



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
DECEMBER 15, 2023 – 9:00 AM**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, December 15, 2023, as a hybrid meeting.

The Board Meeting agenda packet can be found online at www.SCMTD.com. *Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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1 CALLED TO ORDER at 9:00 AM by Board Chair Kalantari-Johnson.

2 ROLL CALL:

The following Directors were **present**, representing a quorum:

Director Kristen Brown	City of Capitola
Director Rebecca Downing AR 9:05	County of Santa Cruz
Director Jimmy Dutra AR 9:02	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Bruce McPherson	County of Santa Cruz
Director Scott Newsome	City of Santa Cruz
Director Larry Pageler	County of Santa Cruz
Director Quiroz-Carter	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Dan Henderson	UC Santa Cruz
Ex-Officio Director Alta Northcutt	Cabrillo College
Michael Tree	CEO/General Manager
Julie Sherman	General Counsel

3 ANNOUNCEMENTS

Today’s meeting is being broadcast by Community Television of Santa Cruz County.

Maria Avila, Language Line Services, provided Spanish language interpretation services.

Margo Ross, Chief Operations Officer, announced that the audience is filled with trainees that were available to attend this morning’s meeting and welcomed them all to METRO.

Board Chair Kalantari-Johnson thanked them for joining the METRO family. She also thanked COO Ross and her team for their efforts in recruitment.

4 BOARD OF DIRECTORS COMMENTS

Director McPherson spoke as a member of the Area Agency on Aging and said the announcement of free fares on METRO is being greeted enthusiastically by the senior citizens in Santa Cruz County.

Director Rotkin commented that this has been the most amazing year out of the 30 years he has been on the Board. We owe this to CEO Tree and all the employees that work at METRO. He thanked the current Board of Directors for their commitment to public transit. Board Chair Kalantari-Johnson thanked Director Rotkin for his years of service on the METRO Board.

Hearing nothing further, Board Chair Kalantari-Johnson moved to the next agenda item.

5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Board Chair Kalantari-Johnson announced additional written communications were received and will be added to the agenda packet.

Eduardo Montesino, Temporary Reimagine METRO Recruitment and Training Coordinator, provided an update on recruitment efforts. Director Lind asked how many new Bus Operators are being hired. COO Ross said we have 33 new hires and gave credit to Mr. Montesino for his recruiting efforts.

Hearing nothing further, Board Chair Kalantari-Johnson moved to the next agenda item.

6 LABOR ORGANIZATION COMMUNICATIONS

Brandon Freeman, SMART General Chairperson, Local 0023, invited the new recruits to introduce themselves to the Board of Directors. The group included Bus Operators for Fixed Route and ParaCruz, Dispatchers and Schedulers. Mr. Freeman added that he supports staff's recommendation to the Board today to increase Bus Operators to achieve our Reimagine METRO goals. He thanked the Board for their support at the December 7, 2023 Santa Cruz County Regional Transportation Commission (RTC) meeting. He also thanked Mr. Montesino for his recruitment efforts.

Board Chair Kalantari-Johnson acknowledged and thanked Mr. Freeman for his leadership and bringing new members of the METRO family to meet the Board. It is important for us to meet the people who are doing the work every day to make METRO run.

Hearing nothing further, Board Chair Kalantari-Johnson moved to the next agenda item.

7 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Supporting documentation for Items 12-14 was sent to the Board of Directors on December 14, 2023 to review and will be added to the agenda packet.

