



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
MAY 16, 2025 – 9:00 AM**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, May 16, 2025, 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 9:04 AM by Board Chair Downing.

2 SAFETY DEBRIEF

Gregory Strecker, Safety, Security & Risk Management Director, provided a debriefing on safety, emphasizing the evacuation routes in response to an emergency.

3 ROLL CALL

Board Chair Downing announced she is using the emergency circumstance exception and requested joining the meeting via teleconference. The Board approved her request through a roll call vote. The following Directors were **present**, representing a quorum:

Director Rebecca Downing**
Director Jimmy Dutra *AR 9:32 AM*
Director Shebreh Kalantari-Johnson
Director Manu Koenig
Director Fabian Leonor
Director Donna Lind
Director Martinez
Director Scott Newsome
Director Melinda Orbach
Director Quiroz-Carter* *AR 9:11 AM*
Director Mike Rotkin
Ex-Officio Director Alta Northcutt
Ex-Officio Director Edward Reiskin

County of Santa Cruz
City of Watsonville
City of Santa Cruz
County of Santa Cruz
County of Santa Cruz
City of Scotts Valley
County of Santa Cruz
City of Santa Cruz
City of Capitola
City of Watsonville
County of Santa Cruz
Cabrillo College
UC Santa Cruz

*Attended via teleconference at 628 Crown Road, Santa Cruz, CA

**Attended via teleconference using emergency circumstance

Corey Aldridge
Julie Sherman

CEO/General Manager
General Counsel

4 ANNOUNCEMENTS

- 4.1 Today's meeting was broadcast by Community Television of Santa Cruz County.
- 4.2 Language Line Services was unable to provide Spanish interpretation services.

5 BOARD OF DIRECTORS COMMENTS

Board Chair Downing commended METRO staff for their work during the Cabrillo College election cycle and hosting booths at the Earth Day celebrations held in Santa Cruz and Watsonville. Everyone working at the booths (Marketing, Bus Operators and Customer Service staff) was very professional and friendly and the visitors felt welcomed and appreciated.

Hearing nothing further, Board Chair Downing moved to the next agenda item.

6 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, Trail Now, mentioned METRO will have a tax initiative on the 2026 ballot and requested the METRO representatives on the Santa Cruz County Regional Transportation Commission (SCCRTC) to prioritize funding to METRO and the trail instead of the train; otherwise, Trail Now will become a political action committee against the tax measure.

Director Rotkin briefly addressed Mr. Peoples' comments stating there is no connection between the rail, trail, and METRO. Director Rotkin said he is committed to not taking any money from METRO or potential funding sources and putting it toward the train.

Hearing nothing further, Board Chair Downing moved to the next agenda item.

7 LABOR ORGANIZATION COMMUNICATIONS

Veronica Velazquez, SEIU Lead Internal Organizer, mentioned that an email was sent to all Board Members this week on behalf of the SEIU membership and spoke to that email. She requested the Board to consider the items in the email in evaluating the CEO's performance.

Liam McLaughlin, SEIU representative, followed up that he sent another email to the Board Members on May 15, 2025 and said the membership conducted a vote of no confidence amongst themselves and provided the results to the Board.

Olivia Martinez, SEIU Region 2 Director, said employees continue to tell METRO there are racial discrimination issues that need to be addressed and suggested there is no accountability or integrity at METRO. SEIU will continue to raise these concerns. You need to listen to your employees; they are not in attendance at this meeting because they are afraid of retaliation.

Jaime Renteria, SMART General Chairperson, Local 0023, said he represents 277 Bus Operators in the SMART union; they are not represented by SEIU. The CEO has been attending SMART meetings, supports our membership, and listens to our concerns.

Dawn Crummié, Chief Human Resources Officer (CHRO), addressed the concerns raised by SEIU. As head of HR, I am often the first point of contact for both employees and union representatives when issues arise between staff and management. My priority is to ensure a fair, respectful and equitable workplace for all METRO employees. There are times when I must respond with firmness while remaining professional. I understand how this dynamic may be perceived, but I encourage every situation with a goal of maintaining a balanced and constructive work environment. I have been with METRO for seven years, beginning as Assistant HR Manager, promoted to Director of HR, and now CHRO. In 2022, I also served as an Interim CEO for four months during the recruitment of a new CEO. I was chosen by this Board in large part for my established relationship with union partners. I value those relationships and the work we do together. I care deeply about this agency, our mission and our employees and want nothing more than to foster a positive and productive workplace for everyone at METRO.

