated that staff is working with Edison on a refund that Metro is entitled to receive. He commented that he did not know the exact amount, but that it was in the millions.

Mr. Hillmer provided an update on issues regarding service cuts. He stated that Metro staff has met several times with Montebello Bus Lines staff relative to the potential transfer of Line 256. Staff is also working with corporate funding staff to determine the subsidy funding that will be available. Metro staff has been working with the City of Pasadena on Line 177. Progress has been made with respect to determining funding for the minimum amount of service Metro is proposing (rush hour service from Jet Propulsion Laboratory (JPL) to the Gold Line). The Metro Board introduced a motion last month to review the service cuts as they relate to high crime areas, gang areas, and transit dependent areas. This will be reviewed by the Operations Committee on April 17. There was a discussion at today's Board staff briefing regarding various Sectors' proposals to reduce or cancel owl service (late night service). More information on the Board's actions, as they relate to the service cuts, will be provided at next month's Council meeting.

Representative Gutierrez asked about the rationale for cutting owl service.

Mr. Hillmer responded that the Gateway Cities and Westside/Central Service Sectors proposed to cut owl service due to low ridership during late night hours. In addition, Gateway Cities Sector staff has indicated that some passengers who are on the system late at night use the buses as mobile homes.

Representative Gutierrez asked for more information about crime statistics.

Mr. Hillmer stated that staff does not typically review crime statistics when service plans are developed. The corporate planning staff has been compiling this information.

Representative Baldwin asked if service on Line 256 would include the Herman area.

Mr. Hillmer responded that the Montebello Bus Line proposal would include this area. The Herman area is located just south of Highland Park.

Representative Chandler asked why Pasadena is playing a major role in Line 177 given that JPL is actually located in La Cañada.

Mr. Hillmer stated that JPL is on the border of Pasadena. He added that in past years, Line 177 traveled to JPL, La Cañada and Glendale. The Glendale Beeline assumed Line 177 service from JPL to La Cañada and Glendale, with Metro providing partial funding. The remaining portion of the line was from JPL to Pasadena. He stated that Caltech, which is in Pasadena, has very strong ties with JPL. La Cañada is funding part of the Glendale Beeline's service to JPL.

Representative Mosca inquired about the level of coordination between Board staff and Metro staff regarding which lines are appropriate to cut. He stated that issues reviewed by the Council and Board staff when examining the cuts should not be redundant.

Mr. Hillmer responded that Sector staff coordinates closely with the corporate planning group. The Board staff plays a different function. From an organizational perspective, the Metro Board has authority over Rapid and Tier 1 services, whereas the Sectors have responsibility primarily for Tier 2 and 3 services.

5. RECEIVED oral overview on the **Risk Management Program** by Greg Kildare, Executive Officer, Risk Management.

Mr. Kildare provided background information on Workers' Compensation (WC). WC is a state benefit that is dictated by the state labor code to pay for work-related injuries. It is a no-fault system in that neither employers nor employees are required to be found at fault for having a compensable injury, including exacerbation of pre-existing conditions. Metro is fully self-insured. Executive staff started a program about 8-9 years ago to recognize the impact of escalating WC costs on Metro's operating expenses. The agency contracted with Du Pont to completely revise how accidents are investigated and to assist in changing employees' behaviors and the environment to improve safety. Staff also began to administer the WC program in-house, which allowed Metro employees to work closely with Sector managers to review cases on a claim-specific basis. Previously, an outsourced third-party administrator handled all WC claims. Additionally, staff started to aggressively investigate WC fraud. The agency is receiving 5-6 District Attorney referrals, fraud arrests and convictions per year, which is an incredible number relative to the size of the agency. A mandatory transitional duty/return-to-work program implemented in 2005 dramatically impacted three-day weekend claims. One other factor contributing to the decline in WC costs involved the loss-sensitive premium allocation. This is uncommon in public agencies. About 5-6 years ago, the Chief Financial Officer implemented a loss-sensitive program which allowed Sectors with better loss control to achieve budget savings.

Mr. Kildare presented slides showing WC trends over the past eight years. In FY00, there were 3,300 WC claims for approximately 10,000 employees. In FY08, there were 1,100-1,200 claims.

Representative Baldwin asked if these figures represent indemnity claims.

Mr. Kildare stated that most claims are indemnity claims. There are few medical-only claims.

Representative Gutierrez asked how Metro compares with other agencies of similar size.

Mr. Kildare responded that the agency performs relatively well. He hesitated to make broad agency-wide comparisons due to the differing operating environments in which public agencies function. He indicated that inter-state comparisons are difficult due to the different categories of compensable injuries.

Representative Gutierrez inquired about the FY95 to FY99 figures. He asked if staff has a way to determine whether a spike in WC costs should be treated as a red flag.

Mr. Kildare responded that the FY95 to FY99 figures are similar to the FY00 figures. Mr. Gabig stated that staff carefully monitors chargebacks as well as the number and cost of claims.

Mr. Gutierrez asked if Du Pont will continue to play a role in the agency's WC initiatives in the coming years.

Mr. Kildare responded that the contract with Du Pont ended more than a year ago and that the agency has improved since that time. He indicated that the Board examines WC data as part of the monthly scorecard report. There is constant communication between Sector and corporate staff regarding WC issues.