CONSENT AGENDA

- 8.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTHS OF OCTOBER & NOVEMBER 2023
Chuck Farmer, Chief Financial Officer
- 8.2 ACCEPT AND FILE MINUTES OF:
 - A. OCTOBER 27, 2023 BOARD OF DIRECTORS REGULAR MEETING
 - B. DECEMBER 8, 2023 PERSONNEL/HUMAN RESOURCES STANDING COMMITTEEMichael Tree, CEO/General Manager
- 8.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF NOVEMBER 30, 2023
Chuck Farmer, Chief Financial Officer
- 8.4 ACCEPT AND FILE: THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR JULY, AUGUST, AND SEPTEMBER 2023
Daniel Zaragoza, Operations Manager, Paratransit Division
- 8.5 ACCEPT AND FILE: THE METRO SYSTEM RIDERSHIP REPORTS FOR THE FIRST QUARTER OF FY24
John Urgo, Planning and Development Director
- 8.6 APPROVE: CONSIDERATION OF A RESOLUTION TO ESTABLISH THE 2024 BOARD OF DIRECTORS' MEETING SCHEDULE
Michael Tree, CEO/General Manager
- 8.7 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO/GENERAL MANAGER AS THE AUTHORIZED AGENT TO EXECUTE ALL REQUIRED DOCUMENTS TO CLAIM FUNDS AWARDED THROUGH THE FY23-24 CALTRANS CLEAN CALIFORNIA TRANSIT PROGRAM
John Urgo, Planning and Development Director
- 8.8 ACCEPT AND FILE: THE YEAR-TO-DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER ONE AS OF SEPTEMBER 30, 2023
Chuck Farmer, Chief Financial Officer
- 8.9 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO/GENERAL MANAGER AS THE AUTHORIZED AGENT TO EXECUTE ALL REQUIRED DOCUMENTS TO CLAIM FUNDS AWARDED THROUGH THE REGIONAL EARLY ACTION PLANNING GRANTS OF 2021 (REAP 2.0) REGIONAL COMPETITIVE GRANT PROGRAM
John Urgo, Planning and Development Director
- 8.10 APPROVE: REQUEST FOR AUTHORIZATION OF TWO (2) MARKETING SPECIALISTS IN THE MARKETING DEPARTMENT
Dawn Crummié, Human Resources Director
- 8.11 APPROVE: RESOLUTION DECLARING CERTAIN PROPERTY EXEMPT SURPLUS LAND UNDER THE SURPLUS LAND ACT
Chuck Farmer, Chief Financial Officer, and Julie Sherman, Legal Counsel

8.12 APPROVE: AUTHORIZE THE CEO/GENERAL MANAGER TO INCREASE THE NUMBER OF AUTHORIZED BUS OPERATORS
Chuck Farmer, Chief Financial Officer

8.13 APPROVE: AUTHORIZE THE CEO/GENERAL MANAGER TO INCREASE THE NUMBER OF PARATRANSIT BUS OPERATORS
Margo Ross, Chief Operations Officer

Director Rotkin inquired as to when METRO can expect to see the results of these new hires in Item 8.10. CEO Tree responded that we currently have an intern who is helping Danielle Glagola, METRO's Marketing, Communications and Customer Service Director, and we will actively recruit to fill one of these positions in the immediate future. Once on board, this position will work with Celtis and Miller Maxfield on our Reimagine METRO Phase 2 campaign.

Director Rotkin commented that he looks forward to reviewing the revised budget in January 2024 and expressed concern about the fiscal cliff and the sustainability of these new hires without a sales tax being passed.

Jim Rendler, Vice President, For the Future Housing, Inc., and developer for the new Pacific Station, commented on Item 8.11 and expressed gratitude on being part of this project that will start in February 2024.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR PAGELER SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

REGULAR AGENDA

9 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS: (15 YEARS) NATHANAEL ABREGO, ANDREA EUSSE-GIL, ROBERT KRAUSE, AND RUBEN VALDEZ

Board Chair Kalantari-Johnson thanked the employees for their service to METRO. Director Pageler provided a personal bio for Andrea Eusse-Gil covering the years he has known and worked with her.

10 RETIREE RESOLUTION OF APPRECIATION FOR: MAURIZIO ITALIA

Board Chair Kalantari-Johnson congratulated Mr. Italia on his retirement and thanked him for his years of service at METRO.

