

# Foothill Transit Executive Board

## MINUTES

The regular meeting of the Foothill Transit Executive Board was held Friday, May 23, 2008, at the Foothill Transit Board Room, 2<sup>nd</sup> Floor, 100 South Vincent Avenue, West Covina.

President Lantz called the meeting to order at 8:05 a.m. The following members were present, constituting a quorum of the Executive Board:

Peggy Delach, President  
Michael De La Torre, Vice President  
Paula Lantz  
Roger Chandler  
Lola Storing

Staff and Guests present:

Doran Barnes, Executive Director  
Kevin McDonald, Deputy Executive Director  
Darold Pieper, General Counsel  
Lee Millen, Deputy Secretary  
Bob Arthur, Director of Special Projects  
Richard Hasenohrl, Director of Finance  
George Karbowski, Director of Operations & Maintenance  
Linda Somilleda, Director of Marketing & Communications  
Peter Greenberg, General Manager  
Wayne Fritz, General Manager

### PLEDGE OF ALLEGIANCE

President Lantz led those present in the Pledge of Allegiance.

### APPROVAL OF MINUTES FOR THE REGULAR MEETING OF APRIL 25, 2008, SPECIAL EXECUTIVE BOARD MEETING OF APRIL 18, 2008, AND SPECIAL EXECUTIVE BOARD MEETING OF MAY 7, 2008

The minutes listed above were approved as submitted.

Motion: Member Storing, seconded by Vice President De La Torre  
Vote: Duly carried (Member Chandler abstained on the May 7,  
2008 minutes)

**PRESENTATIONS:**

**Contractors' Employee Recognition**

Wayne Fritz, General Manager, introduced and recognized the Arcadia location MV Transportation Operators & Employees of the Month: Luis Alarcon, Operator of the Month; and William Vincent, Employee of the Month.

Peter Greenberg, General Manager, introduced and recognized the Pomona location First Transit Operator of the Month: Javier Vargas, Operator of the Month.

**Introduction of New Staff**

Doran Barnes, Executive Director, introduced the following new staff:

Hendy Satyaputra, Part-time CSR Puente Hill TS; Deanna Forrest, Marketing Administrative Assistant; and Joseph Raquel, Director of IT.

The Executive Board commended the awardees, and welcomed the new staff.

**APTA International Roadeo**

George Karbowski, Director of Operations & Maintenance, introduced Van Vong, Operator, and Robert Wisdom, Tracy Nicometo, and Alex Calderon, Maintenance Team, and commended them on their participation in the APTA International Roadeo.

Doran Barnes presented Paula Lantz with an art piece on behalf of Foothill Transit acknowledging her leadership and outstanding commitment during her tenure as President of the Executive Board, and thanked her personally for her good counsel.

President Delach recognized Mayor Pro Tem Roger Hernandez, City of West Covina.

**PUBLIC COMMENT**

There was none.

**CONSENT CALENDAR:**

The Executive Board adopted the Consent Calendar items 7 through 15, and pulled item 8 for further discussion.

Motion: Member Lantz, seconded by Vice President De La Torre  
Vote: Unanimously carried

### **DONATION OF BUS TO ACCESS SERVICES**

Darold Pieper, General Counsel, advised that he is disclosing publicly to the Executive Board that Doran Barnes, Executive Director, is a member of the Access Services Board, to avoid even an appearance of a conflict of interest.

The Executive Board adopted Consent Calendar item 8.

Motion: Member Lantz, seconded by Member Chandler  
Vote: Unanimously carried

### **REGULAR AGENDA:**

#### **DUMP THE PUMP MARKETING CAMPAIGN**

Linda Somilleda, Director of Marketing and Communications, reported that on June 19, public transit agencies from coast to coast will join together to encourage their communities to dump the pump by leaving their cars at home and riding public transportation.

The day is designed to encourage people to get out of their cars and ride public transportation to raise awareness of the financial and environmental benefits of public transportation. Public transportation has the ability to save people money, conserve gasoline, and reduce the harmful greenhouse gases emitted into our environment.