Mr. Kildare presented a slide showing the total WC costs paid. The agency paid \$45 million in WC costs in FY00. Today, the agency pays just over \$40 million in WC costs. He reviewed a graph indexed to show changes in the prices for medical and indemnity costs (adjusted for the number of hours worked), number of claims in open inventory, and number of lost work days paid. He indicated that staff is aggressively closing claims on a "C & R" (compromising and releasing) basis. He provided an overview of the Sector Maintenance and Transportation division performance as it relates to WC costs. Although the Sector's Maintenance division is at the higher end of the claim spectrum, the Transportation division is doing well. He added that these figures may change frequently.

6. RECEIVED oral presentation on **Division 3 Improvements** by Tim Lindholm, Director of Capital Projects.

Mr. Lindholm provided a status report on the Division 3 Master Plan. The Plan is designed to restructure the way in which Division 3 operates. In February 2007, Metro hired a consultant to Master Plan the Division. Staff developed consensus on the scope of work and improving warehousing, facilities and equipment, as well as overall efficiency.

Mr. Lindholm presented slides showing a conceptual drawing of the Master Plan, maintenance renderings, transportation renderings, and budget and cost information. The total project as conceived in the Master Plan is slightly under \$20 million.

The FY08 budget includes \$6.6 million for Phase I of the project, which covers building of the maintenance annex, relocation of vaulting, and constructing the storeroom in the maintenance building. The next fiscal year's budget will include \$13.2 million to complete the project.

Mr. Lindholm reviewed project status for Phases I through V, site plan for Phase I, and transportation building renovations. He indicated that field work for Phase I starts on April 21, 2008 and will be completed by July 2008. Phase II is forecasted to be completed by April 2009 and is designed to achieve Leadership in Energy and Environmental Design (LEED) certification. Preliminary engineering for Phase III started in February 2008 and will be completed by August 2008. Forecasted completion date for Phase III is December 2009. Phase III is also designed to achieve LEED certification. The design process has not yet begun on Phases IV-V. The entire project should be completed by September 2010.

Representative Gutierrez asked how much planning has been done with regards to installing solar paneling at the Division.

Mr. Lindholm responded that there has been planning done to allow for the installation of solar panels in the new annex building. He added that within the next three years, all of the divisions will include solar paneling. Metro leads the nation's public transit agencies with regards to installing solar panels. He reported that there are high up-front capital costs associated with solar panels, but the panels eventually pay for themselves in terms of savings in energy costs. Metro is currently working on its 4th solar paneling project, which involves a public/private partnership. Staff hopes to use the financing model for the current solar panel project as a model for future projects.

Representative Mosca asked when the Division 3 transportation building was originally designed.

Mr. Lindholm responded that it was designed in 1975 and built in 1977.

Representative Mosca asked why the original plans for the Division did not include a bridge to connect the two buildings.

Mr. Lindholm responded that the bridge should have been included in the original plans. However, the plans were modeled after existing transportation buildings with the same set-up.

Representative Mosca inquired about costs to install the glass for the staircase.

Mr. Lindholm responded that the engineering for this part of the project has not yet begun. All of the estimates that staff has received so far will likely stay within the \$20 million budget. He noted that the slides shown earlier were only renderings, and the final project may not necessarily include glass curtain panels.

Mr. Gabig pointed out that the existing space utilization is not efficient. The second floor of one wing is only 25% utilized. He clarified that the two two-story buildings on the site will be connected by a one-story mezzanine on the first floor. Staff will be re-allocating space from the first floor on the south end to the second floor on the north end, which will make operations more efficient.

7. RECEIVED oral update on **Community Relations**.

Mr. Hillmer provided the update in the absence of David Hershenson, Community Relations Manager. He stated that corporate marketing is initiating an ad campaign titled “We Couldn’t Go Anywhere Without You” which focuses on the customer. San Gabriel Valley Sector staff has developed an adjunct to this campaign to recognize some of the best riders in the Sector. Bus operators have been asked to nominate the best customers, and a structure has been set up to allow operators to rate their customers. 25 operators have nominated over 30 customers thus far. A group of five staff members, including 2 transportation managers, Mr. Gabig, Mr. Hillmer and Ms. Faust, evaluated and selected 5 customers who were nominated by 4 operators, 3 from Division 9 and 1 from Division 3. The 5 customers represent a good cross-section of the Sector’s riders. They include a single mother riding Line 78, a disabled passenger who primarily rides Line 251 and Line 620, an active senior and a rider who takes 3 buses to commute from West Covina to Alhambra. Staff will meet with each customer onboard the bus and present a small gift. Mr. Hillmer noted that he would like to further acknowledge the customers at a future Council meeting.

Sector staff is considering initiating its own ad campaign with car cards in the buses and news ads. One ad may include photos of bus operators and customers arranged in a circular pattern. Each time the ad runs, specific individuals whose photos are displayed in the ad will be highlighted.

Representative Mosca requested information about the progress of the senior ad program. He inquired about the possibility of an advertising campaign that focuses on how driving in a single-occupant vehicle adds to the carbon footprint, and how taking mass transit impacts the environment.

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Mr. Hillmer responded that these were good suggestions and that he would contact marketing staff about initiating an ad campaign focusing on environmental concerns as they relate to mass transit.

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

ADJOURNED at 6:07 P.M.

Michele Chau
Michele Chau, Council Secretary