ACTION: MOTION TO APPROVE THE RETIREE RESOLUTION OF APPRECIATION FOR MAURIZIO ITALIA

MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR NEWSOME

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

11 METRO ADVISORY COMMITTEE (MAC) SEMI-ANNUAL ORAL UPDATE

Jessica de Wit, MAC Chair, provided the semi-annual MAC update. MAC is pleased to see ridership levels increase as we move away from the pandemic. METRO staff has been very responsive in listening to MAC's concerns on bus stop signage, shelters, and discussions on the Reimagine METRO project. MAC is happy to hear that METRO is ramping up its presence in the community. Many riders like the new look of the buses and how it celebrates the Santa Cruz County area. She thanked staff for providing MAC with a tour of the Judy K. Souza Facility. With all the innovative programs in the works at METRO, MAC appreciates being part of this effort.

Board Chair Kalantari-Johnson thanked Ms. de Wit for her work on MAC.

There were no public comments.

12 APPROVE REQUEST FOR RECLASSIFICATION RESULTS FOR OPERATIONS DEPUTY DIRECTOR IN THE OPERATIONS DEPARTMENT

Monik Delfin, Human Resources Deputy Director, spoke to this item and requested the Board to authorize the creation of the Operations Deputy Director position to manage both the Fixed Route and Paratransit divisions. In addition, the job descriptions for Operations Managers in Fixed Route and Paratransit, and the Assistant Operations Managers in Fixed Route and Paratransit have been updated due to this change.

Mr. Freeman provided his support to Daniel Zaragoza on handling the combined position.

There were no public comments.

ACTION: MOTION TO APPROVE THE AUTHORIZATION OF AN OPERATIONS DEPUTY DIRECTOR IN THE OPERATIONS DEPARTMENT

MOTION: DIRECTOR KOENIG SECOND: DIRECTOR MCPHERSON

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

13 APPROVE REQUEST FOR RECLASSIFICATION RESULTS FOR MARKETING AND COMMUNICATIONS DIRECTOR IN THE MARKETING DEPARTMENT

Monik Delfin, Human Resources Deputy Director, spoke to this item and requested the Board to reclassify the Marketing, Communications, and Customer Service Director to Marketing and Communications Director to address the needs of the Marketing Department created in this fiscal year.

Director Lind commented that making this change makes sense as the position has evolved under CEO Tree. We look forward to its continued successes.

There were no public comments.

ACTION: MOTION TO APPROVE THE RECLASSIFICATION FOR A MARKETING AND COMMUNICATIONS DIRECTOR IN THE MARKETING DEPARTMENT

MOTION: DIRECTOR PAGELER SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

14 APPROVE REQUEST FOR RECLASSIFICATION RESULTS FOR CUSTOMER EXPERIENCE MANAGER IN THE CUSTOMER SERVICE DEPARTMENT

Monik Delfin, Human Resources Deputy Director, spoke to this item and requested the Board to reclassify the current Customer Service Manager to Customer Experience Manager to encompass new job responsibilities and a “customer first” mindset.

Discussion followed on the ambassador program component in the job description and the collaboration with the Downtown Association in providing personnel; training in people skills as well as the METRO system; identifying these ambassadors; applying metrics to the process, and security concerns.

CEO Tree responded to all concerns.

There were no public comments.

ACTION: MOTION TO APPROVE THE RECLASSIFICATION FOR A CUSTOMER EXPERIENCE MANAGER IN THE CUSTOMER SERVICE DEPARTMENT

MOTION: DIRECTOR DOWNING

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Newsome, Pageler, and Rotkin). Director Quiroz-Carter was absent.

15 CEO ORAL REPORT

Michael Tree, CEO/General Manager, spoke to the following items:

- Continue to recruit new Bus Operators for Reimagine METRO.
- RTC approved the \$32.4 million in transportation projects allowing METRO to move forward with Phase 2 of Reimagine METRO.
- The transit signal priority (TSP) project will get under way giving METRO priority at intersections.
- California Highway Patrol performed its impromptu inspection. They gave METRO a list of buses to inspect and reviewed the records on maintenance and Bus Operator driving records. They gave METRO the highest rating possible for having buses maintained appropriately and drivers who are trained and licensed appropriately. We will do a press release to let the public know how we fared.
- Recently completed construction on one of the bus bays to accommodate the articulated buses. Eddie Benson, Maintenance Manager, and his team are currently in San Diego getting four more of the articulated buses. That brings the total buses from San Diego to ten. This will help us implement Phase 2 and provide better service to students.
- COO Ross was praised on her negotiating skills on the New Flyer contract. New Flyer quoted METRO a price of \$1.47 million for each bus (44 buses total).