Corey Aldridge, CEO/General Manager, said he has been at the agency for over a year and has loved his time at METRO. He was surprised to hear about these concerns from SEIU. As he has interacted with members of SEIU, he hasn't gotten the sense that they are dissatisfied. I know there are a few that are upset for various reasons, and I try to work on those. I'm open, transparent, and my door is always open to them. I just want to reiterate to the Board that I am fully committed to helping METRO move forward and be a world class organization. I'm going to make decisions at times that employees may disagree with but know that every decision and choice I make is in the best interest of this organization. I will continue to lead this organization to the best of my ability.

Director Kalantari-Johnson asked Mr. McLaughlin what percentage of SEIU members took the survey? Mr. McLaughlin responded that he didn't have that figure handy but will get it to her.

Hearing nothing further, Board Chair Downing moved to the next agenda item.

8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

It was noted that two emails were sent to the Board Members from SEIU.

CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK AND ACH JOURNAL DETAIL FOR THE MONTH OF MAY 2025

Chuck Farmer, Chief Financial Officer

- 9.2 ACCEPT AND FILE:
A. MINUTES OF APRIL 25, 2025 BOARD OF DIRECTORS MEETING
B. MINUTES OF MAY 9, 2025 FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING
Corey Aldridge, CEO/General Manager
- 9.3 ACCEPT AND FILE: THE YEAR-TO-DATE MONTHLY FINANCIAL REPORT AS OF APRIL 30, 2025
Chuck Farmer, Chief Financial Officer
- 9.4 ACCEPT AND FILE: THE YEAR-TO-DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER THREE AS OF MARCH 31, 2025
Chuck Farmer, Chief Financial Officer
- 9.5 ACCEPT AND FILE: THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR JANUARY, FEBRUARY, AND MARCH 2025
Rina Solorio Gomez, Assistant Operations Manager, Paratransit
- 9.6 ACCEPT AND FILE: THE METRO SYSTEM RIDERSHIP REPORTS FOR THE THIRD QUARTER OF FY25
John Urgo, Chief Planning and Development Officer
- 9.7 ACCEPT AND FILE: THIRD QUARTER GRANTS MANAGEMENT REPORT
Derek Toups, Planning and Innovation Deputy Director
- 9.8 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER TO EXECUTE A 1ST AMENDMENT WITH FLEET MAINTENANCE CONSULTING, INC. TO INCREASE THE AGREEMENT TOTAL BY UP TO \$150,000 FOR NEW FLYER BUS INSPECTIONS
Margo Ross, Chief Operations Officer
- 9.9 APPROVE: AMENDED MANAGEMENT COMPENSATION POLICY
Dawn Crummié, Chief Human Resources Officer
- 9.10 APPROVE: CONSIDERATION OF AWARD OF CONTRACT WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES NOT TO EXCEED \$396,936
Kristina Mihaylova, Finance Deputy Director
- 9.11 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER TO EXECUTE A 2ND CONTRACT AMENDMENT WITH MASABI LLC
John Urgo, Chief Planning and Development Officer

There were no public comments.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR LEONOR SECOND: DIRECTOR KALANTARI-JOHNSON

MOTION PASSED WITH 8 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Orbach, Quiroz-Carter, and Rotkin). Directors Dutra, Martinez, and Newsome were absent.

REGULAR AGENDA

- 10 PRESENTATION OF EMPLOYEE LONGEVITY AWARD FOR:
(10 YEARS) JULIO PEREZ, BUS OPERATOR
(20 YEARS) ERLYN OSORIO, TRANSIT SUPERVISOR*
(20 YEARS) MARIO TORRES SERRANO, BUS OPERATOR***

*Signifies those present to receive their certificates in person.

Board Chair Downing thanked them for their years of service at METRO. Director Koenig helped distribute the certificates to those in attendance.

Mr. Osorio thanked Elmer Torres, who told him about the opening in 2005. He started as a Paratransit Operator, later moving to a Bus Operator, and recently promoted to Transit Supervisor. He is thankful to everyone who has helped him get this far and hopes to continue for another 15-20 years.

Mr. Torres Serrano thanked the Board for this recognition. He commented on SEIU's earlier comments and agreed that things have changed in the agency and not always for the better. He has dealt with HR and supervisors and felt there is retaliation and favoritism.

There were no public comments.

Hearing nothing further, Board Chair Downing moved to the next agenda item.

- 11 APPROVE: RESOLUTION SETTING A PUBLIC HEARING ON JUNE 27, 2025 PURSUANT TO ASSEMBLY BILL (AB) 2561 TO PRESENT THE STATUS OF JOB VACANCIES, RECRUITMENT, AND RETENTION EFFORTS AT SANTA CRUZ METRO**

Dawn Crummié, Chief Human Resources Officer, spoke to AB 2561 and explained this new law was introduced to address staffing levels in public agencies and to monitor vacancies and provide efficient and reliable services to the public. METRO does not meet the 20% threshold of vacancies outlined in the law but continually monitors them. CHRO Crummié asked the Board to approve the resolution setting a public hearing on June 27, 2025. At that hearing she will provide a presentation on the vacancies and recruitment efforts underway.