In the weeks leading up to June 19, Foothill Transit will participate in this national campaign by rolling out a comprehensive marketing campaign that will include the following components:

Print advertisements in a variety of publications; Revamped cable commercials, featuring an updated gas prices segment; Free ride coupon; Opportunity to enter into a drawing for an Apple iPod; Transit ambassadors at key locations; and an Outreach to employers.

The advertisements will drive potential customers to the Foothill Transit website to print a coupon for a free ride on June 19 as well as the opportunity to enter into a drawing for an Apple iPod.

Ideally the focus on saving money and the environment, as well as the personal assistance provided by ambassadors, will be the push needed for some to consider Foothill Transit as a transportation alternative.

Funds are available in the current year business plan under the Marketing and Communications Department budget.

In response to Member Lantz, Ms. Somilleda advised that the free pass can be obtained on-line and by calling the 800#, and the advertisement can be posted in the Transit Stores.

The Executive Board received and filed the *Dump the Pump* Marketing Campaign report.

Motion: Member Storing, seconded by Vice President De La Torre  
Vote: Unanimously carried

### **WEST COVINA PARK AND RIDE PROJECT**

Bob Arthur, Director of Special Projects, reported that the last update on the West Covina Park and Ride project was presented to the Executive Board in January 2008. Since that time Foothill Transit staff and special legal counsel, along with Watry Design, Foothill's project architect and their team of consultants have continued to move the project forward completing many objectives.

In February, the revised precise plan for the project was resubmitted to the City of West Covina staff for additional comment and the team met again with city representatives in April to discuss their comments and respond to questions. The Watry team continues to develop revisions to the traffic analysis for the project based on comments received from the city. In March the draft Mitigated Negative Declaration (MND) was submitted to the city, and in April the team met with city staff to discuss their comments and respond to questions.

On March 6, staff met with Federal Transit Administration (FTA) representatives and presented the draft Environmental Assessment report for comment and review, prior to submitting the revised document on April 24. Throughout this period the project team has met with adjoining property owners, building tenants, elected officials, and the West Covina Chamber of Commerce to present the proposed project, describe the project benefits to the area and answer any questions.

Upon receiving the necessary project approvals from the city and the FTA, staff will work with Watry Design to develop the final phase of the engineering design requirements for the project and present a recommendation to the Executive Board. This final phase of work will be the basis for the development of the plans and specifications for construction of the project and additional project oversight and administrative services required by Watry Design.

Funding for this project is included in the approved Foothill Transit Business Plan. It should be noted that timing for the FTA approval of the environmental assessment is on a critical path as \$5,075,393 in grant funding for this project is due to lapse on September 30, 2008.

The Executive Board received and filed the status report on the West Covina Park and Ride project.

Motion: Member Storing, seconded by Vice President De La Torre  
Vote: Unanimously carried

### **ENDORSEMENT OF APTA VICE CHAIR OF HUMAN RESOURCES**

Darold Pieper, General Counsel, advised that during the past twenty years, Foothill Transit Executive Director has been an active participant in APTA. Doran Barnes currently serves on the APTA Board of Directors and as the Chair of the APTA Human Resources Committee. He participated in the Leadership APTA program and currently serves as a member of the Leadership APTA Committee. Further, Doran is a member of the APTA CEO's Committee, Board Members Committee and Diversity Council.

APTA is governed by its Board of Directors and 17 elective offices. The Vice Chair of Human Resources is one of the elective offices. A slate of officers will be determined by the APTA Nominating Committee and presented to the APTA membership at the Annual Conference, which will be held in October.

Some modest travel may be required if the Executive Director is successful in being elected to this position. Funds are available in the fiscal year 2009 budget for these activities.

The Executive Board endorsed Foothill Transit Executive Director Doran Barnes for the position of American Public Transportation (APTA) Vice Chair of Human Resources and authorized the President to send a letter of endorsement to the APTA Nominating Committee.

Motion: Vice Chair De La Torre, seconded by Member Lantz  
Vote: Unanimously carried

### **POLICY ON BUS PASSES FOR GOVERNING BOARD MEMBERS**

Kevin McDonald, Deputy Executive Director, reported that Foothill Transit's current administrative policy is to issue Commuter Express passes upon request to Executive Board members for their use and evaluation of the service. A number of Governing Board members currently make regular use of Foothill Transit and provide valuable feedback on the day-to-day operation of the system.