Considering the volume of buses, METRO pursued a discount. It was COO Ross who was able to negotiate a \$28,000 discount on each bus.

- Center for Transportation and the Environment (CTE) helped METRO with its zero-emission master plan and is helping to launch the fueling station so it is operational when the new buses arrive.
- Thanked Mr. Montesino for a great recruiting effort. You saw firsthand today his efforts in recruiting.
- Ms. Glagola spoke to the marketing assets (attached) created for Phase 1 of Reimagine METRO's marketing plan and highlighted the other mediums being used, presented in both English and Spanish, to communicate the changes to the public which include organic social media, paid social media, printed ads, radio ads, and bus signs.

Board Chair Kalantari-Johnson appreciated all the efforts taken and reminded the members to share METRO's successes on social media. Director Pageler appreciated the "How Did My Route Change" page in the Headways that highlights the changes in the routes in a simple, concise format. Director Downing asked how this information is being disseminated to students now that the school term is ending. Ms. Glagola responded that information has already been released to the students and we plan to do even more outreach to the students. Director Pageler asked Ex-Officio Director Henderson if he is still considering having student ambassadors around campus to help explain the changes and if that is in place for winter quarter? Ex-Officio Director Henderson said UCSC has been toying with the idea of getting students out to the bus stops for several reasons but also to talk about these changes to the routes. There is a learning curve associated with this, but we will continue to get the word out. Director Rotkin suggested that UCSC provide materials to faculty that can be presented to students in the classrooms to help facilitate this process. Director Downing suggested that Ms. Glagola send out the social media information to the Board Members routinely instead of having to request it.

Director Lind brought up the recent UCSC bus crash and suggested that METRO release something so that the public doesn't think it was a METRO bus to dispel any safety concerns. Ms. Glagola responded that she had been in contact with KSBW about using METRO b-roll footage and that KSBW apologized for the footage use and discontinued using it.

- Chuck Farmer, Chief Financial Officer, reviewed all the grant awards received in the past 24 months, amounting to \$148,506,924 (breakdown attached) for buying buses and infrastructure.

Director McPherson asked when applying for new grants, does it help or hurt us when we have been awarded so much money already. CFO Farmer provided his opinion that if you show performance and do something with the money, it is likely they are willing to give more money. If you just sit on the money, then they can say, "Why give more when you haven't spent what we already gave you?" We are moving and making changes and they see that.

Director Rotkin asked if METRO had an update on the federal government's investment of \$1.2 billion in hydrogen technology. CEO Tree said he's hopeful for an announcement in early 2024 on how this will move forward.

Matt Farrell, Friends of the Rail and Trail, remarked that his group appreciates the leadership that has been shown in the last two years, both at METRO and the RTC, to address the regional transportation needs. He appreciates the open door that CEO Tree has had in talking about the challenges that face us and focusing on opportunities to collaborate. We appreciate and look forward to working together to build an equitable and comprehensive solution to our transit needs.

Board Chair Kalantari-Johnson reviewed the list of accomplishments at METRO in this past year. She expressed that this is an incredible job on improving our transit system so we can contribute to the community's well-being. She thanked all of METRO staff and the leadership of CEO Tree. She looks forward to the new year and bringing things to fruition.

Director McPherson suggested an Op-Ed be done listing all these accomplishments to let the public know what this means. The Board Chair agreed and said she would reach out to other Board Members for input. She wished everyone a Happy Holidays and to take this time to celebrate with family and friends.

16 ANNOUNCEMENT OF NEXT MEETING

Board Chair Kalantari-Johnson announced that the next meeting will be on Friday, January 26, 2024, at 9:00 AM at the METRO Admin Office, 110 Vernon Street, Santa Cruz, CA.

17 ADJOURNMENT

Board Chair Kalantari-Johnson adjourned the meeting at 10:08 AM.

Respectfully submitted,

Donna Bauer
Executive Assistant