There were no public comments.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO APPROVE A RESOLUTION SETTING A PUBLIC HEARING ON JUNE 27, 2025 PURSUANT TO ASSEMBLY BILL (AB) 2561 TO PRESENT THE STATUS OF JOB VACANCIES, RECRUITMENT, AND RETENTION EFFORTS AT SANTA CRUZ METRO

MOTION: DIRECTOR LIND

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 9 AYES (Directors Downing, Dutra, Kalantari-Johnson, Koenig, Leonor, Lind, Orbach, Quiroz-Carter, and Rotkin). Directors Martinez and Newsome were absent.

12 REVIEW AND RECOMMEND APPROVAL OF SANTA CRUZ METRO'S FY26 AND FY27 OPERATING BUDGETS AND FY26 CAPITAL BUDGET PORTFOLIO

Chuck Farmer, Chief Financial Officer, spoke to the presentation and focused on what has changed since March. He reviewed the FY26 Budget changes in operating and non-operating revenues and expenses, the budget drivers, funding sources, changes in headcount, operating risks, and the capital budget and its funding sources. He also reviewed public support activities, employee appreciation activities, due and memberships, and employee incentive programs. Lastly, he requested the Board approve setting a public hearing on June 27, 2025 for the final budget review.

Discussion followed on:

- One-time funding for Reimagine METRO positions
- Grant money specifically for capital projects
- Take advantage of revenue increases on successful routes (e.g., Highway 17)
- Reduction of Bus Operators when METRO is expecting to increase service in the fall
- Balancing capital budget deficits
- When would METRO begin receiving revenues from the ballot measure if it passes
- Tightening the budget by eliminating extra support activities

Staff addressed all concerns.

There were no public comments.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO APPROVE SANTA CRUZ METRO'S DRAFT FY26 AND FY27 OPERATING BUDGETS, FY26 CAPITAL BUDGET, AND A RESOLUTION SETTING A PUBLIC HEARING ON JUNE 27, 2025

MOTION: DIRECTOR LIND

SECOND: DIRECTOR ORBACH

MOTION PASSED WITH 9 AYES (Directors Downing, Dutra, Kalantari-Johnson, Koenig, Leonor, Lind, Orbach, Quiroz-Carter, and Rotkin). Directors Martinez and Newsome were absent.

13 CEO ORAL REPORT

Corey Aldridge, CEO/General Manager, spoke to the following items:

- METRO's Marketing Department has been awarded 2 Hermes International Awards – a Platinum Award for the "Youth Cruz Free Digital Marketing Campaign" for our social media efforts and a Gold Award for the "Next Stop Video Series," that highlights popular destinations METRO serves throughout the County.
 - METRO was also awarded two Honorable Mention Awards – one for our "One Ride at a Time" video and another for the "How to Ride" video.

- Summer Service begins June 19th and ends September 19th. The service changes include headway, running time, and routing adjustments as follows:
 1. To better balance passenger loads and create more evenly spaced headways, Routes 1 and 2 will operate every 10 minutes between Watsonville and Santa Cruz. Route 1, along the Soquel corridor, will operate every 20 minutes instead of every 15 minutes and Route 2, along the Capitola corridor, will operate every 20 minutes instead of every 30 minutes, creating combined departures of every 10 minutes between Watsonville and Santa Cruz.
 2. An additional afternoon trip will be added on the weekend to both the Route 40 and 41 schedules serving Davenport and Bonny Doon.
 3. Due to construction on the Murray Street bridge, Route 3A will operate in both directions using the current detour route on 7th Avenue. This will mean no service on Seabright south of Broadway.
 4. Due to ramp closures on Highway 1 at Park Avenue, Route 73 will operate through Capitola on Bay and Park Avenues. New stops will be activated which means more service through Capitola for the duration of the detour.
 5. Select trips on Routes 18 and 19 will not operate through the Main Gate onto the UCSC campus. This is to account for less summer demand on campus while maintaining frequent service on the Mission and Bay Street corridors, where service will continue to operate every 15 minutes.
 6. Additionally, starting with the Summer Headways METRO will be including an Employee Spotlight article focusing on staff to highlight the amazing people we have at the agency and the important work they do for our community.
- The construction of the mobile fueling station is nearly complete. Fuel delivery is planned for the first week of June, with commissioning to follow shortly after.
- Training with Supervisors and Dispatchers on the Temporary Fueler Emergency Action Plan has begun and should be completed within the next week. Additional training for Fleet, VSWs, and First Responders will then be scheduled to begin after Memorial Day.
- Ex-Officio Director Northcutt presented the results of the Cabrillo College transportation fee vote, which have been shared with the Board. The student body overwhelmingly supported continuing the fee, with 85% voting in favor. As a result, the contract will be extended for an additional three years, plus one carryover year. I sincerely appreciate Ex-Officio Director Northcutt for the opportunity to collaborate on this initiative and extend my gratitude to all the staff who contributed to making this possible.