Foothill Transit's Governing Board members have a vested interest in ensuring that the agency fulfills its mission, and as such it would be beneficial to memorialize the current administrative policy on issuing passes to Board members. That proposed policy statement is as follows:

It is the policy of Foothill Transit to issue Foothill Transit passes upon request to Governing Board Members and Alternates for their use and evaluation of the system. Passes may be used by the board members or may be provided to other riders who provide feedback regarding Foothill Transit's services to the board member. It is understood that these passes will not be resold.

The number of board members and alternates who might request bus passes is unknown. However, it is not anticipated that implementing this policy will have a negative impact on Foothill Transit's budget.

The Executive Board authorized the issuance of Foothill Transit Commuter Express passes to Governing Board Members and Alternates for their use and evaluation of the system.

Motion: Member Chandler, seconded by Member Lantz  
Vote: Unanimously carried

### **VOLUMETRIC EXCISE TAX CREDIT UPDATE**

Vice President De La Torre recused himself from this agenda item in that he works for Sempra Energy, SCE, and although General Counsel has advised him a conflict does not exist, this action removes any appearance of a conflict of interest.

Richard Hasenohrl, Director of Finance, reported that in a voicemail message left on April 23, Mr. Chad Lindholm, Regional Manager for Clean Energy, informed Deputy Executive Director, Kevin McDonald that Clean Energy plans to seek an IRS Letter Ruling to determine if they are the "Alternative Fueler" (the agency entitled to the VETC) for the compressed natural gas utilized in Foothill Transit's transit operations. Mr. Lindholm also expressed Clean Energy's intentions to dispute the IRS Letter Ruling if the ruling indicated Foothill Transit was the Alternative Fueler, and that he had been directed to pull Clean Energy's offer to split the excise tax credit with Foothill Transit.

During meetings with Mr. Lindholm and Mr. James Harger, Senior Vice President, Marketing and Sales for Clean Energy, they have stated that Clean Energy has claimed and are receiving the VETC. The VETC is an element of the current transit funding authorization bill, and that bill expires on September 30, 2009. If the bill is renewed or extended, or if a new bill is enacted, it may or may not include fuel tax incentive and may or may not include an option for a taxpayer to retroactively request excise fuel tax credits. Currently, Foothill Transit can request excise tax credits for fuel used from October 1, 2005 through September 30, 2009.

To reduce the risk of a potential loss of retroactive applicability, Foothill Transit may wish to submit a claim for the excise tax credit and include Foothill Transit's justification for its position as the Alternative Fueler along with Clean Energy's position. This would allow Foothill Transit to begin receiving the excise tax credit and eliminate any negative

financial impact in the event the ability to submit retroactive claims is eliminated.

Foothill Transit may also wish to consider partial or full termination of the contract with Clean Energy related to Foothill's transit bus fueling activities.

If the IRS rules in Foothill Transit's favor, the projected annual credit to Foothill Transit is \$2,460,000.

The Executive Board received and filed a report on the status of Foothill Transit's eligibility to claim the Federal Volumetric Excise Tax Credit (VETC) on Compressed Natural Gas (CNG) used to fuel the agency's buses and directed staff to explore all options including the termination of existing agreements.

Motion: Member Lantz, seconded by Member Chandler  
Vote: Unanimously carried

### **LEASE, SALE OR TRANSFER OF BUSES TO GOLD COAST TRANSIT**

Staff requested that this agenda item be pulled.

### **EXECUTIVE DIRECTOR COMMENT**

Doran Barnes reported the following:

- The Governor's budget May revise does not benefit public transportation; transit monies totaling \$1.3 Billion was not included last year, and \$1.7 Billion is not projected to be included this year; and
- Next month's agenda will include the Excise Tax Credit, 15-Year Plan, Fare Technology/Policy issues, and future Bus Procurement.

### **BOARD MEMBER COMMENT**

President DeLach welcomed Roger Chandler to the Executive Board.

### **ADJOURNMENT**

There being no further business, the Executive Board adjourned at 8:46 a.m.