- Upcoming events:
 - May 16th, METRO and ParaCruz are tabling at the Senior Resource Fair held at the Watsonville City Plaza.
 - May 21st is the Touch-A-Truck event held at Depot Hill from noon to 2:00 PM. This event will showcase public works vehicles as a way to engage youth interest.
 - May 31st, METRO will be participating in Santa Cruz Veg Fest hosted at the Fairgrounds in Watsonville from 11 AM – 6 PM. The event focuses on environmentally sustainable lifestyles and includes plant-based foods, cruelty free gifts, and environmental advocacy speakers.
 - SMART and METRO will also be hosting a Senior Celebration Dinner at the end of June. Transportation to the Freedom VFW Hall will be provided from METRO transit centers.
- Each Board Member has received a copy of the *Vibes Magazine* Spring Issue, which features an infographic highlighting key statistics on *Reimagine METRO*. These insights showcase the growth in both service and ridership. This marks the first of many promotional efforts aimed at demonstrating the benefits of *Reimagine METRO*. Future campaign assets will include bus shelter advertisements, posters, and social media posts."
- Last week I had the opportunity to meet with the Federal Transit Administration Regional Administrator to discuss METRO's plans to purchase property in Watsonville with the intent of building a satellite maintenance and operations base. The meeting went well and he seemed to be in support of it.

Director Kalantari-Johnson reminded the attendees of the rail trail ribbon cutting being held on May 21, 2025 from 8:30 – 9:30 AM at Bay and California Streets.

Hearing nothing further, Board Chair Downing moved to the next agenda item.

14 RECESSED TO CLOSED SESSION AT 10:15 AM.

There were no public comments regarding the closed session for the public employee performance evaluation for the CEO/General Manager.

SECTION II: CLOSED SESSION

PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(B)(1); CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO GOVERNMENT CODE SECTION 54957.6

Agency Designated Representative:

Rebecca Downing, Board Chair

Title/Unrepresented Employee:

Corey Aldridge, CEO/General Manager

Following the Closed Session, the Board may consider potential actions to amend the Employment Agreement of the CEO/General Manager and to adopt a revised Salary Schedule.

Director Dutra left the meeting at 11:57 AM.

RECONVENED TO OPEN SESSION AT 11:58 AM

15 REPORT OF CLOSED SESSION ITEMS

Julie Sherman, General Counsel, reported that the Board has completed its review of the CEO/General Manager and then provided an oral report of the proposed amendments to the CEO/General Manager's employment agreement, reporting that the compensation of the CEO/General Manager is proposed to be adjusted on April 29, 2025, with a 4% increase in salary to \$26,867 per month, along with a retention bonus of \$18,800.

Copies of the proposed Resolution, Amendment and Salary Schedule were made available to the public. There were no public comments.

ACTION: MOTION TO APPROVE A RESOLUTION APPROVING A COMPENSATION ADJUSTMENT FOR THE CHIEF EXECUTIVE OFFICER (CEO)/GENERAL MANAGER, EFFECTIVE APRIL 29, 2025, AND CORRESPONDING FIRST AMENDMENT TO THE CEO/GENERAL MANAGER'S EMPLOYMENT AGREEMENT, AND APPROVING THE CEO/GENERAL MANAGER SALARY SCHEDULE, EFFECTIVE APRIL 29, 2025.

MOTION: DIRECTOR KALANTARI-JOHNSON SECOND: DIRECTOR KOENIG

MOTION PASSED WITH 7 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Orbach, and Rotkin). Director Quiroz-Carter voted no. Directors Dutra, Martinez, and Newsome were absent.

16 ANNOUNCEMENT OF NEXT MEETING

Board Chair Downing announced the next regular Board meeting will be held on Friday, June 27, 2025 at 9:00 AM at the Capitola Council Chambers, 420 Capitola Avenue, Capitola CA.

17 ADJOURNMENT

Board Chair Downing adjourned the meeting at 12:00 PM.

Respectfully Submitted,

Donna Bauer
Sr. Executive Assistant